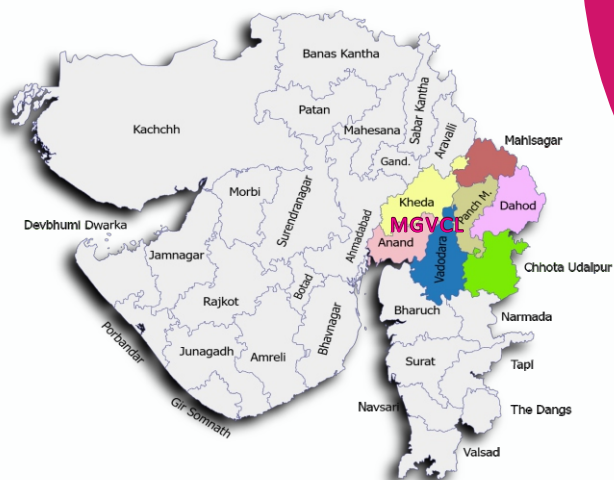




# 21<sup>st</sup> Annual Report 2023-24



**MADHYA GUJARAT VIJ COMPANY LIMITED**

**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



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



| Board of Directors (As on 11-12-2024) |                              | DIN      |
|---------------------------------------|------------------------------|----------|
| Shri Jai Prakash Shivahare, IAS       | Chairman                     | 07162392 |
| Ms. Shweta Teotia, IAS                | Director (w.e.f. 26.09.2024) | 08556856 |
| Shri Tejas Parmar, IAS                | Managing Director            | 08322052 |
| Shri K. P. Jangid                     | Director                     | 06401190 |
| Shri Shubhadeep Sen                   | Director                     | 07898055 |
| Shri Nisarg Joshi                     | Director                     | 10063762 |
| Shri K. M. Shringarpure               | Independent Director         | 02468876 |
| Prof. Ajay Pandey                     | Independent Director         | 01292877 |
| Prof. S. Raman                        | Independent Director         | 10463936 |
| Shri H. P. Kothari                    | Director (Till 13.06.2024)   | 09208111 |
| Smt. Sailaja Vachhrajani              | Director (Till 02.09.2024)   | 08995634 |

## Company Secretary

Shri V. M. Chavan

## Senior Executives

|                          |                                                                       |
|--------------------------|-----------------------------------------------------------------------|
| Shri J. H. Modi          | General Manager (F&A) & CFO (Till 03.09.2024)                         |
| Smt. Sailaja Vachhrajani | General Manager (F&A) (w.e.f. 03.09.2024) and CFO (w.e.f. 25.09.2024) |
| Shri S. S. Taviyad       | I/c Chief Engineer (T&O)                                              |
| Shri R. G. Nagaria       | Chief Engineer (Project)                                              |
| Shri S. V. Rathva        | Additional General Manager (HR)                                       |
| Shri M. D. Rathva        | Additional Chief Engineer (Proc)                                      |

## Bankers

|                       |                      |                     |
|-----------------------|----------------------|---------------------|
| Bank of Baroda        | Bank of India        | Canara Bank         |
| Central Bank of India | Indian Overseas Bank | Indian Bank         |
| State Bank of India   | UCO Bank             | Union Bank of India |

| Auditors                                                | Secretarial Auditors                                                  | Cost Auditors                                          |
|---------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------|
| M/s Mukund & Rohit<br>Chartered Accountant<br>Vadodara. | M/s. J. J. Gandhi & Co<br>Practicing Company Secretaries<br>Vadodara. | M/s. N. D. Birla & Co<br>Cost Accountant<br>Ahmedabad. |

## Registered Office

Sardar Patel Vidyut Bhavan  
Race Course, Vadodara -390007.  
Phone No. : (0265) 2310582 to 586  
Fax No. : (0265) 2337918, 2338164  
Website : www.mgvcl.com  
e-mail : info.mgvcl@mgvcl.com  
CIN : U40102GJ2003SGC042907

| Sr. No. | Particulars                                | Page No. |
|---------|--------------------------------------------|----------|
| 1       | Notice                                     | 02       |
| 2       | Board's Report                             | 05       |
| 3       | Comments of C & AG                         | 37       |
| 4       | Auditor's Report                           | 39       |
| 5       | Balance Sheet                              | 57       |
| 6       | Statement of Profit & Loss                 | 58       |
| 7       | Cash Flow Statement                        | 59       |
| 8       | Statements of Change in Equity             | 61       |
| 9       | Notes Forming Part of Financial Statements | 62       |
| 10      | MGVCL at a Glance                          | 111      |



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



MGVCL/CS/21<sup>st</sup> AGM/2024/393

12/12/2024

## **NOTICE**

**Notice** is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of **Madhya Gujarat Vij Company Limited** will be held (at shorter notice under Section 101(1) of the Companies Act, 2013, pursuant to consent received from all the Members) on **Tuesday, the 17<sup>th</sup> December 2024 at 9.45 a.m.** at the 'Conference Hall' of the Company, Third Floor, Sardar Patel Vidyut Bhavan, Race Course Circle, Vadodara – 390 007, to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2024, together with the Board's Report and Report of Auditors' thereon along with Comments of the Comptroller & Auditor General of India.
2. To declare Dividend on Equity Shares of the Company for the Financial Year ended on 31<sup>st</sup> March, 2024.
3. To take note of appointment and to authorize the Board of Directors of the Company to fix the remuneration payable to Statutory Auditors of the Company 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 2024-25 and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** the appointment of M/s. Shah Mehta and Bakshi., Chartered Accountants, Vadodara made by the Comptroller and Auditor General of India, New Delhi, of pursuant to Section 139(5) of the Companies Act, 2013 to audit the Accounts of the Company for the Financial Year 2024-25 be and is hereby noted and pursuant to Section 142 of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration and other terms and conditions including out of pocket expenses, of M/s. Shah Mehta and Bakshi., Chartered Accountants, Vadodara the Statutory Auditors appointed by the Comptroller and Auditor General of India, to audit the Accounts of Company for the Financial Year 2024-25."

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148, all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s N. D. Birla & Co., Cost Accountants, Vadodara, (Firm Registration No.000028), appointed by the Board of Directors of the Company as Cost Auditors of the Company to conduct the audit of the Cost Accounts / Records maintained by the Company in respect of Electricity Industry for the Financial Year ending 31<sup>st</sup> March, 2025, be paid remuneration of Rs. 67,000/- (Rupees Sixty Seven Thousand Only) per annum as cost audit fees inclusive of out of pocket expenses and applicable GST;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Date : 12/12/2024  
Place : Vadodara

By Order of the Board  
Sd/-  
**V.M. Chavan**  
Company Secretary

**REGISTERED OFFICE:**  
Sardar Patel Vidyut Bhavan,  
Race Course, Vadodara – 390 007  
CIN : U40102GJ2003SGC042907



**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (HEREINAFTER KNOWN "THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HERewith AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY FILLED-UP AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A Member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.**

- 2.** Explanatory Statement as required under Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 3.** The Statutory Registers as applicable and maintained by the Company under the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the Members of the Company at Registered office of the Company during business hours of working days up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
- 4.** During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the working day.
- 5.** Members/proxies attending the meeting are requested to bring their duly filled admission/attendance slips sent along with the notice of Annual General Meeting at the meeting or mark their attendance in the Register kept for the purpose of Annual General Meeting.
- 6.** Corporate Members intending to send their Authorized Representatives to attend the Meeting are advised to send a duly certified copy of the Board Resolution authorizing their Representative to attend and vote at the meeting.
- 7.** The dividend of Rs.144,85,78,895.51 as recommended by the Board of Directors of the Company in pursuant to Government Resolution No. FD/OTH/e-file/2023/1504/A-BPE dated 24<sup>th</sup> April, 2023, issued by the Finance Department, Government of Gujarat, if declared/approved by the Members/Shareholders at this Annual General Meeting (AGM), will be paid (subject to deduction of tax at source, if and as may be applicable) within 30 days from the date of declaration to the Registered Members/Shareholders whose names appear in the Register of Members of the Company as on the date of this AGM being Record Date or to their respective order or their bankers, in compliance with Section 123(5) of the Companies Act, 2013.



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item no. 4**

The Board has approved the re-appointment of the Cost Auditors, M/s N.D. Birla & Co., Cost Accountants, Vadodara at a remuneration of Rs. 67,000/- (Rupees Sixty Seven Thousand Only) per annum as cost audit fees inclusive of out of pocket expenses plus GST for the Financial Year ending 31<sup>st</sup> March, 2025.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2025.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in passing of the Resolution set out at Item No. 4.

The Board recommends the Ordinary Resolution set out in the Item No. 4 of the Notice for approval of the Members.

By Order of the Board

Sd/-

**V.M. Chavan**

Company Secretary

Date :12/12/2024

Place : Vadodara

#### **REGISTERED OFFICE:**

Sardar Patel Vidyut Bhavan,

Race Course,

Vadodara – 390 007

CIN : U40102GJ2003SGC042907

## **BOARD'S REPORT**

To,  
The Members of  
**MADHYA GUJARAT VIJ COMPANY LIMITED**

Your Directors have pleasure in presenting 21<sup>st</sup> Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2024.

### **FINANCIAL SUMMARY:**

The Company's financial performance for the year under review along with previous year's figures is summarized below:

(Rs. in Crore)

| Particulars                                | FY<br>2023 -24   | % of Total<br>income | FY<br>2022 -23  | % of Total<br>income |
|--------------------------------------------|------------------|----------------------|-----------------|----------------------|
| <b>Income :</b>                            |                  |                      |                 |                      |
| Revenue from Operations                    | 9,975.21         | 97.56                | 9,249.32        | 96.79                |
| Other Income                               | 249.87           | 2.44                 | 306.56          | 3.21                 |
| <b>Total Income</b>                        | <b>10,225.08</b> | <b>100.00</b>        | <b>9,555.88</b> | <b>100.00</b>        |
| <b>Expenses :</b>                          |                  |                      |                 |                      |
| Purchase of Power                          | 8,026.82         | 78.50                | 8,408.98        | 88.00                |
| Employee Benefits Expenses                 | 639.91           | 6.26                 | 534.82          | 5.60                 |
| Finance Costs                              | 95.52            | 0.93                 | 53.62           | 0.56                 |
| Depreciation and Amortization Expenses     | 304.71           | 2.98                 | 279.31          | 2.92                 |
| Other Expenses                             | 318.67           | 3.12                 | 210.87          | 2.21                 |
| <b>Sub Total</b>                           | <b>9,385.63</b>  | <b>91.80</b>         | <b>9,487.60</b> | <b>99.29</b>         |
| Profit Before Exceptional Items and Tax    |                  |                      |                 |                      |
| Profit Before Tax                          | 839.45           | 8.21                 | 68.28           | 0.71                 |
| Current Tax                                | (178.21)         | -1.74                | (7.65)          | -0.08                |
| Deferred Tax                               | (178.38)         | - (1.75)             | (28.55)         | -0.30                |
| Profit for the Year After Tax (Before OCI) | 482.86           | 4.72                 | 32.08           | 0.34                 |
| Other Comprehensive Income (OCI)           | (17.09)          | -0.17                | (7.22)          | -0.08                |
| <b>Total Comprehensive Income</b>          | <b>465.77</b>    | <b>4.55</b>          | <b>24.86</b>    | <b>0.26</b>          |

The figures of the Previous Year have been regrouped/recast/reclassified wherever necessary to correspond with the current year's figures.

### **DIVIDEND:**

Government of Gujarat has issued the 'Guidelines on Dividend Distribution and Capital Restructuring of State Public Sector Undertaking' vide GR No: FD/OTH/e-file/2023/1504/A-BPE dated 24.04.2023. These Guidelines are applicable to MGVCL and all other group Companies w.e.f. F.Y. 2022-23. However, on July 26, 2023, the Holding Company, GUVNL on behalf itself and Group Companies applied to the Principal Secretary, Energy & Petrochemicals Department, Government of Gujarat, seeking exemption from compliances of these Guidelines for F.Y. 2022-23 onwards. The matter is currently under consideration of the Government of Gujarat.

The Board of Directors of the Company has recommended a Dividend @ 30% of the Profit After Tax (PAT) amounting to Rs.14,485.79 Lakh for the year ended 31<sup>st</sup> March, 2024 subject to approval of the Members/Shareholders at the Annual General Meeting (AGM), payable to the registered Members/Shareholders whose names appear on the Register of the Members of the Company as on the date of AGM or to their order or to their banker as per Section 123(5) of the Companies Act, 2013.

Further, GUVNL, the Holding Company on behalf of its all Group Companies, would take up the matter with the Government of Gujarat (GoG) seeking further relaxation/exemption (if any) as per the said Guidelines.

**TRANSFER TO RESERVES:**

No amount has been transferred to General Reserves for the Financial Year 2023-24. Profit After Tax of Rs. 48,285.96 Lakh for the Financial Year 2023-24 has been carried to Reserves and Surplus in the Balance Sheet.

**SHARE CAPITAL:**

The Authorized Share Capital of the Company as on 31.03.2024 was Rs.1,000 Crore (Rupees One Thousand Crore) divided in to 100,00,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Share Capital as on 31.03.2024 stood at Rs. 531,88,68,230/- divided in to 53,18,86,823 Equity Shares of Rs. 10/- each fully paid-up.

During the Financial Year, the Company has made allotments on Rights basis to the holding Company Gujarat Urja Vikas Nigam Limited as under:

- (I) 72,99,995 Equity Shares of Rs. 10/- each as fully paid-up at premium of Rs. 77/- per Share aggregating to Rs. 63,50,99,565/-;
- (ii) 1,88,54,742 Equity Shares of Rs. 10/- each as fully paid-up at premium of Rs. 81/- per Share aggregating to Rs. 171,57,81,522/-; and

After closing of financial year FY 23-24, the Company has made allotment on right basis on 21.10.2024 to GUVNL of 3,40,88,247 Equity Shares of Rs. 10/- each as fully paid-up at a premium of Rs. 81/- per Share aggregating to Rs. 310,20,30,477/-.

During the year under review, the Company has not bought back any of its securities, nor issued any shares as Sweat Equity or Bonus Shares or Shares with differential voting rights nor granted any Stock Options Schemes to employees.

**ACHIEVEMENTS / AWARDS / ACCOLADES:**

- In August, 2023, the Ministry of Power, Government of India released its 12<sup>th</sup> Annual Integrated Ratings of the State Power Distribution Utilities under an integrated rating methodology. According to these ratings, Madhya Gujarat Vij Company Limited (MGVCL) secured an A+ rating, ranked 6<sup>th</sup> among all 72 State & Pvt. DISCOMs rated in the country.
- Madhya Gujarat Vij Company Limited (MGVCL) secured B+ rating in Consumer Service Rating of DISCOMs (CSR) issued in January, 2024 by the Ministry of Power, Govt. of India for FY 2022-23.

**OPERATIONS AND STATE OF COMPANY'S AFFAIRS:****◇ ANALYSIS OF FINANCIAL PERFORMANCE:**

During the year under review, the Revenue from Sale of Power including Subsidies and Other Income amounted



to Rs. 10,22,508.76 Lakh. (PY Rs. 9,55,588.39 Lakh). The Company purchased 14,602.43 MUs (PY 14,614.68 MUs) of energy from Gujarat Urja Vikas Nigam Limited (GUVNL), Solar, Wind Farm and other sources (including Net of UI) and sold 12,956.68 MUs (PY 12,640.79 MUs) of energy to all categories of consumers. The Company's overall Transmission and Distribution Losses are reported to the extent of 1,645.75 MUs (PY 1,973.89 MUs) at 11.27% (PY 13.51 %). The per unit rate of power purchase from GUVNL has decreased from Rs. 5.6702 to Rs. 5.5015 in FY 2023-24.

The important financial parameters are given below:

| Sr. No. | Particulars                                                                                            | F.Y       | F.Y       |
|---------|--------------------------------------------------------------------------------------------------------|-----------|-----------|
|         |                                                                                                        | 2023 - 24 | 2022 - 23 |
| 1       | Net Power Purchased (MUs)                                                                              | 14,602.43 | 14,614.68 |
| 2       | Units Sold (MUs)                                                                                       | 12,956.68 | 12,640.79 |
| 3       | Unit Loss (MUs)                                                                                        | 1,645.75  | 1,973.89  |
| 4       | T & D Losses (%)                                                                                       | 11.27%    | 13.51%    |
| 5       | Distribution Losses (MUs)                                                                              | 925.78    | 1,154.23  |
| 6       | Distribution Losses (%)                                                                                | 6.67%     | 8.37%     |
| 7       | Collection Efficiency (%)                                                                              | 99.77%    | 99.23%    |
| 8       | Average Cost of Supply per Unit (considering total cost components as per Profit & Loss Account) (Rs.) | 6.35      | 6.34      |
| 9       | Average Realization Per Unit (Rs.)                                                                     | 6.92      | 6.39      |
| 10      | ACS – ARR Gap Per Unit (Rs.)                                                                           | (0.57)    | (0.05)    |
| 11      | Equity Share Capital (Rs. in Crore)                                                                    | 531.88    | 505.73    |
| 12      | Other Equity (Rs. in Crore)                                                                            | 2,910.77  | 2,236.30  |
| 13      | Debt -Equity Ratio (in Times)                                                                          | 0.001     | 0.003     |
| 14      | Return on Equity (%)                                                                                   | 9.32      | 0.71      |
| 15      | Return on Investment (%)                                                                               | 12.28     | 1.80      |
| 16      | Return on Capital Employed (%)                                                                         | 16.53     | 2.58      |
| 17      | Net Fixed Assets (Rs. in Crore)                                                                        | 4,336.53  | 3,992.83  |
| 18      | Borrowings (Current and non -Current) (Rs. in Crore)                                                   | 3.93      | 1,218.03  |
| 19      | Current Assets (Rs. in Crore)                                                                          | 3,622.88  | 3,010.30  |
| 20      | Current Liabilities (Rs. in Crore)                                                                     | 821.91    | 852.71    |

◇ **ANALYSIS OF TECHNICAL AND OPERATIONAL PERFORMANCE:-**

During the year under review, your Company has always made efforts to achieve its goals.

Some of the operational highlights are -

● **Addition of Transformers:**

| Capacity          | 5<br>KVA | 10<br>KVA | 16<br>KVA | 25<br>KVA | 63<br>KVA | 100<br>KVA | 200<br>KVA | 500<br>KVA | 1000<br>KVA | Total  |
|-------------------|----------|-----------|-----------|-----------|-----------|------------|------------|------------|-------------|--------|
| During FY 2021-22 | 28       | 5,526     | 2,371     | 2,296     | 1,248     | 1,013      | 381        | 20         | 0           | 12,883 |
| During FY 2022-23 | -127     | 5,930     | 2,094     | 924       | 170       | 1,536      | 1,089      | 143        | 0           | 11,759 |
| During FY 2023-24 | -442     | 3,136     | -186      | 10        | 2,170     | 598        | 478        | 24         | 2           | 5,790  |

● **Addition of Line:**

| Particulars         | During FY<br>2023 -24 | Total as on 31. 03. 2024 |
|---------------------|-----------------------|--------------------------|
| HT line added (CKM) | 1,826.11              | 67,018.75                |
| LT line added (CKM) | 1,029.02              | 66,958.19                |

● **Release of new connections:**

|                           |   |            |
|---------------------------|---|------------|
| ◇ HT & EHT consumers      | - | 291 Nos    |
| ◇ LT industrial consumers | - | 1,939 Nos  |
| ◇ Domestic consumers      | - | 76,437 Nos |

● **Specially Designed Transformers:**

In order to provide continuous single phase power supply to households situated in agricultural field, 826 Nos of Specially Designed Transformers have been installed on Agriculture Dominant Feeders as on March, 2024.

- Transformer failure rate increased to 5.44 % from 4.93 % of the previous year.
- Under DISS scheme, 116.12 Km HT lines, 58.05 Km LT lines, 140 Nos of transformers & 722 Nos of poles are shifted at a cost of Rs.20 crores during Financial Year 2023-24.
- **Vigilance activity** with continuous efforts is made for prevention of theft of energy and other misuse of power during the year.

|                                               |   |                   |
|-----------------------------------------------|---|-------------------|
| ◇ Installations checked                       | - | 1,47,978 Nos.     |
| ◇ Installations detected                      | - | 30,703 Nos.       |
| ◇ Amount assessed                             | - | Rs. 7,112.46 Lakh |
| ◇ Amount realized<br>(out of assessed amount) | - | Rs. 1,483.87 Lakh |

- Under State Govt sponsored scheme, 5,267 connections (Rs. 441.73 Lakh) were released under Zupadpatti Vijlikaran Scheme, 618 connections (Rs. 30.00 lakhs) were released under SCSP Household Scheme and 5,264 connections (Rs.287.90 lakhs) were released in “Kutir Jyoti” scheme in tribal areas during the Financial Year 2023-24.
- Under the Sagar Khedu Scheme, a total of 4.46 km of deteriorated overhead conductors were replaced with underground cabling, at a cost of Rs. 1.5 crore, during the FY 2023-24.
- Under Vanbandhu Kalyan Yojna Phase II, various activities such as DTC review, replacement of bare conductor by AB conductor, HVDS, feeder bifurcation were carried out in tribal areas costing Rs. 12.30 Crore in FY 2023-24.
- **In Agriculture sector**, electrification of wells were carried out for total 13,611 nos. The scheme wise breakup is as under :
  - 6,921 wells (Rs. 11,630.28 Lakh) under Special Project Agriculture (SPA) scheme.
  - 5,371 wells (Rs. 7,385.20 Lakh) under Tribal Area Sub Plan (TASP) scheme.
  - 1,244 wells (Rs. 2,041.03 Lakh) under Dark Zone Area.
  - 74 wells (Rs.120.00 Lakh) in SC Ag. Scheme.

• **REVAMPED REFORMS-BASED & RESULTS LINKED DISTRIBUTION SECTOR SCHEME (RDSS):**

The Ministry of Power (MoP), Government of India has formulated and approved a new scheme named “Revamped Reforms Based and Results Linked Distribution Sector Scheme” (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen supply, infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The Scheme has an outlay of Rs. 3,03,758 Crore over 5 years i.e. FY 2021-22 to FY 2025-26. The outlay includes an estimated Government Budgetary Support (GBS) of Rs 97,631 Crore. Rural Electrification Corporation Limited (REC) and Power Finance Corporation Limited (PFC) have been nominated as nodal agencies for facilitating the implementation of the Scheme.

The RDSS scheme inter alia includes works relating to installation of prepaid smart meters/prepaid meters on consumer installations, communicable DTR metering, feeder bifurcation, HVDS configuration of network in high loss pockets, AB cables, S/S related works, etc.

MGVCL has prepared Action Plan and DPR under RDSS and submitted for further approval to Distribution Reforms Committee (DRC) and State Cabinet of Govt. of Gujarat, with the total cost Rs. 4,147.28 Crore. The RDSS Monitoring Committee of Ministry of Power, in its 7<sup>th</sup> Meeting held on 15.03.2022 considered MGVCL's proposal and approved Rs. 3,778.11 Crore as project cost.

M/s Power Finance Corporation, New Delhi has issued sanction letter to MGVCL for RDSS scheme having an outlay of Rs. 3,778.11 Crore with an estimated Government Budgetary Support from Central Government of Rs. 1,317.78 Crore vide sanction letter No: 02:10:RDSS:I:MGVCL:76112 dated 24.03.2022. M/s Power Grid Energy Service Limited, subsidiary of Power Grid Corporation of India Limited has been engaged for implementation of the RDSS scheme for MGVCL.

Accordingly, MGVCL had prepared tender considering Standard Bidding Document issued by REC, New Delhi and has awarded the works through turnkey mode for an amount of Rs. 1,139.00 Crore and MGVCL awarded smart metering project on Design Build Finance Own Operate & Transfer(DBFOOT)basis for an amount of Rs. 2,726.86 Crore. Implementation of the scheme has already been commenced by various agencies.

**METERING REVOLUTION THROUGH SMART TECHNOLOGY:**

Introduction and infusion of new smart metering technology in the power sector would result in a great revolution. Installation of Smart Prepaid Meters would give benefits not only to the Company in terms of revenue generation and planning appropriate power management but also help the Company and the consumers to carry out the functions like –

- Track real-time energy consumption
- Monitor and control daily power consumption
- Removing human interface
- Analyze past energy consumption patterns and forecast energy usages
- Seamless online recharge options
- Adopt energy efficient behavior
- Real-time notifications and alerts
- Reduction in carbon footprint and climate safety

The Company has been planning to absorb this new technology and has taken steps to implement the Smart Metering Project in urban areas and would gradually cover other areas in future.

**DSM PROGRAMME:****PM Suryaghar Muft Bijali Yojna**

- CFA Structure: The Central Financial Assistance (CFA) for the residential sector is as under-
- Individual household::
  - ✓ Rs. 30,000/- subsidy per KW (from 1 KW to 2 KW) and
  - ✓ Rs. 18,000/- subsidy per KW (above 2 KW to 3 KW)
  - ✓ Rs. 78,000/- subsidy capped for larger than 3 KW system
- Subsidy for Group Housing Society (GHS)/ Resident Welfare Association (RWA) Rs.18,000 per KW, subject to a limit of 3 KW per household up to 500 KW including capacity of individual installed solar system.
- Under the Scheme, total 30,967 of solar rooftop systems of 119.640 MW are commissioned as at 30.10.2024.

**Surya Gujarat Scheme (Residential Solar Roof Top Subsidized Scheme of GoG)**

The Company has implemented SURYA GUJARAT-Solar Rooftop programme for residential consumers very successfully by adopting single window clearance and streamlining of procedures with close monitoring centrally to optimize quick disposal of Solar Rooftop applications with consumer friendly approach.

Under **SURYA GUJARAT** Scheme during **FY 2023-24, 25,754 Nos and 105.25 MW** of residential Solar Rooftop connections were released and cumulative up-to **FY 2023-24 1,15,400 Nos and 456.36 MW** connections are released.

**Solar Roof Top Scheme :- (All categories – Non-subsidized)**

During the **Financial Year 2023-24**, total **2,882 Nos and 12.62 MW** capacity of residential Solar Rooftop connections are released and **1,490 Nos and 62.062 MW** Solar Rooftop connections released for industrial, commercial, government and other categories. Thus, cumulative **22,915 Nos and 277.20 MW** Solar Rooftop connections are released upto FY 2023-24.

**AGRICULTURE DSM:-**

The Company has initiated Demand Side Management (DSM) program for agriculture consumers. Under various schemes mentioned below standalone off grid solar pumps and grid connected solar connections are given to farmers.

1,565 Nos of off-grid solar agriculture pump were installed from FY 2014-15 to 2017-18. Under PM KUSUM Component B Scheme during the FY 2021-22, 69 Nos, during the FY 2022-23, 142 Nos and during FY 2023-24, 130 Nos of standalone off grid pumps were commissioned.

772 Nos of Grid connected solar agriculture connections on 16 Nos of feeders having 12.738 MW- AC capacities are released under Suryashakti Kisan Yojna (SKY) scheme from FY 2018-19 to FY 2021-22.

The solar energy being green and clean energy helps in reduction of carbon foot print in agriculture and reduces the subsidy of government in agriculture sector.

### **SYSTEM IMPROVEMENT**

- Detailed analysis was carried out for feeders having high Ampere loading and low tail end voltages and accordingly, such feeders were bifurcated as per system improvement (SI) norms.
- Total 40 nos feeders were bifurcated under SI scheme FY 2023-24 on all feeder categories excluding HT Exp & SST.
- Total 16 nos Agriculture feeders were bifurcated under SKJY Scheme.
- Conductor renovation (replacement) of 700.08 KM SKJY Scheme on Agriculture feeder.
- Total 355 nos of transformers were installed under High Voltage Distribution System (HVDS) to reduce hooking in rural areas and to reduce the LT line losses on existing AG network.

### **EFFECTIVE STEPS FOR LOSS REDUCTION:**

- Aerial Bunch Conductor(ABC)
  - ◇ Total 2,717.54 Km Aerial Bunch Conductor issued in place of existing LT line bare conductor to eliminate direct tapping from LT line during the year.
- Small capacity Transformers
  - ◇ Total 894 Nos of small capacity transformers are installed on JGY and Urban feeders having high losses during the year to eliminate power theft.
- Selection of 213 Nos of high loss feeders for FY 2023-24.
- 213 Nos of loss reduction activities planned on selected High loss feeders.
- 18 points activities planned like; replacement of deteriorated conductor, providing LTAB cable, feeder bifurcation, Link line, DTC review etc.
- Senior officers of corporate office are nominated for monitoring loss reduction in circle.
- Feeder managers have been nominated for all selected high loss feeders.
- AG Load control: Day and night time patrolling on over loaded Ag feeders having high distribution loss.
- Qualitative vigilance activities on daily basis.
- Load verification activities of Ag Unmetered connections on daily basis.
- Connection release process through E-urja instead of legacy system.
- Inspection of each sub division by concerned SE once in a year & three times by EE, in a year.
- Corrective action on the basis of meter reader reports.
- Door to door connections checked and rectified for Industrial & GIDC feeders.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:**

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure-I** and attached to and forming part of this Report.



**SAFETY MEASURES TAKEN:**

Your Company accords the highest priority to the safety of its employees as well as of the public at large. For this, in addition to carrying out cause analysis of accidents, the Company undertakes various initiatives and makes efforts round-the-year to reduce the incidence of accidents.

**CONSUMER SERVICES:****• THE JANSEVA KENDRA**

MGVCL has initiated the one of the flag ship programme of providing the Single Window Service Centre -The Jan Seva Kendra. The initiative is aimed towards bringing effective e-Governance, while introducing the transition from traditional governance to consumer centric and place - independent governance services and information.

Currently, 13 Nos of Janseva Kendra are functioning at various locations under 5 circle offices.

Other than these Janseva Kendras, all sub division offices are also equipped with consumer help desk, where consumer/ visitors can avail mentioned services/ information. All consumer helpdesks are equipped with dedicated IT qualified Jr. Asst.

**• CUSTOMER CARE CENTER**

In order to provide 24 hours service to consumer, Customer Care Center has been established in Vadodara whereby complaints are registered through toll free number 19124 & 18002332670 round the clock thereby ensuring the attendance of satisfactory services. Consumer can talk to customer care center representative on above toll free number.

| Total no of complaints lodged during 2023-24 | Total no of complaints resolved during 2023-24 |
|----------------------------------------------|------------------------------------------------|
| 1,46,374                                     | 1,46,374                                       |

The Company has established Centralized Customer Care Centre (CCC) facility at Vadodara with following features;

- To provide single point of contact for all customer-facing activities.
- To enhance customer satisfaction levels by continuously improving the service standards and thereby the image of the utility in the eyes of the customers.
- To bring customer centric approach to the customer service process.
- To establish centralized control and monitoring over the entire customer care process for creating higher transparency and timely action initiation.
- CCC provides centralized customer friendly channel for registering and resolving the customer complaints related to power supply/distribution network related, over the phone, email, web, SMS, Social Media Channels like Facebook, Whatsapp, X, Instagram and SMS etc.

Presently, the Centralized Customer Care Center has been started at Aanad, Kheda, Vadodara, and Chhotaudepur districts and in due course will be extended to other districts of MGVCL jurisdiction area.

**• WHATSAPP FACILITY FOR LODGING POWER INTERRUPTION INFORMATION**

Almost everyone has smartphone today. WhatsApp is free and replacement of SMS/Email. Consumers can contact at no cost and is most popular with Urban as well as rural population equally. WhatsApp chat messenger is user friendly and widely used facility for exchange of information.

In the event of power failure, consumer can intimate consumer number or consumer name and address through WhatsApp text message on 99252 18002 number.

- **CONSUMER PORTAL**

Through consumer portal, <https://mgvcl.in>, MGVCL consumers can avail online facilities like energy bill and firm quotation payment, new connection application, load increase/reduction, name transfer, change of tariff, disconnection, shifting, reconnection, etc. The consumer gets application number for the same. Consumer can also log the complaint from consumer portal.

MGVCL has introduced following applications for better consumer services.

- **DIGITAL PAYMENT**

It facilitates payment of energy bills through RTGS/NEFT and UPI transaction with updating of payments in e-urja LT Billing. Collection of electricity bills has also been started at various branches of Indian Bank and UCO Bank.

- **CENTRALIZED PROCESSING CENTER (CPC)**

MGVCL has taken a pioneering step by establishing a Centralized Processing Center (CPC) in Vadodara to handle all types of consumer applications, including new connections, name changes, load adjustments, tariff changes, and more, at a single point of service. This initiative eliminates the need for consumers to visit Sub Division Offices for these services. The CPC is fully equipped with the necessary staff and IT infrastructure to ensure smooth operation of routine processes. Since its launch in August 2023, the CPC has received widespread appreciation from consumers and other stakeholders.

- **E-GRAM CENTER FOR CASH COLLECTION**

Web application for online collection of Energy Bills at Village Gram Panchayats.

- **COMMON SERVICES CENTER (CSC)**

Collection of electricity bills has been started at various CSCs in MGVCL jurisdictional area.

#### **IT INITIATIVES:**

Following initiatives in IT are undertaken so as to ensure better power supply management and consumer services:

- **MGVCL APP and Consumer portal**

MGVCL has developed Android mobile app along with web based consumer portal for end consumers covering various features and also sending real time SMS alerts to consumers on bill generation and bill payment.

- **Dashboard for Management**

Automatic population of information from various system as statistical and graphical presented data in Monthly/Daily format.

- **Complaint Management System (CMS)**

CMS registers complaints from consumers in a single window and addresses those complaints in time bound manner.

- **CMS Mobile App**

Developed Mobile App for entry of outage information of feeder based on category of planned and emergency shutdown and the outage SMS is sent to concerned consumers based on shutdown category.

- **Knowledge Sharing Portal**

A knowledge management portal is a digital platform that helps to organize and share information within organization.

- **Vigilance System and online FIR registration**

This system provides provisional bill calculation for the cases booked under Section 126 and Section 135 of the Electricity Act, 2003 and online FIR registration of electricity theft cases.

- **Vigilance & Security Automated Version (VASAV) App**

Online investigation of offence by police station staff through Mobile App. All the assigned FIRs will be automatically viewed by investigation officer at the place of offence once he log into the mobile app with all the details like name and address of accused person, name, address and contact details of complainant, bill details, payment details, seized details etc.

- **Daily Activity Report (DAR)**

It is the reporting and monitoring system for various routine field activities like T & D activity, interruptions, accidents, maintenance, T&D loss reduction, miscellaneous activity, safety activity etc.

- **Inventory Monitoring System (IMS)**

For TS wise / scheme wise accounting and monitoring of materials and works up to sub division offices. It provides facility to track & manage the hands on material available with contractor and subsequently finalizations of bills.

- **MDAS (Composite LTMD Meters)**

Availability of LTMD/HT consumers' real time data at for easy maintenance, billing and monitoring.

- **Transformer Management System (TMS)**

- o Monitoring of transformer (failure and theft complaints),
- o Each TC is identified by unique ID (UID).It keeps the record of TR1 generated at SDO Level.
- o It includes external inspection done by Division and external / internal inspection done at agency level. It maintains record of agency wise oil balance and shortage.

- **Employee Request Transfer Monitoring System (ERTMS)**

Application is developed for Class I & II officers request transfer and reports are generated based on data available.

- **HR SYSTEM (HRIS)**

- **STAFF SETUP** (1) Location wise staff setup for sanctioned post  
(2) Designation wise workload analysis

- **NOMINATION MODULE :** Scan and upload nomination form into the server

- **Sample Audit System**

Implemented Sample Audit System for the audit inspection of selected samples for serialization and non-serialized items.

- **Bank Reconciliation System**

Implemented Bank Reconciliation System for matching entries (e.g. customer payments, bank fees etc.) on the Company's cash books with the corresponding data on its bank statements.

- **Digital Payment**

It facilitates payment of energy bills through RTGS/NEFT and UPI transaction with updating of payments in e-urja LT billing.

- **DTR Accounting**

It helps to calculate and monitor the DTR wise losses from billing data.

- **Outage Management System**

Outage Management System is developed to collect outages information and future analysis.

- **E-Sarkar Implementation**

The Company has adopted and implemented e-Sarkar across all its offices for paperless working. This is further step towards paperless office concept initiated by the Govt. of Gujarat. Regular training is being imparted to employees for quick adoption of E-Sarkar.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **A. Changes among Directors and Key Managerial Personnel:**

Since the last Financial Year (and up to the date of this Report), the changes among the Directors and Key Managerial Personnel are as under:

- Shri T. Y. Bhatt, IAS (DIN- 08618658) ceased to be Managing Director and Director with effect from 06.04.2023 due to resignation consequent to his transfer in view of notification no. AIS/35.2023/16/G dated 31.03.2023 issued by General Administration Department, Sachivalaya, Gandhinagar, Govt. of Gujarat.
- Shri Tejas Parmar, IAS (DIN-08322052) has been appointed/nominated as Director and Managing Director with effect from 06.04.2023.
- Shri P. H. Rana (DIN –00020411) and Prof. Naman Desai (DIN 08271524) who were appointed as Independent Directors for a second/first term respectively of 2 (two) consecutive years from 26.07.2021 had ceased to be Directors with effect from 26.07.2023 on account of completion of their second/first term.

- Shri K. P. Jangid (DIN-06401190) has been appointed/nominated as Director with effect from 26.07.2023.
- Shri Ravi Shanakar, IAS (DIN-09539484) ceased as Director with effect from 01.08.2023 due to resignation consequent to his transfer in view of notification no. AIS/35.2023/30/G dated 28.07.2023 issued by General Administration Department, Sachivalaya, Gandhinagar, Govt. of Gujarat.
- Shri Ajay Pandey (DIN-01292877), Prof. Shanmugnthan Raman (DIN-10463936) and Shri Kiran M. Shringarpure (DIN- 02468876) have been appointed as Independent Directors for the first term of 2 (two) consecutive years from 01.02.2024.
- Shri H. P. Kothari (DIN-09208111) had ceased as Director with effect from 13.06.2024 on account of death.
- Smt. Sailaja Vachhrajani (DIN 08995634) ceased to be Director of the Company w.e.f. 02.09.2024 due to resignation consequent to her transfer in view of Office Order No.GUVNL/HR/1378 dated 31.08.2024 issued by GUVNL, the Holding Company.
- Ms. Shweta Teotia, IAS (DIN-08556856) had been appointed/nominated as Director with effect from 26.09.2024.

As per Section 149(6) as applicable to the Govt. Company, in the opinion of the Energy & Petrochemicals Department, Govt. of Gujarat, the Independent Directors appointed in the Company are persons of integrity and possesses relevant expertise and experience (including proficiency). Moreover, having regard to their qualification, experience and knowledge, the Board considered their appointment as Independent Director for the first term to be of immense benefit to the Company. Further, in the opinion of the Board, all Independent Directors fulfilled the conditions for appointment as Independent Director as specified in the Act and the Rules framed thereunder and they are independent of the management.

With profound sadness, your Directors acknowledge passing of our esteemed Director Shri H. P. Kothari on 13.06.2024, whose selfless dedication, expertise, and leadership have enriched the Company. The Board acknowledges his services and contribution to the Power Sector.

The Board places on record its appreciation for the valuable contribution made by Shri Ravi Shanakar, IAS, Shri P. H. Rana, Prof. Naman Desai and Smt. Sailaja Vachhrajani during their tenure on the Board of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Managing Director, Chief Financial Officer and Company Secretary have been designated as Key Managerial Personnel of the Company.

Shri J. H. Modi ceased to serve as the CFO of the Company, w.e.f. 03.09.2024, due to his transfer as GM (F&A) from MGVCL to GETCO. Smt. Sailaja Vachhrajani has been appointed as the Chief Financial Officer (CFO) of the Company, w.e.f. 25.09.2024.

## **B. Declaration of Independent Directors:**

Pursuant to the provisions of Section 149(6)/(7) of the Companies Act, 2013 and the relevant Rules, the Company had received necessary declarations from each Independent Director for the FY 2023-24 confirming that they meet the criteria of independence (including proficiency) as prescribed under the Act. Pursuant to the Notification dated 22<sup>nd</sup> October, 2020 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed registration with the Independent Directors Databank. Requisite disclosures have also been received from them in this regard.

**C. Board Evaluation:**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board's composition and structure, effectiveness of Board processes, information and functioning, etc. The Board appreciated active participation of all the Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as composition of Committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the individual Directors and Independent Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Directors. The same was discussed in the Board Meeting that followed the Meeting of Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed.

**D. Policy on Directors' Appointment, etc.:**

The Company being a Government Company, the provisions of Section 134(3)(e) of the Companies Act, 2013 are not applicable in view of the Notification No. GSR-163(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India.

**E. Meetings of the Board and Committees thereof:**

The details of Board meeting and Committee meetings held during FY 2023-24 are as under-

- Ten (10) meetings of the Board of Directors were held on 03.05.2023, 05.06.2023, 23.06.2023, 20.07.2023, 11.08.2023, 22.09.2023, 28.11.2023, 06.01.2024, 12.02.2024 and 27.02.2024.
- Four (4) meetings of the Audit Committee were held on 03.05.2023, 26.05.2023, 19.07.2023 and 28.02.2024.
- Five (5) meetings of the CSR Committee were held on 19.07.2023, 12.09.2023, 20.10.2023, 28.11.2023 and 28.02.2024.
- The Independent Directors had their separate meeting on 27.03.2024 as mandated under the Companies Act, 2013.

As required under Clause-9 of the Secretarial Standards-1 (SS-1), the details of the number and date of Meetings of the Board and Committees held during the Financial Year indicating the number of Meetings attended by each Director are as under:-



| Name of Director /<br>Member of Committee                          | Board Meetings                                                                                                                           | Audit Committee<br>meetings                          | CSR Committee<br>meetings                                          | Separate<br>Meeting of<br>Independent<br>Director |
|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|
|                                                                    | 03.05.2023<br>05.06.2023<br>23.06.2023<br>20.07.2023<br>11.08.2023<br>22.09.2023<br>28.11.2023<br>06.01.2024<br>12.02.2024<br>27.02.2024 | 03.05.2023<br>26.05.2023<br>19.07.2023<br>28.02.2024 | 19.07.2023<br>12.09.2023<br>20.10.2023<br>28.11.2023<br>28.02.2024 | 27.03.2024                                        |
| Shri J. P. Shivahare, IAS, Chairman                                | 10/10                                                                                                                                    | -                                                    | -                                                                  | -                                                 |
| Shri Ravi Shanakar ,IAS, Director<br>(Till 31.07.2023)             | 3/4                                                                                                                                      | -                                                    | -                                                                  | -                                                 |
| Shri Tejas Parmar, IAS, Managing<br>Director (w.e.f. 06.04.2023)   | 10/10                                                                                                                                    | 4/4 *                                                | 5/5                                                                | -                                                 |
| Shri H. P. Kothari, Director<br>(Till 13.06.2024)                  | 9/10                                                                                                                                     | -                                                    | -                                                                  | -                                                 |
| Shri K.P.Jangid , Director<br>(w.e.f. 26.07.2023)                  | 6/6                                                                                                                                      | -                                                    | -                                                                  | -                                                 |
| Shri Nisarg Joshi, Director<br>(w.e.f. 10.03.2023)                 | 3/10                                                                                                                                     | 0/4                                                  | -                                                                  | -                                                 |
| Smt. Sailaja Vacchrajani, Director<br>( Till 02.09.2024)           | 9/10                                                                                                                                     | -                                                    | 3/3                                                                | -                                                 |
| Shri Shubhadeep Sen, Director<br>(w.e.f. 18.01.2023)               | 10/10                                                                                                                                    | -                                                    | 3/3                                                                | -                                                 |
| Shri P.H. Rana , Independent<br>Director ( Till 25.07.2024)        | 4/4                                                                                                                                      | 3/3                                                  | 1/1                                                                | -                                                 |
| Prof. Naman Desai, Independent<br>Director ( Till 25.07.2024)      | 3/4                                                                                                                                      | 3/3                                                  | 0/1                                                                | -                                                 |
| Prof Ajay Pande y, Independent<br>Director w.e.f. 01.02.2024       | 1/2                                                                                                                                      | 1/1                                                  | 1/1                                                                | 1/1                                               |
| Prof S. Raman, Independent<br>Director w.e.f. 01.02.2024           | 1/2                                                                                                                                      | 1/1                                                  | -                                                                  | 1/1                                               |
| Shri K.M.Shringarpure<br>Independent Director<br>w.e.f. 01.02.2024 | 2/2                                                                                                                                      | 1/1                                                  | 1/1                                                                | 1/1                                               |

\* The Managing Director is invited in the Audit Committee as a Special Invitee.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of knowledge, belief and according to the information received, the Directors confirm as under for the Financial Year 2023-24 in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently 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 at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**AUDIT COMMITTEE:**

The Ministry of Corporate Affairs, Govt. of India has, vide Notification dated 13.07.2027, amended Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and consequently, the Company, being unlisted wholly-owned company, has been exempted from the requirement of constituting an Audit Committee of the Board.

In view of appointment/reappointment of Independent Directors on the Board of the Company for second/first term of two years with effect from 26.07.2021 and with a view to ensuring compliance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India vide DO Letter No.9/5/2020-IPDS-Part-(1) dated 11.03.2021 or amended thereafter, the Board of Directors of the Company had constituted the Audit Committee including newly appointed Independent Directors.

The tenure of second/first term of Shri. Praful H. Rana (DIN 00020411) and Prof. Naman Desai (DIN 08271524), Independent Directors was completed on 26.07.2023. Accordingly, the composition of the Audit Committee which was constituted would not be as per requirement mentioned in the Corporate Governance Guidelines of MoP and therefore, would be treated as non-functional till appointment of Independent Directors.

In view of appointment of Shri Ajay Pandey (DIN-01292877), Prof. Shanmugnthan Raman (DIN-10463936) and Shri Kiran M. Shringarpure (DIN- 02468876) as Independent Directors on the Board of the Company for the first term of two consecutive years with effect from 01.02.2024 and in compliance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India, the Board of Directors of the Company has constituted the Audit Committee.

The constitution of the Audit Committee as on 31.03.2024 was as under:

- |     |                         |   |                                                   |
|-----|-------------------------|---|---------------------------------------------------|
| (1) | Shri K. M. Shringarpure | : | Chairman (Independent Director)                   |
| (2) | Prof. Ajay Pandey       | : | Member (Independent Director)                     |
| (3) | Prof. S. Raman          | : | Member (Independent Director)                     |
| (4) | Dr. Nisarg Joshi        | : | Member (Representing Fin. Dept., Govt of Gujarat) |
|     | Shri K. P. Jangid       | : | Special Invitee                                   |
|     | Managing Director       | : | Special Invitee                                   |

There had been no instances where the recommendations of the Audit Committee were not accepted by the Board of Directors.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The CSR Policy adopted by the Company is posted on the Company's website at [www.mgvcl.com](http://www.mgvcl.com). During the year under review, the Company has approved CSR Projects in the areas of Healthcare, Education etc., as per approved Annual Action Plan.

Pursuant to the provisions of Rule-8(1) of the Companies (CSR Policy) Rules, 2014, as amended, the Annual Report on Corporate Social Responsibility Activities is attached in the prescribed form as **Annexure-II** which forms part of this Report.

The tenure of second/first term of Shri. Praful H. Rana (DIN 00020411) and Prof. Naman Desai (DIN 08271524), Independent Directors was completed on 26.07.2023.

In view of appointment of Shri Ajay Pandey (DIN-01292877), Prof. Shanmugnthan Raman (DIN-10463936) and Shri Kiran M. Shringarpure (DIN- 02468876) as Independent Directors on the Board of the Company for the first term of two consecutive years with effect from 01.02.2024, the Company had re-constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013, the constitution of which as on 31.03.2024 was as under:

|     |                         |   |                               |
|-----|-------------------------|---|-------------------------------|
| (1) | Managing Director       | : | Chairman                      |
| (2) | Shri K. M. Shringarpure | : | Member (Independent Director) |
| (3) | Prof. Ajay Pandey       | : | Member (Independent Director) |

**VIGIL MECHANISM (WHISTLE BLOWER POLICY):**

As required under the provisions of Section 177(9) of the Companies Act, 2013, the Company has established a Vigil Mechanism (Whistle Blower Policy). All employees of the Company and Directors on the Board of the Company are covered under the Mechanism. The Vigil Mechanism (Whistle Blower Policy) of the Company is available on the website of the Company at [www.mgvcl.com](http://www.mgvcl.com)

**NOMINATION AND REMUNERATION COMMITTEE AND POLICY:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board of Directors had constituted Nomination and Remuneration Committee. The Ministry of Corporate Affairs, Govt. of India vide Notification No. GSR-163(E) dated 05.06.2015 has modified the application of provisions of Section 178 for Government companies so as to apply the same with regard to appointment of 'senior management' and other employees. The Board has on the recommendation of the Committee formulated Remuneration Policy for senior management and other employees. Further, vide Notification dated 13.07.2017, the Ministry of Corporate Affairs, Govt. of India amended Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Consequently, the Company, being unlisted wholly-owned company, has been exempted from the requirement of constituting a Nomination and Remuneration Committee of the Board.

In view of appointment/reappointment of Independent Directors on the Board of the Company for second/first term of two years with effect from 26.07.2021 and with a view to ensuring compliance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India vide DO Letter No.9/5/2020-IPDS-Part-(1) dated 11.03.2021 or amended thereafter, the Board of Directors of the Company had constituted the Nomination and Remuneration Committee including Shri P. H. Rana and Prof. Naman Desai, Independent Directors.

The tenure of second/first term of Shri. Praful H. Rana (DIN 00020411) and Prof. Naman Desai (DIN 08271524), Independent Directors was completed on 26.07.2023.

Accordingly, the composition of the Nomination and Remuneration Committee which has been constituted would not be as per the requirement mentioned in the Corporate Governance Guidelines of MoP and therefore, would be treated as non-functional till appointment of Independent Directors.

In view of appointment of Shri Ajay Pandey (DIN-01292877), Prof. Shanmugnthan Raman (DIN-10463936) and Shri Kiran M. Shringarpure (DIN- 02468876) as Independent Directors on the Board of the Company for the first term of two consecutive years with effect from 01.02.2024, the Company has re-constituted the Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee as on 31.03.2024 was as under:

|     |                         |   |                                                   |
|-----|-------------------------|---|---------------------------------------------------|
| (1) | Prof. Ajay Pandey       | : | Chairman (Independent Director)                   |
| (2) | Shri K. M. Shringarpure | : | Member (Independent Director)                     |
| (3) | Prof. S. Raman          | : | Member (Independent Director)                     |
| (4) | Shri Nisarg Joshi       | : | Member (Representing Fin. Dept., Govt of Gujarat) |
|     | Shri K. P. Jangid       | : | Special Invitee                                   |
|     | Managing Director       | : | Special Invitee                                   |

The scope and terms of reference as also the role of the Committee would be as prescribed in the Corporate Governance Guidelines issued by the MOP.

## **RISK MANAGEMENT:**

The elements of risk threatening the Company's existence are very minimal. However, as required by Section 134(3)(n) of the Companies Act, 2013, the Company has framed Risk Management Policy to identify various elements of risk and steps taken to mitigate the same. As an enterprise engaged in distribution of electricity, the Company has always had a systems-based approach to Business Risk Management. The risk management includes identifying types of risks and their assessment, risk handling, mitigation, monitoring and reporting. The Risk Management framework primarily focuses on following elements:

- Risk to Company's assets and properties
- Employees related risks
- Risks associated with non-compliance of statutory enactments
- Risk of Inflation and Cost Structure
- Credit Risk
- Liquidity Risk
- Operational Risk
- Regulatory Risk
- Network Risk
- Fuel availability and price fluctuation
- Risk of monsoon failure
- Risk of compensation to third parties due to electrical accidents and burning of crop
- Dependence on Government for grants and subsidies

The tenure of second/first term of Shri. Praful H. Rana (DIN 00020411) and Prof. Naman Desai (DIN 08271524), Independent Directors was completed on 26.07.2023. Accordingly, the composition of the Risk Management Committee which has been constituted would not be as per requirement mentioned in the Corporate Governance Guidelines of MoP and therefore, would be treated as non-functional till appointment of Independent Directors.

In view of appointment of Shri Ajay Pandey (DIN-01292877), Prof. Shanmugnthan Raman (DIN-10463936) and Shri Kiran M. Shringarpure (DIN- 02468876) as Independent Director on the Board of the Company for the first term of two consecutive years with effect from 01.02.2024, the Board of Directors of the Company had constituted the Risk Management Committee in accordance with the Guidelines for Corporate Governance of State Power Distribution Utilities (DISCOMs) issued by Ministry of Power, Govt. of India.

The constitution of the Risk Management Committee as on 31.03.2024 was as under:

|     |                    |   |                               |
|-----|--------------------|---|-------------------------------|
| (1) | Managing Director  | : | Chairman                      |
| (2) | Shri H. P. Kothari | : | Member (GUVNL Representative) |
| (3) | Prof. S. Raman     | : | Member (Independent Director) |

The scope and terms of reference shall be to develop the risk management framework as an integral part of the business operations in line with the Risk Management Policy approved by the Board. The role of the Committee would be as prescribed in the Corporate Governance Guidelines issued by the MOP.

#### **EXTRACT OF ANNUAL RETURN:**

Pursuant to the amendments to Section 134(3)(a) of the Companies Act, 2013 read with Rule-12 of the Companies (Management and Administration) Rules, 2014, the information required with respect to the Annual Return pursuant to the provisions of Section 92, is available on the Company's website and can be accessed at [http://www.mgvcl.com/cprofile/ann\\_returns.htm](http://www.mgvcl.com/cprofile/ann_returns.htm)

#### **RELATED PARTY TRANSACTIONS:**

All transactions entered into with the related parties for the year were on arm's length basis and in the ordinary course of business. The Company has adopted a Related Party Transactions Policy and Procedure.

All related party transactions were placed before the Audit Committee. Omnibus approval was obtained for transactions which are of repetitive nature.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS:**

The Company has in place adequate internal financial controls with reference to financial statements commensurate with the size and nature of its business and are operating effectively.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

##### **Tariff**

Gujarat Electricity Regulatory Commission (GERC) is the authority to regulate the working of the Electricity Utilities in the State and is entrusted with various functions, inter-alia, including the determination of retail tariff for the end users of electrical energy.

Following the Multi year Tariff Regulations, MGVCL had filed petition for truing up for FY 2022-23 and determination of tariff for FY 2024-25 before the Hon'ble GERC. The Company invited objections/ suggestions from the stake holders. Hon'ble Commission had held hearing of the petition at GIFT City, Gandhinagar. After due process of hearing and analyzing the issues raised by the stake holders, the Hon'ble GERC issued the Tariff Order on 01.06.2024. Tariff Order is effective from 01.06.2024.

GERC vide order No. 02 of 2023 dated 29.03.2023 for the period 01.04.2023 to 30.09.2023 & 03 of 2023 dated 30.09.2023 for the period 01.10.2023 to 31.03.2024 has determined additional surcharge to be recovered by the

distribution companies from consumers opting to purchase power from other than local distribution company in order to mitigate their fixed cost burden.

**CONSUMER GRIEVANCES REDRESSAL FORUM:**

The Company has set up the Consumer Grievance Redressal Forum as mandated by Sub Section (5) of Section 42 of the Electricity Act, 2003 and the GERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2019 notified thereunder, within its jurisdiction for quick disposal of consumers' grievances.

Looking to the geographical situation and area covered by the company and for the convenience of our valued customers, the company has constituted 2 forums for quick disposal of consumer grievances viz. at Godhara and Vadodara, Corporate Office. Vadodara CGRF is looking after Baroda City, Baroda (O&M), Anand & Nadiad Circle of the company.

The Board of Directors in its meeting held on 12.02.2024 has approved establishment of Consumer Grievances Redressal Forum at each Circle office and at Corporate office level for Redressal of Grievances of Consumers in terms of Gujarat Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2019 dated 30.09.2019 and its first amendment published by notification No. 03 of 2023 dated 06.12.2023. The appointment of members of the forum is under process.

During the Financial Year 2023-24 under review, 78 cases were received and all cases were disposed of.

**HUMAN RESOURCE DEVELOPMENT:**

The Company lays great emphasis on upgrading the skills of its human resources. Numbers of need-based training and development programs were organized to develop competency of employees with special emphasis on fostering the culture of innovation thereby enhancing organizational effectiveness and productivity.

Due to regular interaction with the Employees' Representatives, the industrial relations continued to be cordial, resulting into positive work culture in the organization during the year under review.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has set up an Internal Complaints Committee (ICC) to redress the complaints received regarding sexual harassment.

It is to state that NIL complaints were received during FY 2023-24.

**AUDITORS:****A. Statutory Auditors:**

The Statutory Auditors are appointed by the Comptroller & Auditor General of India (C&AG), New Delhi. M/s. Mukund & Rohit, Chartered Accountants, Vadodara, were appointed as Statutory Auditors of the Company for the Financial Year 2023-24. They have audited the Financial Statements along with Balance Sheet for the Financial Year ended 31.03.2024 and submitted their report which forms part of this report. There is no qualification, reservation or adverse remarks in the Auditors Report.

The Comptroller & Auditor General of India (C&AG), New Delhi has appointed M/s. Shah Mehta and Bakshi, Chartered Accountants, Vadodara as Statutory Auditors of the Company for the Financial Year 2024-25.



**B. Cost Auditors:**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of "Electricity" are required to be audited. Accordingly, the Board of Directors has appointed M/s N. D. Birla & Co, Cost Accountants, Vadodara, as Cost Auditor of the Company for the Financial Year 2023-24. The Cost Audit Report for the Financial Year 2023-24 was filed with the Registrar of Companies on 15.10.2024, within the stipulated time. The Cost Auditor Report does not contain any qualification, observation or adverse remarks.

The Board has appointed M/s N. D. Birla & Co, Cost Accountants, Vadodara, as Cost Auditors for the Financial Year 2024-25. As required under the provisions of the Companies Act, 2013, the Directors recommend their remuneration for the Financial Year 2024-25 for your ratification.

The Company has maintained the cost accounting records as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended by the Companies (Cost Records and Audit) Rules, 2017 and further amendments.

**C. Secretarial Auditors:**

Your Company has appointed M/s. J. J. Gandhi & Co, Practicing Company Secretaries, Vadodara for conducting Annual Secretarial Audit for the Financial Year 2023-24 pursuant to Section 204 of the Companies Act, 2013. M/s. J. J. Gandhi & Co., Practicing Company Secretaries, Vadodara have issued Annual Secretarial Audit Report for the Financial Year 2023-24 which forms part of this report and is furnished as Annexure 'III'. The Secretarial Auditor Report does not contain any qualification, observation or adverse remarks.

**D. CAG's Comments**

The C&AG has conducted supplementary audit under Section 143 of the Companies Act, 2013 on the Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2024 and has issued a NIL comments vide letter No. AMG-III/HQ-II/Lekhe/MGVCL/2024/ow-1328 dated 19.11.2024, a copy of which is placed in this Annual Report.

**DISCLOSURE pursuant to the requirements mentioned in the revised Corporate Governance Guidelines dated 27.04.2023 issued by the Ministry of Power, Govt. of India**

**(A) MANAGEMENT DISCUSSION:**

Power sector being backbone of the economy can become a vehicle for social and economic transformation through its strong backward and forward linkages. Distribution sector, mainly rested with Public Sector Undertakings and presently having increasing participation of Private Sector, is serving as the vital intermediary connectivity between utilities and consumer. Power sector is currently undergoing through a process of transformation with implementation of various technological upgrades, change in generation capacity matrix, approach towards the stakeholders grievance/concerns etc.

**(B) FUTURE OUTLOOK:****(i) "Revamped Reforms Based and Results Linked Distribution Sector Scheme" (RDSS):**

Ministry of Power (MoP), Government of India has formulated RDSS to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen supply, infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The Scheme has an outlay of Rs. 3,03,758 Crore over 5 years i.e. FY 2021-22 to FY 2025-26. The outlay includes an estimated Government Budgetary Support (GBS) of Rs 97,631 Crore. Rural Electrification Corporation Limited (REC) and Power Finance Corporation Limited (PFC) have been nominated as nodal agencies for facilitating the implementation of the Scheme.

**(ii) Metering Revolution through Smart Technology:**

Introduction and infusion of new smart metering technology in the power sector would result in a great revolution. Installation of Smart Prepaid Meters would give benefits to the Company in terms of revenue generation and planning appropriate power management. The Company has been planning to absorb this new technology and has taken steps to implement the Smart Metering Project in urban areas and would gradually cover other areas in future.

**(iii) Renewable Energy:**

The Company is implementing various Govt. Schemes for boosting up generation of energy from non-conventional sources such as solar and wind.

**(iv) Creation of Robust Interruption-free Network for Reliable Power Supply in operational area:**

The Company has already initiated various infrastructure development work to meet the consumer satisfaction through improved power reliability by undertaking the proposed robust interruption-free power network, using higher technical parameters, to ensure power reliability, safety and distribution system resilience.

**(C) ENERGY AUDIT:****(i) Annual Energy Audit conducted as per BEE regulations along with past trends, improvements:**

The Energy Audit is conducted in accordance with Bureau of Energy Efficiency (Manner and Intervals for Conduct of Energy Audit in Electricity Distribution Companies) Regulations, 2021 covering the key aspects mentioned therein. The energy audit is being conducted with the objectives to reduce inefficiencies and losses, thereby ensuring financial and economic viability of the Company.

In accordance with BEE Regulations, the Company has appointed M/s. Electrical Research & Development Association, Vadodara (Accredited Energy Audit Agency), as Energy Auditors for the Financial Year 2023-24 to conduct energy audit. M/s. Electrical Research & Development Association, Vadodara (Accredited Energy Audit Agency Energy Auditors) have conducted Annual Energy Audit for the Financial Year 2022-23 & 2023-24.

**(ii) Divergence and discrepancy between Financial Accounts and Energy Accounts:**

The main objective of audit of financial accounts is to ensure that the financial statements give a true and fair view of the state of affairs of the Company in conformity with the Indian Accounting Standards and other Accounting Principles generally accepted in India. Whereas the main objectives of Energy Audit are to identify high loss areas so that corrective action can be taken to have appropriate energy planning. It also helps in identifying areas where energy is being used inefficiently.

While the energy audit is conducted as per BEE Regulations, the audit of financial accounts is conducted as per the requirement under the Companies Act, 2013 and in accordance with Indian Accounting Standards and Principles.

Accordingly, the methodologies of computing purchase of power vis-à-vis sent out units, sale of power vis-à-vis sold out units and consequent treatment of transactions related to open access, captive power plants, wind and solar generation by consumers & units related to Deviation Settlement Mechanism are different in both these audits. Therefore, there would always be a difference in computation of various parameters.

The requirement and objectives of both these audits are different and are conducted in financial and technical terms and parameters, which are not comparable. Accordingly, there is no major divergence and discrepancies noticed between these two accounts.

### (iii) **SUBSIDY CLAIMED FROM THE STATE GOVERNMENT:**

The details of quarterly subsidy bills prepared and submitted to the Government of Gujarat are as under:

| Quarter | FY 2023 -24 |          | FY 2022 -23 |          |
|---------|-------------|----------|-------------|----------|
|         | Claimed     | Received | Claimed     | Received |
| I       | 112.75      | 112.75   | 111.84      | 111.84   |
| II      | 109.04      | 109.04   | 60.36       | 60.36    |
| III     | 158.97      | 158.97   | 111.50      | 111.50   |
| IV      | 154.71      | 202.60   | 138.74      | 322.64   |
| Total   | 535.47      | 583.36   | 422.44      | 606.34   |

The excess receipt against the claimed amount is towards previous outstanding payment of subsidy by the Govt. of Gujarat.

### (iv) **ELECTRICITY DUES OF GOVERNMENT DEPARTMENTS (NAGARPALIKAS):**

The details of electricity dues of Government Departments (Nagarpalika) are as under:

| Particulars                                      | Amt. in Rs. Crore |            |
|--------------------------------------------------|-------------------|------------|
|                                                  | FY 2023-24        | FY 2022-23 |
| Balance outstanding at the beginning of the year | 73.59             | 68.02      |
| Add: Bills raised during the year                | 72.28             | 64.52      |
| Less: Payments received/adjusted during the year | 47.63             | 58.95      |
| Balance outstanding at closing of the year       | 98.24             | 73.59      |

### **OTHER DISCLOSURES:**

- a) The Company has not declared any dividend prior to the Financial Year 2023-24 and therefore, there was no unpaid or unclaimed dividend and hence no disclosure is required to be made pursuant to the provisions of Section 125 of the Companies Act, 2013. There was no unpaid or unclaimed dividend declared and paid for the previous years and therefore, the Company is not required to transfer unpaid/ unclaimed dividend/other amounts as applicable to the Investor Education and Protection Fund in accordance with Section 125 of the Act.
- b) There was no change in the nature of business of the Company during the year.
- c) No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.
- d) The Company is engaged in the distribution of power which is covered under the exemption provided under Section 186(11) of the Companies Act, 2013. Accordingly, the details of loan given or guarantee or security provided by the Company are not required to be reported. The Company has not made any investment during the year.



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



- e) The Company has no subsidiary or joint venture or associate company as defined under the Companies Act, 2013.
- f) The Company being a Government Company is exempted vide Notification No. GSR-163(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India, to furnish information as required under Section 197 of the Companies Act, 2013 relating to particulars of Directors or employees.
- g) During the year under review, the Company has neither accepted nor renewed any deposits covered/as defined under Chapter-V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.
- h) There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.
- i) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future, except as stated elsewhere in this Report.
- j) The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, as amended from time to time.
- k) There was one case pending under the Insolvency and Bankruptcy Code, 2016 as at the end of the financial year. The same was disposed in July, 2024.
- l) No event has taken place that gives rise to reporting of details with respect to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or financial institutions.

## ACKNOWLEDGEMENT:

Your Directors gratefully acknowledge and appreciate the contribution made by the employees at all levels for the understanding and support extended by them. The Directors express their deep sense of appreciation of all the employees, whose outstanding professionalism, commitment and initiative have made the organization's growth and success possible and continue to drive its progress. The Directors place on record their gratitude to the Government of India (including the Ministry of Power), Government of Gujarat (including Energy & Petrochemicals Department), Gujarat UrjaVikas Nigam Limited (the Holding Company), Gujarat State Electricity Regulatory Commission, GEDA, Power Finance Corporation Limited, Rural Electrification Corporation Limited, Financial Institutions, Bankers, Consumers, Suppliers and other business associates and various stakeholders for their continued assistance, co-operation and patronage. The Company is also thankful to the Comptroller & Auditor General of India, the Internal, Statutory, Cost and Secretarial Auditors and Consultants/Advisors for their suggestions and co-operation.

**For and on behalf of the Board,**

**Date: 11.12.2024**  
**Place: Gandhinagar**

**Sd/-**  
**Jai Prakash Shivahare, IAS**  
**Chairman**  
**(DIN – 07162392)**

## MADHYA GUJARAT VIJ COMPANY LIMITED

CIN – U40102GJ2003SGC042907

Registered & Corporate Office:

Sardar Patel Vidyut Bhavan, Race Course, Vadodara – 390 007, Gujarat

Telephone: (0265) 2310582 Fax: (0265) 2338164

e-mail: info@mgvcl.com Website: www.mgvcl.com

## ANNEXURE-I

**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014:**

| <b>Conservation of energy–</b>                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Steps taken or impact on conservation of energy;                      | <ul style="list-style-type: none"> <li>• HVDS system is implemented to reduce LT/HT ratio for reduction of technical losses.</li> <li>• Feeder bifurcation is being done to reduce line length with the aim of reduction in HT line loss and improvement in reliability of supply.</li> <li>• Awareness programme for promoting Solar Rooftop and PM Surya Ghar Yojna was carried out by displaying flex banners at all Govt.offices, publicity through hoardings in Vadodara City, distributing pamphlets/leaflets and flyers with newspaper in town / city area etc. Meetings at each Village having zero solar connection were also arranged in rural areas.</li> <li>• Safety advertisements and radio jingles are published during the festivals of Uttaryan and Diwali in leading newspapers and radio channels for bringing awareness in public.</li> <li>• During National Energy Conservation week celebration i.e. during Second Week of December, 2023 Rally, Drawing, Painting, Essay, Quiz competition etc. activities are carried out for awareness of general Citizens and consumers and educated for energy conservation tips.</li> <li>• Energy Audit of 3 Offices of MGVCL having HT connections was carried out.</li> </ul> |
| Steps taken by the company for utilizing alternate sources of energy; | <ul style="list-style-type: none"> <li>◇ <b>PM KUSUM FLS:-</b></li> <li>• As per MNRE guidelines, feeder level solarization has been initiated.</li> <li>◇ Till, November, 2024, GUVNL, State Implementing Agency (SIA), allotted total 48,453 agricultural pumps under PM KUSUM FLSScheme. The Tender Evaluation process has been completed, and based on the acceptance of the Letter of Intent (LOI) received from various bidders, a petition has been filed with the Gujarat Electricity Regulatory Commission (GERC) for the adoption of the tariff.</li> <li>◇ Shifting of agricultural load during day time where solar power is available and there are total 13 nos of Sub-stations identified having 37 nos. of Ag feeders got day time power supply during time period 8:00 hrs to 16:00 hrs.</li> <li>◇ <b>Surya Gujarat Scheme (Residential Solar Roof Top subsidized scheme of GoG)</b></li> <li>• MGVCL has implemented SURYA GUJARAT -Solar Rooftop Programme for residential consumers very successfully by adopting single window clearance and streamlining of procedures with close monitoring centrally to optimize quick disposal of Solar Rooftop applications with consumer friendly approach.</li> </ul>             |

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                           | <ul style="list-style-type: none"> <li>Under SURYA GUJARAT Scheme during FY 2023-24 25,754 Nos and 105.25 MW of residential Solar Rooftop connections were released and cumulative up-to FY 2023-24 1,15,400 Nos and 456.36 MW connections are released.</li> <li>◇ <b>Solar Roof Top Scheme :- (All categories – Non-subsidized)</b></li> <li>During the Financial Year 2023-24, total 2,882 Nos and 12.62 MW capacity of residential Solar Rooftop connections are released and 1,490 Nos and 62.062 MW Solar Rooftop connections released for industrial, commercial, government and other categories. Thus, cumulative 22,915 Nos and 277.20 MW Solar Rooftop connections are released up-to FY 2023-24.</li> <li>◇ <b><u>AGRICULTURE DSM:-</u></b></li> <li>The Company has initiated Demand Side Management (DSM) program for agriculture consumers. Under various schemes mentioned below standalone off grid solar pumps and grid connected solar connections are given to farmers.</li> <li>Under PM KUSUM Component B Scheme, during the FY 2022-23, 142 Nos and during FY 2023-24, 130 Nos of standalone off grid pumps were commissioned.</li> <li>The solar energy also called green and clean energy helps in reduction of carbon foot print in agriculture and reduces the subsidy of government in agriculture sector.</li> </ul> |
| The capital investment on energy conservation equipments; | Provisions have been made during the FY 2023-24 for different energy conservation/Energy Efficiency / demand side management schemes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Technology absorption</b>                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| The efforts made towards technology absorption;           | <ul style="list-style-type: none"> <li>Under “Revamped Reforms Based and Results Linked Distribution Sector Scheme” (RDSS), MGVCL has awarded works for installation of smart prepaid meters in MGVCL jurisdiction and for Development of Distribution Infrastructure work for Loss reduction.</li> <li>The Company has initiated the work for underground cabling at Por, Nandesari &amp; Ranoli GIDC.</li> <li>To meet the consumer satisfaction through improved power reliability, the Company has initiated the activities for robust interruption-free power network, using higher technical parameters, to ensure power reliability, safety and distribution system resilience.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



|                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The benefits derived like product improvement, cost reduction, product development or import substitution;</p>                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.</li> <li>• Reduction in power interruptions.</li> <li>• Reduction in losses.</li> <li>• Achieved consumer satisfaction by providing centralized Customer Care Center support, accurate billing, mobile application, Consumer portal &amp; SMS facilitation.</li> </ul> |
| <p>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-<br/>The details of technology imported;<br/>The year of import;<br/>Whether the technology been fully absorbed;<br/>If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;<br/>and</p> | <p style="text-align: center;">---- Nil-----</p>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p>The expenditure incurred on Research and Development.</p>                                                                                                                                                                                                                                                                                            | <p style="text-align: center;">---- Nil-----</p>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Foreign exchange earnings and outgo –</b></p>                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p>The Foreign Exchange earned in terms of actual inflows during the years and the Foreign Exchange outgo during the year in terms of actual outflows.</p>                                                                                                                                                                                              | <p style="text-align: center;">---- Nil-----</p>                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**For and on behalf of the Board,**

**Sd/-**

**Date: 11.12.2024**  
**Place: Gandhinagar**

**Jai Prakash Shivahare, IAS**  
**Chairman**  
**(DIN – 07162392)**

## ANNUAL REPORT ON CSR FOR FY 2023-24

### ANNEXURE II

|          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                                                   |                                                                             |                                                                                 |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>1</b> | <b>Brief outline on CSR Policy of the Company:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |                                                   |                                                                             |                                                                                 |
|          | <p>The concept of Corporate Social Responsibility has gained prominence from all avenues.</p> <p>Corporate Social Responsibility (CSR) Policy of Madhya Gujarat Vij Company Limited (MGVCL)' encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large.</p> <p>This Policy shall apply to all CSR initiatives and activities taken up by the Company at the Company's areas of operations and also within the State of Gujarat and in any other parts of the country, for the benefit of the different segments of the society provided that the preference shall be given to the local areas and areas where the Company operates for undertaking the CSR activities.</p> <p>In alignment with vision of the Company, MGVCL, through its CSR initiatives, shall continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community.</p> <p>The CSR Projects and Programmes undertaken will be within the broad frame work of Schedule VII of the Companies Act, 2013 and will be identified and funds allocated, on a yearly basis, as per the need assessment specific to the location, target beneficiary and agency partnering for the implementation.</p> <p>The CSR Policy may be accessed on the Company's website: <a href="http://www.mgvcl.com">http://www.mgvcl.com</a></p> |                          |                                                   |                                                                             |                                                                                 |
| <b>2</b> | <b>Composition of CSR Committee as at 31.03.2024:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                                   |                                                                             |                                                                                 |
|          | <b>Sr. No.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Name of Director</b>  | <b>Designation/<br/>Nature of Directorship</b>    | <b>Number of meetings<br/>of CSR Committee<br/>held during<br/>the year</b> | <b>Number of meetings<br/>of CSR Committee<br/>attended during<br/>the year</b> |
|          | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Shri Tejas Parmar, IAS   | Chairman/Managing Director<br>w.e.f. 06.04.2023   | 5                                                                           | 5                                                                               |
|          | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Shri Shubhadeep Sen      | Member (11-08-2023 to<br>12.02.2024)              | 3                                                                           | 3                                                                               |
|          | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Smt. Sailaja Vachhrajani | Member(11-08-2023 to<br>12.02.2024)               | 3                                                                           | 3                                                                               |
|          | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Shri P. H. Rana          | Member/Independent Director<br>(Till 25.07.2023)  | 1                                                                           | 1                                                                               |
|          | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Prof. Naman Desai        | Member/Independent Director<br>(Till 25.07.2023)  | 1                                                                           | 0                                                                               |
|          | 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Shri K. M. Shringarpure  | Member/Independent Director<br>(w.e.f.12.02.2024) | 1                                                                           | 1                                                                               |
|          | 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Prof. Ajay Pandey        | Member/Independent Director<br>(w.e.f.12.02.2024) | 1                                                                           | 1                                                                               |

|   |                                                                                                                                                             |                                                                   |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| 3 | Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company      | <a href="https://www.mgvcl.com/CSR">https://www.mgvcl.com/CSR</a> |
| 4 | Provide the executive summary along with web link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable | Not Applicable                                                    |
| 5 | a. Average net profit of the company as per sub-section 5) of Section 135 of the Companies Act, 2013.                                                       | 103,72,98,946.67                                                  |
|   | b. Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013.                                                       | 2,07,46,000/-                                                     |
|   | c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years.                                                     | —                                                                 |
|   | d. Amount required to be set off for the financial year,                                                                                                    | —                                                                 |
|   | e. Total CSR obligation for the financial year (5b+5c- 5d).                                                                                                 | 2,07,46,000/-                                                     |
| 6 | a. Amount spent on CSR Projects (both Ongoing and Other than Ongoing Project)                                                                               | 1,00,49,271/-                                                     |
|   | b. Amount spent in Administrative Overheads                                                                                                                 | Nil                                                               |
|   | c. Amount spent on Impact Assessment, if applicable                                                                                                         | Not Applicable                                                    |
|   | d. Total amount spent for the Financial Year (6a+6b+6c)                                                                                                     | 1,00,49,271/-                                                     |
|   | e. CSR amount spent or unspent for the financial year:                                                                                                      |                                                                   |

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.)                                                |                   |                                                                                                      |         |                   |
|----------------------------------------------------|------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------------|---------|-------------------|
|                                                    | Total Amount transferred to Unspent CSR Account as per section 135(6). |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |         |                   |
|                                                    | Amount.                                                                | Date of transfer. | Name of the Fund                                                                                     | Amount. | Date of transfer. |
| 1,00,49,271/-                                      | 1,06,96,729/-                                                          | 18/04/2024        | —                                                                                                    | —       | —                 |

|  |         |                                                                                       |                 |
|--|---------|---------------------------------------------------------------------------------------|-----------------|
|  | f.      | Excess amount for set off, if any:                                                    | Not applicable  |
|  | Sr. No. | Particular                                                                            | Amount (in Rs.) |
|  | (I)     | Two percent of average net profit of the company as per sub-section(5) of Section 135 | Nil             |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                     |                                                                                                             |                                                                                          |                                                   |                                                                                                                           |                  |                                                                            |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------------------------------|--------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | (ii)                                                                                                                                | Total amount spent for the Financial Year                                                                   |                                                                                          |                                                   |                                                                                                                           | NIL              |                                                                            |                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | (iii)                                                                                                                               | Excess amount spent for the financial year [(ii)-(i)]                                                       |                                                                                          |                                                   |                                                                                                                           | NIL              |                                                                            |                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | (iv)                                                                                                                                | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any |                                                                                          |                                                   |                                                                                                                           | NIL              |                                                                            |                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | (v)                                                                                                                                 | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     |                                                                                          |                                                   |                                                                                                                           | NIL              |                                                                            |                    |
| 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Details of Unspent CSR amount for the preceding three financial years:                                                              |                                                                                                             |                                                                                          |                                                   |                                                                                                                           |                  |                                                                            |                    |
| Sr. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Preceding Financial Year.                                                                                                           | Amount transferred to Unspent CSR Account under sub-section(6) of section135 (Rs. in lakhs)                 | Balance Amount in Unspent CSR Account under sub-section(6) of section 135 (Rs. in lakhs) | Amount Spent in the Financial Year (Rs. in lakhs) | Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section(5) of section135), if any. |                  | Amount remaining to be spent in succeeding financial years. (Rs. in lakhs) | Deficiency, if any |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                     |                                                                                                             |                                                                                          |                                                   | Amount (Rs. in lakhs)                                                                                                     | Date of transfer |                                                                            |                    |
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2020-21                                                                                                                             | 64.28                                                                                                       | 24.78                                                                                    | 20.66                                             | 4.12                                                                                                                      | 26/04/2024       | NIL                                                                        | -                  |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2021-22                                                                                                                             | 57.65                                                                                                       | 34.43                                                                                    | 34.43                                             | -                                                                                                                         | -                | NIL                                                                        | -                  |
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2022-23                                                                                                                             | 59.74                                                                                                       | 59.74                                                                                    | 46.43                                             | -                                                                                                                         | -                | 13.31                                                                      | -                  |
| 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year |                                                                                                             |                                                                                          |                                                   |                                                                                                                           | Not Applicable   |                                                                            |                    |
| 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5)               |                                                                                                             |                                                                                          |                                                   |                                                                                                                           |                  |                                                                            |                    |
| <p>Under the provision of Section 135 of the Companies Act, 2013 and rules made thereunder, the total amount to be spent by the Company for FY 2023-24 was Rs. 2.07 crore.</p> <p>The Company has approved CSR projects worth Rs. 2.07 crores for FY 2023-24 and has spent Rs. 1.00 crore during FY 23-24 against stipulated 2% of Rs. 2.07 crores.</p> <p>The Committee decided certain CSR projects as ongoing for FY 23-24 considering the time required for execution of project, which was likely to span beyond FY 23-24 and funds were committed for these projects and accordingly unspent project cost remaining on these projects as on 31.03.2024 was transferred to special bank account opened in line with the Act/CSR Rules as amended by MCA, Govt of India.</p> <p>The Company has already transferred unspent amount relating to ongoing project for FY 23-24 of Rs. 1.06 crores on 18.04.2024 to separate bank account opened in Scheduled Bank. This amount will be spent on the ongoing projects of FY 23-24 within the stipulated time period under the Act.</p> |                                                                                                                                     |                                                                                                             |                                                                                          |                                                   |                                                                                                                           |                  |                                                                            |                    |

**Date : 25/11/2024**  
**Place : Vadodara**

**Sd/-**  
**(Tejas Parmar, IAS)**  
**Managing Director, MGVCL/**  
**Chairman, CSR Committee**



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## **Secretarial Audit Report (For the Financial year ended on 31<sup>st</sup> March, 2024)**

### **ANNEXURE III**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Madhya Gujarat Vij Company Limited,**  
Sardar Patel Vidyut Bhavan  
Race Course, Vadodara - 390007  
Gujarat

Dear Sir,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Madhya Gujarat Vij Company Limited (CIN U40102GJ2003SGC042907) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not applicable to the Company during Audit period.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. – As reported to us there were no FDI, ODI and ECB transactions in the Company during the financial year under review.
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company as the Company is unlisted Public Company.
6. Further, as per representation of management letter, considering nature of business and process of the Company the following Acts are specifically applicable to the Company. There are adequate systems and processes in the company to monitor and ensure compliance;
  - A. The Electricity Act, 2003
  - B. The Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003
  - C. The Gujarat Electricity Duty Act, 1958



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



We have also examined compliance with the applicable clauses of the following;

- (i) The Mandatory Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company as the Company is unlisted Public Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above.

## **We further report that;**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, (except when meeting convened at shorter notice with the consent of Directors which is recorded in minutes) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, on Right basis the Company has allotted 72,99,995 equity shares of Rs. 10/- each at a price of Rs. 87/- per share (including premium of Rs. 77/- per share) on 17/10/2023. The Company has further allotted 1,88,54,742 equity shares of Rs. 10/- each at a price of Rs. 91/- per share (including premium of Rs. 81/- per share) on 20/03/2024.

**for J. J. Gandhi & Co.**  
**Practising Company Secretaries**

**Sd/-**  
**(J. J. Gandhi)**  
**Proprietor**

**Place: Vadodara**  
**Date: 28<sup>th</sup> November, 2024**

**FCS No. 3519 and CP No. 2515**  
**P R No. 1174/2021**

**UDIN number F003519F003038573**

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.





# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## Annexure to Secretarial Audit Report

To,  
The Members,  
**Madhya Gujarat Vij Company Limited,**  
Sardar Patel Vidyut Bhavan  
Race Course, Vadodara – 390007, Gujarat

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**for J. J. Gandhi & Co.**  
**Practising Company Secretaries**

**Sd/-**  
**(J. J. Gandhi)**  
**Proprietor**  
**FCS No. 3519 and CP No. 2515**

**Place: Vadodara**  
**Date: 28<sup>th</sup> November, 2024**

भारतीय लेखापरीक्षा एवं लेखा विभाग

कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-II) गुजरात

"लेखापरीक्षा भवन", नवरंगपुरा, अहमदाबाद - 380 009.



INDIAN AUDIT &amp; ACCOUNTS DEPARTMENT

Office of the Accountant General (Audit-II), Gujarat

Audit Bhavan, Navrangpura, Ahmedabad - 380 009.

क्रं.ए.एम.जी -I मु.-II/लेखे/MGVCL/2024/OW 1328

19/11/2024

सेवा में,

प्रबंध निदेशक

मध्य गुजरात विज कंपनी लिमिटेड,

सरदार पटेल विद्युत भवन, रेस कोर्स,

वडोदरा-390 007.

विषय : कंपनी अधिनियम, 2013 की धारा 143 (6) (बी) के अनुसार 31 मार्च 2024 को समाप्त वर्ष के लिए **Madhya Gujarat Vij Company Limited** के वित्तीय विवरणों पर भारत के नियंत्रक-महालेखा परीक्षक की टिप्पणी।

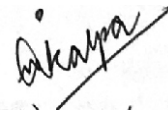
महोदय,

31 मार्च 2024 को समाप्त वर्ष के लिए **Madhya Gujarat Vij Company Limited** के वित्तीय विवरणों पर कंपनी अधिनियम, 2013 की धारा-143 (6) (बी) के अनुसार भारत के नियंत्रक-महालेखा परीक्षक की 'शून्य टिप्पणी का प्रमाणपत्र', कंपनी की वार्षिक साधारण बैठक में रखने के लिए संलग्न पाएं।

कंपनी अधिनियम, 2013 की धारा-143 (6) (बी) के अनुसार भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियों को कंपनी के लेखा परीक्षक की रिपोर्ट के साथ उसी तरह और उसी समय वार्षिक साधारण बैठक में रखना अनिवार्य है। भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियों को वार्षिक साधारण बैठक में रखने की तिथि इस कार्यालय को सूचित करें।

कृपया, मुद्रित लेखों की छः प्रतियाँ इस कार्यालय के प्रयोग और अभिलेख के लिए भिजवाएं। अनुलब्धक सहित इस पत्र की प्राप्ति की सूचना दें।

भवदीया,



उप महालेखाकार (ए.एम.जी.-I)

संलग्नक : यथोपरि



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL. OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MADHYA GUJARAT VIJ COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of Madhya Gujarat Vij Company Limited for the year ended 31 March 2024 in accordance with the financial reporting framework Prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 September 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Madhya Gujarat Vij Company Limited for the year ended 31 March 2024 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory Auditors' report under Section 143 (6) (b) of the Act.

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

Place : Ahmedabad  
Date : 19-11-2024

(Bijit Kumar Mukherjee)  
Principal Accountant General (Audit-II), Gujarat

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**Independent Auditor's Report****To the Members of Madhya Gujarat Vij Company Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Madhya Gujarat Vij Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis, Business Responsibility Report, Report on Corporate Governance but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting

principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail to the extent stated in (h)(vi) below.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) The Company being a Government Company, in view of Notification No. G.S.R 463 (E) dated 5<sup>th</sup> June, 2015 issued by Government of India, the provision of Section 164(2) of the Companies Act, 2013 are not applicable to the Company.
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial



statements. Refer Note 40 to the financial statements;

- ii. The Company has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company did not have any derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause(iv)(a) and (iv)(b) contain any material misstatement.
- v. No dividend declared and paid during the year by the Company, so the question of compliance with Section 123 of the Act does not arise.
- vi. Relying on representations/explanations from the company and based on our examination on test check basis, the company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2024 which have a feature of recording audit trail (edit log) facility and the audit trail feature has been operating throughout the year for all relevant transactions recorded in the respective software, except the edit log facility has not enabled at the database level to log any direct data changes in respect of accounting software used for maintaining books of accounts relating to HT LT Utility Billing Software, payroll processing and inventory. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



3. The Company being a Government Company, in view of Notification No. G.S.R 463 (E) dated 5<sup>th</sup> June, 2015 issued by Government of India, the provisions of Section 197 of the Companies Act, 2013 are not applicable to the Company.
4. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such test checks of the books and records of the company as we considered appropriate and according to the information and explanation give to us, in the "Annexure-C", on the directions and sub-directions issued by Comptroller and Auditor General of India.

**For Mukund & Rohit  
Chartered Accountants  
Registration No. 113375W**

**Sd/-  
Rohit Kothari  
Partner  
M. No. 038908  
UDIN:24038908BKWCQT4364**

**Place: Vadodara  
Date: 25.09.2024**

## Annexure “A” to the Auditors’ Report

The Annexure referred to in our report to the members of **Madhya Gujarat Vij Company Limited** for the year ended March 31, 2024, we report that:

I.

- (a) (A) The Company has generally maintained proper records of Property, Plant & Equipments showing location of assets as Sub Division. Further certain details as regards to exact location, quantity, identification and conditions etc. of movable tangible assets needs to be updated. Location details and area of freehold land and leasehold land also needs to be updated in the Fixed Assets Register and need to be reconciled with the revenue records maintained by the local authority.
- (B) The Company has generally maintained proper records of intangible assets except to exact location, quantity, and identification etc. of intangible in respect to computer software.
- (b) Based on the information and explanations provided to us, the Company has implemented a phased program aimed at verifying all Property, Plant & Equipment, with the exception of assets within the transmission and distribution system. We have been informed that conducting physical verification for these assets is not feasible due to their inherent nature.

Subsequent to the year-end, the Company engaged an independent agency to carry out the verification of Property, Plant & Equipment, excluding those within the transmission and distribution system. However, as of now, the final physical verification report has not been completed. Therefore, we are unable to make any comments regarding the adequacy of the verification process for Property, Plant & Equipment in relation to the nature and scale of its assets, as well as any potential discrepancies.

- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2 on Property, Plant and Equipment to the financial statements, are held in the name of the Company, except for the following:

| <b>Description of Property</b> | <b>Gross Carrying Value (in lakh)</b> | <b>Held in Name of</b>          | <b>Whether Promoter, Director or their relative or employee</b> | <b>Period held - indicate range, where appropriate</b> | <b>Reason for not being held in name of company</b>                                      |
|--------------------------------|---------------------------------------|---------------------------------|-----------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------------------------|
| Land                           | 10.10                                 | Gujarat Electricity Board (GEB) | No                                                              | 19 Years                                               | The immovable properties, which have been transferred to company are held in the name of |
| Office bldgs.                  | 2,164.73                              | Gujarat Electricity Board (GEB) | No                                                              | 19 Years                                               |                                                                                          |
| Residential colony for staff.  | 311.37                                | Gujarat Electricity Board (GEB) | No                                                              | 19 Years                                               |                                                                                          |

|                       |          |                                 |    |          |                                                                                                                                                   |
|-----------------------|----------|---------------------------------|----|----------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Other buildings       | 47.45    | Gujarat Electricity Board (GEB) | No | 19 Years | GEB erst or Vadodara Mahanagar Seva Sadan (VMSS). The procedure for the registration and/or transfer in the name of the Company is under process. |
| Guest house building  | 4.49     | Gujarat Electricity Board (GEB) | No | 19 Years |                                                                                                                                                   |
| Land                  | 117.10   | Vadodara Municipal Corporation  | No | 36 Years |                                                                                                                                                   |
| Land held under lease | 2,135.05 | Vadodara Municipal Corporation  | No | 36 Years |                                                                                                                                                   |
| Other buildings       | 23.71    | Vadodara Municipal Corporation  | No | 36 Years |                                                                                                                                                   |
| Office bldgs.         | 107.16   | Vadodara Municipal Corporation  | No | 36 Years |                                                                                                                                                   |

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year. Accordingly, the reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on our audit procedures and as per the information and explanations given by the management, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

## II.

- (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has submitted quarterly statements or returns to GUVNL for onward submission to Consortium Bank wherein there are certain deviations with the books of account set out as per Note No 44 to the financial statement.

## III.

- (a) The Company has not made any investments during the year and has not granted secured/ unsecured loans/ advances in the nature of loans to any Company/ Firm/Limited Liability Partnership/Other Party during the year other than loan to its employees. The aggregate amount during the year, and balance

outstanding at the balance sheet date with respect to such loans is as per the table given below:

| Particulars       | Aggregate amount<br>during the year<br>(In Lakh) | Balance outstanding<br>as at 31.03.2024<br>(In Lakh) |
|-------------------|--------------------------------------------------|------------------------------------------------------|
| Loan to Employees | 2,264.62                                         | 3,474.67                                             |

- (b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of loan to employees, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of aforesaid loan to employees, there is no amount which is overdue for more than ninety days.
- (e) There were no loans, which were granted to same parties and which fell due during the year and were renewed/extended. Further no fresh loans were granted to any party to settle the overdue loans.
- (f) The loans granted during the year, had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. No amount of loans was granted to the promoters/ related parties.
- IV. In our opinion and according to the information and explanations given to us the Company has not granted any loan or made any investments or provided any guarantees or securities to the parties covered under section 185 and section 186 of the Companies Act, 2013; therefore, the provisions of clause (iv) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company and reporting under this clause is not required.
- V. Based on the our scrutiny of Company's record and according to the information and explanation provided by the management, in our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- VI. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We are of the opinion that the prescribed accounts and records have been made and maintained.
- VII.
- (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales-Tax, Goods & Service Tax, Service tax, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities. There are no such arrears as at 31st March, 2024 for a period more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no dues including Provident Fund, Employees State Insurance, Sales-Tax, Goods & Service Tax, Value Added Tax, Cess that have not been deposited as on 31st March, 2024 on account of any dispute, except for the following –

| Sr No. | Name of Statute      | Nature of Dues | Outstanding Demand | Period to which amount relates | Forum where dispute is pending                                                                                    |
|--------|----------------------|----------------|--------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------|
| 1      | Income Tax Act, 1961 | Income Tax     | 58,32,57,104       | AY 2017-18                     | Income Tax Appellate Tribunal, Ahmedabad                                                                          |
| 2      | Income Tax Act, 1961 | Income Tax     | 82,88,32,168       | AY 2017-18                     | Commissioner of Income Tax (Appeals), Baroda                                                                      |
| 3      | Income Tax Act, 1961 | Income Tax     | 13,18,56,478       | AY 2016-17                     | Commissioner of Income Tax (Appeals), Baroda                                                                      |
| 4      | Income Tax Act, 1961 | Income Tax     | 23,26,427          | AY 2014-15                     | Income Tax Appellate Tribunal, Ahmedabad                                                                          |
| 5      | Income Tax Act, 1961 | Income Tax     | 1,37,67,620        | AY 2008-09                     | Commissioner of Income Tax (Appeals), Baroda                                                                      |
| 6      | Income Tax Act, 1961 | Income Tax     | 74,96,71,896       | AY 2018 -19                    | Income Tax Appellate Tribunal, Ahmedabad                                                                          |
| 7      | Income Tax Act, 1961 | Income Tax     | 12,77,22,800       | AY 2015-16                     | Income Tax Appellate Tribunal, Ahmedabad                                                                          |
| 8      | Income Tax Act, 1961 | Income Tax     | 1,86,50,69,640     | AY 2021-22                     | Commissioner of Income Tax (Appeals), Baroda                                                                      |
| 9      | Income Tax Act, 1961 | Income Tax     | 53,37,23,660       | AY 2022-23                     | Commissioner of Income Tax (Appeals), Baroda                                                                      |
| 10     | Service Tax          | Service Tax    | 2,45,07,694        | FY 2010-11 to 2014-15          | CESTAT, Ahmedabad                                                                                                 |
| 11     | Service Tax          | Service Tax    | 6,74,74,957        | 01.10.2012 to 31.03.2017       | Partly Order Received in the Favour of MGVCL from Commissioner Appeal. Appeal is now pending at CESTAT, Ahmedabad |
| 12     | Service Tax          | Service Tax    | 90,25,998          | FY 2015-16                     | CESTAT, Ahmedabad                                                                                                 |
| 13     | Service Tax          | Service Tax    | 95,32,048          | FY 2016-17                     | CESTAT, Ahmedabad                                                                                                 |

VIII. According to the information and explanations given by the management and on the basis of our examination of the records of the Company, no unrecorded transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Therefore, the provisions of clause 3(viii) of Companies (Auditor's Report) Order, 2020 are not applicable.

IX.

- (a) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to financial institutions, banks, Government in respect of existing loans, which were originally raised by the Company. As regards the loans transferred from GUVNL, as certified by GUVNL, there has been no default in repayment of principal and interest.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company. Therefore, the provision of clause 3(ix)(d) of Companies (Auditor's Report) Order, 2020 is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture companies. Therefore, the provision of clause 3(ix)(e) of Companies (Auditor's Report) Order, 2020 is not applicable.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under Companies Act, 2013. Therefore, the provision of clause 3(ix)(f) of Companies (Auditor's Report) Order, 2020 is not applicable.

X.

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised money by initial public offer or further public offer (including debt instruments) during the period covered by our audit report. Therefore, the provision of clause 3(ix)(f) of Companies (Auditor's Report) Order, 2020 is not applicable.
- (b) Based on our examination of records and information provided to us by the management, we report that the Company has issued shares on right basis during the year under review and the requirement of section 62(1)(a) of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.

XI.

- (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations



given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

- (b) During the year, no report under subsection (12) of section 143 of the companies Act 2013 has been filed by us in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.

XII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2020 are not applicable.

XIII. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" (refer Note 52) specified under Section 133 of the Act.

XIV.

- (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 under audit have been considered by us.

XV. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company has not entered into any non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of Companies Act, 2013 are not applicable to the Company.

XVI.

- (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of Companies (Auditor's Report) Order, 2020 are not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

XVII. Based on our examination of records and information provided to us by management, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



XVIII. Based on information provided to us by management, there has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX.

- (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to Fund specified in Schedule VII to Companies Act in compliance with second proviso to sub section (5) of sections 135.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of section 135 of the Act in pursuant to ongoing projects, to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

XXI. In our opinion and based on our examination of records and information provided to us by management, the Company is not required to prepare the Consolidate Financial Statements as per the Companies Act, 2013. Therefore, the provisions of clause 3(xx) of Companies (Auditor's Report) Order, 2020 are not applicable.

**Place : Vadodara**  
**Date : 25.09.2024**

**For Mukund & Rohit**  
**Chartered Accountants**  
**Registration No. 113375W**

**Sd/-**  
**Rohit Kothari**  
**Partner**  
**Membership No. 038908**  
**UDIN: :24038908BKWCQT4364**

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**Annexure - B to the Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls with reference to financial statements of Madhya Gujarat Vij Company Limited ("the Company") as of 31<sup>st</sup> March 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Mukund & Rohit  
Chartered Accountants  
Registration No. 113375W**

**Place: Vadodara  
Date: 25.09.2024**

**Sd/-  
Rohit Kothari  
Partner  
Membership No. 038908  
UDIN::24038908BKWQCQT4364**

## Annexure C to the Independent Auditors' Report

The Annexure referred to in our report to the members of Madhya Gujarat Vij Company Limited for the year ended March 31, 2024:

| S.No. | Directions                                                                                                                                                                                                                                                                                                                                                                                                               | Response / Remedial Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.                                                                                                                                 | <p>According to information and explanations provided to us, the company has multiple software for processing the accounting transaction.</p> <p>We have reviewed the design, implementation and operating effectiveness of company's basic IT Controls including application, access control on a test check basis that are critical to financial reporting.</p> <p>However, company has used different software/modules for various business activities/financial transactions which needs to be interlinked and integrated for effective internal control.</p> <ul style="list-style-type: none"> <li>- IFAS (i-Financial Accounting System) web base operating system along with Fixed Assets Register.</li> <li>- IAS (Inventory Accounting System) in Inhouse developed web application.</li> <li>- Customer Billing in the Utility Billing Application</li> <li>- Payrolls and Payment to Vendors in E-UrjaModule</li> </ul> |
| 2     | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company). | <p>According to the information and explanations given to us, no existing loan was restructured and there are not cases of waiver/write off of debt/loan/interest etc. made by lender to the company, due to company's inability to repay the loan.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3     | Whether funds (grants / subsidy etc.) received / receivable for specific schemes from Central/State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.                                                                                                                                                                                       | <p>Yes, according to information and explanations given to us, Grants received during the year for specific schemes from Central/State Agencies were properly accounted for / utilised as per the terms and conditions.</p> <p>Government of Gujarat (GoG) disburses Capital grant and subsidies in the form of different scheme for the distribution network infrastructural development in the rural and urban areas. On the basis of data derived from MIS report so obtained from technical department of MGVCL, scheme wise Certificates for Grant Utilization are prepared and submitted to the Holding Company GUVNL for necessary submission with GoG.</p>                                                                                                                                                                                                                                                                  |

| S.No. | Sub Directions                                                                                                                                                                                                          | Response / Remedial Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.      | As per information and explanations provided to us there is no instance of encroachment or litigation or no land is declared surplus or not put to use.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 2     | Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases. The cases of deviation may please be detailed.            | According to information and explanation provided to us, the company has not acquired any land during the reporting financial year for setting up new projects.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3     | Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards? | <p>The Company does Customer Billing in the Utility Billing software.</p> <p>The revenue is recovered as per the Electricity (Right to Consumers) Rules, 2020 and Tariff as approved by GERC.</p> <p>The revenue is accounted properly and is in compliance with the standards applicable.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 4     | How much cost has been incurred on abandoned projects and out of this how much cost has been written off?                                                                                                               | No, there are no projects by the company for the period under reporting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 5     | Has the company entered into agreements with franchise for distribution of electricity in selected areas and revenue sharing agreements adequately protect the financial interest of the company?                       | No, during the financial year 2023-24, company has not entered into any agreement for distribution of electricity in selected area with franchise and also for sharing agreements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 6     | Report on the efficacy of the system of billing and collection of revenue in the company.                                                                                                                               | <p>During the course of Audit on sample basis, we have noticed that billing and collection system of the company is effective. Bills were issued to the consumers in time and collections are generally received in timely manner except for some exceptions for which the Company has made provision for Doubtful Debts.</p> <p>To improve the efficacy of collection of revenue, the company has made arrangements in system so that any consumer of any sub division can pay his energy bill at any sub division/ division/ circle/ corporate office. Moreover, company has provided collection rights to post offices, private cash collection agencies, e-gram panchayats and also has provided facility of Mobile Bill Collection</p> |

|                              |                                                                                                                             | Van facility for the consumers from current year. Also company has provided online payment options on its website as well as on various banks and payment wallets websites, where consumers can pay their bills online from any place through Credit Card/ Debit Card/ Net banking facilities. The Company also conducts disconnection drives, arranges for the LOK-ADALATs for pending disputed arrears regularly to improve collection efficacy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                   |                                 |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|----------------------------------|-----------------------------------|---------------------------------|-------------|-----------|---|-----------|---------|-----|--------|---|--------|---------|------------------------------|----------|---|----------|---------|---------------|-------|---|-------|---------|-------------|----------|---|----------|--------|--------------------|--------|---|--------|---------|--------------|------------------|----------|------------------|---------------|
| 7                            | Whether tamper proof meters have been installed for all consumers? If not then, examine how accuracy of billing is ensured. | <p>As per the information and explanation provided to us, company has installed tamper proof energy meters for all the Consumers except for agriculture unmetered consumers. Company has installed 35,62,818 numbers of tamper proof static meters out of total 35,88,046 numbers of consumers as on 31-03-2024(99.30%). The details of installations of tamperproof static meters for various categories of consumers is as below:</p> <table><tr><th>Category of Consumer</th><th>No. of Consumer</th><th>No. of Electro-Mechanical Meters</th><th>No. of Electronic Meters (Static)</th><th>% of Static Meters Installation</th></tr><tr><td>Residential</td><td>29,10,781</td><td>0</td><td>29,10,781</td><td>100.00%</td></tr><tr><td>GLP</td><td>35,827</td><td>0</td><td>35,827</td><td>100.00%</td></tr><tr><td>LT Industrial and Commercial</td><td>3,83,495</td><td>0</td><td>3,83,495</td><td>100.00%</td></tr><tr><td>HT Industrial</td><td>2,961</td><td>0</td><td>2,961</td><td>100.00%</td></tr><tr><td>Agriculture</td><td>2,22,986</td><td>0</td><td>1,97,758</td><td>88.69%</td></tr><tr><td>Public Water Works</td><td>31,996</td><td>0</td><td>31,996</td><td>100.00%</td></tr><tr><td><b>Total</b></td><td><b>35,88,046</b></td><td><b>0</b></td><td><b>35,62,818</b></td><td><b>99.30%</b></td></tr></table> <p>From the above table, it is clear that tamperproof static meters have been installed for all consumers (100%) in case of consumer's category GLP, LT Industrial and Commercial, HT industrial and Public Water Works consumers.</p> <p>Further, in case of Agricultural consumers, 25,228 Nos. are of the category of AG unmetered consumers, for which GERC has ordered separate Flat rate HP based tariff.</p> <p>The Company has ensured that all the meters (either Static or Electro Mechanical) are properly housed and covered by Metal Meter Boxes or by SMC Boxes. Also, this boxes are sealed with a specialized plastic seals to avoid direct access to the basic meters.</p> | Category of Consumer              | No. of Consumer                 | No. of Electro-Mechanical Meters | No. of Electronic Meters (Static) | % of Static Meters Installation | Residential | 29,10,781 | 0 | 29,10,781 | 100.00% | GLP | 35,827 | 0 | 35,827 | 100.00% | LT Industrial and Commercial | 3,83,495 | 0 | 3,83,495 | 100.00% | HT Industrial | 2,961 | 0 | 2,961 | 100.00% | Agriculture | 2,22,986 | 0 | 1,97,758 | 88.69% | Public Water Works | 31,996 | 0 | 31,996 | 100.00% | <b>Total</b> | <b>35,88,046</b> | <b>0</b> | <b>35,62,818</b> | <b>99.30%</b> |
| Category of Consumer         | No. of Consumer                                                                                                             | No. of Electro-Mechanical Meters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | No. of Electronic Meters (Static) | % of Static Meters Installation |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| Residential                  | 29,10,781                                                                                                                   | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 29,10,781                         | 100.00%                         |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| GLP                          | 35,827                                                                                                                      | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 35,827                            | 100.00%                         |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| LT Industrial and Commercial | 3,83,495                                                                                                                    | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,83,495                          | 100.00%                         |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| HT Industrial                | 2,961                                                                                                                       | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2,961                             | 100.00%                         |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| Agriculture                  | 2,22,986                                                                                                                    | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1,97,758                          | 88.69%                          |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| Public Water Works           | 31,996                                                                                                                      | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 31,996                            | 100.00%                         |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |
| <b>Total</b>                 | <b>35,88,046</b>                                                                                                            | <b>0</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>35,62,818</b>                  | <b>99.30%</b>                   |                                  |                                   |                                 |             |           |   |           |         |     |        |   |        |         |                              |          |   |          |         |               |       |   |       |         |             |          |   |          |        |                    |        |   |        |         |              |                  |          |                  |               |



| 8      | Whether the Company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment Cost (FPPCA)?                                                     | Yes, based on approval of FPPCA formula by GERC on quarterly basis, the additional FPPCA charges are levied or rebate is given in subsequent billing cycles to all the consumers. The FPPCA additional charges are being assessed through computerized system and are duly debited/refunded in consumers account. The FPPCA being a tariff item, the additional charges calculated is also accounted automatically along with other tariff items in the books of accounts. Moreover, the additional FPPCA charges are being proportionately calculated from its date of effectiveness.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------|--------|---|--------------------------|----------|---|---------------|-----------|---|--------------------|----------|--|--------------|------------------|
| 9      | Whether the reconciliation of receivables and payables between the generation, distribution and transmission companies has been completed. The reasons for difference may be examined.                      | Yes. The receivables and payable between MGVCL & fellow subsidiary companies and Holding company is reconciled and duly confirmed as on 31.03.2024.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
| 10     | Whether the Company is supplying power to franchisees, if so, whether the Company is not supplying power to franchisees at below its average cost of purchase.                                              | The Company has no franchisees for distribution of power.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
| 11     | How much tariff roll back subsidies have been allowed and booked in the accounts during the year? Whether the same is being reimbursed regularly by the State Government shortfall if any may be commented? | <p>The claim of the subsidy has been made by GUVNL, Holding Company on behalf of MGVCL. The claim of subject subsidy is reported and presented in the books of GUVNL itself and hence we are not able to comment on the short fall of the subsidy, if any. During the year, the following tariff subsidies have been recognized in the books of accounts as per budgetary allocation made by GUVNL (on receipt from GoG) as per details as under:</p> <p style="text-align: right;">(Rs. In Lakh)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Sr. No</th><th style="text-align: center;">Particulars</th><th style="text-align: center;">Amount</th></tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td><td>GERC Tariff Compensation</td><td style="text-align: right;">7,534.74</td></tr> <tr> <td style="text-align: center;">2</td><td>FPPPA Subsidy</td><td style="text-align: right;">43,941.47</td></tr> <tr> <td style="text-align: center;">3</td><td>H.P. Based Subsidy</td><td style="text-align: right;">6,859.94</td></tr> <tr> <td></td><td><b>Total</b></td><td style="text-align: right;"><b>58,335.65</b></td></tr> </tbody> </table> | Sr. No | Particulars | Amount | 1 | GERC Tariff Compensation | 7,534.74 | 2 | FPPPA Subsidy | 43,941.47 | 3 | H.P. Based Subsidy | 6,859.94 |  | <b>Total</b> | <b>58,335.65</b> |
| Sr. No | Particulars                                                                                                                                                                                                 | Amount                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
| 1      | GERC Tariff Compensation                                                                                                                                                                                    | 7,534.74                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
| 2      | FPPPA Subsidy                                                                                                                                                                                               | 43,941.47                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
| 3      | H.P. Based Subsidy                                                                                                                                                                                          | 6,859.94                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |
|        | <b>Total</b>                                                                                                                                                                                                | <b>58,335.65</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |             |        |   |                          |          |   |               |           |   |                    |          |  |              |                  |

**For Mukund & Rohit**  
Chartered Accountants  
Registration No. 113375W

Sd/-  
**Rohit Kothari**  
Partner  
Membership No. 038908  
UDIN::24038908BKWQCQT4364

Place: Vadodara  
Date: 25.09.2024



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## Balance Sheet as at 31<sup>st</sup> March, 2024

(₹ in lakh)

| Particulars                                                          | Note No | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|----------------------------------------------------------------------|---------|---------------------------------------|---------------------------------------|
| <b>ASSETS</b>                                                        |         |                                       |                                       |
| <b>(1) Non-Current Assets</b>                                        |         |                                       |                                       |
| (a) Property, Plant and Equipments                                   | 2       | 4,33,652.89                           | 3,99,283.04                           |
| (b) Capital work-in-Progress                                         | 3       | 5,787.19                              | 1,890.98                              |
| (c) Financial Assets                                                 |         |                                       |                                       |
| (i) Loans                                                            | 4       | 2,723.00                              | 1,540.22                              |
| (ii) Other Financial Assets                                          | 5       | 9,793.39                              | 3,763.46                              |
| <b>Total Non-current Assets</b>                                      |         | <b>4,51,956.47</b>                    | <b>4,06,477.70</b>                    |
| <b>(2) Current Assets</b>                                            |         |                                       |                                       |
| (a) Inventories                                                      | 6       | 32,834.69                             | 32,679.41                             |
| (b) Financial Assets                                                 |         |                                       |                                       |
| (i) Trade Receivables                                                | 7       | 49,791.82                             | 49,898.35                             |
| (ii) Cash and Cash Equivalents                                       | 8       | 4,227.25                              | 3,680.16                              |
| (iii) Other Bank Balances                                            | 9       | 46.97                                 | 76.81                                 |
| (iv) Loans                                                           | 10      | 1,189.04                              | 816.64                                |
| (v) Other Financial Assets                                           | 11      | 2,72,672.01                           | 2,06,137.01                           |
| (c) Current Tax Assets (Net)                                         | 12      | 644.14                                | 7,034.14                              |
| (d) Other Current Assets                                             | 13      | 882.22                                | 707.81                                |
| <b>Total Current Assets</b>                                          |         | <b>3,62,288.14</b>                    | <b>3,01,030.33</b>                    |
| <b>Asset Held for Sale</b>                                           | 14      | <b>483.55</b>                         | <b>0.00</b>                           |
|                                                                      |         | <b>8,14,728.16</b>                    | <b>7,07,508.03</b>                    |
| <b>EQUITY AND LIABILITIES</b>                                        |         |                                       |                                       |
| <b>Equity</b>                                                        |         |                                       |                                       |
| (a) Equity Share Capital                                             | 15      | 53,188.68                             | 50,573.21                             |
| (b) Other Equity                                                     | 16      | 2,91,076.68                           | 2,23,630.12                           |
| <b>Total Equity</b>                                                  |         | <b>3,44,265.36</b>                    | <b>2,74,203.33</b>                    |
| Deferred Government Grants, Subsidies & Contributions                | 17      | 1,98,852.71                           | 1,92,133.16                           |
| <b>Liabilities</b>                                                   |         |                                       |                                       |
| <b>(1) Non-Current Liabilities</b>                                   |         |                                       |                                       |
| (a) Financial Liabilities                                            |         |                                       |                                       |
| (i) Borrowings                                                       | 18      | 0.00                                  | 755.19                                |
| (ii) Other Financial Liabilities                                     | 19      | 1,40,095.54                           | 1,27,533.97                           |
| (b) Provisions                                                       | 20      | 27,283.13                             | 22,491.91                             |
| (c) Deferred Tax Liabilities (Net)                                   | 21      | 22,040.37                             | 5,119.90                              |
| <b>Total Non-current Liabilities</b>                                 |         | <b>1,89,419.04</b>                    | <b>1,55,900.97</b>                    |
| <b>(2) Current Liabilities</b>                                       |         |                                       |                                       |
| (a) Financial Liabilities                                            |         |                                       |                                       |
| (i) Borrowings                                                       | 22      | 393.46                                | 462.84                                |
| (ii) Trade Payables                                                  |         |                                       |                                       |
| - Due to Micro enterprises and Small enterprises                     |         | 0.00                                  | 0.00                                  |
| - Due to other than Micro enterprises and Small enterprises          | 23      | 15,479.82                             | 6,538.80                              |
| (iii) Other Financial Liabilities                                    | 24      | 39,740.20                             | 58,598.95                             |
| (b) Other Current Liabilities                                        | 25      | 22,579.96                             | 14,718.06                             |
| (c) Provisions                                                       | 26      | 3,997.61                              | 4,951.92                              |
| <b>Total Current Liabilities</b>                                     |         | <b>82,191.05</b>                      | <b>85,270.57</b>                      |
|                                                                      |         | <b>8,14,728.16</b>                    | <b>7,07,508.03</b>                    |
| <b>Refer accompanying notes forming part of Financial Statements</b> | 1-59    |                                       |                                       |

As per our report of even date attached

**For Mukund & Rohit**

Chartered Accountants

FRN: 113375W

Sd/-

**ROHIT KOTHARI**

Partner

M.NO. 038908

For and on behalf of the Board of Directors

**Madhya Gujarat Vij Company Limited**

Sd/-

**J.P. SHIVAHARE, IAS**

Chairman

DIN :07162392

Sd/-

**SAILAJA VACHHRAJANI**

General Manager (F&A) & CFO

Sd/-

**T.D.PARMAR, IAS**

Managing Director

DIN :08322052

Sd/-

**V.M. CHAVAN**

Company Secretary

Place : Vadodara

Date : 25.09.2024

Place : Vadodara

Date : 25.09.2024

## Statement of Profit and Loss for the Year ended 31<sup>st</sup> March, 2024

(₹ in lakh)

|      | Particulars                                               | Note No. | For the Year ended<br>31 <sup>st</sup> March, 2024 | For the Year ended<br>31 <sup>st</sup> March, 2023 |
|------|-----------------------------------------------------------|----------|----------------------------------------------------|----------------------------------------------------|
|      | <b>INCOME</b>                                             |          |                                                    |                                                    |
| I    | Revenue from Operations                                   | 27       | 9,97,521.49                                        | 9,24,932.41                                        |
| II   | Other Income                                              | 28       | 24,987.27                                          | 30,655.98                                          |
| III  | <b>Total income (I+II)</b>                                |          | <b>10,22,508.76</b>                                | <b>9,55,588.39</b>                                 |
|      | <b>EXPENSES</b>                                           |          |                                                    |                                                    |
| IV   | Purchase of Power                                         | 29       | 8,02,682.40                                        | 8,40,898.39                                        |
|      | Employee Benefits Expense                                 | 30       | 63,990.78                                          | 53,481.91                                          |
|      | Finance Costs                                             | 31       | 9,552.35                                           | 5,362.44                                           |
|      | Depreciation, Amortization and impairment Expense         | 2        | 30,471.32                                          | 27,931.12                                          |
|      | Other Expenses                                            | 32       | 31,866.52                                          | 21,086.98                                          |
|      | <b>Total expenses (IV)</b>                                |          | <b>9,38,563.37</b>                                 | <b>9,48,760.84</b>                                 |
| V    | <b>Profit before tax (III-IV)</b>                         |          | <b>83,945.39</b>                                   | <b>6,827.55</b>                                    |
| VI   | Tax expense:                                              |          |                                                    |                                                    |
|      | (a) Current tax                                           | 33       | 17,820.99                                          | 764.51                                             |
|      | (b) Deferred tax                                          | 33       | 17,838.44                                          | 2,854.94                                           |
| VII  | <b>Profit for the year (V-VI)</b>                         |          | <b>48,285.96</b>                                   | <b>3,208.10</b>                                    |
| VIII | <b>Other Comprehensive Income (OCI)</b>                   |          |                                                    |                                                    |
|      | (a) Items that will not be reclassified to Profit or Loss |          |                                                    |                                                    |
|      | (i) Re-measurement of the defined benefit plans           |          | (2,626.97)                                         | (1,109.76)                                         |
|      | - Tax impact                                              |          | 917.97                                             | 387.79                                             |
|      | <b>Total of Other Comprehensive Income (OCI) (VIII)</b>   |          | <b>(1,709.00)</b>                                  | <b>(721.97)</b>                                    |
| IX   | <b>Total Comprehensive Income for the year (VII+VIII)</b> |          | <b>46,576.96</b>                                   | <b>2,486.13</b>                                    |
| X    | Earnings per equity share:                                |          |                                                    |                                                    |
|      | Basic (in ₹) (Refer note no.34)                           |          | 9.45                                               | 0.65                                               |
|      | Diluted (in ₹) (Refer note no. 34)                        |          | 9.45                                               | 0.65                                               |
|      | <b>See accompanying notes to the Financial Statements</b> | 1-59     |                                                    |                                                    |

As per our report of even date attached

**For Mukund & Rohit**

Chartered Accountants

FRN: 113375W

Sd/-

**ROHIT KOTHARI**

Partner

M.NO. 038908

For and on behalf of the Board of Directors

**Madhya Gujarat Vij Company Limited**

Sd/-

**J.P. SHIVAHARE, IAS**

Chairman

DIN :07162392

Sd/-

**SAILAJA VACHHRAJANI**

General Manager (F&A) & CFO

Sd/-

**T.D.PARMAR, IAS**

Managing Director

DIN :08322052

Sd/-

**V.M. CHAVAN**

Company Secretary

Place : Vadodara

Date : 25.09.2024

Place : Vadodara

Date : 25.09.2024

## Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2024

(₹ in lakh)

|     | Particulars                                                   | For the Year ended<br>31 <sup>st</sup> March, 2024 | For the Year ended<br>31 <sup>st</sup> March, 2023 |
|-----|---------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| [A] | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                    |                                                    |                                                    |
|     | Net Profit before tax                                         | 83,945.39                                          | 6,827.55                                           |
|     | Adjustments to reconcile profit before tax to net cash flows: |                                                    |                                                    |
|     | Depreciation and amortization                                 | 30,471.32                                          | 27,931.12                                          |
|     | Loss/(Gain) on sale of PPE(Net)                               | 657.53                                             | 31.94                                              |
|     | Deferred Income Written Back                                  | (14,562.63)                                        | (14,478.61)                                        |
|     | Delayed payment charges from Consumers                        | (4,624.20)                                         | (3,775.52)                                         |
|     | Interest Income                                               | (308.67)                                           | (246.78)                                           |
|     | Finance costs                                                 | 8,854.72                                           | 5,362.44                                           |
|     | Waiver of delayed payment charges                             | 276.09                                             | 288.27                                             |
|     | Impairment for Doubtful receivables                           | 2,379.99                                           | 2,856.62                                           |
|     | Loss On Obsolescence/ Pilferage Of Stores                     | 114.00                                             | 136.14                                             |
|     | Loss On Sale Of Scrap                                         | 27.26                                              | 13.51                                              |
|     | Other Losses                                                  | -                                                  | 12.35                                              |
|     | Re-measurement of the defined benefit plans                   | (2626.97)                                          | (1109.76)                                          |
|     | Interest on Income tax                                        | 697.63                                             | -                                                  |
|     | <b>Working capital adjustments:</b>                           |                                                    |                                                    |
|     | (Increase)/ Decrease in Operating Assets:                     |                                                    |                                                    |
|     | Inventories                                                   | (296.54)                                           | (604.29)                                           |
|     | Trade receivables                                             | (2,549.54)                                         | (9,280.20)                                         |
|     | Other Non Current financial assets                            | (7,212.71)                                         | 577.55                                             |
|     | Other Current financial assets                                | (66,907.40)                                        | (26,666.36)                                        |
|     | Other Current Assets                                          | (174.41)                                           | (132.81)                                           |
|     | Increase / (Decrease) in Operating Liabilities:               |                                                    |                                                    |
|     | Trade Payables                                                | 8,941.02                                           | 1,210.81                                           |
|     | Other Current Financial Liabilities                           | (22,242.09)                                        | 17,196.76                                          |
|     | Other Non Current Financial Liabilities                       | 12,561.57                                          | 10,770.54                                          |
|     | Other Non Current Liabilities & Provisions                    | 6,907.59                                           | (8,816.63)                                         |
|     | Other Current Liabilities & Provisions                        | 4,791.22                                           | 1,393.93                                           |
|     | Income tax (paid)/ Refund                                     | (11,430.99)                                        | (1,217.56)                                         |
|     | <b>Net cash flows from/(used in) operating activities (A)</b> | <b>27,689.18</b>                                   | <b>8,281.02</b>                                    |
| [B] | <b>Investing activities</b>                                   |                                                    |                                                    |
|     | Purchase of property, plant and equipment (including CWIP)    | (69887.67)                                         | (60650.82)                                         |
|     | Sale of fixed assets                                          | 492.73                                             | 97.25                                              |
|     | (Increase)/ Decrease in Asset Not in Use                      | (483.55)                                           | 0.00                                               |
|     | Delayed payment charges from Consumers                        | 4,624.20                                           | 3,775.52                                           |
|     | Interest received (finance income)                            | 308.67                                             | 246.78                                             |
|     | Bank Balances not considered as Cash and Cash Equivalents     | 29.84                                              | (25.50)                                            |
|     | <b>Net cash flows used in investing activities (B)</b>        | <b>(64,915.78)</b>                                 | <b>(56,556.77)</b>                                 |
| [C] | <b>Financing activities</b>                                   |                                                    |                                                    |
|     | Proceeds from Issue of Shares/Share Application Money         | 23,508.82                                          | 17,807.99                                          |
|     | Share Issue Expenses                                          | (23.74)                                            | -                                                  |
|     | Deferred Govt. Grants, Subsidy & Contributions                | 21,282.18                                          | 30,445.93                                          |
|     | Repayment from borrowing (net)                                | (824.57)                                           | (1,054.94)                                         |
|     | Interest & financial charges                                  | (6,169.00)                                         | (4,624.67)                                         |
|     | <b>Net cash flows from/(used in) financing activities (C)</b> | <b>37,773.69</b>                                   | <b>42,574.31</b>                                   |
| [D] | Net increase in cash and cash equivalents (A+B+C)             | <b>547.09</b>                                      | <b>(5,701.44)</b>                                  |
|     | Cash and cash equivalents at the beginning of the year        | 3,680.16                                           | 9,381.60                                           |
|     | <b>Cash and cash equivalents at year end</b>                  | <b>4,227.25</b>                                    | <b>3,680.16</b>                                    |
|     | <b>Notes:</b>                                                 |                                                    |                                                    |
|     | <b>Cash &amp; Bank Balances consists of the following:</b>    |                                                    |                                                    |
|     | Cash & Cash Equivalents                                       |                                                    |                                                    |
|     | a. Balances with Banks                                        | 1,890.46                                           | 1,913.22                                           |
|     | b. Cash on hand                                               | 0.78                                               | 1.45                                               |
|     | c. Others                                                     | 2,336.01                                           | 1,765.49                                           |
|     | <b>Closing Cash &amp; Cash Equivalents</b>                    | <b>4,227.25</b>                                    | <b>3,680.16</b>                                    |

## Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2024

(₹ in lakh)

|          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |                 |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------|
| <b>1</b> | <b>Change in liability arising from financing activities on Account of Non-Current and Current Borrowings.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |                 |
|          | Opening Balance of Financing Activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1,218.03      | 2,272.97        |
|          | Changes from financing cash flow                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | (824.57)      | (1,054.94)      |
|          | <b>Closing Balance of Financing Activities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>393.46</b> | <b>1,218.03</b> |
| <b>2</b> | The above Statement of CashFlows hasbeen prepared under the 'Indirect Method'asset out in the Indian Accounting Standard (IndAS) 7 " Statement Cash Flows ") prescribed under the Companies (Accounting Standards) Rules, 2015.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |                 |
| <b>3</b> | Previous year figures have been regrouped wherever necessary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |                 |
|          | <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>As per our report of even date attached</b><br/> For Mukund &amp; Rohit<br/> Chartered Accountants<br/> FRN: 113375W<br/> Sd/-<br/> <b>ROHIT KOTHARI</b><br/> Partner<br/> M.NO. 038908</p> </div> <div style="width: 50%;"> <p style="text-align: center;">For and on behalf of the Board of Directors<br/> <b>Madhya Gujarat Vij Company Limited</b></p> <div style="display: flex; justify-content: space-around;"> <div style="width: 45%;"> <p style="text-align: center;">Sd/-<br/> <b>J.P. SHIVAHARE, IAS</b><br/> Chairman<br/> DIN :07162392</p> </div> <div style="width: 45%;"> <p style="text-align: center;">Sd/-<br/> <b>T.D.PARMAR, IAS</b><br/> Managing Director<br/> DIN :08322052</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="width: 45%;"> <p style="text-align: center;">Sd/-<br/> <b>SAILAJA VACHHRAJANI</b><br/> General Manager (F&amp;A)<br/> &amp; CFO</p> </div> <div style="width: 45%;"> <p style="text-align: center;">Sd/-<br/> <b>V.M. CHAVAN</b><br/> Company Secretary</p> </div> </div> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>Place : Vadodara<br/> Date : 25-09-2024</p> </div> <div style="width: 50%;"> <p style="text-align: center;">Place : Vadodara<br/> Date : 25-09-2024</p> </div> </div> |               |                 |



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## Statement of Changes in Equity for the Year ended on 31<sup>st</sup> March, 2024

| Particulars                                      | Amount<br>(₹ in lakhs) |
|--------------------------------------------------|------------------------|
| Balance as on 1 <sup>st</sup> April, 2022        | 48,464.95              |
| Changes during the year                          | 2,108.26               |
| Balance as on 31 <sup>st</sup> March, 2023       | 50,573.21              |
| Changes during the year                          | 2,615.47               |
| <b>Balance as on 31<sup>st</sup> March, 2024</b> | <b>53,188.68</b>       |

## Other Equity

| Particulars                                                                                 | Share Application Money Pending Allotment | Equity Component of Compound financial instruments | Reserve & Surplus  |                    | Debt Instruments through Other Comprehensive Income | Equity Instruments through Other Comprehensive Income | Effective portion of Cash Flow Hedges | Revaluation Surplus | Exchange differences on translating the financial statements of a foreign operation | Other items of Other Comprehensive Income (specify nature) | Attributable to owners of the parent | Non controlling interest | Total            |
|---------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------|--------------------|--------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|---------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------------------------|--------------------------|------------------|
|                                                                                             |                                           |                                                    | Retained Earnings* | Securities Premium |                                                     |                                                       |                                       |                     |                                                                                     |                                                            |                                      |                          |                  |
| Balance as at 31 <sup>st</sup> March, 2022                                                  | 0.00                                      | 0.00                                               | 39285.21           | 166159.06          | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 205444.27        |
| Impact as per Ind As-8                                                                      | 0.00                                      | 0.00                                               | 0.00               | 0.00               | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 0.00             |
| Balance as at 1 <sup>st</sup> April 2022                                                    | 0.00                                      | 0.00                                               | 39285.21           | 166159.06          | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 205444.27        |
| Profit for the year                                                                         | 0.00                                      | 0.00                                               | 3208.10            | 0.00               | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 3208.10          |
| Other comprehensive income for the year (net of Tax)                                        | 0.00                                      | 0.00                                               | (721.97)           | 0.00               | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | (721.97)         |
| <b>Total Comprehensive Income for the year</b>                                              | <b>0.00</b>                               | <b>0.00</b>                                        | <b>2486.13</b>     | <b>0.00</b>        | <b>0.00</b>                                         | <b>0.00</b>                                           | <b>0.00</b>                           | <b>0.00</b>         | <b>0.00</b>                                                                         | <b>0.00</b>                                                | <b>0.00</b>                          | <b>0.00</b>              | <b>2486.13</b>   |
| Addition during the year                                                                    | 0.00                                      | 0.00                                               | 0.00               | 15699.72           | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 15699.72         |
| Impact as per Ind As-8                                                                      | 0.00                                      | 0.00                                               | 0.00               | 0.00               | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 0.00             |
| Balance as at 31 <sup>st</sup> March, 2023                                                  | 0.00                                      | 0.00                                               | 41771.34           | 181858.78          | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 223630.12        |
| Profit for the year                                                                         | 0.00                                      | 0.00                                               | 48285.96           | 0.00               | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 48285.96         |
| Add/(Less): Transaction cost (stamp duty) on issuance of equity shares during earlier years | 0.00                                      | 0.00                                               | 156.29             | (156.29)           | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 0.00             |
| Other comprehensive income for the year (net of Tax)                                        | 0.00                                      | 0.00                                               | (1709.00)          | 0.00               | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | (1709.00)        |
| <b>Total Comprehensive Income for the year</b>                                              | <b>0.00</b>                               | <b>0.00</b>                                        | <b>46733.25</b>    | <b>(156.29)</b>    | <b>0.00</b>                                         | <b>0.00</b>                                           | <b>0.00</b>                           | <b>0.00</b>         | <b>0.00</b>                                                                         | <b>0.00</b>                                                | <b>0.00</b>                          | <b>0.00</b>              | <b>46576.96</b>  |
| Addition during the year                                                                    | 0.00                                      | 0.00                                               | 0.00               | 20893.34           | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | 20893.34         |
| Less: Transaction cost (stamp duty) on issuance of equity shares during the year            | 0.00                                      | 0.00                                               | 0.00               | (23.74)            | 0.00                                                | 0.00                                                  | 0.00                                  | 0.00                | 0.00                                                                                | 0.00                                                       | 0.00                                 | 0.00                     | (23.74)          |
| <b>Balance as at 31<sup>st</sup> March, 2024</b>                                            | <b>0.00</b>                               | <b>0.00</b>                                        | <b>88504.59</b>    | <b>202572.09</b>   | <b>0.00</b>                                         | <b>0.00</b>                                           | <b>0.00</b>                           | <b>0.00</b>         | <b>0.00</b>                                                                         | <b>0.00</b>                                                | <b>0.00</b>                          | <b>0.00</b>              | <b>291076.68</b> |

\*Remeasurement of defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss has been recognised as a part of retained earnings under Reserves and Surplus amounting ₹ 13643.40 Lakhs till 31<sup>st</sup> March, 2021, ₹ 13705.61 Lakhs till 31<sup>st</sup> March, 2022, ₹ 14427.58 Lakhs till 31<sup>st</sup> Mar-2023, ₹ 16136.58 Lakhs till 31<sup>st</sup> Mar-2024

As per our report of even date attached

**For Mukund & Rohit**  
Chartered Accountants  
FRN: 113375W

Sd/-  
**ROHIT KOTHARI**  
Partner  
M.NO. 038908

Sd/-  
**J.P. SHIVAHARE, IAS**  
Chairman  
DIN : 07162392

Sd/-  
**SATLAJA VACHHRAJANI**  
General Manager (R&A) & CFO

Sd/-  
**T.D.PARMAR, IAS**  
Managing Director  
DIN : 08322052

Sd/-  
**V.M. CHAVAN**  
Company Secretary

Place : Vadodara  
Date : 25.09.2024

Place : Vadodara  
Date : 25.09.2024

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**NOTES TO THE FINANCIAL STATEMENTS**

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**1. Corporate Information and Material Accounting Policies Information****1.1 Corporate information**

Madhya Gujarat Vij Company Limited ('MGVCL' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390007. The Company is mainly engaged in distribution of power. The Principal places of business are located in Gujarat, India.

Pursuant to the enactment of the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, Government of Gujarat (GoG) has issued various notifications, resolutions and Transfer Schemes for vesting of the assets, liabilities, proceedings and personnel from erstwhile Gujarat Electricity Board (GEB) to the GoG and then to reconstitute the same into initially six companies i.e. one Generation Company, one Transmission Company and four Distribution Companies (Thereinafter referred to as Successor Companies). Madhya Gujarat Vij Company Limited is one of these Companies, registered under the provisions of Companies Act, 2013. (Herein after referred to as Successor Company).

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

Consequent on such transmission and transfer of shares to GUVNL and its nominees, the entire share capital of the Company is held by GUVNL and the Company has become the wholly owned subsidiary of GUVNL, a Government Company within the meaning of the Companies Act, 2013.

GoG issued notification No. : GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 notifying the final opening balance sheet of the Company as on 01.04.2005 containing the value of the assets and liabilities of the distribution activities which stand transferred from erstwhile GEB to the Company as specified in Annexure-F appended to the notification.

**1.2 Recent accounting pronouncements:**

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**1.3 Material Accounting Policy Information:****i) Statement of Compliance**

The financial statements of the Company which comprise the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity, and a summary of the significant accounting policies and other explanatory information (together here in after referred to as "Financial Statements"), comply in all material aspects with Indian Accounting Standards ("Ind AS"), under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended except in so far as the said provisions are inconsistent with the provisions of the Electricity Act, 2003.



**ii) Basis of measurement**

These financial statements are prepared in accordance with Ind ASs, under the historical cost convention on the accrual basis except for certain assets and liabilities which are measured at fair value/amortized cost/net present value at the end of each reporting period; as explained in the accounting policies below. These accounting policies have been applied consistently over all periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Claims of suppliers/contractors for price variation are accounted for on its acceptance.

**Fair Value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**iii) Property, Plant & Equipment**

Property, Plant & Equipment (PPE) comprises of Tangible assets. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant

and equipment recognised as at 1 April 2015, measured as per the previous GAAP, and use the "carrying value" as the deemed cost of such property, plant and equipment.

Capital work -in - progress includes the cost incurred on PPE that are not yet ready for the intended use and is capitalized whenever ready for use. All directly attributable expenditures are allocated to the projects on pro rata basis to the accretion made to respective projects. However, directly attributable expenditure of Corporate Office and field offices are allocated to Capital work – in – progress at the predetermined rate having regard to amount of directly attributable expenditure incurred during the year.

Land and Buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

Capital spares which can be used only in connection with an item of tangible assets and whose use is not of regular nature are capitalized at cost, as property plant and equipment and depreciated over the residual useful life of the plant.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day-to-day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

Property Plant & Equipment's also includes service equipment's, at the time of initial recognition the Company classifies these items as inventory. Subsequently these items are classified either in Property, Plant and Equipment through Capital Work in Progress or capitalised as service equipment.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Directly attributable costs are capitalised until the asset is ready for use in accordance with the Company's accounting policy of capitalisation.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the PPE. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the PPE and is recognised in the Statement of Profit and Loss.

## **Depreciation**

Depreciation of these PPE commences when the assets are available for intended use.

The Company, being engaged in electricity business, is covered under the Electricity Act, 2003 and provisions of the Electricity Act supersede the provisions of the Companies Act, 2013. Accordingly, the Company charges depreciation on straight line method at the depreciation rates, the methodology and the residual value as prescribed in GERC (MYT) Regulations, 2016. The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by GERC, in order to reflect the actual usage of the assets.

The rates/range of depreciation of property, plant and equipment are as follows:

| <b>Assets Description</b>                        | <b>Percentage</b> |
|--------------------------------------------------|-------------------|
| Buildings                                        | 3.34%             |
| Hydraulic Works                                  | 5.28%             |
| Other Civil Works                                | 3.34%             |
| Plant & Machinery                                | 5.28%             |
| Lines & Cable Network*                           | Up to 5.28%       |
| Vehicles                                         | 9.50%             |
| Furniture-Fix & Elect- Light & Fan Installations | 6.33%             |
| Office Equipment 's                              | 6.33%             |
| Computers                                        | 15%               |
| Leasehold Land                                   | Up to 3.34%       |

\* Upto 12 years of useful life. Thereafter, the remaining carrying value of assets, net of residual value, is depreciated over remaining useful life of assets i.e. 23 years.

In case of other assets as mentioned in above table, depreciation is provided at a rate prescribed in line with clause 39 of MYT Regulations.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful life, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

#### **iv) Intangible Assets and Amortization**

Intangible Assets with finite useful life are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The Intangible Assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The estimated useful life, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. The Company expects that the intangible assets will not have any residual value at the end of its useful life based on technical assessment.

An Intangible Asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between net disposal proceeds and carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

#### **v) Impairment of tangible and intangible assets**

Tangible and intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by

which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit. An impairment loss is recognized immediately in profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **vi) Non-current assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

Property, Plant and Equipment and Intangible assets are not depreciated or amortized once classified as held for sale.

#### **vii) Government Grant and Consumer Contribution**

Government grants (including subsidies, incentives etc.) are not recognized until there is reasonable assurance that it will be received, and the Company will comply with the conditions associated with the grant.

Grants that compensate the Company for the cost of an asset and contributions by consumers towards items of property, plant and equipment, which require an obligation to provide grid connectivity to the consumers are initially set up as deferred income and recognized in profit or loss on a systematic basis over the period and in proportions of depreciation expense of the assets. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and shown separately.

#### **viii) Inventories**

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

- (a) Stores and Spares – At Cost (Weighted Average Method) or Net Realizable Value, whichever is lower.
- (b) Scrap - At estimated Net Realizable Value (Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses)
- (c) Non-moving inventory-At estimated Net Realizable Value (Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.)

Inventory consists of stock of items which are used interchangeably for capital expenditure or for regular repairs and maintenance purposes. Since ultimate use of such stock items are indeterminate at the initial recognition, the Company classifies such items as inventory. These items are classified subsequently either in Property, Plant and Equipment through Capital Work in Progress / as service equipment or expense in the Statement of Profit and Loss as and when it is so used.

**ix) Revenue Recognition**

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Contract assets are recognized when there is right to consideration in exchange for goods or services that are transferred to a customer and when that right is conditioned on something other than the passage of time. Contract assets are classified as unbilled receivables (only act of invoicing is pending) as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

**Revenue from sale of power**

Revenue from sale of power including Deviation Settlement Mechanism (Unscheduled Interchange) is recognised on accrual basis for energy supplied in accordance with the tariff orders awarded by Gujarat Electricity Regulatory Commission (GERC).

Surplus power, sold to GUVNL is accounted on the basis of credit notes / Invoices raised by GUVNL.

**Revenue from sale of services**

Revenue from sale of services is recognized on the accrual basis in the accounting period in which the services are rendered.

**Other Operating Revenue**

Income from Supervision charges on execution of deposit works is accounted on the basis of completion of work.

Revenue Subsidies as allocated by GUVNL (Holding Company) are accounted on accrual basis and credited to Profit & Loss account.

Recoveries from theft of power / malpractices, wheeling charges recoveries are recognized on accrual basis. Miscellaneous charges from consumers are recognized on accrual basis and no significant uncertainty exists regarding its ultimate realization.

**Other income**

Income from sale of scrap is accounted for on the basis of actual realization.

Amount in respect of unclaimed / undisputed Security Deposit, Earnest Money Deposit, Deposit of Temporary Consumers and Miscellaneous Deposit of suppliers and contractors which is pending for more than three years and which, in the opinion of management is not payable, is considered as income.

Cash Discount received is considered as a financing transaction and hence the same is recognised as other income.

Claims lodged with the Insurance Company in respect of risks covered are accounted for as and when there is

certainty of its realization.

Interest Subsidy under National Electricity Fund (NEF) scheme on interest paid on long term loan is recognized once it is approved.

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income in respect of **delayed payment charges** (except for cases where suits are filed in the court) is accounted for at the time of assessment of respective billing cycle, during which the payment of principal is made and disclosed as Other Income.

Incentives in respect of Government Scheme is recognized on reasonable assurance basis.

Other Incomes are recognized on accrual basis except when ultimate realization of such income is uncertain.

#### **x) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **(A) Leases as Lessee (Assets taken on lease)**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### **(i) Lease Liabilities:**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated

as lease component.

**(ii) Right-of-Use Assets:**

The Company recognizes right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

**(iii) Short-term leases and leases of low-value assets:**

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

**(B) Leases as Lessor (assets given on lease)**

When the company acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

**xi) Employee Benefits**

Employee benefits include salaries, wages, and contribution to provident fund, gratuity, leave encashment, compensated absences and retirement benefits.

**Short-term employee benefits**

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services. These benefits include remuneration, bonus, incentives etc.



**Long-term employee benefits****Defined contribution plans**

Retirement benefit plans in the form of provident fund, pension fund and superannuation schemes are charged as an expense on an accrual basis when employees have rendered the service.

**Defined benefit plans**

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurement, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

**Other long term employee benefits**

Other long term employee benefit comprises of leave encashment. The leave benefits are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

**xii) Taxes on Income**

Income tax expense represents the sum of the current tax expense and deferred tax.

**Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate.

**Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

### **Current and Deferred Tax for the year**

Current and deferred tax are recognized in Statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **xiii) Borrowing Costs**

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. 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 the Statement of Profit and Loss.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### **xiv) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

### **xv) Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior

periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

**xvi) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**xvii) Segment Reporting**

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

**xviii) Events Occurring after the Reporting Period**

Material adjusting events (that provides evidence of condition that existed at the end of reporting period) occurring after the end of reporting period are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the end of reporting period) occurring after the end of reporting period that represents material change and commitment affecting the financial position are disclosed in the financial statements.

**xix) Financial Instruments**

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

**Initial recognition and measurement:**

Financial assets and financial liabilities are initially measured at fair value, except when the effect is immaterial. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

**Subsequent measurement of Financial Assets:****i) Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost using the effective interest method, except when the effect of applying it is immaterial, if these financial assets are held within a business whose objective is to hold

these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through other comprehensive income**

Financial assets (including investments) are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**iii) Financial assets at fair value through profit or loss**

Financial assets (including investments) are subsequently measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

**Derecognition of financial assets:**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

**Cash and cash equivalents**

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**Trade receivables**

Trade receivables are carried at original invoice amount less any expected credit loss. Provisions for expected credit loss are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision for expected credit loss available and then to the Statement of Profit and Loss.

**Impairment of Financial assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and all trade receivables that do not constitute a

financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Further for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e expected credit loss allowance as computed based on historical credit loss experience.

## **Financial liabilities and equity instruments**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at fair value through profit and loss or as those measured at amortised cost.

### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Financial liabilities at amortized cost**

Financial liabilities are subsequently measured at amortized cost using the effective interest method.

### **Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received.

### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

## **(xx) Critical Accounting Judgments and Key Sources of Estimation Uncertainty**

In the course of applying the policies outlined in all notes under note 1 above, the management of the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are

recognised in the period in which the estimates are revised and future periods are affected.

**Critical judgments and Estimates in applying accounting policies**

The following are the critical judgments and estimations that the Management has made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

**(a) Useful life of property, plant and equipment <sup>2</sup> and residual value of intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation/transmission/distribution of electricity business is determined by the CERC/GERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, other than the assets of generation/transmission/distribution of electricity business which are governed by CERC/GERC Regulations, and are adjusted prospectively, if appropriate.

The Company expects that the intangible assets will not have any residual value at the end of its useful life based on technical assessment.

**(b) Evaluation of directly attributable costs <sup>2</sup>**

The Company capitalizes the directly attributable costs to bring the Property, Plant and Equipment into the location and condition necessary for it to be capable of operating in the manner intended by the management. In assessing the directly attributable costs other than borrowing costs, the management has exercised judgment to evaluate a number of factors including the resources applied for direct construction related activity, enabling activities, ordinary operations of the Company, level of construction related activity compared to company's operating activity, consideration of the costs charged to external parties for similar works undertaken as well as experience of group companies engaged in distribution business. Based on this assessment and particularly considering experience across the group companies engaged in distribution business, the management estimates a capitalisation rate of directly attributable costs to be applied on the expenditures on the relevant assets. The management reviews this capitalization rate on a periodic basis and any change in the rate is applied prospectively.

**(c) Evaluation of indicators for impairment of Property, Plant and Equipment <sup>2</sup>**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

**(d) Net Realizable Value Determination in case of Inventory <sup>1</sup>**

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Inventories held for use in the process of sale of

power are not written down below cost where power is being sold at or above cost of distribution. At the end of the reporting period, the Company has assessed and evaluated that the sale of power in the future period will be at a margin to cover the cost of the inventories held as at the year end and hence net realisable value of inventory held at year end is higher than the cost of the inventory.

**(e) Security deposits <sup>2</sup>**

Considering the historical experience and practical expediency, the Company has exercised its judgment on timing of settlement of security deposit related to energy billed collected from the customers and has accordingly classified the material portion of security deposit as non-current liability or current liability as the case may be.

**(f) Impairment of Trade receivables <sup>2</sup>**

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 7.2

**(g) Deferred tax assets <sup>2</sup>**

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has assessed and evaluated that the taxes paid in the previous years on grant income recognized in the earlier years, which is corrected by restating the opening retained earnings and the comparative period, to be an uncertain tax treatment as per Ind AS 12. The Company has assessed that this is a case of higher income offered to tax in the earlier years and consequently higher tax being paid cumulatively, which would be available as and when the grant balance as corrected is again recognized in the profit or loss in the future period.

**(h) Government Grants, Subsidies and Consumer Contribution <sup>12</sup>**

- (a) The grants i.e., revenue subsidies are not recognized until there is reasonable assurance that the Company will receive the grants and will comply with the conditions attached to them. Management judgment is required to determine when reasonable assurance is attained, based on historical experience of receipts including the quantum of aggregation, approved budget estimates of Government of Gujarat, likely timing and consideration of claim acceptance/rejection. Based on this assessment, the Company judges that in the case of revenue subsidies, there is reasonable assurance of complying with the conditions and receiving the subsidies as approved in the budget estimates of every year and the remaining subsidies which are receivable/claimable would be recognized when reasonable assurance is attained.
- (b) The Company is not able to co-relate grants/consumer contributions received against each individual asset given the manner, mode and timing of accrual and receipt of such grants, as disclosed in the financial statements of the Company of the earlier years. During the previous year, based on the Expert Advisory Committee Opinion of the Institute of Chartered Accountants of India (EAC Opinion), the Company has recognised grants and the consumer contribution in the profit or loss, based on the factual position and circumstances, to more closely align with the depreciation charged on the depreciable assets against which grants are received. The Company, has made following specific assumptions for a better and more reliable impact on the profit and loss:



- (i) Identification of grants/consumer contribution to line assets only;
- (ii) Amortization for the entire year in the year of receipt of grant/consumer contributions; and
- (iii) Amortization of the entire amount of grants / consumer contribution over the period of amortization and not restricted to salvage value of the assets.

**(i) Defined benefit obligation (DBO) <sup>2</sup>**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**(j) Impairment of investments<sup>2</sup>**

At the end of each reporting period, the Company reviews the carrying amounts of its investments when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**(k) Contingent liabilities <sup>2</sup>**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgments, experiences etc.

**<sup>1</sup> Critical accounting judgments****<sup>2</sup> Key sources of estimation uncertainties**

| NOTE NO. 2<br>PROPERTY, PLANT AND EQUIPMENT |  |  |  |  |  |  |  |  |  |  |  |  |  | ( ₹ in Lakh ) |  |
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| NOTES TO THE FINANCIAL STATEMENTS           |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |
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**2.a** The immovable properties, which have been transferred to company are held in the name of GEB erst or Vadodara Mahanagar Seva Sadan (VMSS). The procedure for the registration and/or transfer in the name of the Company is under process.

**2.b** Certain premises of the Company have been given on lease. The Company does not have separate breakup regarding its gross block, depreciation block and net block and hence disclosure for leased out property have not been given separately as required as per Revised Schedule-VI. Further, as per the nature of fixed assets regrouping of assets under different heads has been done in line with Books.

**2.c** Consequent upon unbundling of business of erstwhile GEB, various lands and buildings of group companies are used by companies other than the owners. User charges thereof are not recovered or provided for. The quantification of the same and its effect on the financial statements is unascertainable.

**2.d** Effective April 1, 2019, the Company had adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use assets (ROU). Accordingly, on transition, "Right of Use asset" of ₹ 1,529.25 Lakhs had been recognised as of April 1, 2019. The effect of this adoption is not material on the profit for the year and earnings per share.

**2.e** Refer note no. 45 for title deeds of immovable property

## NOTES TO THE FINANCIAL STATEMENTS

### Note No.3 Capital Works-in-Progress

( ₹ in Lakh )

| Particulars              | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------------------------|---------------------------------------|---------------------------------------|
| Capital Work-in-Progress | 5,787.19                              | 1,890.98                              |
| <b>Total</b>             | <b>5,787.19</b>                       | <b>1,890.98</b>                       |

#### 3.1 The bifurcation of Total capital work-in-progress is as under:

( ₹ in Lakh )

| Particulars                         | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Plant & Machinery                   | 3,003.58                              | 313.64                                |
| Lines & Cable Network               | 2,308.34                              | 1,505.18                              |
| Other Misc Capital Work in progress | 475.27                                | 72.17                                 |
| <b>Total</b>                        | <b>5,787.19</b>                       | <b>1,890.98</b>                       |

**3.2** The Company has evaluated the directly attributable cost capitalisation rate for the current financial year ended 31st March, 2024 and applied this to the expenditure on the relevant assets and the total expenditure thus capitalized during the current financial year is ₹ 8853.68 lakhs (P.Y. ₹.7613.89 lakhs).

**3.3** Refer Note No : 46 for ageing Schedule of the capital work in progress

**3.4** Refer Note No : 47 for completion schedule of capital works in progress

### Note No. 4 Non-Current Loans

( ₹ in Lakh )

| Particulars                                | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------------------------------------------|---------------------------------------|---------------------------------------|
| Secured, Considered Good<br>Loans to Staff | 2,723.00                              | 1,540.22                              |
| <b>Total</b>                               | <b>2,723.00</b>                       | <b>1,540.22</b>                       |

Loans to staff are secured by way of hypothecation of house / four wheeler /two wheeler for which the loans have been given.

### Note No.5 Other Non-Current Financial Assets

( ₹ in Lakh )

| Particulars                                     | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-------------------------------------------------|---------------------------------------|---------------------------------------|
| Secured, Considered Good                        |                                       |                                       |
| Interest Accrued But Not Due on Staff Loans     | 2,026.38                              | 1,982.56                              |
| Interest Accrued & Due on Staff Loans           | 164.91                                | 184.31                                |
| Unsecured, Considered Good                      |                                       |                                       |
| Interest Accrued But Not Due on Others          | 1.23                                  | 0.91                                  |
| Capital advances#                               | 6,714.38                              | 0.00                                  |
| Loans Recoverable from consumers for SKY scheme | 782.11                                | 1,471.21                              |
| Deposits with Others                            | 104.38                                | 124.47                                |
| <b>Total</b>                                    | <b>9,793.39</b>                       | <b>3,763.46</b>                       |

**5.1** # These Capital Advances consist advance given for Loss Reduction Project, Robust Network, SCADA and other projects.

### Note No.6 Inventories

( ₹ in Lakh )

| Particulars                                     | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-------------------------------------------------|---------------------------------------|---------------------------------------|
| Stores , Spares and Scrap                       |                                       |                                       |
| Stock of materials at stores                    | 23,740.95                             | 24,796.22                             |
| Materials at Site (O&M)                         | 2,211.74                              | 2,270.13                              |
| Materials in Transit                            | 61.06                                 | 9.60                                  |
| Other Materials Accounts                        | 6,820.94                              | 5,603.46                              |
| Material Stock pending Investigation            | 237.53                                | 237.53                                |
| Less: Provision for stock pending investigation | (237.53)                              | (237.53)                              |
| <b>Total</b>                                    | <b>32,834.69</b>                      | <b>32,679.41</b>                      |

Stock of materials at stores is net of provision for non moving stock of C.Y. is ₹ 114.01 lakhs, P.Y. is ₹ 136.14 Lakhs.

- (a) Committed credit from banks under Joint consortium agreement amongst the Company, UCO Bank (lead Bank) & other consortium member banks, is secured against hypothecation charge on the stocks and book debts of the company ranking pari-passu interse.
- (b) For basis of valuation Refer Note no. 1-Accounting Policy clause no. 1.3-(viii)

## NOTES TO THE FINANCIAL STATEMENTS

### Note No.7 Trade Receivables

( ₹ in Lakh )

| Particulars                                                     | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-----------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Trade Receivable-Unsecured Considered Good* - Undisputed</b> |                                       |                                       |
| Trade Receivable from Sale of Power                             | 60,422.48                             | 58,706.09                             |
| Less : Expected Credit Loss Allowance (Refer note - 7.1 below)  | (9,447.55)                            | (7,656.81)                            |
| Less : Doubtful E D                                             | (1,182.49)                            | (1,150.30)                            |
| <b>Total(A)</b>                                                 | <b>49,792.44</b>                      | <b>49,898.98</b>                      |
| <b>Significant Increase in Credit Risk - Disputed</b>           |                                       |                                       |
| Trade Receivable from Disputed Consumers                        | 3,431.96                              | 3,685.33                              |
| Less : Expected Credit Loss Allowance (Refer note - 7.1 below)  | (3,431.96)                            | (3,685.33)                            |
| <b>Total(B)</b>                                                 | <b>0.00</b>                           | <b>0.00</b>                           |
| Less : Unposted Receipts                                        | (0.62)                                | (0.63)                                |
| <b>Total(C)</b>                                                 | <b>(0.62)</b>                         | <b>(0.63)</b>                         |
| <b>Credit Impaired - Undisputed</b>                             |                                       |                                       |
| Dues from Permanently Disconnected Consumers #                  | 15,641.84                             | 14,876.05                             |
| Less : Expected Credit Loss Allowance (Refer note - 7.1 below)  | (15,641.84)                           | (14,876.05)                           |
| <b>Total(D)</b>                                                 | <b>0.00</b>                           | <b>0.00</b>                           |
| <b>Total(A+B+C+D)</b>                                           | <b>49,791.82</b>                      | <b>49,898.35</b>                      |

\*Receivables have been secured to the extent of security deposit as reflected at Note no. 19 as well as bank guarantee received from the respective Consumers.

#Electricity Duty (ED) on High Tension Permanently Disconnected Consumers (HT PDC) are deposited on receipt of the same. However, considering the complexities involved in view of large number of Low Tension (LT) consumers, it is not practical to quantify and arrive Electricity Duty (ED) amount attributable to Low Tension Permanently Disconnected Consumers (LT PDC). The Electricity Duty (ED) on Low Tension Permanently Disconnected Consumers (LT PDC) cases are deposited on assessment basis considering nature of low-value yet high volume. Further, the outstanding of Low Tension Permanently Disconnected Consumers (LT PDC) are settled through Lok Adalat & Three Tier Settlement and hence, recovery of Electricity Duty (ED) against Low Tension Permanently Disconnected Consumers (LT PDC) is done with timing difference.

**7.1** Trade Receivables, consisting of trade receivables from sale of power and other receivables from consumers, includes the Provision for unbilled revenue in respect of the bills issued upto 31st March, 2024 amounting to ` 67090.02 Lakhs (P.Y. ` 69129.05 Lakhs) and payment received from consumers against Unbilled Revenue.

The Company assesses expected credit loss to be provided for from its customers by using a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience and the ageing of the receivable balances.

Generally, the credit period on sales of electrical energy is 10 to 25 days. Interest/Delay Payment Charges(DPC) is charged at agreed rate as per contract terms on the overdue balance. (Refer Note No : 1.3 (ix) Other Income.) Committed credit from banks under Joint consortium agreement amongst the Company, UCO Bank (lead Bank) & other consortium member banks is secured against hypothecation charge on the stocks and book debts of the company ranking pari-passu interse.

**7.2** Refer Note No : 48 for ageing Schedule of trade receivables

### Note No. 8 Cash and Cash Equivalents

( ₹ in Lakh )

| Particulars           | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-----------------------|---------------------------------------|---------------------------------------|
| Balances with banks   | 1,890.46                              | 1,913.22                              |
| Cheques on Hand       | 778.18                                | 859.56                                |
| Cash on hand          | 0.78                                  | 1.45                                  |
| Remittance in Transit | 1,557.83                              | 905.93                                |
| <b>Total</b>          | <b>4,227.25</b>                       | <b>3,680.16</b>                       |

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 9 Other Bank Balance

( ₹ in Lakh )

| Particulars         | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------------------|---------------------------------------|---------------------------------------|
| Deposits with Banks | 28.37                                 | 27.06                                 |
| Unspent CSR Account | 18.60                                 | 49.75                                 |
| <b>Total</b>        | <b>46.97</b>                          | <b>76.81</b>                          |

### Note No. 10 Current Loans

( ₹ in Lakh )

| Particulars                       | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| Secured*, Considered Good         |                                       |                                       |
| Loans to staff                    | 751.67                                | 533.56                                |
| Unsecured, Considered Good        |                                       |                                       |
| Other Loans And Advances to Staff | 437.37                                | 283.08                                |
| <b>Total</b>                      | <b>1,189.04</b>                       | <b>816.64</b>                         |

\* Loans to staff are secured by way of hypothecation of house / four wheeler / two wheeler for which the loans have been given.

### Note No. 11 Other Current Financial Assets

( ₹ in Lakh )

| Particulars                                                                                                                                                  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Secured, Considered Good*                                                                                                                                    |                                       |                                       |
| Interest Accrued & Due on Staff Loans                                                                                                                        | 180.42                                | 136.69                                |
| Unsecured, Considered Good                                                                                                                                   |                                       |                                       |
| Loan Recoverable from SKY consumer                                                                                                                           | 741.45                                | 629.61                                |
| Recoverable from Staff                                                                                                                                       | 10.93                                 | 11.85                                 |
| Unbilled Revenue                                                                                                                                             | 35,897.81                             | 34,517.63                             |
| Receivable for Surya Gujarat Scheme                                                                                                                          | 10,489.48                             | 0.00                                  |
| Other Recoverables                                                                                                                                           | 291.27                                | 579.72                                |
| Receivable from Holding Company GUVNL#                                                                                                                       |                                       |                                       |
| [Including Net Gratuity Liability/(Assets) (Refer Note No. 36 E) of ₹ 3539.76 Lakhs, P.Y. ₹ 132.70 Lakhs and Others ₹ 221,564.83 Lakhs (P.Y. ₹ 170,128.81 )] | 2,25,060.65                           | 1,70,261.51                           |
| <b>Total</b>                                                                                                                                                 | <b>2,72,672.01</b>                    | <b>2,06,137.01</b>                    |

\*Loans to staff are secured by way of hypothecation of house / four wheeler /two wheeler for which the loans have been given.

#The balances of fellow subsidiary companies have been transferred to GUVNL (Holding Company) after due reconciliation and confirmation except the amount payable to GETCO related to HT Job Work Deposit and the same is reflected in Note No: 24.

### Note No. 12 Current Tax Assets (Net)

( ₹ in Lakh )

| Particulars           | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-----------------------|---------------------------------------|---------------------------------------|
| Current Tax Assets    |                                       |                                       |
| Tax Refund Receivable | 34,998.02                             | 23,567.03                             |
| Current Tax Liability |                                       |                                       |
| Income Tax Payable    | (34,353.88)                           | (16,532.89)                           |
| <b>Total</b>          | <b>644.14</b>                         | <b>7,034.14</b>                       |

### Note No. 13 Other Current Assets

( ₹ in Lakh )

| Particulars                                | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------------------------------------------|---------------------------------------|---------------------------------------|
| Unsecured, Considered Good                 |                                       |                                       |
| Prepaid Expenses                           | 270.83                                | 149.86                                |
| Postage Stamp & Stamped Agreements on Hand | 16.09                                 | 15.86                                 |
| Other Deposits                             | 485.94                                | 426.59                                |
| Advances for O&M Supplies/Works            | 40.93                                 | 47.10                                 |
| Balances with Govt. Authorities            | 68.43                                 | 68.40                                 |
| <b>Total</b>                               | <b>882.22</b>                         | <b>707.81</b>                         |

## NOTES TO THE FINANCIAL STATEMENTS

### Note No.14 Asset Held for Sale

( ₹ in Lakh )

| Particulars                       | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| <b>Unsecured, Considered Good</b> |                                       |                                       |
| Asset Held for Sale               | 483.55                                | 0.00                                  |
| <b>Total</b>                      | <b>483.55</b>                         | <b>0.00</b>                           |

### Note No. 14 The bifurcation of Asset held for sale

( ₹ in Lakh )

| Particulars       | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-------------------|---------------------------------------|---------------------------------------|
| Plant & Machinery | 482.40                                | 0.00                                  |
| Vehicles          | 0.10                                  | 0.00                                  |
| Office Equipments | 1.05                                  | 0.00                                  |
| <b>Total</b>      | <b>483.55</b>                         | <b>0.00</b>                           |

The Company has classified certain assets as asset held for sale as it intends to dispose off the same within a year and has measured the asset at lower of carrying amount and the fair value less costs to sell.

### Note No. 15 Equity Share Capital

#### a Equity share capital consist of the following:

( ₹ in Lakh )

| Particulars                                                               | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Share Capital</b>                                                      |                                       |                                       |
| <b>Equity Share Capital</b>                                               |                                       |                                       |
| <b>Authorised Share capital</b>                                           |                                       |                                       |
| 100,00,00,000 (P.Y.100,00,00,000) Equity Shares each of Rs. 10 each       | 1,00,000.00                           | 1,00,000.00                           |
| <b>Issued</b>                                                             |                                       |                                       |
| 531,886,823 (P.Y.505,732,086) Equity Shares of Rs. 10/- each fully paid   | 53,188.68                             | 50,573.21                             |
| <b>Subscribed &amp; Paid up</b>                                           |                                       |                                       |
| 531,886,823.(P.Y. 505,0732,086) Equity Shares of Rs. 10/- each fully paid | 53,188.68                             | 50,573.21                             |
| <b>Total</b>                                                              | <b>53,188.68</b>                      | <b>50,573.21</b>                      |

#### b Reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:

| Particulars                 | No. of Shares       | Share Capital<br>( ₹ in Lakh ) |
|-----------------------------|---------------------|--------------------------------|
| As at 1st April,2022        | 4,84,649,525        | 48,464.95                      |
| Additions/(Reductions)      | 21,082,561          | 2,108.26                       |
| As at 31st March,2023       | 5,05,732,086        | 50,573.21                      |
| <b>As at 1st April,2023</b> | <b>5,05,732,086</b> | <b>50,573.21</b>               |
| Additions/(Reductions)      | 26,154,737          | 2,615.47                       |
| <b>As at 31st Mar,2024</b>  | <b>5,31,886,823</b> | <b>53,188.68</b>               |

#### c Details of shares held by the holding Company are classified as under:

All the 531,886,823 nos. of Equity Shares (Previous year 505,732,086 ) are held by Gujarat Urja Vikas Nigam Limited, the holding company & its Nominees.

#### d Details of equity shares held by share holders holding more than 5% of the aggregate shares in the Company:

| Particulars                                                | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|------------------------------------------------------------|---------------------------|---------------------------|
| <b>Gujarat Urja Vikas Nigam Limited &amp; its Nominees</b> |                           |                           |
| Nos of Shares                                              | 5,31,886,823              | 5,05,732,086              |
| % of Holding                                               | 100%                      | 100%                      |

#### e Details of shareholding of promoter in the company :

| Promoter Name                                   | As at 31 <sup>st</sup> March, 2024                  |                              |                                            |                   |                             |
|-------------------------------------------------|-----------------------------------------------------|------------------------------|--------------------------------------------|-------------------|-----------------------------|
|                                                 | Nos of Shares<br>at the<br>beginning of<br>the year | Change<br>during the<br>Year | Nos of Shares<br>at the end of<br>the year | % of Total Shares | % Change during<br>the year |
| Gujarat Urja Vikas Nigam Limited & its Nominees | 50,57,32,086                                        | 2,61,54,737                  | 53,18,86,823                               | 100%              | No Change                   |

## NOTES TO THE FINANCIAL STATEMENTS

| Promoter Name                                   | As at 31 <sup>st</sup> March, 2023         |                        |                                      |                   |                          |
|-------------------------------------------------|--------------------------------------------|------------------------|--------------------------------------|-------------------|--------------------------|
|                                                 | Nos of Shares at the beginning of the year | Change during the Year | Nos of Shares at the end of the year | % of Total Shares | % Change during the year |
| Gujarat Urja Vikas Nigam Limited & its Nominees | 48,46,49,525                               | 2,10,82,561            | 50,57,32,086                         | 100%              | No Change                |

**f Right, preferences and restrictions attached to shares :**

The company has only one class of equity shares. For all matters submitted to vote on a poll in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have voting right in proportion to his share in the paid up Equity Share Capital of the Company. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

**Note No. 16 Other Equity**

( ₹ in Lakh )

| Particulars                | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|----------------------------|------------------------------------|------------------------------------|
| Securities Premium Account | 2,02,572.09                        | 1,81,858.78                        |
| Retained Earnings          | 88,504.59                          | 41,771.34                          |
| <b>Total</b>               | <b>2,91,076.68</b>                 | <b>2,23,630.12</b>                 |

**16.1 Particulars relating to Other Equity**

( ₹ in Lakh )

| Other Equity                                                                                               | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| Securities Premium Account                                                                                 |                                    |                                    |
| Opening Balance                                                                                            | 1,81,858.78                        | 1,66,159.06                        |
| Add: Increase during the year                                                                              | 20,893.34                          | 15,699.72                          |
| Less : Transaction cost (Stamp Duty) on issuance of equity shares during FY 23-24                          | (23.74)                            | -                                  |
| Less: Transaction cost (Stamp Duty) on issuance of equity shares during earlier years (refer note A below) | (156.29)                           | -                                  |
| (A)                                                                                                        | 2,02,572.09                        | 1,81,858.78                        |
| Retained Earnings                                                                                          |                                    |                                    |
| Opening Balance                                                                                            | 41,771.34                          | 39,285.21                          |
| Add: Net profit after tax transferred from Statement of Profit & Loss                                      | 48,285.96                          | 3,208.10                           |
| Add: Other comprehensive income arising from remeasurement of defined benefit obligation net of Income tax | (1,709.00)                         | (721.97)                           |
| Add: Transaction cost (Stamp Duty) on issuance of equity shares during earlier years (refer note A below)  | 156.29                             | -                                  |
| (B)                                                                                                        | 88,504.59                          | 41,771.34                          |
| <b>Total</b>                                                                                               | <b>2,91,076.68</b>                 | <b>2,23,630.12</b>                 |

**A** Stamp duty charges aggregating ₹ 156.29 Lakhs on account of issuance of share capital relating to FY2016-17 to FY 2022-23 were inadvertently charged off to Statement of Profit and Loss in respective years, has now been rectified and transferred to Other Equity in line with Ind AS 32 "Financial Instruments: Presentation" and Ind AS 8 "Accounting policies, Changes in accounting estimates and Errors" as at March 31, 2024. The afore-mentioned cumulative amount is not material to the overall presentation of financial statements.

**Note No. 17 Deferred Government Grants, Subsidies & Consumer Contributions**

( ₹ in Lakh )

| Particulars                                         | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|-----------------------------------------------------|------------------------------------|------------------------------------|
| Government Grants, Subsidies towards Capital Assets | 88,909.32                          | 93,064.12                          |
| Consumers' contribution towards Capital assets      | 109,943.39                         | 99,069.04                          |
| <b>Total</b>                                        | <b>1,98,852.71</b>                 | <b>1,92,133.16</b>                 |



## NOTES TO THE FINANCIAL STATEMENTS

### 17.1 Particulars relating to Deferred Government Grants, Subsidies & Consumer Contributions

( ₹ in Lakh )

| Particulars                                                       | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Govt.Grants &amp; Subsidies towards Cost of Capital Assets</b> |                                       |                                       |
| Opening balance                                                   | 93,064.12                             | 98,204.69                             |
| Add: Received during the year (Net)                               | 2,262.32                              | 1,725.33                              |
| Less: Transferred to Statement of Profit & Loss                   | (6,417.12)                            | (6,865.90)                            |
| <b>Closing balance</b>                                            | <b>88,909.32</b>                      | <b>93,064.12</b>                      |
| <b>Consumer Contribution towards Capital Assets</b>               |                                       |                                       |
| Opening balance                                                   | 99,069.04                             | 77,961.16                             |
| Add: Received during the year (Net)                               | 19,019.86                             | 28,720.60                             |
| Less: Transferred to Statement of Profit & Loss                   | (8,145.51)                            | (7,612.72)                            |
| <b>Closing balance</b>                                            | <b>1,09,943.39</b>                    | <b>99,069.04</b>                      |
| <b>TOTAL</b>                                                      | <b>1,98,852.71</b>                    | <b>1,92,133.16</b>                    |

The Government Grants received for projects related to Sagar Khedu, Kutir Jyoti, HVDS, etc. are of capital nature for development of Distribution infrastructure. There are no unfulfilled conditions or contingencies attached to these grants.

### Note No. 18 Borrowings

( ₹ in Lakh )

| Particulars                                 | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Secured</b>                              |                                       |                                       |
| <b>(a) Term Loans raised by the Company</b> |                                       |                                       |
| (i) From Financial Institutions             | 0.00                                  | 395.39                                |
| <b>Unsecured</b>                            |                                       |                                       |
| <b>Term loan raised through GUVNL</b>       |                                       |                                       |
| (i) ADB Prog. & Proj. Loan                  | 0.00                                  | 359.80                                |
| <b>Total</b>                                | <b>0.00</b>                           | <b>755.19</b>                         |

### 18.1 Term Loans consists of following:

( ₹ in Lakh )

| Term Loans                                                                                                                                               | Year Ended                      | Current Maturities<br>of each Loan | Amount of Each<br>Loan Outstanding |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------|------------------------------------|
| Loan from Power Finance Corporation<br>(Secured against charge of Plant and Machinery and lines and<br>cables of Anand & Nadiad City Division of MGVCL). | <b>31-03-2024</b><br>31-03-2023 | <b>393.46</b><br>20.64             | <b>0.00</b><br>416.03              |

### 18.2 Terms of repayment for Long term borrowings - Unsecured

#### SECURED AND UNSECURED LOANS

#### Common loans raised by GUVNL:

GUVNL raises fund by issue of bonds as well as borrowing from Banks, Financial Institutions, GoG and other Public Sector Undertakings for common usages of successor Companies. The repayment and interest of these borrowings are reimbursed by the Company to GUVNL. Facilities sharing agreement between GUVNL and successor Companies have been executed. Consequently, the part amount of loan outstanding from Banks and Financial Institutions are disclosed under the head 'Long /Short Term Borrowings' and maturity pattern, terms of repayment and security as disclosed below are as per the information provided by the GUVNL.

- A** Outstanding State Government loan under APDRP is Nil (Previous year ₹ 55.48 Lakhs). Rate of interest 12.18%
- B** Outstanding ADB Prog. & project loan is Nil (Previous year ₹ 739.83 Lakhs) . Rate of interest 10.69%

#### REGISTRATION OF THE CHARGE ON ASSETS

As per the legal opinion of the counsel, the properties on which the charge is already created by erstwhile GEB and acquired by the company, the same is required to be registered under the provisions of the Companies Act in force. Due to the common funds for all the operations of erstwhile GEB, funds were raised against the charge over all its assets. However, the amount of secured loans of erstwhile GEB which are secured against the separate properties transferred to each successor company has not yet been identified. The Company, therefore, could not register the charge on these properties with the Registrar of Companies, Gujarat.

## NOTES TO THE FINANCIAL STATEMENTS

### SECURITIES AGAINST LONG TERM BORROWINGS

Some of the assets of the company viz. Plant and Machinery, Hydraulic works, lines and cables, furniture and fixtures and office equipments are given as security to the Banks for the loans raised by Holding Company i.e. GUVNL. Charges created in respect of these assets as well as charges in respect of loan from Power Finance Corporation (PFC) availed by the Company.

#### 18.3 Loan transferred under the Financial Restructuring Plan

##### Loans availed by erstwhile GEB, consequently apportioned:

The loans which were raised by erstwhile GEB from State Government (loan under APDRP) 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, amongst all transferee companies and the same loans have been accounted by the Company as "loans allocated by GUVNL" in separate accounts. The repayments and interest thereon are reimbursed by the Company to GUVNL.

In light of above note, the said loans are reclassified and regrouped either as secured loans or unsecured loans and shown as Non current borrowings under non-current liabilities and current borrowings under current liabilities as per repayment schedule given by GUVNL.

#### Note No. 19 Other Non-Current Financial Liabilities

( ₹ in Lakh )

| Particulars                                         | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-----------------------------------------------------|---------------------------------------|---------------------------------------|
| Staff Welfare Schemes                               | 76.01                                 | 86.52                                 |
| Security deposit from consumers                     | 1,37,849.72                           | 1,24,553.94                           |
| Staff Related Liabilities/Staff retirement benefits | 1,387.70                              | 1,422.30                              |
| Liabilities towards SKY scheme                      | 782.11                                | 1,471.21                              |
| <b>Total</b>                                        | <b>1,40,095.54</b>                    | <b>1,27,533.97</b>                    |

- 19.1 Liabilities under SKY scheme is related Solar Photovoltaic Panel (SVP) to be recovered from SKY consumers over 7 years in equated monthly instalments. Rate of interest applicable is 6%.

#### Note No. 20 Non-Current Provisions

( ₹ in Lakh )

| Particulars                            | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|----------------------------------------|---------------------------------------|---------------------------------------|
| <b>Provision for Employee Benefits</b> |                                       |                                       |
| Provision for Leave Encashment         | 27,283.13                             | 22,491.91                             |
| <b>Total</b>                           | <b>27,283.13</b>                      | <b>22,491.91</b>                      |

#### Note No. 21 Deferred Tax Liabilities ( Net)

( ₹ in Lakh )

| Particulars              | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------------------------|---------------------------------------|---------------------------------------|
| Deferred tax liabilities | 22,040.37                             | 5,119.90                              |
| Deferred tax assets      | 0.00                                  | 0.00                                  |
| <b>Total</b>             | <b>22,040.37</b>                      | <b>5,119.90</b>                       |

#### 21.1 Deferred Tax Asset / Liability is worked out as under: 2023-24

( ₹ in Lakh )

| Particulars                                  | Opening<br>Balance | Recognized<br>in profit and<br>loss | Recognized in<br>Other<br>Comprehensive<br>Income | Closing Balance  |
|----------------------------------------------|--------------------|-------------------------------------|---------------------------------------------------|------------------|
| <b>Deferred tax liability on account of:</b> |                    |                                     |                                                   |                  |
| Property, Plant and Equipments               | 68,522.57          | 7,636.00                            | 0.00                                              | 76,158.56        |
| Prior Period Income                          | -                  | 0.00                                | 0.00                                              | 0.00             |
| <b>Deferred tax asset on account of:</b>     |                    |                                     |                                                   |                  |
| Employee Benefits                            | (8,505.42)         | (3,777.66)                          | 917.97                                            | (11,365.11)      |
| Deferred income on government grant          | (20,745.75)        | -                                   | 0.00                                              | (20,745.75)      |
| Provision on doubtful debts                  | (9,161.68)         | (804.82)                            | 0.00                                              | (9,966.50)       |
| Carried forward of unused Tax Losses         | (9,224.76)         | 9,224.76                            | 0.00                                              | -                |
| Carried forward of unused Tax Credits        | (15,765.05)        | 3,724.22                            | 0.00                                              | (12,040.83)      |
| <b>Net Deferred Tax (Asset)/Liability</b>    | <b>5,119.90</b>    | <b>16,002.50</b>                    | <b>917.97</b>                                     | <b>22,040.37</b> |

## NOTES TO THE FINANCIAL STATEMENTS

**21.1 Deferred Tax Asset / Liability is worked out as under:**

( ₹ in Lakh )

| Particulars                                  | Opening Balance | Recognized in profit and loss | Recognized in Other Comprehensive Income | Closing Balance |
|----------------------------------------------|-----------------|-------------------------------|------------------------------------------|-----------------|
| <b>Deferred tax liability on account of:</b> |                 |                               |                                          |                 |
| Property, Plant and Equipments               | 62,614.77       | 5,907.80                      | 0.00                                     | 68,522.57       |
| Prior Period Income                          | 0.00            | 0.00                          | 0.00                                     | 0.00            |
| <b>Deferred tax asset on account of:</b>     |                 |                               |                                          |                 |
| Employee Benefits                            | (7,145.83)      | (1,747.37)                    | 387.79                                   | (8,505.42)      |
| Deferred income on government grant          | (20,745.75)     | 0.00                          | 0.00                                     | (20,745.75)     |
| Provision on doubtful debts                  | (8,296.40)      | (865.28)                      | 0.00                                     | (9,161.68)      |
| Carried forward of unused Tax Losses         | (8,773.49)      | (451.27)                      | 0.00                                     | (9,224.76)      |
| Carried forward of unused Tax Credits        | (15,000.54)     | (764.51)                      | 0.00                                     | (15,765.05)     |
| <b>Net Deferred Tax (Asset)/Liability</b>    | <b>2,652.75</b> | <b>2,079.36</b>               | <b>387.79</b>                            | <b>5,119.90</b> |

**21.2** The Company had net deferred Tax Liability on account of Property Plant & Equipment at the year ended 31st March 2024 and 31st March 2023.

**Note No. 22 Short-term Borrowings**

( ₹ in Lakh )

| Particulars                                  | As at 31st March, 2024 | As at 31st March, 2023 |
|----------------------------------------------|------------------------|------------------------|
| <b>Short Term Borrowings</b>                 |                        |                        |
| <b>Secured:</b>                              |                        |                        |
| Cash credit from banks *                     | 0.00                   | 6.69                   |
| <b>Current maturities of Long Term Debt:</b> |                        |                        |
| <b>Secured:</b>                              |                        |                        |
| Loan from Financial Institutions             | 393.46                 | 20.64                  |
| <b>Unsecured:</b>                            |                        |                        |
| <b>Term loan raised through GUVNL</b>        |                        |                        |
| Loan from Asian Development Bank             | 0.00                   | 380.03                 |
| State Government Loan under APDRP            | 0.00                   | 55.48                  |
| <b>Total</b>                                 | <b>393.46</b>          | <b>462.84</b>          |

\*Cash credit from banks under Joint consortium agreement amongst the Company, UCO Bank (Lead Bank) & other consortium member banks is secured against hypothecation charge on the stocks and book debts of the company ranking pari-passu interest.

**22.1** Refer Note No : 44 for Details of Inventory and Trade Receivables filed with bank on the basis of unaudited books of accounts.

**Note No. 23 Current Trade Payables**

( ₹ in Lakh )

| Particulars                                   | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------------------|------------------------|------------------------|
| Trade Payable                                 |                        |                        |
| (i) Dues of Micro & Small Enterprise          | 0.00                   | 0.00                   |
| (ii) Dues other than Micro & Small Enterprise | 0.00                   | 0.00                   |
| -Power Purchase Creditors                     | 4,450.02               | 179.94                 |
| -Other Creditors                              | 11,029.80              | 6,358.86               |
| <b>Total</b>                                  | <b>15,479.82</b>       | <b>6,538.80</b>        |

**23.1** The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

## NOTES TO THE FINANCIAL STATEMENTS

( ₹ in Lakh )

| 23.2 | Total outstanding dues of Micro & Small Enterprises                                                                                                                                                                                               | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
|      | Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.                                                                                                                                | 0.00                                  | 0.00                                  |
|      | Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;                 | 0.00                                  | 0.00                                  |
|      | Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | 0.00                                  | 0.00                                  |
|      | Interest accrued and remaining unpaid as at of end of each accounting year                                                                                                                                                                        | 0.00                                  | 0.00                                  |
|      | Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.                                                                               | 0.00                                  | 0.00                                  |

23.3 Refer Note No : 50 for ageing Schedule of trade payables

### Note No. 24 Other Current Financial Liability

( ₹ in Lakh )

| Particulars                                                      | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Interest accrued but not due on Loans                            | 553.43                                | 600.60                                |
| Interest payable on consumers security Deposit                   | 7,758.99                              | 4,328.47                              |
| Staff Related Liabilities                                        | 143.77                                | 59.73                                 |
| Staff Retirement cum Death Benefit Scheme                        | 203.46                                | 198.96                                |
| Deposits & Retentions from Suppliers / Contractors               | 12,951.51                             | 9,366.54                              |
| Liability for Capital Supplies / Works                           | 136.27                                | 136.27                                |
| Deposits for Electrification & Service connection from Consumers | 222.66                                | 232.23                                |
| Loan under SKY scheme                                            | 741.45                                | 629.61                                |
| Payable to EESL under UJALA Scheme                               | 367.15                                | 348.89                                |
| Payable to Gujarat Energy Training & Research Institute (GETRI)  | 24.84                                 | 39.07                                 |
| Payable to Gujarat Energy Transmission Corporation Ltd.(GETCO)   | 875.55                                | 567.53                                |
| Other Liability                                                  | 15,761.12                             | 42,091.05                             |
| <b>Total</b>                                                     | <b>39,740.20</b>                      | <b>58,598.95</b>                      |

### Note No. 25 Other Current Liability

( ₹ in Lakh )

| Particulars                                                      | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Statutory Liabilities                                            | 1,006.30                              | 613.58                                |
| Other Liability                                                  | 4,884.01                              | 1,081.69                              |
| Unspent CSR Amount*                                              | 124.41                                | 128.39                                |
| Deposits for Electrification & Service connection from Consumers | 16,565.24                             | 12,894.40                             |
| <b>Total</b>                                                     | <b>22,579.96</b>                      | <b>14,718.06</b>                      |

\* Refer Note No : 43

### Note No. 26 Short Term Provisions

( ₹ in Lakh )

| Particulars                     | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Provision for Employee Benefits |                                       |                                       |
| Leave Encashment                | 1,628.07                              | 1,661.27                              |
| Bonus                           | 72.79                                 | 54.26                                 |
| Others                          | 2,296.75                              | 3,236.39                              |
| <b>Total</b>                    | <b>3,997.61</b>                       | <b>4,951.92</b>                       |

26.1 In view of GoG Notification dtd. 08.04.2020, the Company has provided for the compensation payable to the legal heirs of the deceased employees who have expired due to COVID-19 for a maximum amount of ₹ 25.00 lakh per deceased employee. During the current year, as per directives from the state government, the Company has provided/paid compensation of ₹ 125.00 Lakh (P.Y. ₹ 500.00 Lakh) to family members of deceased employee on account of Covid-19.

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 27 Revenue from Operations

( ₹ in Lakh )

| Particulars                                           | For the Year ended<br>31 <sup>st</sup> March, 2024 | For the Year ended<br>31 <sup>st</sup> March, 2023 |
|-------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>Income from Operating Activity</b>                 |                                                    |                                                    |
| <b>Revenue from Sale of Power</b>                     |                                                    |                                                    |
| Residential General Purpose (Domestic or Residential) | 2,04,219.76                                        | 1,82,512.87                                        |
| General Lighting Purpose (Commercial)                 | 9,245.72                                           | 8,347.74                                           |
| Low Tension Maximum Demand and Non Residential        | 1,70,147.99                                        | 1,50,155.84                                        |
| Industrial High Voltage                               | 4,92,791.91                                        | 4,59,631.56                                        |
| Irrigation Agricultural                               | 60,456.61                                          | 63,429.37                                          |
| Public Water Works and Sewerage Pumps                 | 34,696.95                                          | 30,225.42                                          |
| Sale of Power to GUVNL                                | 51.79                                              | 0.00                                               |
| Unscheduled Interchange/DSM Income                    | 3,565.95                                           | 13,760.19                                          |
| <b>Sub Total</b>                                      | <b>9,75,176.68</b>                                 | <b>9,08,062.99</b>                                 |
| <b>Electricity duty</b>                               |                                                    |                                                    |
| Electricity Duty Assessed                             | 1,16,309.49                                        | 1,04,877.32                                        |
| Less: Electricity Duty Assessed (Contra)              | (1,16,309.49)                                      | (1,04,877.32)                                      |
| <b>Sub Total</b>                                      | <b>0.00</b>                                        | <b>0.00</b>                                        |
| <b>Sale of Services</b>                               |                                                    |                                                    |
| Parallel Operation Charge                             | 592.51                                             | 529.92                                             |
| <b>Sub Total</b>                                      | <b>592.51</b>                                      | <b>529.92</b>                                      |
| <b>Other operating Revenue</b>                        |                                                    |                                                    |
| Recoveries for theft of power / Malpractices          | 4,070.65                                           | 3,965.22                                           |
| Cross Subsidy Surcharge                               | 3,205.01                                           | 674.38                                             |
| Addl. Surcharge - OA Consumers                        | 1,570.35                                           | 129.09                                             |
| Wheeling Charges Recovery                             | 352.29                                             | 40.15                                              |
| Agriculture Subsidy                                   | 6,859.94                                           | 7,072.96                                           |
| Miscellaneous Charges from Consumers                  | 5,694.06                                           | 4,457.70                                           |
| <b>Sub Total</b>                                      | <b>21,752.30</b>                                   | <b>16,339.50</b>                                   |
| <b>Total</b>                                          | <b>9,97,521.49</b>                                 | <b>9,24,932.41</b>                                 |

### Note No. 28 Other Income

( ₹ in Lakh )

| Particulars                                                  | For the Year ended<br>31 <sup>st</sup> March, 2024 | For the Year ended<br>31 <sup>st</sup> March, 2023 |
|--------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>Interest Income</b>                                       |                                                    |                                                    |
| Interest on Staff Loans and Advances                         | 308.64                                             | 244.32                                             |
| Interest on Loans and Advances to Others                     | 0.03                                               | 2.46                                               |
| Interest on Fixed Deposits                                   | 0.00                                               | 0.00                                               |
| <b>Other Non Operating Income</b>                            |                                                    |                                                    |
| Delayed payment charges from Consumers                       | 4,624.20                                           | 3,775.52                                           |
| Deferred Income towards Govt. Grants/ Subsidies and Consumer | 14,562.63                                          | 14,478.61                                          |
| Grant for Energy Conservation                                | 101.91                                             | 100.61                                             |
| Provision No Longer Required                                 | 0.00                                               | 8,277.29                                           |
| Grant for Misc. Expense                                      | 16.84                                              | 18.88                                              |
| Miscellaneous Income                                         | 5,373.02                                           | 3,758.29                                           |
| <b>Total</b>                                                 | <b>24,987.27</b>                                   | <b>30,655.98</b>                                   |

#The Company made provisions with respect to allowances as per 7th Pay commission as per internal assessment. During FY 2022-2023, Government of Gujarat has notified implementation of revised House Rent Allowance as per 7th Pay Commission vide letter no.Vallabh-102022-1301-CH dated 12-10-2022. Accordingly, the excess provision made in earlier years is written back since it is no longer required to be paid and shown under Other income.

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 29 Purchase of Power

( ₹ in Lakh )

| Particulars                                         | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|-----------------------------------------------------|----------------------------------------|----------------------------------------|
| Purchase of power from GUVNL                        | 7,95,097.21                            | 8,35,587.12                            |
| Purchase of power from Renewable Attribute          | 104.66                                 | 81.73                                  |
| Purchase of power from Wind Turbine Generators/ CPP | 581.98                                 | 643.14                                 |
| Purchase of power from Solar Generators             | 6,699.52                               | 4,451.77                               |
| SLDC Charges                                        | 199.03                                 | 134.63                                 |
| <b>Total</b>                                        | <b>8,02,682.40</b>                     | <b>8,40,898.39</b>                     |

Purchase of power is accounted as billed by GUVNL considering the Bulk Supply Tariff (BST) Mechanism / formula as approved by Gujarat Electricity Regulatory Commission (GERC).

### Note No. 30 Employees benefit expense

( ₹ in Lakh )

| Particulars                                   | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|-----------------------------------------------|----------------------------------------|----------------------------------------|
| Salaries and Allowances                       | 58,484.08                              | 51,959.08                              |
| Contribution to PF Trusts*                    | 7,218.02                               | 4,801.36                               |
| Staff Welfare Expenses                        | 1,073.71                               | 633.92                                 |
| Retirement and other Benefits                 | 4,798.43                               | 2,582.65                               |
|                                               | <b>71,574.24</b>                       | <b>59,977.01</b>                       |
| Less : Directly attributable cost capitalised | (7,583.46)                             | (6,495.10)                             |
| <b>Total</b>                                  | <b>63,990.78</b>                       | <b>53,481.91</b>                       |

\*This Include an amount of ₹ 1906.63 Lakhs (Previous Year ` Nil) as intimated by GUVNL towards allocation of Recoupment of Losses of IL&FS Investment to the Trust operated by GUVNL on behalf of MGVCL.

### Note No. 31 Finance Cost

( ₹ in Lakh )

| Particulars                                      | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|--------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Interest Expense</b>                          |                                        |                                        |
| Interest on State Government Loans               | 57.82                                  | 101.74                                 |
| Interest on Cash Credit and Working Capital      | 0.00                                   | 7.87                                   |
| Interest on Loans from Power Finance Corporation | 89.62                                  | 132.09                                 |
| Other Interest Charges                           | 165.47                                 | 245.43                                 |
| Interest to Consumers on Security Deposits etc.  | 8,531.08                               | 4,868.99                               |
| Interest on Income Tax                           | 697.63                                 | 0.00                                   |
| <b>Other Borrowing Costs</b>                     |                                        |                                        |
| Bank Charges, Commission and Others              | 10.73                                  | 6.32                                   |
| <b>Total</b>                                     | <b>9,552.35</b>                        | <b>5,362.44</b>                        |

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 32 Other Expenses

( ₹ in Lakh )

| Particulars                                             | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|---------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Repairs and Maintenance</b>                          |                                        |                                        |
| Building and Civil Works                                | 885.99                                 | 479.27                                 |
| Plant and Machinery                                     | 2,523.68                               | 2,522.06                               |
| Lines, Cable Network etc.                               | 6,102.49                               | 4,646.74                               |
| Others                                                  | 7,162.80                               | 558.98                                 |
| <b>Total A</b>                                          | <b>16,674.96</b>                       | <b>8,207.05</b>                        |
| <b>Administrative &amp; General Expenses</b>            |                                        |                                        |
| Rent, Rates and Taxes                                   | 235.40                                 | 238.93                                 |
| Insurance                                               | 45.40                                  | 34.24                                  |
| Legal & Professional Fees                               | 297.86                                 | 252.10                                 |
| Auditors' Remuneration                                  | 12.35                                  | 12.35                                  |
| Travelling & Conveyance                                 | 4,592.59                               | 4,114.03                               |
| Advertisement                                           | 144.57                                 | 108.35                                 |
| Electricity Charges                                     | 764.40                                 | 630.10                                 |
| Corporate Social Responsibilities*                      | 207.46                                 | 216.55                                 |
| Directors sitting fees                                  | 2.00                                   | 2.23                                   |
| GERC License Fees                                       | 291.47                                 | 239.80                                 |
| Other Administration & General Expenses                 | 5,395.07                               | 4,567.62                               |
|                                                         | 11,988.57                              | 10,416.30                              |
| Less : Directly attributable cost capitalised           | (1,270.22)                             | (1,118.80)                             |
| <b>Total B</b>                                          | <b>10,718.35</b>                       | <b>9,297.50</b>                        |
| <b>Other Debit</b>                                      |                                        |                                        |
| Expenses for Energy Conservation                        | 101.91                                 | 117.93                                 |
| Waiver of Delayed Payment Charges                       | 276.09                                 | 288.27                                 |
| Loss on Sale of PPE (Net)                               | 657.53                                 | 31.94                                  |
| Bad & Doubtful debts write-off                          | 0.00                                   | 0.20                                   |
| Miscellaneous Losses & Write-offs                       | 319.10                                 | 304.85                                 |
| Expected Credit Loss Allowance                          | 2,379.99                               | 2,856.62                               |
| Less: Expected Credit Loss Allowance no longer required | (76.83)                                | (380.44)                               |
| Other Miscellaneous debits                              | 815.42                                 | 363.06                                 |
| <b>Total C</b>                                          | <b>4,473.21</b>                        | <b>3,582.43</b>                        |
| <b>Total</b>                                            | <b>31,866.52</b>                       | <b>21,086.98</b>                       |

\* Refer Note No :43

### 32.1 Payments to auditors has been classified as follows:

( ₹ in Lakh )

| Particulars                                    | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|------------------------------------------------|----------------------------------------|----------------------------------------|
| Payments to Statutory Auditors (Including GST) |                                        |                                        |
| - Audit Fees                                   | 11.68                                  | 11.68                                  |
| -for taxation matters                          | 0.00                                   | 0.00                                   |
| -for company law matters                       | 0.00                                   | 0.00                                   |
| -for reimbursement of expenses                 | 0.00                                   | 0.00                                   |
| Cost Audit Fees                                | 0.67                                   | 0.67                                   |
| <b>Total</b>                                   | <b>12.35</b>                           | <b>12.35</b>                           |



## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 33 Tax Expense

( ₹ in Lakh )

| Particulars  | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|--------------|----------------------------------------|----------------------------------------|
| Current Tax  | 17,820.99                              | 764.51                                 |
| Deferred Tax | 17,838.44                              | 2,854.94                               |
| <b>Total</b> | <b>35,659.43</b>                       | <b>3,619.45</b>                        |

#### 33.1 Reconciliation of Current Tax

( ₹ in Lakh )

| Particulars                                               | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|-----------------------------------------------------------|----------------------------------------|----------------------------------------|
| Profit Before Tax                                         | 83,945.39                              | 6,827.55                               |
| Current Tax Expenses Calculated Using Applicable Tax Rate | 29,333.88                              | 2,385.82                               |
| (Income)/Expense(net) not (taxable)/deductible            | 6,325.55                               | 1,233.63                               |
| <b>Total</b>                                              | <b>35,659.43</b>                       | <b>3,619.45</b>                        |
| Applicable Tax Rate-Normal                                | 34.94%                                 | 34.94%                                 |
| Applicable Tax Rate-MAT                                   | 17.47%                                 | 17.47%                                 |

#### 33.2 Income tax recognised in other comprehensive income

( ₹ in Lakh )

| Particulars                                                            | For the Year ended<br>31st March, 2024 | For the Year ended<br>31st March, 2023 |
|------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| (i) Items that will not be reclassified to profit or loss              |                                        |                                        |
| (a) Re-measurement of the defined benefit plans                        | (2,626.97)                             | (1,109.76)                             |
| (ii) Income Tax relating to items that will not reclassified to profit | 917.97                                 | 387.79                                 |
| <b>Total</b>                                                           | <b>(1,709.00)</b>                      | <b>(721.97)</b>                        |

### Note No. 34 Earnings per Equity share

( ₹ in Lakh )

| Particulars                                                       | As at<br>31 st March, 2024 | As at<br>31 st March, 2023 |
|-------------------------------------------------------------------|----------------------------|----------------------------|
| Profit after tax for the year attributable to equity shareholders | 48285.96                   | 3208.10                    |
| Weighted Average number of Equity Shares for Basic EPS            | 510953312.00               | 491596612.25               |
| Weighted Average number of Equity Shares for Diluted EPS          | 510953312.00               | 491596612.25               |
| Basic Earnings per equity shares (Rs. 10/- each )                 | 9.45                       | 0.65                       |
| Diluted Earnings per equity shares (Rs. 10/- each )               | 9.45                       | 0.65                       |
| Face value per equity share (Rs.)                                 | 10.00                      | 10.00                      |

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 35 Lease

- a. The Company has entered into various Lease Arrangements for "Land" for the purpose of official use; some of which are "Non-cancellable" and thus, creates enforceable rights. The Company applied the standard on such Lease Arrangements and recognised the "Right of Use" asset in its books by transferring the "Pre Payments - Lease hold land" amounting to ₹ 1529.25 lakhs as appeared under "Other Non-current Asset / Other Current Asset" in the financial statements for the financial year ended on 31st March, 2019, and disclosed the same in its financial statements under Property, Plant and Equipment" for the year ended 31st March, 2020.
- b. In respect of Lease Arrangements, which are cancellable without any significant penalty either by lessor or lessee by giving appropriate notice as per respective agreements, do not create enforceable rights and obligations between the parties and thus, do not constitute a contract. Accordingly, the Company does not apply Ind AS 116 on such Lease Arrangements.
- c. Amount Recognized in Statement of Profit and Loss for the year ended 31st March, 2024

#### (A) As a Lessee:

##### Nature of Leasing Activities

The Company has entered into various lease arrangements for buildings for purpose of its offices.  
Details of leases (including in substance leases) are as under:

1. The company has entered into Cancellable Operating leases for Vehicle.
2. The Company has taken Office Premise on Lease which is cancellable by giving appropriate notice as per the respective agreements.

#### Amount Recognized in Statement of Profit and Loss & Carrying Amount of Another Asset ( ₹ in Lakh )

| Particulars                                                        | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|--------------------------------------------------------------------|---------------------------|---------------------------|
| Depreciation on ROU recognized in the Statement of Profit and Loss | 71.31                     | 71.31                     |
| Interest on lease liabilities                                      | 0.00                      | 0.00                      |
| Expenses relating to short term lease                              | 92.47                     | 79.78                     |
| Expenses relating to leases of low-value assets                    | 20.75                     | 18.87                     |
| Total cash outflow for leases                                      | 113.22                    | 98.65                     |
| Additions to ROU Asset during the year                             | 0.00                      | 0.00                      |
| Gain or losses arising from sale and leaseback transactions        | 0.00                      | 0.00                      |
| Net Carrying Amount of ROU Asset at the end the year               | 1,172.70                  | 1244.01                   |

The details of Right of Use Asset included in Property, Plant and Equipment (Note No. 02) held as lessee by class of underlying asset is presented below:

( ₹ in Lakh )

| Particulars                                      | Asset Class<br>Land | Total           |
|--------------------------------------------------|---------------------|-----------------|
| <b>Opening Balance as on 1st April, 2022</b>     | 1,315.32            | 1315.32         |
| Additions During the year                        | 0.00                | 0.00            |
| Depreciation Recognized During the year          | (71.31)             | (71.31)         |
| <b>Net Carrying value as on 31st March, 2023</b> | <b>1,244.01</b>     | <b>1244.01</b>  |
| Additions During the year                        | 0.00                | 0.00            |
| Depreciation Recognized During the year          | (71.31)             | (71.31)         |
| <b>Net Carrying value as on 31st March, 2024</b> | <b>1,172.70</b>     | <b>1,172.70</b> |

#### (B) As a Lessor:

##### Operating Lease:

The lease rentals recognised as income in these statements as per the rentals stated in the respective agreements:

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 36. Employee benefit plans

#### A. Defined Contribution plans:

The Company has certain defined contribution plans. The Company makes contribution towards Employees' Provident Fund, Employees' Pension Scheme and Employees' Death Linked Insurance Scheme. Contributions are made specified percentage of salary as per regulations. The contributions are made to registered provident fund administered by the Gujarat Urga Vikas Nigam Limited (GUVNL). The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 5225.19 Lakhs (31st March 2023 ₹ 4725.94 Lakhs) which is included in contribution to PF Trust under Note No : 31 Employees Benefit Expenses.

#### B. Other long term benefit plan

The Company accounts for leave encashment on the basis of actuarial valuation carried out by Life Insurance Corporation of India at each year end. Liability for the current year of ₹ 4758.02 Lakhs (previous year ₹ 2449.29 Lakhs) has been charged to statement of Profit & Loss. Leave obligation as at 31st March, 2024 ₹ 28911.20 Lakhs and 31st March, 2023 ₹ 24153.19 Lakhs respectively. The same is included in Note No :20 (Non-Current Provision) & 26 (Short Term Provision)

The company has a Staff Voluntary Retirement-Cum-Death Benevolent Fund Scheme wherein an employee can become a member voluntarily. A monthly contribution is to be made by the members. Upon retirement employee will be eligible to get an amount equivalent to his total "Contribution" along with simple interest at a specified rate from the date of joining the scheme or ₹10,000/- whichever is higher. In case of death of an employee, the nominee of the member shall be eligible to get a determined amount of compensation out of the fund, if the employee was the member of the scheme. The charge to the statement of Profit and loss for the year ended is ₹ 39.56 Lakhs (P.Y. ₹ 48.75 lakhs). The balance of such fund as at 31st March, 2024 is ₹ 1591.16 Lakhs and 31st March, 2023 is ₹ 1621.26 Lakhs respectively. The same is included under Note No: 19 (Other Non Current Financial Liability) & 24 (Other Current Financial Liability)

#### C. Defined Benefits Plan

##### Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees' who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity Plan is a funded plan and the Company makes contributions to LIC. The Company maintains a target level of funding to be done over a period of time based on estimations of expected gratuity payments.

The Company makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust. The liability in respect of plan is determined on the basis of an actuarial valuation.

#### D. Risk Exposure

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Rate Risk and Salary Risk.

|                        |                                                                                                                                                                                  |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Investment risk</b> | The Present value of the Defined Benefit Obligation is calculated using the discount rate determined by LIC of India as the fund is being managed under Gratuity Assurance Plan. |
| <b>Interest risk</b>   | A decrease in the interest rate will increase the plan liability while increase in interest rate will decrease the plan liability.                                               |
| <b>Salary risk</b>     | The present value of obligation is calculated by reference to future salary.                                                                                                     |

No other post-retirement benefits are provided to employees.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31st March, 2024 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method .

## NOTES TO THE FINANCIAL STATEMENTS

The principal assumptions used for the purposes of the actuarial valuations were as follows:.

( ₹ in Lakh )

| Particulars                      | Assumptions (Current Period)       |                                    |
|----------------------------------|------------------------------------|------------------------------------|
|                                  | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
| Expected Return on Plan Assets   | 7.25%                              | 7.25%                              |
| Rate of Discounting              | 7.25%                              | 7.25%                              |
| Rate of Salary Increase          | 10.00%                             | 10.00%                             |
| Rate of Employee Turnover        | 1 to 3 % depending on Age          |                                    |
| Mortality Rate During Employment | LIC (2006-08) Ultimate             |                                    |
| Mortality Rate After Employment  | Not Applicable                     |                                    |

( ₹ in Lakh )

| Particulars                                                                                                                             | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Gratuity</b>                                                                                                                         |                        |                        |
| <b>I) Reconciliation in present value of obligations (PVO) – defined benefit</b>                                                        |                        |                        |
| Opening defined benefit obligation                                                                                                      | 38,817.76              | 36,297.29              |
| Current Service Cost                                                                                                                    | 2,042.46               | 1,579.59               |
| Past service cost, including losses/(gains) on curtailments                                                                             | 0.00                   | 0.00                   |
| Interest Cost                                                                                                                           | 2,814.29               | 2,631.55               |
| <b>Remeasurement (gains)/losses:</b>                                                                                                    |                        |                        |
| Actuarial gains and losses arising from experience adjustments                                                                          | 4,295.92               | 1,074.02               |
| Benefits paid                                                                                                                           | (2,738.46)             | (2,764.69)             |
| <b>Closing defined benefit obligation</b>                                                                                               | <b>45,231.97</b>       | <b>38,817.76</b>       |
| <b>Current obligation</b>                                                                                                               | 3,237.80               | 2,789.97               |
| <b>Non-Current obligation</b>                                                                                                           | 41,994.17              | 36,027.79              |
| <b>II) Change in fair value of assets :</b>                                                                                             |                        |                        |
| Opening fair value of plan assets                                                                                                       | 38,685.06              | 37,603.95              |
| Expected return on plan assets                                                                                                          | 2,804.67               | 2,726.29               |
| <b>Remeasurement gain (loss):</b>                                                                                                       |                        |                        |
| Excess Return on plan assets (excluding amounts included in net interest expense)                                                       | 165.73                 | (35.74)                |
| Contributions by the employer                                                                                                           | 2,775.21               | 1,155.26               |
| Benefits paid                                                                                                                           | (2,738.46)             | (2,764.69)             |
| Insurance Premium Adjusted                                                                                                              | 0.00                   | 0.00                   |
| <b>Closing fair value of plan assets</b>                                                                                                | <b>41,692.21</b>       | <b>38,685.06</b>       |
| <b>III) Reconciliation of Present value of obligation and fair value of assets:</b>                                                     |                        |                        |
| Present value of funded defined benefit obligation                                                                                      | 45,231.97              | 38,817.76              |
| Fair Value of planned assets at end of year                                                                                             | 41,692.21              | 38,685.06              |
| Funded status                                                                                                                           | Funded                 | Funded                 |
| <b>Net liability / (asset) arising from defined benefit obligation</b>                                                                  | <b>3,539.76</b>        | <b>132.70</b>          |
| <b>IV) Service Cost</b>                                                                                                                 |                        |                        |
| Current Service cost                                                                                                                    | 2,042.46               | 1,579.59               |
| Past Service cost and (gain)/loss from settlements                                                                                      | 0.00                   | 0.00                   |
| Net Interest expense                                                                                                                    | 8.52                   | (97.01)                |
| <b>Total Expenses to be recognised in P&amp;L</b>                                                                                       | <b>2,050.98</b>        | <b>1,482.58</b>        |
| <b>Components of defined benefit costs recognised in Employee Benefit</b>                                                               |                        |                        |
| <b>Remeasurement on the net defined benefit liability:</b>                                                                              |                        |                        |
| Actuarial (gains) / losses arising from experience adjustments, changes in demographic assumptions and changes in financial assumptions | 4,295.92               | 1,074.02               |
| Return on Plan Assets excluding amount included in net interest cost                                                                    | (165.73)               | 35.74                  |
| <b>Total expense to be recognised in OCI</b>                                                                                            | <b>4,130.20</b>        | <b>1,109.76</b>        |
| <b>Total expense (provision for the period)</b>                                                                                         | <b>6,181.17</b>        | <b>2,592.34</b>        |
| <b>V) Category of assets as at 31st March:</b>                                                                                          |                        |                        |
| -Life Insurance Corporation                                                                                                             | 41,692.21              | 38,685.06              |
| <b>Total</b>                                                                                                                            | <b>41,692.21</b>       | <b>38,685.06</b>       |

## NOTES TO THE FINANCIAL STATEMENTS

( ₹ in Lakh )

| Experience Adjustment  | On Plan Liabilities<br>Loss/(Gain) | On Plan Assets<br>(Loss)/Gain |
|------------------------|------------------------------------|-------------------------------|
| As on 31st March, 2024 | 42,95.92                           | 165.73                        |
| As on 31st March, 2023 | 1,074.02                           | (35.74)                       |
| As on 31st March, 2022 | 94.69                              | (0.95)                        |
| As on 31st March, 2021 | 1,655.13                           | 66.31                         |
| As on 31st March, 2020 | 4,805.21                           | 401.50                        |

### Maturity Analysis of Projected Benefit Obligation are as under:

( ₹ in Lakh )

| Gratuity             | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|----------------------|---------------------------|---------------------------|
| <b>Gratuity</b>      |                           |                           |
| Less than 1 year     | 3,237.80                  | 2,789.97                  |
| One to Three Years   | 5,846.01                  | 7,458.83                  |
| Three to Five Years  | 4,181.21                  | 7,594.24                  |
| More than Five Years | 31,966.96                 | 20,974.72                 |
| <b>Total</b>         | <b>45,231.98</b>          | <b>38,817.76</b>          |

### Sensitivity analysis for Gratuity

( ₹ in Lakh )

| Significant actuarial assumptions           | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|---------------------------------------------|---------------------------|---------------------------|
| <b>Discount Rate</b>                        |                           |                           |
| - Impact due to increase of 50 basis points | (2,558.96)                | (1,955.22)                |
| - Impact due to decrease of 50 basis points | 2,803.71                  | 2,139.62                  |
| <b>Salary increase</b>                      |                           |                           |
| - Impact due to increase of 50 basis points | 2,717.50                  | 2,050.79                  |
| - Impact due to decrease of 50 basis points | (2,508.67)                | (2,066.49)                |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

- E. GEB Employees' Group Gratuity Trust ("the Trust") is an exempted Gratuity Trust under the Income Tax Act, 1961 established to manage the Gratuity obligations of the employees of GUVNL and its Subsidiary Companies. GUVNL, the Holding Company is managing the same for and on behalf of itself and its six Subsidiary Companies. The Trust has an arrangement with M/s. Life Insurance Corporation of India (LIC) for the fund management based on actuarial determination of liability and the funds to be contributed.

Given the above structure and arrangement among GUVNL Group Companies, the overall Gratuity Liability or Asset (as the case may be) of the GUVNL Group, is reflected in GUVNL Books. The Company reflect the expense in its books and the Liability / Asset to / from GUVNL, given the above arrangement along with the disclosures in compliance with the applicable Ind AS 19 – Employee Benefits.

The following is the position of Gratuity related Asset / Liability reflected in the Companies books/ in the books of GUVNL as pertaining to individual companies:

( ₹ in Lakh )

| Particulars                                      | (Asset) / Liability - Net |                           |
|--------------------------------------------------|---------------------------|---------------------------|
|                                                  | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
| Position of Gratuity related (Asset) / Liability | 3,539.76                  | 132.70                    |

Note : Net Plan Liability of Gratuity amounting to Rs. 3539.76 Lakhs (P.Y. Net Liability of Gratuity Rs. 132.70 Lakhs) is considered in Net (receivable From / Payable to Holding company (GUVNL))

- F. The Holding Company, GUVNL has allocated Future Service Gratuity Insurance Premium (recovered by LIC) to the Subsidiary Companies, which has been accounted accordingly.

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 37. Operating Segment

- A.** The Company's operations fall under single segment namely "Distribution of Power", taking into account the different risks and returns, the organization structure and the internal reporting systems.
- B.** Information about major customers  
The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.
- C.** Information about geographical areas:  
Segment revenue from "Distribution of Electricity" represents revenue generated from external customers which is fully attributable to the company's country of domicile i.e. India.  
All assets are located in the company's country of domicile.
- D. Information about products and services:**  
The Company derives revenue from sale of Power. The information about revenues from external customers about each product is disclosed in Note no. 27 of the financial statements.

### Note No. 38. Financial instruments Disclosure

#### A. Capital Management

The Company's objective when managing capital is to:

1. Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
2. Maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's financial management committee reviews the capital structure on a regular basis. As part of this review, the committee considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

#### Gearing Ratio

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

( ₹ in Lakh )

| Particulars                                                                                                                                      | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Debt                                                                                                                                             | 1,134.91                  | 1,840.95                  |
| Total equity                                                                                                                                     | 5,43,118.07               | 4,66,336.49               |
| Debt to equity ratio                                                                                                                             | 0.002                     | 0.004                     |
| 1. Debt is defined as all long term debt outstanding + current maturity outstanding in lieu of long term debt.                                   |                           |                           |
| 2. Equity is defined as Equity share capital + all reserve (excluding revaluation reserve) + deferred government grant and consumer contribution |                           |                           |

#### B Categories of financial instruments

( ₹ in Lakh )

| Particulars                                                           | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|-----------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Financial assets</b>                                               |                           |                           |
| <b>Measured at amortised cost</b>                                     |                           |                           |
| (a) Trade and other receivables                                       | 49,791.82                 | 49,898.35                 |
| (b) Cash and cash equivalents                                         | 4,227.25                  | 3,680.16                  |
| (c) Other bank balances                                               | 46.97                     | 76.81                     |
| (d) Loans                                                             | 3,912.04                  | 2,356.86                  |
| (e) Other financial assets                                            | 2,82,465.40               | 2,09,900.47               |
| <b>Measured at FVTOCI</b>                                             |                           |                           |
| (a) Investments in equity instruments (designated on transition date) | 0.00                      | 0.00                      |
| <b>Financial liabilities</b>                                          |                           |                           |
| <b>Measured at amortised cost</b>                                     |                           |                           |
| (a) Borrowings                                                        | 393.46                    | 1,218.03                  |
| (b) Trade payables                                                    | 15,479.82                 | 6,538.80                  |
| (c) Other financial liabilities                                       | 1,79,835.74               | 1,86,132.92               |

**NOTES TO THE FINANCIAL STATEMENTS****C. Financial risk management objectives**

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, routine and projects capital expenditure. The Company's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz regulatory risk, interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

**Regulatory Risk**

The Company's substantial operations are subject to regulatory interventions, introduction of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the Company.

Regulations are framed by Central / State Regulatory Commission as regard to Standard of Performance for utilities, Terms & Conditions for determination of tariff, obligation of Renewable Energy purchase, grant of Open Access, Deviation Settlement Mechanism, Indian Electricity Grid Code / Gujarat Grid Code, Power Market Regulations etc. Moreover, the State / Central Government are notifying various guidelines and policy for growth of the sector. These Policies / Regulations are modified from time to time based on need and development in the sector. Hence the policy / regulation is not restricted only to compliance but also have implications for operational performance of utilities, Return on Equity, revenue, competitiveness, scope of supply as consumer of 1 MW and above have an option to select the supplier, ceiling on trading margins, Regulatory charges, market etc.

To protect the interest of Utilities, State Utilities are actively participating while framing of Regulations. ARR is regularly filed & FPPPA is levied on quarterly basis for any increase/decrease in power purchase cost.

**Interest rate risk management**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is negligible as primarily to the Company's long-term debt obligations with fixed interest rates.

**Credit risk management**

Credit risk arises from cash and cash equivalents and deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2024 and 31st March, 2023.

Bank balances are held with reputed and creditworthy banking institutions.

**Liquidity risk management**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. The management prepares annual budgets for detailed discussion and analysis of the nature and quality of the assumption, parameters etc. Daily and monthly cash flows are prepared, followed and monitored at senior levels to prevent undue loss of interest and utilize cash in an effective manner.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.



## NOTES TO THE FINANCIAL STATEMENTS

### C Company's Remaining Contractual Maturity Table

( ₹ in Lakh )

| Particulars                                | Less than 1 year | Between 1 and 5 years | More than 5 years  | Total              |
|--------------------------------------------|------------------|-----------------------|--------------------|--------------------|
| <b>As at 31st March, 2024</b>              |                  |                       |                    |                    |
| <b>Non - current financial liabilities</b> |                  |                       |                    |                    |
| Borrowings                                 | 0.00             | 0.00                  | 0.00               | 0.00               |
| Other Financial Liabilities                | 0.00             | 2,169.81              | 1,37,925.73        | 1,40,095.54        |
|                                            |                  | <b>2,169.81</b>       | <b>1,37,925.73</b> | <b>1,40,095.54</b> |
| <b>Current financial liabilities</b>       |                  |                       |                    |                    |
| Borrowings                                 | 393.46           | 0.00                  | 0.00               | 393.46             |
| Trade Payables                             | 15,479.82        | 0.00                  | 0.00               | 15,479.82          |
| Other Financial Liabilities                | 39,740.20        | 0.00                  | 0.00               | 39,740.20          |
|                                            | <b>55,613.48</b> | <b>0.00</b>           | <b>0.00</b>        | <b>55,613.48</b>   |
| <b>Total financial liabilities</b>         | <b>55,613.48</b> | <b>2,169.81</b>       | <b>1,37,925.73</b> | <b>1,95,709.02</b> |
| <b>As at 31st March, 2023</b>              |                  |                       |                    |                    |
| <b>Non - current financial liabilities</b> |                  |                       |                    |                    |
| Borrowings                                 | 0.00             | 462.98                | 292.22             | 755.19             |
| Other Financial Liabilities                | 0.00             | 2,893.51              | 1,24,640.46        | 1,27,533.97        |
|                                            | <b>0.00</b>      | <b>3,356.49</b>       | <b>1,24,932.68</b> | <b>1,28,289.16</b> |
| <b>Current financial liabilities</b>       |                  |                       |                    |                    |
| Borrowings                                 | 462.84           | 0.00                  | 0.00               | 462.84             |
| Trade Payables                             | 6,538.80         | 0.00                  | 0.00               | 6,538.80           |
| Other Financial Liabilities                | 58,598.95        | 0.00                  | 0.00               | 58,598.95          |
|                                            | <b>65,600.59</b> | <b>0.00</b>           | <b>0.00</b>        | <b>65,600.59</b>   |
| <b>Total financial liabilities</b>         | <b>65,600.59</b> | <b>3,356.49</b>       | <b>1,24,932.68</b> | <b>1,93,889.75</b> |

( ₹ in Lakh )

| Secured committed credit facility, reviewed annually and payable at call: | As at 31st March, 2024 | As at 31st March, 2023 |
|---------------------------------------------------------------------------|------------------------|------------------------|
| Amount used                                                               | 0.00                   | 6.69                   |
| Amount unused                                                             | 3,700.00               | 3,693.31               |

The Company/Group has access to committed credit facilities as described above, of which ₹ 3,700.00 Lakhs were unused at the end of the reporting period (Previous year ₹ 3,693.31 Lakhs). The Company/Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

### D. Fair value measurement

#### Financial assets and liabilities at amortised cost

The carrying amounts of cash and cash equivalent, other bank balances, trade receivables, loans, other financial assets, current borrowings, trade payables, other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

### Note No. 39.

#### Disclosure under Indian Accounting Standard 36 – Impairment of Assets

In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as on 31st March, 2024

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 40 Contingent liabilities, Contingent Assets and Capital Commitments:

#### A Claims against the Company/ disputed demands not acknowledged as debt:-

( ₹ in Lakh )

| Particulars                                                                     | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|---------------------------------------------------------------------------------|---------------------------|---------------------------|
| a) Income tax demand in Appeal/dispute (not provided for)                       | 48,362.28                 | 53,340.20                 |
| b) Service Tax demand (excluding interest) in Appeal/dispute (not provided for) | 1,105.41                  | 1,225.84                  |
| c) Claims against company not acknowledge as debt (legal matters)               | 1,464.46                  | 3,447.78                  |
| <b>Sub Total (A)</b>                                                            | <b>50,932.15</b>          | <b>58,013.82</b>          |

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.

**B.** A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

#### C Capital Commitments:

##### Estimated amount of contracts remaining to be executed on capital account:-

( ₹ in Lakh )

| Particulars                                                                                  | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|----------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>A. Capital Commitments</b>                                                                |                           |                           |
| Estimated amount of Contract remaining to the executed on capital accounts (Net of Advances) | 81467.92                  | 18304.35                  |
| <b>Total</b>                                                                                 | <b>81467.92</b>           | <b>18304.35</b>           |

### Note No. 41.

The Company has a system of physical verification of Inventory, Movable Fixed assets and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.

### Note No. 42.

The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. Further, some balances of Trade and other receivables, Trade and other payables and Loans are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.

### Note No. 43 CSR Expenditure

( ₹ in Lakh )

| Particulars                                                                             | For the year<br>ended<br>31st March,2024 | For the year<br>ended<br>31st March,2023 |
|-----------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>The CSR expenditure comprises the following:</b>                                     |                                          |                                          |
| a) Gross amount required to be spent by the Company during the year                     | 207.46                                   | 216.55                                   |
| b) Amount of CSR Project Activities approved by the Company to be spent during the year | 207.46                                   | 216.55                                   |
| c) Amount spent during the year                                                         | 100.49                                   | 147.37                                   |
| (i) Construction / acqution of any asset                                                |                                          |                                          |
| a. In cash                                                                              | 0.00                                     | 0.00                                     |
| b. Yet to be paid in Cash                                                               | 0.00                                     | 0.00                                     |
| <b>Total</b>                                                                            | <b>0.00</b>                              | <b>0.00</b>                              |
| (ii) on purpose other than (i) above                                                    |                                          |                                          |
| a. In cash                                                                              | 100.49                                   | 147.37                                   |
| b. Yet to be paid in Cash                                                               | 0.00                                     | 0.00                                     |
| <b>Total</b>                                                                            | <b>100.49</b>                            | <b>147.37</b>                            |
| d) <b>Total Shortfall/(Excess) Amount</b>                                               | 106.97                                   | 69.18                                    |
| e) <b>Reasons of above Shortfalls</b>                                                   | Note : (i)                               | Note : (i)                               |
| f) <b>Break up of the amount spent on CSR</b>                                           |                                          |                                          |
| 1 Health and Sanitation expenses                                                        | 100.49                                   | 122.19                                   |
| 2 Education and Skill Development expenses                                              | 0.00                                     | 25.18                                    |
| Total Amount Spent on CSR                                                               | 100.49                                   | 147.37                                   |
| g) <b>Details of related party transactions</b>                                         | NA                                       | NA                                       |

## NOTES TO THE FINANCIAL STATEMENTS

( ₹ in Lakh )

| Particulars                                                                            | For the year ended<br>31st March, 2024 | For the year ended<br>31st March, 2023 |
|----------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Opening balance</b>                                                                 | 128.39                                 | 106.89                                 |
| Add :Amount required to be spent as approved during the year                           | 207.46                                 | 216.55                                 |
| Less:Amount spent during the year                                                      | 202.01                                 | 195.05                                 |
| Less:Amt. deposited in specified fund of Sch.VII within 6 months related to FY 2022-23 | 9.44                                   | 0.00                                   |
| <b>Closing Balance</b>                                                                 | <b>124.40</b>                          | <b>128.39</b>                          |

**h) Unspent Amount of CSR on ongoing projects** ( ₹ in Lakh )

| Year    | Opening Balance |                         | Amt. Req. to be spent during the year | Amount Spent during The |                               | Closing Balance |                               |
|---------|-----------------|-------------------------|---------------------------------------|-------------------------|-------------------------------|-----------------|-------------------------------|
|         | With Company    | In Separate CSR Account |                                       | From Company's bank A/c | From Separate CSR Unspent A/c | With Company    | From Separate CSR Unspent A/c |
| 2023-24 | 0.00            | 118.95                  | 207.46                                | 100.49                  | 101.52                        | 106.97          | 17.43                         |
| 2022-23 | 0.00            | 106.89                  | 207.11                                | 147.37                  | 47.68                         | 59.74           | 59.21                         |

**i) Unspent Amount Of CSR on other than on going projects:**

( ₹ in Lakh )

| Year    | Opening Balance | Amt. deposited in specified fund of Sch.VII within 6 months | Amt. required to be spent during the year | Amt. Spent during the year | Closing Balance |
|---------|-----------------|-------------------------------------------------------------|-------------------------------------------|----------------------------|-----------------|
| 2023-24 | 9.44            | 9.44                                                        | 0.00                                      | 0.00                       | 0.00            |
| 2022-23 | 0.00            | 0.00                                                        | 9.44                                      | 0.00                       | 9.44            |

Note :

(i) Some of the CSR Activities could not be completed considering ongoing activities.

(ii) The shortfall amount relates to ongoing projects which has been transferred to Unspent CSR Account of Ongoing Projects of the Company for FY 2023-24 of ₹ 106.97 Lakhs in April 2024 and ₹ 59.74 Lakhs for FY 2022-23 in April 2023.

**Note No. 44 Statement Showing Details of Inventory and Trade Receivables filed with bank on the basis of unaudited books of accounts.**

( ₹ in Lakh )

| Particulars                                 | Amount as per Books of Account (A) | Amount as per statement of assets submitted to GUVNL for further submission to Bank (B) | Difference (A-B) | Remarks |
|---------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------|------------------|---------|
| <b>For the Quarter ended June 30, 2023</b>  |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 82,837.54                          | 23,037.07                                                                               | 59800.47         |         |
| --Inventories                               | 34,081.31                          | 30,750.63                                                                               | 3,330.68         |         |
| <b>For the Quarter ended Sept 30, 2023</b>  |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 87,655.02                          | 28,553.77                                                                               | 59101.25         |         |
| --Inventories                               | 40,534.14                          | 38,929.76                                                                               | 1,604.38         |         |
| <b>For the Quarter ended Dec 31, 2023</b>   |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 81,942.79                          | 29,977.63                                                                               | 51965.16         |         |
| --Inventories                               | 39,645.74                          | 39,352.41                                                                               | 293.33           |         |
| <b>For the Quarter ended March 31, 2024</b> |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 49,791.82                          | 8,189.48                                                                                | 41,602.34        |         |
| --Inventories                               | 32,834.69                          | 32,628.35                                                                               | 206.34           |         |

## NOTES TO THE FINANCIAL STATEMENTS

( ₹ in Lakh )

| Particulars                                 | Amount as per Books of Account (A) | Amount as per statement of assets submitted to GUVNL for further submission to Bank (B) | Difference (A-B) | Remarks |
|---------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------|------------------|---------|
| <b>For the Quarter ended June 30, 2022</b>  |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 17,576.35                          | 17,576.35                                                                               | 0.00             |         |
| --Inventories                               | 26,573.03                          | 25,304.03                                                                               | 1,269.00         |         |
| <b>For the Quarter ended Sept 30, 2022</b>  |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 25,997.50                          | 25,997.50                                                                               | 0.00             |         |
| --Inventories                               | 32,098.09                          | 30,134.74                                                                               | 1,963.35         |         |
| <b>For the Quarter ended Dec 31, 2022</b>   |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 28,023.39                          | 28,023.39                                                                               | 0.00             |         |
| --Inventories                               | 32,637.75                          | 32,623.38                                                                               | 14.37            |         |
| <b>For the Quarter ended March 31, 2023</b> |                                    |                                                                                         |                  |         |
| --Trade Receivables                         | 49,898.35                          | 8,637.09                                                                                | 41,261.26        |         |
| --Inventories                               | 32,679.41                          | 32,517.82                                                                               | 161.59           |         |

### Note No. 45 Details of Immovable Property

( ₹ in Lakh )

| Line Item as per Balance Sheet | Description                  | Gross Carrying Value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter or employee of promoter/director | Property held since which Date/Year | Reasons for not being held in the name of Company                                                                                                                                                                                           |
|--------------------------------|------------------------------|----------------------|---------------------------------|------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Property, Plant and Equipment  | Land                         | 10.10                | Gujarat Electricity Board (GEB) | No                                                                                                         | 19 Years                            | The immovable properties, which have been transferred to company are held in the name of GEB erst or Vadodara Mahanagar Seva Sadan (VMSS). The procedure for the registration and /or transfer in the name of the Company is under process. |
| Property, Plant and Equipment  | Office Building              | 2,164.73             | Gujarat Electricity Board (GEB) | No                                                                                                         | 19 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Residential Colony for Staff | 311.37               | Gujarat Electricity Board (GEB) | No                                                                                                         | 19 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Other Buildings              | 47.45                | Gujarat Electricity Board (GEB) | No                                                                                                         | 19 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Guest House Building         | 4.49                 | Gujarat Electricity Board (GEB) | No                                                                                                         | 19 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Land                         | 117.10               | Vadodara Municipal Corporation  | No                                                                                                         | 36 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Land held under Lease        | 1,529.25             | Vadodara Municipal Corporation  | No                                                                                                         | 36 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Other Buildings              | 23.71                | Vadodara Municipal Corporation  | No                                                                                                         | 36 Years                            |                                                                                                                                                                                                                                             |
| Property, Plant and Equipment  | Office Building              | 107.16               | Vadodara Municipal Corporation  | No                                                                                                         | 36 Years                            |                                                                                                                                                                                                                                             |

## NOTES TO THE FINANCIAL STATEMENTS

**Note No. 46 Ageing Schedule of Capital Works-in-Progress**

( ₹ in Lakh )

| CWIP                           | Amount of CWIP for a period of |               |              |                   | Total           |
|--------------------------------|--------------------------------|---------------|--------------|-------------------|-----------------|
|                                | Less than 1 Year               | 1-2 Years     | 2-3 Years    | More than 3 years |                 |
| <b>As at 31st March, 2024</b>  |                                |               |              |                   |                 |
| Project in Progress            | 5,248.99                       | 536.95        | 1.25         | 0.00              | <b>5,787.19</b> |
| Projects Temporarily suspended | 0.00                           | 0.00          | 0.00         | 0.00              | <b>0.00</b>     |
| <b>Total</b>                   | <b>5,248.99</b>                | <b>536.95</b> | <b>1.25</b>  | <b>0.00</b>       | <b>5,787.19</b> |
| <b>As at 31st March, 2023</b>  |                                |               |              |                   |                 |
| Project in Progress            | 1,782.17                       | 96.08         | 11.51        | 0.00              | <b>1,889.76</b> |
| Projects Temporarily suspended | 0.00                           | 1.22          | 0.00         | 0.00              | <b>1.22</b>     |
| <b>Total</b>                   | <b>1,782.17</b>                | <b>97.30</b>  | <b>11.51</b> | <b>0.00</b>       | <b>1,890.98</b> |

**Note No. 47 Completion Schedule of Capital Works-in-Progress**

( ₹ in Lakh )

| CWIP                                  | To be Completed in |                 |             |                   | Total           |
|---------------------------------------|--------------------|-----------------|-------------|-------------------|-----------------|
|                                       | Less than 1 Year   | 1-2 Years       | 2-3 Years   | More than 3 years |                 |
| <b>As at 31st March, 2024</b>         |                    |                 |             |                   |                 |
| Project in Progress                   | 2,749.70           | 3,037.49        | 0.00        | 0.00              | <b>5,787.19</b> |
| <b>Projects Temporarily suspended</b> |                    |                 |             |                   |                 |
| Normal Development Scheme             | 0.00               | 0.00            | 0.00        | 0.00              | <b>0.00</b>     |
| Zupadpatti Scheme                     | 0.00               | 0.00            | 0.00        | 0.00              | <b>0.00</b>     |
| <b>Total</b>                          | <b>2,749.70</b>    | <b>3,037.49</b> | <b>0.00</b> | <b>0.00</b>       | <b>5,787.19</b> |
| <b>As at 31st March, 2023</b>         |                    |                 |             |                   |                 |
| Project in Progress                   | 1,889.76           | 0.00            | 0.00        | 0.00              | <b>1,889.76</b> |
| <b>Projects Temporarily suspended</b> |                    |                 |             |                   |                 |
| Normal Development Scheme             | 0.00               | 0.01            | 0.00        | 0.00              | <b>0.01</b>     |
| Zupadpatti Scheme                     | 0.00               | 1.21            | 0.00        | 0.00              | <b>1.21</b>     |
| <b>Total</b>                          | <b>1,889.76</b>    | <b>1.22</b>     | <b>0.00</b> | <b>0.00</b>       | <b>1,890.98</b> |

**Note No. 48 Ageing Schedule for Trade Receivable:**

( ₹ in Lakh )

| Particulars                           |            | Outstanding for following periods from the due date of payment |                 |           |           |                   | Total       |
|---------------------------------------|------------|----------------------------------------------------------------|-----------------|-----------|-----------|-------------------|-------------|
|                                       |            | Less than 6 months*                                            | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years |             |
| As at 31st March, 2024                |            |                                                                |                 |           |           |                   |             |
| Considered Good                       | Disputed   | 0.00                                                           | 0.00            | 0.00      | 0.00      | 0.00              | 0.00        |
|                                       | Undisputed | 51,015.64                                                      | 637.30          | 1,932.10  | 1,605.13  | 4,049.20          | 59,239.37   |
| Significant increase in credit risk   | Disputed   | 0.00                                                           | 0.00            | 66.91     | 1478.92   | 1,886.13          | 3,431.96    |
|                                       | Undisputed | 0.00                                                           | 0.00            | 0.00      | 0.00      | 0.00              | 0.00        |
| Credit impaired                       | Disputed   | 0.00                                                           | 0.00            | 0.00      | 0.00      | 0.00              | 0.00        |
|                                       | Undisputed | 514.86                                                         | 370.46          | 948.54    | 892.44    | 12,915.53         | 15,641.84   |
| Total                                 |            | 51,530.50                                                      | 1,007.76        | 2,947.55  | 3,976.49  | 18,850.86         | 78,313.17   |
| Less : Expected Credit Loss Allowance |            |                                                                |                 |           |           |                   | (28,521.35) |
| Total                                 |            |                                                                |                 |           |           |                   | 49,791.82   |
| As at 31st March, 2023                |            |                                                                |                 |           |           |                   |             |
| Considered Good                       | Disputed   | 0.00                                                           | 0.00            | 0.00      | 0.00      | 0.00              | 0.00        |
|                                       | Undisputed | 50,013.41                                                      | 675.99          | 2,090.73  | 1,089.47  | 3,685.56          | 57,555.16   |
| Significant increase in credit risk   | Disputed   | 0.00                                                           | 66.91           | 1478.92   | 0.00      | 2,139.50          | 3,685.33    |
|                                       | Undisputed | 0.00                                                           | 0.00            | 0.00      | 0.00      | 0.00              | 0.00        |
| Credit impaired                       | Disputed   | 0.00                                                           | 0.00            | 0.00      | 0.00      | 0.00              | 0.00        |
|                                       | Undisputed | 1,165.73                                                       | 306.16          | 622.42    | 977.00    | 11,804.74         | 14,876.05   |
| Total                                 |            | 51,179.14                                                      | 1,049.06        | 4,192.07  | 2,066.47  | 17,629.80         | 76,116.54   |
| Less : Expected Credit Loss Allowance |            |                                                                |                 |           |           |                   | (26,218.19) |
| Total                                 |            |                                                                |                 |           |           |                   | 49,898.35   |

\* Less than 6 Months, consist of trade receivables from sale of power and other receivables from consumers, includes the Provision for unbilled revenue in respect of the bills issued upto 31st March, 2024 amounting to ₹ 67090.02 Lakhs (P.Y. ₹ 69129.05 Lakhs) and payment received from consumers against Unbilled Revenue.

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 49 Ageing Schedule for Trade Payables

( ₹ in Lakh )

| Particulars                   | Outstanding for following periods from due date of payment |                  |          |          |                   | Total    |
|-------------------------------|------------------------------------------------------------|------------------|----------|----------|-------------------|----------|
|                               | Not Due                                                    | Less than 1 Year | 1-2 Year | 2-3 Year | More than 3 Years |          |
| As at 31st March, 2024        |                                                            |                  |          |          |                   |          |
| Undisputed Dues               |                                                            |                  |          |          |                   |          |
| i) Micro and small enterprise | 0.00                                                       | 0.00             | 0.00     | 0.00     | 0.00              | 0.00     |
| ii) Others                    | 15479.82                                                   | 0.00             | 0.00     | 0.00     | 0.00              | 15479.82 |
| Disputed Dues                 |                                                            |                  |          |          |                   |          |
| i) Micro and small enterprise | 0.00                                                       | 0.00             | 0.00     | 0.00     | 0.00              | 0.00     |
| ii) Others                    | 0.00                                                       | 0.00             | 0.00     | 0.00     | 0.00              | 0.00     |
| Total                         | 15479.82                                                   | 0.00             | 0.00     | 0.00     | 0.00              | 15479.82 |
| As at 31st March, 2023        |                                                            |                  |          |          |                   |          |
| Undisputed Dues               |                                                            |                  |          |          |                   |          |
| i) Micro and small enterprise | 0.00                                                       | 0.00             | 0.00     | 0.00     | 0.00              | 0.00     |
| ii) Others                    | 6538.80                                                    | 0.00             | 0.00     | 0.00     | 0.00              | 6538.80  |
| Disputed Dues                 |                                                            |                  |          |          |                   |          |
| i) Micro and small enterprise | 0.00                                                       | 0.00             | 0.00     | 0.00     | 0.00              | 0.00     |
| ii) Others                    | 0.00                                                       | 0.00             | 0.00     | 0.00     | 0.00              | 0.00     |
| Total                         | 6538.80                                                    | 0.00             | 0.00     | 0.00     | 0.00              | 6538.80  |

### Note No. 50 Relationship with Struck off Companies :

( ₹ in Lakh )

| Name of Struck off Company                                         | Nature of Transaction with Struck off Company | Balance Outstanding as on 31-03-2024 | Balance Outstanding as on 31-03-2023 | Relation ship with the Struck off Company |
|--------------------------------------------------------------------|-----------------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------------|
| BALAJI INDUSTRIES PRIVATE LIMITED<br>(U27106AP1996PTC023333)       | Sale of Power                                 | 0.00                                 | 3.00                                 | Trade Receivable                          |
| SICGIL INDUSTRIAL GASES LIMITED<br>(U99999GJ1996PTC029036)         | Sale of Power                                 | 0.00                                 | 0.10                                 | Trade Receivable                          |
| R.K.BIO FEED MACHINE PVT LIMITED<br>(U29100GJ2009PTC058338)        | Sale of Power                                 | 0.07                                 | 0.77                                 | Trade Receivable                          |
| SUNLITE AUTO INDUSTRIES PRIVATE LIMITED<br>(U50300DL1991PTC042909) | Sale of Power                                 | 0.00                                 | 0.02                                 | Trade Receivable                          |

### Note No. 51 Reconciliation of financial statement line items which are retrospectively restated are as under (to the extent practicable):

#### (i) Reconciliation of restated items of Balance Sheet as at 31st March, 2023

( ₹ in Lakh )

| Particulars                         | Note No | As previously reported | Adjustment  | Regrouping    | As Restated        |
|-------------------------------------|---------|------------------------|-------------|---------------|--------------------|
| Cash & Cash Equivalents             | 8       | 3,729.91               | 0.00        | (49.75)       | 3,680.16           |
| Other Bank Balance                  | 9       | 27.06                  | 0.00        | 49.75         | 76.81              |
| Other Assets                        |         | 7,03,751.06            | 0.00        | 0.00          | 7,03,751.06        |
| <b>Total Assets</b>                 |         | <b>7,07,508.03</b>     | <b>0.00</b> | <b>0.00</b>   | <b>7,07,508.03</b> |
| Trade Payable                       | 23      | 179.94                 | 0.00        | 6,358.86      | 6,538.80           |
| Other Current Financial Liability   | 24      | 65,086.20              | 0.00        | (6,487.25)    | 58,598.95          |
| Other Current Liability             | 25      | 14,589.67              | 0.00        | 128.39        | 14,718.06          |
| Others Equity & Liabilities         |         | 6,27,652.22            | 0.00        | 0.00          | 6,27,652.22        |
| <b>Total Equity &amp; Liability</b> |         | <b>7,07,508.03</b>     | <b>0.00</b> | <b>(0.00)</b> | <b>7,07,508.03</b> |

#### (ii) Reconciliation of items of Cash Flows for the year ended 31st March, 2023

( ₹ in Lakh )

| Particulars                                      | Note No | As previously reported | Adjustment  | Regrouping     | As Restated       |
|--------------------------------------------------|---------|------------------------|-------------|----------------|-------------------|
| Net Cash Flow from Operating Activities          | NA      | 8,089.25               | 0.00        | 191.77         | 8,281.02          |
| Net Cash Flow from Investing Activities          | NA      | (56,364.76)            | 0.00        | (192.01)       | (56,556.77)       |
| Net Cash Flow from Financing Activities          | NA      | 42,574.31              | 0.00        | 0.00           | 42,574.31         |
| <b>Net Increase in cash and Cash equivalents</b> |         | <b>(5,701.20)</b>      | <b>0.00</b> | <b>(0.24)</b>  | <b>(5,701.44)</b> |
| Cash and Cash Equivalents at beginning           | NA      | 9,431.11               | 0.00        | (49.51)        | 9,381.60          |
| <b>Cash and Cash Equivalents at Year end</b>     |         | <b>3,729.91</b>        | <b>0.00</b> | <b>(49.75)</b> | <b>3,680.16</b>   |

## NOTES TO THE FINANCIAL STATEMENTS

### Note No. 52 Related Party Disclosures

| A | Name of Related Parties                         | Nature of Relationship                             |
|---|-------------------------------------------------|----------------------------------------------------|
|   | Gujarat Urja Vikas Nigam Limited                | Holding Company                                    |
|   | Gujarat State Electricity Corporation Limited   | Fellow- Subsidiary Company                         |
|   | Gujarat Energy Transmission Corporation Limited | Fellow- Subsidiary Company                         |
|   | Dakshin Gujarat Vij Company Limited             | Fellow- Subsidiary Company                         |
|   | Paschim Gujarat Vij Company Limited             | Fellow- Subsidiary Company                         |
|   | Uttar Gujarat Vij Company Limited               | Fellow- Subsidiary Company                         |
|   | Gujarat Industries Power Company Limited        | Associate Company of Holding Company               |
|   | Shri T.Y.Bhatt, IAS                             | Key Management Personnel (KMP) (up to 06.04.2023)  |
|   | Shri T.D. Parmar, IAS                           | Key Management Personnel (KMP) (w.e.f. 06.04.2023) |
|   | Shri J. H. Modi                                 | Key Management Personnel (KMP) (up to 03.09.2024)  |
|   | Smt Shailja Vacchrajani                         | Key Management Personnel (KMP) (w.e.f. 25.09.2024) |
|   | Shri V. M. Chavan                               | Key Management Personnel (KMP)                     |
|   | Shri Ravi Shankar, IAS                          | Director (up to 31-07-2023)                        |
|   | Shri J. P. Shivahare, IAS                       | Director                                           |
|   | Shri H. P. Kothari                              | Director (up to 13.06.2024)                        |
|   | Shri Komal Bhatt                                | Director (up to 01-03-2023)                        |
|   | Shri K. P. Jangid                               | Director (w.e.f. 26.07.2023)                       |
|   | Smt Sailaja Vachhrajani                         | Director (w.e.f. 14-07-2022 to 02.09.2024)         |
|   | Shri Shubhadeep Sen                             | Director (w.e.f. 18-01-2023)                       |
|   | Shri Nisarg Joshi                               | Director (w.e.f. 10-03-2023)                       |
|   | Shri P.H. Rana                                  | Independent Director (up to 25-07-2023)            |
|   | Prof. Naman Desai                               | Independent Director (up to 25-07-2023)            |
|   | Shri K. M. Shringarpure                         | Independent Director (w.e.f. 01.02.2024)           |
|   | Prof. Ajay Pandey                               | Independent Director (w.e.f. 01.02.2024)           |
|   | Prof. S. Raman                                  | Independent Director (w.e.f. 01.02.2024)           |

**B The following transactions were carried out with the related parties in ordinary course of business during the year:**  
(₹ In Lakh and Previous Year's figures are in bracket)

| Nature of Transaction                           | Holding Company | Fellow- Subsidiary Company | KMP | Enterprise over which KMP is having Significant Influence | Total         |
|-------------------------------------------------|-----------------|----------------------------|-----|-----------------------------------------------------------|---------------|
| <b>1 Transactions during the year</b>           |                 |                            |     |                                                           |               |
| <b>Purchase of Material</b>                     | -               | <b>699.18</b>              | -   | -                                                         | <b>699.18</b> |
|                                                 |                 | (38.49)                    |     |                                                           | (38.49)       |
| Uttar Gujarat Vij Company Limited               |                 | <b>699.18</b>              | -   | -                                                         | <b>699.18</b> |
|                                                 |                 | (38.49)                    |     |                                                           | (38.49)       |
| <b>Purchase of Material &amp; Burnt Oil</b>     | -               | <b>3.07</b>                | -   | -                                                         | <b>3.07</b>   |
|                                                 | -               | (6.84)                     | -   | -                                                         | (6.84)        |
| Gujarat Energy Transmission Corporation Limited |                 | <b>3.07</b>                | -   | -                                                         | <b>3.07</b>   |
|                                                 |                 | (6.84)                     | -   | -                                                         | (6.84)        |
| Purchase of Material                            | -               | <b>423.63</b>              | -   | -                                                         | <b>423.63</b> |
|                                                 |                 | (156.23)                   |     |                                                           | (156.23)      |
| Dakshin Gujarat Vij Company Limited             |                 | <b>423.63</b>              | -   | -                                                         | <b>423.63</b> |
|                                                 |                 | (156.23)                   |     |                                                           | (156.23)      |
| <b>Purchase of Material</b>                     | -               | <b>93.23</b>               | -   | -                                                         | <b>93.23</b>  |
|                                                 | -               | (575.95)                   | -   | -                                                         | (575.95)      |
| Paschim Gujarat Vij Company Limited             |                 | <b>93.23</b>               | -   | -                                                         | <b>93.23</b>  |
|                                                 |                 | (575.95)                   |     |                                                           | (575.95)      |
| <b>Purchase of Material</b>                     | -               | -                          | -   | -                                                         | -             |
|                                                 | -               | (5.74)                     | -   | -                                                         | (5.74)        |
| Gujarat State Electricity Corporation Limited   |                 | -                          | -   | -                                                         | -             |
|                                                 |                 | (5.74)                     | -   | -                                                         | (5.74)        |
| <b>Sale of Materials</b>                        | -               | <b>360.73</b>              | -   | -                                                         | <b>360.73</b> |
|                                                 | -               | (61.46)                    | -   | -                                                         | (61.46)       |
| Uttar Gujarat Vij Company Limited               |                 | <b>360.73</b>              | -   | -                                                         | <b>360.73</b> |
|                                                 |                 | (61.46)                    |     |                                                           | (61.46)       |
| <b>Sale of Materials</b>                        | -               | <b>5.95</b>                | -   | -                                                         | <b>5.95</b>   |
|                                                 | -               | (294.71)                   | -   | -                                                         | (294.71)      |
| Dakshin Gujarat Vij Company Limited             |                 | <b>5.95</b>                | -   | -                                                         | <b>5.95</b>   |
|                                                 |                 | (294.71)                   |     |                                                           | (294.71)      |
| <b>Sale of Materials</b>                        | -               | <b>595.51</b>              | -   | -                                                         | <b>595.51</b> |
|                                                 |                 | (398.84)                   |     |                                                           | (398.84)      |
| Paschim Gujarat Vij Company Limited             |                 | <b>595.51</b>              | -   | -                                                         | <b>595.51</b> |
|                                                 |                 | (398.84)                   |     |                                                           | (398.84)      |



## NOTES TO THE FINANCIAL STATEMENTS

**52 B The following transactions were carried out with the related parties in ordinary course of business during the year:**

(₹ In Lakh and Previous Year's figures are in bracket)

| Nature of Transaction                                        | Holding Company    | Fellow-Subsidiary Company | KMP | Enterprise over which KMP is having Significant Influence | Total              |
|--------------------------------------------------------------|--------------------|---------------------------|-----|-----------------------------------------------------------|--------------------|
| <b>Sale of Materials</b>                                     | -                  | -                         | -   | -                                                         | -                  |
| Gujarat State Electricity Corporation Limited                | -                  | (0.12)                    | -   | -                                                         | (0.12)             |
|                                                              | -                  | (0.12)                    | -   | -                                                         | (0.12)             |
| <b>Electricity Charges</b>                                   | -                  | -                         | -   | -                                                         | -                  |
| Gujarat Energy Transmission Corporation Limited              | -                  | (649.27)                  | -   | -                                                         | (649.27)           |
|                                                              | -                  | (649.27)                  | -   | -                                                         | (649.27)           |
| <b>Electricity Charges</b>                                   | -                  | -                         | -   | -                                                         | -                  |
| Gujarat State Electricity Corporation Limited                | -                  | (182.16)                  | -   | -                                                         | (182.16)           |
|                                                              | -                  | (182.16)                  | -   | -                                                         | (182.16)           |
| <b>Recovery of Expenditure</b>                               | -                  | -                         | -   | -                                                         | -                  |
| Dakshin Gujarat Vij Company Limited                          | -                  | (0.43)                    | -   | -                                                         | (0.43)             |
|                                                              | -                  | (0.43)                    | -   | -                                                         | (0.43)             |
| <b>Reactive Charges Receivable</b>                           | -                  | <b>187.82</b>             | -   | -                                                         | <b>187.82</b>      |
| Gujarat Energy Transmission Corporation Limited              | -                  | (203.22)                  | -   | -                                                         | (203.22)           |
|                                                              | -                  | <b>187.82</b>             | -   | -                                                         | <b>187.82</b>      |
|                                                              | -                  | (203.22)                  | -   | -                                                         | (203.22)           |
| <b>SLDC Charges</b>                                          | -                  | <b>199.03</b>             | -   | -                                                         | <b>199.03</b>      |
| Gujarat Energy Transmission Corporation Limited              | -                  | (134.63)                  | -   | -                                                         | (134.63)           |
|                                                              | -                  | <b>199.03</b>             | -   | -                                                         | <b>199.03</b>      |
|                                                              | -                  | (134.63)                  | -   | -                                                         | (134.63)           |
| <b>Unscheduled Interchange Charges Payable</b>               | -                  | <b>2,161.92</b>           | -   | -                                                         | <b>2,161.92</b>    |
| Gujarat Energy Transmission Corporation Limited              | -                  | (1,199.13)                | -   | -                                                         | (1,199.13)         |
|                                                              | -                  | <b>2,161.92</b>           | -   | -                                                         | <b>2,161.92</b>    |
|                                                              | -                  | (1,199.13)                | -   | -                                                         | (1,199.13)         |
| <b>Unscheduled Interchange Charges Receivable</b>            | -                  | <b>5,716.91</b>           | -   | -                                                         | <b>5,716.91</b>    |
| Gujarat Energy Transmission Corporation Limited              | -                  | (14,959.31)               | -   | -                                                         | (14,959.31)        |
|                                                              | -                  | <b>5,716.91</b>           | -   | -                                                         | <b>5,716.91</b>    |
|                                                              | -                  | (14,959.31)               | -   | -                                                         | (14,959.31)        |
| <b>Allocation of Interest &amp; Other Finance Charges</b>    | <b>64.16</b>       | -                         | -   | -                                                         | <b>64.16</b>       |
| Gujarat Urja Vikas Nigam Limited                             | (109.61)           | -                         | -   | -                                                         | (109.61)           |
|                                                              | <b>64.16</b>       | -                         | -   | -                                                         | <b>64.16</b>       |
|                                                              | (109.61)           | -                         | -   | -                                                         | (109.61)           |
| <b>Purchase of Power</b>                                     | <b>7,95,097.21</b> | -                         | -   | -                                                         | <b>7,95,097.21</b> |
| Gujarat Urja Vikas Nigam Limited                             | (8,35,587.12)      | -                         | -   | -                                                         | (8,35,587.12)      |
|                                                              | <b>7,95,097.21</b> | -                         | -   | -                                                         | <b>7,95,097.21</b> |
|                                                              | (8,35,587.12)      | -                         | -   | -                                                         | (8,35,587.12)      |
| <b>Sale of Excess Electricity</b>                            | <b>51.79</b>       | -                         | -   | -                                                         | <b>51.79</b>       |
| Gujarat Urja Vikas Nigam Limited                             | -                  | -                         | -   | -                                                         | -                  |
|                                                              | <b>51.79</b>       | -                         | -   | -                                                         | <b>51.79</b>       |
|                                                              | -                  | -                         | -   | -                                                         | -                  |
| <b>Allocation of Employee Benefit Exp</b>                    | <b>1,906.63</b>    | -                         | -   | -                                                         | <b>1,906.63</b>    |
| Gujarat Urja Vikas Nigam Limited                             | -                  | -                         | -   | -                                                         | -                  |
|                                                              | <b>1,906.63</b>    | -                         | -   | -                                                         | <b>1,906.63</b>    |
|                                                              | -                  | -                         | -   | -                                                         | -                  |
| <b>Allocation of e-Urja Expenses</b>                         | <b>418.14</b>      | -                         | -   | -                                                         | <b>418.14</b>      |
| Gujarat Urja Vikas Nigam Limited                             | (366.63)           | -                         | -   | -                                                         | (366.63)           |
|                                                              | <b>418.14</b>      | -                         | -   | -                                                         | <b>418.14</b>      |
|                                                              | (366.63)           | -                         | -   | -                                                         | (366.63)           |
| <b>Allocation of Renewable Cost towards Power Generation</b> | <b>104.65</b>      | -                         | -   | -                                                         | <b>104.65</b>      |
| Gujarat Urja Vikas Nigam Limited                             | (81.81)            | -                         | -   | -                                                         | (81.81)            |
|                                                              | <b>104.65</b>      | -                         | -   | -                                                         | <b>104.65</b>      |
|                                                              | (81.81)            | -                         | -   | -                                                         | (81.81)            |
| <b>Allocation of General Insurance Premium</b>               | <b>389.17</b>      | -                         | -   | -                                                         | <b>389.17</b>      |
| Gujarat Urja Vikas Nigam Limited                             | (404.57)           | -                         | -   | -                                                         | (404.57)           |
|                                                              | <b>389.17</b>      | -                         | -   | -                                                         | <b>389.17</b>      |
|                                                              | (404.57)           | -                         | -   | -                                                         | (404.57)           |

## NOTES TO THE FINANCIAL STATEMENTS

**52 B The following transactions were carried out with the related parties in ordinary course of business during the year:**

(₹ In Lakh and Previous Year's figures are in bracket)

| Nature of Transaction                                   | Holding Company | Fellow-Subsidiary Company | KMP            | Enterprise over which KMP is having Significant Influence | Total          |
|---------------------------------------------------------|-----------------|---------------------------|----------------|-----------------------------------------------------------|----------------|
| <b>Remuneration Total :</b>                             |                 |                           | <b>67.83</b>   |                                                           | <b>67.83</b>   |
|                                                         |                 |                           | <b>(83.34)</b> |                                                           | <b>(83.34)</b> |
| Shri T. Y. Bhatt, IAS                                   |                 |                           | -              |                                                           | -              |
|                                                         |                 |                           | (33.73)        |                                                           | (33.73)        |
| Shri T. D. Parmar, IAS                                  |                 |                           | <b>14.46</b>   |                                                           | <b>14.46</b>   |
|                                                         |                 |                           | -              |                                                           | -              |
| Shri J.H.Modi                                           |                 |                           | <b>35.04</b>   |                                                           | <b>35.04</b>   |
|                                                         |                 |                           | (33.62)        |                                                           | (33.62)        |
| Shri V.M Chavan                                         |                 |                           | <b>18.33</b>   |                                                           | <b>18.33</b>   |
|                                                         |                 |                           | (15.99)        |                                                           | (15.99)        |
| <b>Incidental Charges paid to KMP/Directors (Total)</b> |                 |                           | <b>2.70</b>    |                                                           | <b>2.70</b>    |
|                                                         |                 |                           | <b>(2.16)</b>  |                                                           | <b>(2.16)</b>  |
| Shri Ravi Shankar                                       |                 |                           | <b>0.06</b>    |                                                           | <b>0.06</b>    |
|                                                         |                 |                           | (0.20)         |                                                           | (0.20)         |
| Shri J. P. Shivahare                                    |                 |                           | <b>0.20</b>    |                                                           | <b>0.20</b>    |
|                                                         |                 |                           | (0.18)         |                                                           | (0.18)         |
| Shri T.D.Parmar                                         |                 |                           | <b>0.54</b>    |                                                           | <b>0.54</b>    |
|                                                         |                 |                           | -              |                                                           | -              |
| Shri K. M. Shringarpure                                 |                 |                           | <b>0.12</b>    |                                                           | <b>0.12</b>    |
|                                                         |                 |                           | -              |                                                           | -              |
| Shri H. P. Kothari                                      |                 |                           | <b>0.40</b>    |                                                           | <b>0.40</b>    |
|                                                         |                 |                           | (0.34)         |                                                           | (0.34)         |
| Shri Komal Bhatt                                        |                 |                           | -              |                                                           | -              |
|                                                         |                 |                           | (0.28)         |                                                           | (0.28)         |
| Shri K. P. Jangid                                       |                 |                           | <b>0.36</b>    |                                                           | <b>0.36</b>    |
|                                                         |                 |                           | (0.22)         |                                                           | (0.22)         |
| Smt Shailja Vacchrajani                                 |                 |                           | <b>0.26</b>    |                                                           | <b>0.26</b>    |
|                                                         |                 |                           | (0.10)         |                                                           | (0.10)         |
| Shri Shubhadeep Sen                                     |                 |                           | <b>0.26</b>    |                                                           | <b>0.26</b>    |
|                                                         |                 |                           | (0.06)         |                                                           | (0.06)         |
| Shri Nisarg Joshi                                       |                 |                           | <b>0.06</b>    |                                                           | <b>0.06</b>    |
|                                                         |                 |                           | (0.02)         |                                                           | (0.02)         |
| Shri P.H. Rana                                          |                 |                           | <b>0.20</b>    |                                                           | <b>0.20</b>    |
|                                                         |                 |                           | (0.48)         |                                                           | (0.48)         |
| Prof. Ajay Pandey                                       |                 |                           | <b>0.08</b>    |                                                           | <b>0.08</b>    |
|                                                         |                 |                           | -              |                                                           | -              |
| Prof. S. Raman                                          |                 |                           | <b>0.06</b>    |                                                           | <b>0.06</b>    |
|                                                         |                 |                           | -              |                                                           | -              |
| Prof. Naman Desai                                       |                 |                           | <b>0.10</b>    |                                                           | <b>0.10</b>    |
|                                                         |                 |                           | (0.28)         |                                                           | (0.28)         |

**52 B The following transactions were carried out with the related parties in ordinary course of business during the year:**

(₹ In Lakh and Previous Year's figures are in bracket)

| Nature of Transaction                                     | Holding Company | Fellow-Subsidiary Company | KMP           | Enterprise over which KMP is having Significant Influence | Total         |
|-----------------------------------------------------------|-----------------|---------------------------|---------------|-----------------------------------------------------------|---------------|
| <b>Sitting Fees paid to Independent Directors (Total)</b> |                 |                           | <b>2.00</b>   |                                                           | <b>2.00</b>   |
|                                                           |                 |                           | <b>(2.23)</b> |                                                           | <b>(2.23)</b> |
| Shri P.H. Rana                                            |                 |                           | <b>0.56</b>   |                                                           | <b>0.56</b>   |
|                                                           |                 |                           | (1.41)        |                                                           | (1.41)        |
| Prof. S. Raman                                            |                 |                           | <b>0.26</b>   |                                                           | <b>0.26</b>   |
|                                                           |                 |                           | -             |                                                           | -             |
| Shri K. M. Shringarpure                                   |                 |                           | <b>0.53</b>   |                                                           | <b>0.53</b>   |
|                                                           |                 |                           | -             |                                                           | -             |
| Prof. Naman Desai                                         |                 |                           | <b>0.30</b>   |                                                           | <b>0.30</b>   |
|                                                           |                 |                           | (0.82)        |                                                           | (0.82)        |
| Prof. Ajay Pandey                                         |                 |                           | <b>0.35</b>   |                                                           | <b>0.35</b>   |
|                                                           |                 |                           | -             |                                                           | -             |

## NOTES TO THE FINANCIAL STATEMENTS

| Compensation of Key Management Personnel                                                                   |                 |                                 |              |           |
|------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------|--------------|-----------|
| The remuneration of director and other members of Key Management Personnel during the year was as follows: |                 |                                 |              |           |
| ( ₹ in Lakh )                                                                                              |                 |                                 |              |           |
| Particulars                                                                                                |                 | F.Y. 2023-24                    | F.Y. 2022-23 |           |
| Short-term benefits                                                                                        |                 | 67.83                           | 83.34        |           |
| Post employment benefits                                                                                   |                 | -                               | -            |           |
| Other-long term benefits                                                                                   |                 | -                               | -            |           |
| Share based payments                                                                                       |                 | -                               | -            |           |
| Termination benefits                                                                                       |                 | -                               | -            |           |
|                                                                                                            |                 |                                 |              |           |
| ( ₹ in Lakh )                                                                                              |                 |                                 |              |           |
|                                                                                                            |                 | Balance as at: 31st March, 2024 |              |           |
| Receivable/Payable                                                                                         | Holding Company | Fellow-Subsidiary Company       | KMP          | Total     |
| Receivables                                                                                                | 225060.65       | 0.00                            | 0.00         | 225060.65 |
| Gujarat Urja Vikas Nigam Limited                                                                           | 225060.65       | 0.00                            | 0.00         | 225060.65 |
| Payables                                                                                                   | 0.00            | 0.00                            | 0.00         | 0.00      |
| Gujarat Urja Vikas Nigam Limited                                                                           | 0.00            | 0.00                            | 0.00         | 0.00      |
| Gujarat Energy Transmission Corporation Ltd.(GETCO)                                                        | 0.00            | 875.55                          | 0.00         | 875.55    |

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions with above mentioned and other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

### Note No. 53

The subsidy claims on Government of Gujarat are made by Gujarat Urja Vikas Nigam Limited (GUVNL), the Holding Company on behalf of our Company including all other Distribution Subsidiaries. The subsidy receivable balances are recorded, reflected and presented as such in GUVNL's standalone financial statements. Subsidies being government grants are recognised as revenue in the Statement of Profit or Loss in accordance with the accounting policy on government grants as stated in Note no. 1 (1.3)(vii) to the financial statements.

### Note No. 54

On April 24, 2023, Government of Gujarat has issued 'Guidelines on Dividend Distribution and Capital Restructuring of State Public Sector Undertaking' vide GR No : FD/OTH/e-file/2023/1504/A-BPE. These Guidelines are applicable to MGVCL and all other group Companies w.e.f. F.Y. 2022-2023. However, on July 26, 2023, the Holding Company, GUVNL on behalf itself and group Companies applied to Principal Secretary, Energy & Petrochemicals Department, seeking exemption from compliances to these Guidelines for F.Y. 2022-23 onwards. The same is under consideration of Government of Gujarat.

For the year ended 31st March, 2024, Board of Directors of MGVCL has proposed a Dividend of 30% of the Profit after Tax (PAT) amounting to ₹ 14485.79 Lakhs (P.Y. Nil). This Dividend for Equity Shareholders is subject to approval by the Shareholders in the Annual General Meeting (AGM) and has not been included as a liability in this Financial Statements.

Further, GUVNL on behalf of its all group Companies, would take up the matter with Government of Gujarat (GoG) seeking further relaxation/exemption (if any) as per the said guidelines.

### Note No. 55

Ministry of Power, Government of India through the Gazette Notification dated 17.08.2021 had announced Revamped Distribution Sector Scheme (RDSS). Under this Scheme, work related to Smart Metering i.e. replacement of existing Meters with Smart Meters, Modernization & System Augmentation and Loss Reduction Activities is to be carried out. The approved Cost as per DPR is ₹ 4147.28 Crores. Out of that approx. 15% Grant for Smart Metering and 60% Grant for other work will be received from Government of India.

**Note No. 56**

## Additional Regulatory Information Required by Schedule III

- a. The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended March 31, 2024 and March 31, 2023.
- b. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2024 and March 31, 2023.
- c. No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2024 and March 31, 2023.
- d. The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2024 and March 31, 2023.
- e. During the year ended March 31, 2024 and March 31, 2023, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f. The company has availed cash credit from bank under joint consortium agreement with UCO Bank (Lead Bank) & other consortium member bank, is secured against Current Assets (i.e. Stock & Trade Receivable)(Refer Note No: 44).
- g. The company has filed charge satisfaction with Ministry of Corporate Affairs(MCA), Gujarat for eligible cases within timelines with additional fees.
- h. The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTES TO THE FINANCIAL STATEMENTS

**Note NO. 57 Ratios**

| Ratio                                          | Numerator                                                             | Denominator                                                                                                                                                                                                                                   | 31st March 2024 | 31st March 2023 | % of Variance | Reason for variance                                                                                            |
|------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|---------------|----------------------------------------------------------------------------------------------------------------|
| i) Current Ratio (In Times)                    | Current Assets                                                        | Current Liabilities                                                                                                                                                                                                                           | 4.41            | 3.53            | 24.86%        | Not Applicable                                                                                                 |
| ii) Debt Equity Ratio (In Times)               | Total Debt (Long Term Debt+Current debt)                              | Shareholder's Equity+Government Grant and Consumer Contribution+Deferred Tax Liability-Deferred Tax Assets                                                                                                                                    | 0.001           | 0.003           | (73.05%)      | Improved due to repayment of debt and increase in Share Capital                                                |
| iii) Debt Service Coverage Ratio (In Times)    | Profit After Tax+Deferred Tax+Depreciation & Amortization+Int on Debt | Principal Repayment of Debt+Interest on Loan +Lease Payment                                                                                                                                                                                   | 119.36          | 27.32           | 336.85%       | Improved due to repayment of debt and Improvement in Profitability.                                            |
| iv) Return on Equity (In %)                    | Profit After Tax                                                      | [(Opening Shareholder's Equity+Government Grant and Consumer Contribution+Deferred Tax Liability-Deferred Tax Assets)+(Closing Shareholder's Equity+Government Grant and Consumer Contribution+Deferred Tax Liability-Deferred Tax Assets)]/2 | 9.32            | 0.71            | 1212.84%      | Due to Decrease in Power Purchase cost and Increase in Revenue,the profit margin has increased.                |
| v) Inventory Turnover Ratio (In times)         | Revenue from Operation                                                | (Opening Inventory+Closing Inventory)/2                                                                                                                                                                                                       | 30.45           | 28.50           | 6.86%         | Not Applicable                                                                                                 |
| vi) Trade Receivable Turnover Ratio (in times) | Revenue from Operation                                                | (Opening Trade Receivable+Closing Trade Receivable)/2                                                                                                                                                                                         | 20.01           | 19.75           | 1.33%         | Not Applicable                                                                                                 |
| vii) Trade Payable Turnover Ratio (in times)   | Purchase of Power                                                     | (Opening Trade Payable+Closing Trade Payable)/2                                                                                                                                                                                               | 72.91           | 141.72          | (48.55%)      | Due to reduction in Power Purchase Cost                                                                        |
| viii) Net Capital Turnover Ratio (in times)    | Revenue from Operation                                                | [Current Assets-(Current liabilities-Security deposits from consumers-Service Line Deposits from consumers)]                                                                                                                                  | 3.36            | 4.04            | -16.85%       | Not Applicable                                                                                                 |
| xi) Net Profit Ratio(In %)                     | Profit After Tax                                                      | Revenue from Operation                                                                                                                                                                                                                        | 4.84            | 0.35            | 1295.60%      | Due to increase revenue from Operation and reduction of Power Purchase Price, the profit margin has increased. |
| x) Return on Capital Employed (In %)           | Profit Before Tax + Int on Debt                                       | Shareholder's Equity+Government Grant and Consumer Contribution+Deferred Tax Liability-Deferred Tax Assets+Long Term debt                                                                                                                     | 16.53           | 2.58            | 541.04%       | Due to increase In profit                                                                                      |
| xi) Return on Investment (In %)                | Profit Before Tax + Int on Debt                                       | (Opening Total Assets+Closing Total assets)/2                                                                                                                                                                                                 | 12.28           | 1.80            | 582.66%       | Due to increase In profit and Average Total Assets                                                             |

## NOTES TO THE FINANCIAL STATEMENTS

**Note No. 58 (I) Units purchased and T&D Losses**

| Particulars                                              | FY 2023-24        | FY 2022-23       |
|----------------------------------------------------------|-------------------|------------------|
|                                                          | Unit in MUs       |                  |
| Units Purchased from GUVNL                               | 14,452.347        | 14,736.48        |
| Units Purchased from Wind Turbine Generator              | 18.194            | 52.80            |
| Units Purchased from Solar Generator                     | 280.226           | 163.63           |
| Deviation Settlement Mechanism Charges (UI Import)       | 30.075            | -                |
| <b>Sub Total</b>                                         | <b>14,780.841</b> | <b>14,952.91</b> |
| Less : UI Net Export                                     | 177.890           | 338.23           |
| Less : Sale of Power to GUVNL                            | 0.521             | -                |
| <b>Net Power Purchase Units</b>                          | <b>14,602.429</b> | <b>14,614.68</b> |
| Less: Units sold to consumer                             | 12,956.684        | 12,640.79        |
| <b>T &amp; D loss in MUs.</b>                            | <b>1,645.745</b>  | <b>1,973.89</b>  |
| <b>T &amp; D loss in %</b>                               | <b>11.27%</b>     | <b>13.51%</b>    |
| Less :PGGIL Pooled Losses                                | 230.730           | 277.34           |
| Less: Transmission Loss @ average 3.3731% (P.Y. 3.8406%) | 489.240           | 542.33           |
| <b>Net MUs. to be considered for Distribution losses</b> | <b>13,882.459</b> | <b>13,795.01</b> |
| Distribution Losses Units (MUs. )                        | <b>925.775</b>    | <b>1,154.23</b>  |
| <b>Distribution Loss in %</b>                            | <b>6.67%</b>      | <b>8.37%</b>     |

**(ii) Category wise units sold & Average realization rate per unit.**

| Consumer Category                                                                                      | FY 2023-24        |                        |                        | FY 2022-23        |                        |                        |
|--------------------------------------------------------------------------------------------------------|-------------------|------------------------|------------------------|-------------------|------------------------|------------------------|
|                                                                                                        | MUs.              | Revenue<br>(₹ in Lakh) | Average Rate<br>₹/unit | MUs.              | Revenue<br>(₹ in Lakh) | Average Rate<br>₹/unit |
| Residential General Purpose<br>(Domestic or Residential)                                               | 2,985.229         | 2,04,219.76            | 6.84                   | 2,910.329         | 1,82,512.87            | 6.27                   |
| General Lighting Purpose<br>(Commercial)                                                               | 126.855           | 9,245.72               | 7.29                   | 123.728           | 8,347.74               | 6.75                   |
| Low Tension Maximum Demand and<br>Non Residential General Purpose<br>(Industrial low & medium voltage) | 1,964.491         | 1,70,147.99            | 8.66                   | 1,854.230         | 1,50,155.84            | 8.10                   |
| Industrial High Voltage                                                                                | 6,006.221         | 4,92,791.91            | 8.20                   | 5,948.999         | 4,59,631.56            | 7.73                   |
| Irrigation Agricultural                                                                                | 1,408.456         | 60,456.61              | 4.29                   | 1,388.637         | 63,429.37              | 4.57                   |
| Public Water Works and Sew.Pumps                                                                       | 465.432           | 34,696.95              | 7.45                   | 414.865           | 30,225.42              | 7.29                   |
| <b>Total</b>                                                                                           | <b>12,956.684</b> | <b>9,71,558.94</b>     | <b>7.50</b>            | <b>12,640.788</b> | <b>8,94,302.80</b>     | <b>7.07</b>            |

**Note No. 59** The previous years' figures have been regrouped / reclassified, wherever necessary to correspond with the current years' classification / disclosures.

As per our report of even date attached

**For Mukund & Rohit**  
Chartered Accountants  
FRN: 113375W

Sd/-  
**ROHIT KOTHARI**  
Partner  
M.NO. 038908

Place : Vadodara  
Date : 25.09.2024

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

Sd/-  
**J.P. SHIVAHARE, IAS**  
Chairman  
DIN :07162392

Sd/-  
**SAILAJA VACHHRAJANI**  
General Manager (F&A) & CFO

Place : Vadodara  
Date : 25.09.2024

Sd/-  
**T.D.PARMAR, IAS**  
Managing Director  
DIN :08322052

Sd/-  
**V.M. CHAVAN**  
Company Secretary

## MGVCL At a Glance

| PHYSICAL DATA |                                    |              |              |
|---------------|------------------------------------|--------------|--------------|
| Sr. No        | Particulars                        | F.Y. 2023-24 | F.Y. 2022-23 |
| 1             | Total area(in Sq. Kms.)            | 23854        | 23854        |
| 2             | Districts Covered                  | 7            | 7            |
| 3             | No. of Town                        | 46           | 46           |
| 4             | No. of Villages                    | 4404         | 4404         |
| 5             | Population(Census2001)(in Million) | -            | -            |
| 6             | Total Circles                      | 5            | 5            |
| 7             | Total Divisions                    | 18           | 18           |
| 8             | Total Sub-Div.+Sectional Off.      | 124          | 121          |
| 9             | Total Sub-Stations                 | 312          | 298          |
| 10            | Total Transformers                 | 1,92,180     | 1,86,516     |
| 11            | Total No. of Feeders               | 2,780        | 2,613        |
| 12            | Total H.T. Line(in Ckms.)          | 67,018.75    | 65,192.00    |
| 13            | Total L.T.Line(in Ckms.)           | 66,958.19    | 65,929.00    |
| 14            | Ratis of L.T/H.T.                  | 1.00         | 0.99         |
| 15            | Total Consumers(in lakhs)          | 35.88        | 34.86        |
| 16            | Total Contracted Load(inMW)        | 9,811.26     | 8763.71      |
| 17            | Total Employees                    | 7,524        | 7,434        |





# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## Proxy Form (Form No. MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration) Rules, 2014)

CIN : U40102GJ2003SGC042907  
Name of the Company : Madhya Gujarat Vij Company Limited.,  
Registered Office : Sardar Patel Vidyut Bhavan, Race Course, Vadodara – 390 007

Name of the member(s) :

Registered Address:

E-mail ID:

Folio No/Client ID:

DP ID:

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name:  
Address:  
Email-id:  
Signature : \_\_\_\_\_, or failing him
2. Name:  
Address:  
Email-id:  
Signature : \_\_\_\_\_, or failing him
3. Name:  
Address:  
Email-id:  
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting to be held on the \_\_\_\_\_ day, \_\_\_\_\_ of December, 2024 at \_\_\_\_\_ at GUVNL Conference Hall, 3<sup>rd</sup> Floor, Sardar Patel Vidyut Patel, Racecourse, Vadodara-390007 and at any adjournment thereof in respect of such resolutions as are indicated below:



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



| Sr. No | Resolution                                                                                                                                                                                                                                                                                                                         | For | Against |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| 1      | To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31 <sup>st</sup> March, 2024, together with the Board's Report and Report of Auditors' thereon along with Comments of the Comptroller & Auditor General of India. (Ordinary Resolution)                                 |     |         |
| 2      | To declare Dividend on Equity Shares of the Company for the Financial Year ended on 31 <sup>st</sup> March, 2024. (Ordinary Resolution)                                                                                                                                                                                            |     |         |
| 3      | To take note of appointment and to authorize the Board of Directors of the Company to fix the remuneration payable to Statutory Auditors of the Company 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 2024-25 (Ordinary Resolution) |     |         |
| 4      | To ratify the remuneration of the Cost Auditors for the Financial Year ending March 2025(Ordinary Resolution)                                                                                                                                                                                                                      |     |         |

Signed this.....day of.....2024

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.



# Madhya Gujarat Vij Company Limited

CIN – U40102GJ2003SGC042907

21<sup>st</sup> Annual Report 2023-24



## ATTENDANCE SLIP

| No. of Shares Held | Name and Address of the Registered Shareholders |
|--------------------|-------------------------------------------------|
|                    |                                                 |

I/We being the registered Shareholder/ proxy for the Registered Shareholder of the Company hereby record my/our presence at the 21<sup>st</sup> Annual General Meeting of the Company held on \_\_\_\_\_, the \_\_\_\_\_<sup>th</sup> December, 2024 at \_\_\_\_\_ at Conference Hall, Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390007 at shorter notice and at any adjournment(s) thereof.

\_\_\_\_\_  
Signature of Shareholder / proxy







## **MADHYA GUJARAT VIJ COMPANY LIMITED**

Corporate Identification No. : U40102GJ2003SGC042907

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Registered & Corporate Office  
Sardar Patel Vidyut Bhavan, Race Course, Vadodara- 390007.

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