

*पश्चिमांचल विद्युत वितरण निगम लि०*  
*PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.*



*ANNUAL ACCOUNTS FOR THE*  
*YEAR 2011-12*

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*Registered Office : Urja Bhawan Victoria Park, Meerut*

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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD., MEERUT**  
**BALANCE SHEET AS AT 31.03.2012**

(Rs. in Lacs)

| PARTICULAR                                                          | NOTE | As at 31.03.12   | As at 31.03.11   |
|---------------------------------------------------------------------|------|------------------|------------------|
| <b>A EQUITY AND LIABILITIES</b>                                     |      |                  |                  |
| <b>1 Shareholders funds :</b>                                       |      |                  |                  |
| Share Capital                                                       | (1)  | 80502.80         | 80502.80         |
| Reserve & Surplus                                                   | (2)  | (519499.89)      | (335231.29)      |
| <b>2 Share application money pending for allotment</b>              | (3)  | 129720.94        | 103411.83        |
| <b>3 Non-current liabilities</b>                                    |      |                  |                  |
| Long-term borrowings                                                | (4)  | 105989.80        | 96278.78         |
| <b>4 Current liabilities</b>                                        |      |                  |                  |
| Trade payables                                                      | (5)  | 652074.84        | 420933.21        |
| Other current liabilities                                           | (b)  | 326190.29        | 274069.77        |
| <b>Total</b>                                                        |      | <b>774978.78</b> | <b>639965.10</b> |
| <b>B ASSETS</b>                                                     |      |                  |                  |
| <b>Non-current assets</b>                                           |      |                  |                  |
| Fixed Assets                                                        | (7)  | 589984.98        | 520154.18        |
| Less-Accumulated Depreciation                                       |      | <u>237479.16</u> | <u>228521.25</u> |
|                                                                     |      | 352505.82        | 291632.93        |
| <b>2 Current Assets</b>                                             |      |                  |                  |
| <b>(a) Inventories</b>                                              |      |                  |                  |
| Stores & Spares                                                     | (8)  | 30088.99         | 23851.99         |
| (b) Trade receivables                                               | (9)  | 230057.42        | 169203.84        |
| (c) Cash and Bank                                                   | (10) | 62333.89         | 69780.77         |
| (d) Short-term loans and advances                                   | (11) | 16653.39         | 17796.11         |
| (e) Other Current Assets                                            | (12) | 83339.27         | 67699.46         |
|                                                                     |      | 422472.96        | 348332.17        |
| <b>Notes on Accounts</b>                                            | (21) |                  |                  |
| Note 1 to 21 and Accounting Policies form integral part of Accounts |      |                  |                  |
| <b>TOTAL</b>                                                        |      | <b>774978.78</b> | <b>639965.10</b> |

  
(H.K. Agarwal)  
Company Secretary  
Part Time

  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

  
(R.P. Gupta)  
Director(Finance)

  
(Vijay Vishwas Pant)  
Managing Director

Place : Meerut  
Date : **14 MAY 2013**



Subject to our report of even date

For S.K. Kumar & Co.  
Chartered Accountants

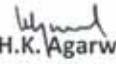
  
CA AQUIL SHABBIR FCA  
Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

**PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 01.04.11 TO 31.03.12**

(Rs. in Lacs)

| PARTICULAR                                                    | NOTE | FOR THE PERIOD FROM<br>01.04.11 TO 31.03.12 | FOR THE PERIOD FROM<br>01.04.10 TO 31.03.11 |
|---------------------------------------------------------------|------|---------------------------------------------|---------------------------------------------|
| <b><u>INCOME</u></b>                                          |      |                                             |                                             |
| Revenue from sale of power (Gross)                            |      | 654935.82                                   | 585643.20                                   |
| Less Electricity Duty                                         |      | 14193.86                                    | 12653.05                                    |
| Energy internally Consumed                                    | (13) | 1622.29                                     | 753.12                                      |
| <b><u>Other Income</u></b>                                    |      |                                             |                                             |
| Other Income                                                  | (14) | 115873.53                                   | 70667.54                                    |
| <b>TOTAL</b>                                                  |      | <b>758237.78</b>                            | <b>644410.81</b>                            |
| <b><u>EXPENDITURE</u></b>                                     |      |                                             |                                             |
| Purchase of Power                                             | (15) | 856118.63                                   | 591152.35                                   |
| Transmission Charges                                          |      | 28537.29                                    | 24745.91                                    |
| Employees Cost                                                | (16) | 18876.98                                    | 19592.15                                    |
| Operation & Other Expenses                                    | (17) | 24527.18                                    | 18220.22                                    |
| Finance Cost                                                  | (18) | 18058.93                                    | 16663.83                                    |
| Depreciation                                                  | (19) | 17657.08                                    | 23910.52                                    |
| Transfer from service line contribution & Grants etc.         |      | (5936.60)                                   | (5006.60)                                   |
| <b>TOTAL EXPENSES</b>                                         |      | <b>957839.49</b>                            | <b>689278.38</b>                            |
| Net Profit/(Loss) For the Year                                |      | (199601.71)                                 | (44867.57)                                  |
| Net prior period<br>Income/(Expenditure)                      | (20) | 442.15                                      | (400.80)                                    |
| Net Profit/(Loss)                                             |      | (199159.56)                                 | (45268.37)                                  |
| Accumulated loss brought forward                              |      | (428797.85)                                 | (383529.48)                                 |
| Net Profit/(Loss) Carried Over to<br>Reserve & Surplus Note-2 |      | (627957.41)                                 | (428797.85)                                 |
| Notes on Accounts                                             | (21) |                                             |                                             |
| Earning per share(in Rs.)                                     |      | (2474)                                      | (562)                                       |

  
(H.K. Agarwal)  
Company Secretary  
Part Time

  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

  
(R.P. Gupta)  
Director(Finance)

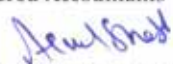
  
(Vijay Vishwas Pant)  
Managing Director

Place : Meerut  
Date : **14 MAY 2013**



Subject to our report of even date

For S.K. Kumar & Co.  
Chartered Accountants

  
CA AQUIL SHABBIR FCA  
Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-1


**SHARE CAPITAL**

|                                                                                     | (Rs. in Lacs)   |                 |
|-------------------------------------------------------------------------------------|-----------------|-----------------|
| PARTICULARS                                                                         | As at 31.03.12  | As at 31.03.11  |
| <b>A. <u>AUTHORISED</u></b>                                                         | 500000.00       | 200000.00       |
| * 50000000 (Previous Year 20000000) Equity Shares of Rs.1000/-each                  |                 |                 |
| <b>B. <u>ISSUED SUBSCRIBED AND PAID UP</u></b>                                      |                 |                 |
| (i) 8049780(8049780) Equity Share of Rs.1000/- each fully paid up allotted to UPPCL | 80497.80        | 80497.80        |
| (ii) Promoters' Shares (500 Equity Share of Rs. 1000/- each)                        | 5.00            | 5.00            |
| <b>TOTAL</b>                                                                        | <b>80502.80</b> | <b>80502.80</b> |

\* The Authorised Share Capital of the Company has been increased from 2 crores equity shares to 5 crores equity shares of Rs. 1000 each vide Board of Directors 61st meeting held on 23rd Feb 2011 and Extra Ordinary General Meeting dated 09th November 2011.

  
(H.K. Agarwal)  
Company Secretary  
Part Time

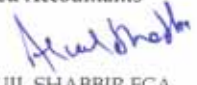
  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-2

**RESERVES AND SURPLUS**

(Rs. in Laacs)

| PARTICULARS                                                           | As at 31.03.12     | As at 31.03.11     |
|-----------------------------------------------------------------------|--------------------|--------------------|
| <b>A. Capital Reserve</b>                                             |                    |                    |
| <b>Consumers Contributions towards Service Line and other charges</b> |                    |                    |
| As per last Balance Sheet                                             | 84933.24           | 71063.04           |
| Add: Received during the year                                         | 20751.23           | 18327.70           |
|                                                                       | 105684.47          | 89390.74           |
| Less: Transfer to P/L Account                                         | 5385.62            | 4457.50            |
|                                                                       | 100298.85          | 84933.24           |
| <b>B. Grants</b>                                                      |                    |                    |
| As per last Balance Sheet                                             | 8570.87            | 9117.07            |
| Add: Received during the year                                         | 76.33              | 2.90               |
|                                                                       | 8647.20            | 9119.97            |
| Less: Transfer to P/L Account                                         | 550.98             | 549.10             |
|                                                                       | 8096.22            | 8570.87            |
| <b>C. Restructuring reserve account</b>                               |                    |                    |
| As per last Balance Sheet                                             | 62.45              | 62.45              |
| Add: Received during the year                                         | 0.00               |                    |
|                                                                       | 62.45              | 62.45              |
| <b>D. Surplus in the statement of P/L Account</b>                     |                    |                    |
| As per last Balance Sheet                                             | (428797.85)        | (383529.48)        |
| Add: Profit/(Loss) for the year                                       | (199159.56)        | (45268.37)         |
|                                                                       | (627957.41)        | (428797.85)        |
| <b>GRAND TOTAL</b>                                                    | <b>(519499.89)</b> | <b>(335231.29)</b> |

  
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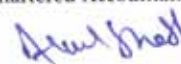
  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**


NOTE-3

SHARE APPLICATION MONEY

| PARTICULARS                                                 | (Rs. in Lacs)    |                  |
|-------------------------------------------------------------|------------------|------------------|
|                                                             | As at 31.03.12   | As at 31.03.11   |
| SHARE APPLICATION MONEY<br>(Pending for allotment to UPPCL) | 129720.94        | 103411.83        |
| <b>Total</b>                                                | <b>129720.94</b> | <b>103411.83</b> |

  
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Chartered Accountants

  
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Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,**  
**VICTORIA PARK, MEERUT**

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

| PARTICULARS                                                             | Equity Shares with voting rights<br>Number of shares |                                   |                       |                                   |
|-------------------------------------------------------------------------|------------------------------------------------------|-----------------------------------|-----------------------|-----------------------------------|
| As at 31 March, 2012<br>UPPCL, the holding company                      | 8049780                                              |                                   |                       |                                   |
| As at 31 March, 2011<br>UPPCL, the holding company                      | 8049780                                              |                                   |                       |                                   |
| Details of shares held by each shareholder holding more than 5% shares: |                                                      |                                   |                       |                                   |
| Class of shares/Name of shareholder                                     | As at 31 March, 2012                                 |                                   | As at 31 March, 2011  |                                   |
|                                                                         | Number of shares held                                | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights<br>UPPCL                               | 8049780                                              | 99.99                             | 8049780               | 99.99                             |

The Company has only one class of equity shares having par value of Rs. 1000/- per share.

The shares allotted during 5 years immediately preceding the Balance Sheet date are:-

2450744 fully paid Equity shares of Rs. 1000 each were allotted in the year 2010-11.

  
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PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| PARTICULARS                                                                              | Opening Balance | Fresh Issue | Bonus | ESOP | Conversion | Buy Back | Closing Balance |
|------------------------------------------------------------------------------------------|-----------------|-------------|-------|------|------------|----------|-----------------|
| Issued, Subscribed & Paid-up<br>Equity shares fully paid up<br>Year ended 31 March, 2012 |                 |             |       |      |            |          |                 |
| - Number of shares                                                                       | 5599536         | -           | -     | -    | -          | -        | 8050280         |
| - Amount (Rs.)                                                                           | 5599536000.00   | -           | -     | -    | -          | -        | 8050280000.00   |
| Year ended 31 March, 2011                                                                |                 |             |       |      |            |          |                 |
| - Number of shares                                                                       | 8050280         | -           | -     | -    | -          | -        | 8050280         |
| - Amount (Rs.)                                                                           | 8050280000.00   | -           | -     | -    | -          | -        | 8050280000.00   |

  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-4

LONG TERM BORROWINGS

(Rs. in Lacs)

| PARTICULARS                                  | Non-Current      |                 | Current Maturities |                 |
|----------------------------------------------|------------------|-----------------|--------------------|-----------------|
|                                              | As at 31.03.12   | As at 31.03.11  | As at 31.03.12     | As at 31.03.11  |
| <b>Secured Loan</b>                          |                  |                 |                    |                 |
| APDRP(PFC)                                   | 10643.02         | 12917.62        | 2274.61            | 2274.60         |
| RAPDRP                                       | 13201.99         | 13201.99        | 0.00               | 0.00            |
| REC                                          | 26422.77         | 21665.18        | 27378.54           | 22272.73        |
| PFC                                          | 2240.52          | 2738.41         | 497.89             | 497.89          |
| <b>Total</b>                                 | <b>52508.30</b>  | <b>50523.20</b> | <b>30151.04</b>    | <b>25045.22</b> |
| <b>Unsecured Loan</b>                        |                  |                 |                    |                 |
| <b>(i) Transfer Scheme</b>                   |                  |                 |                    |                 |
| GoUP                                         | 375.00           | 375.00          | 0.00               | 0.00            |
| REC                                          | 17942.34         | 19010.44        | 1068.10            | 967.41          |
| PFC                                          | 468.60           | 693.72          | 225.13             | 237.35          |
| NCRPB                                        | 0.00             | 0.00            | 0.00               | 124.25          |
| <b>(ii) Loan by UPPCL on behalf of PVVNL</b> |                  |                 |                    |                 |
| UP Govt. (APDRP)                             | 3878.54          | 4251.65         | 373.11             | 0.00            |
| UP Govt. (World Bank aided project)          | 7960.08          | 8555.44         | 595.36             | 0.00            |
| HUDCO                                        | 22856.94         | 12869.33        | 6847.32            | 3809.80         |
| <b>Total</b>                                 | <b>53481.50</b>  | <b>45755.58</b> | <b>9109.02</b>     | <b>5138.81</b>  |
| <b>GRAND TOTAL</b>                           | <b>105989.80</b> | <b>96278.78</b> | <b>39260.06</b>    | <b>30184.03</b> |

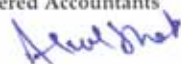
  
(H.K. Agarwal)  
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(Vijay Vishwas Pant)  
Managing Director



For S.K. Kumar & Co.  
Chartered Accountants  
  
CA AQUIL SHABBIR FCA  
Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**


NOTE-5

**TRADE PAYABLES**

(Rs. in Lacs)

| PARTICULARS                                              | As at 31.03.12   | As at 31.03.11   |
|----------------------------------------------------------|------------------|------------------|
| <b>Uttar Pradesh Power Corporation Ltd.</b>              |                  |                  |
| Liability for Power Purchase                             | 598487.02        | 383628.30        |
| <b>Uttar Pradesh Power Transmission Corporation Ltd.</b> |                  |                  |
| Liability for Transmission Charges                       | 53587.82         | 37304.91         |
| <b>GRAND TOTAL</b>                                       | <b>652074.84</b> | <b>420933.21</b> |

  
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Partner


**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**


NOTE-6

OTHER CURRENT LIABILITIES

(Rs. in Lacs)

| PARTICULARS                                      | As at 31.03.12   | As at 31.03.11   |
|--------------------------------------------------|------------------|------------------|
| As per Transfer Scheme 2003                      | 41488.00         | 41488.00         |
| Current liabilities of long term debt            | 39260.06         | 30184.03         |
| Interest Accrued                                 |                  |                  |
| (i) Interest Accrued but not due on borrowings   | 635.59           | 693.57           |
| (ii) Interest Accrued and due on borrowings      | 0.00             | 97.70            |
|                                                  | 635.59           | 791.27           |
| Statutory Dues                                   | 40.03            | -10.90           |
| Contractor's Liability                           | 45311.67         | 28314.32         |
| Deposits & Retentions from Suppliers & Others    | 6880.81          | 4460.55          |
| Electricity Duty & Other Levies payable to Govt. | 19061.45         | 17428.39         |
| Other Liabilities payable to :                   |                  |                  |
| Uttar Pradesh Power Corporation Ltd              | 38725.23         | 36191.77         |
| Madhyanchal Vidyut Vitran Nigam Ltd              | 1218.00          | 778.10           |
| Purvanchal Vidyut Vitran Nigam Ltd               | 262.35           | 360.03           |
| Dakshinanchal Vidyut Vitran Nigam Ltd            | 212.95           | 237.85           |
| KESCO                                            | 0.98             | 0.98             |
| Staff Related Liabilities                        | 8513.75          | 9047.55          |
| General Provident Fund                           | 31418.70         | 28604.62         |
| Pension and Gratuity                             | 6883.35          | 4724.94          |
| CPF                                              | 92.30            | 94.46            |
| Short Term Provisions                            | 401.21           | 389.67           |
| Deposit for electification works                 | 5654.44          | 2253.72          |
| Security deposit from consumers                  | 80129.42         | 68730.42         |
| <b>TOTAL</b>                                     | <b>326190.29</b> | <b>274069.77</b> |

  
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Managing Director



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Chartered Accountants

  
CA AQUIL SHABBIR FCA  
Partner

**PAC HIMANCHAL VIDYUT VITRA. NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-7

**FIXED ASSETS**

(Rs. in Lacs)

| Particulars              | Gross Block       |                  |                            | Depreciation      |                   |                 | Net Block                  |                   |                   |
|--------------------------|-------------------|------------------|----------------------------|-------------------|-------------------|-----------------|----------------------------|-------------------|-------------------|
|                          | As at<br>31.03.11 | Additions        | Deductions/<br>Adjustments | As at<br>31.03.12 | As at<br>31.03.11 | Additions       | Deductions/<br>Adjustments | As at<br>31.03.12 | As at<br>31.03.11 |
| (A)                      |                   |                  |                            |                   |                   |                 |                            |                   |                   |
| Land & Land Rights       | 100.46            | 43.51            |                            | 143.97            |                   |                 |                            | 143.97            | 100.46            |
| Buildings                | 3657.30           | 1288.77          | 759.18                     | 4186.89           | 376.49            | 143.68          |                            | 3666.72           | 3280.81           |
| Plant & Machinery        | 110673.32         | 61958.54         | 49377.86                   | 123254.00         | -14940.04         | 6728.50         | 7896.02                    | 139361.56         | 125613.36         |
| Lines, Cable Network     | 148981.79         | 57185.93         | 8484.00                    | 197683.72         | 18463.70          | 8434.80         | 803.15                     | 171588.37         | 130518.09         |
| Vehicles                 | 14.80             | 11.15            |                            | 25.95             | 5.42              | 1.93            |                            | 18.60             | 9.38              |
| Furniture & Fixtures     | 107.17            | 9.71             |                            | 116.88            | 23.53             | 7.09            |                            | 86.26             | 83.64             |
| Office Equipments        | 135.72            | 40.80            |                            | 176.52            | 55.59             | 25.24           |                            | 95.69             | 80.13             |
| Transfer Scheme          | 238792.00         |                  |                            | 238792.00         | 224536.56         | 2315.84         |                            | 11939.60          | 14255.44          |
| <b>Sub Total</b>         | <b>502462.56</b>  | <b>120538.41</b> | <b>58621.04</b>            | <b>564379.93</b>  | <b>228521.25</b>  | <b>17657.08</b> | <b>8699.17</b>             | <b>326900.77</b>  | <b>273941.31</b>  |
| (B)                      |                   |                  |                            |                   |                   |                 |                            |                   |                   |
| Capital Work in progress |                   |                  |                            |                   |                   |                 |                            | 25605.05          | 17691.62          |
| <b>Total (A+B)</b>       | <b>502462.56</b>  | <b>120538.41</b> | <b>58621.04</b>            | <b>564379.93</b>  | <b>228521.25</b>  | <b>17657.08</b> | <b>8699.17</b>             | <b>352505.82</b>  | <b>291632.93</b>  |

*(Signature)*  
(H.K. Agarwal)  
Company Secretary  
Part Time

*(Signature)*  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

*(Signature)*  
(R.P. Gupta)  
Director(Finance)

*(Signature)*  
(Vijay Vishwas Pant)  
Managing Director



For S.K. Kumar & Co.  
Chartered Accountants  
*(Signature)*  
CA AQUIL-SHABBIR FCA  
Partner



**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**


NOTE-8


**INVENTORIES**

(Rs. in Lacs)

| PARTICULARS                             | As at 31.03.12  | As at 31.03.11  |
|-----------------------------------------|-----------------|-----------------|
| Stores and Spares                       | 34719.99        | 28482.99        |
| Less: Provision for unserviceable store | 4631.00         | 4631.00         |
| <b>TOTAL</b>                            | <b>30088.99</b> | <b>23851.99</b> |

Notes : Stores and Spares includes capital, and O&M material, obsolete material, scrap transformer sent for repair, material found excess/shortage pending for investigation.

  
(H.K. Agarwal)  
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Part Time

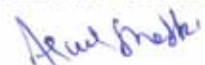
  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

  
(R.P. Gupta)  
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(Vijay Vishwas Pant)  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**


NOTE-9

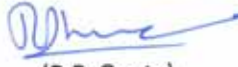
TRADE RECEIVABLE

(Rs. in Lacs)

| PARTICULARS                                                          | As at 31.03.12 | As at 31.03.11 |
|----------------------------------------------------------------------|----------------|----------------|
| <b>Sundry Debtors</b>                                                |                |                |
| <b><u>Debt outstanding for a period exceeding six months</u></b>     |                |                |
| Unsecured & considered good                                          | 200963.87      | 137864.81      |
| Considered doubtful                                                  | 166148.76      | 166030.58      |
|                                                                      | 367112.63      | 303895.39      |
| <b><u>Debt outstanding for a period not more than six months</u></b> |                |                |
| Unsecured & considered good                                          | 29093.55       | 31339.03       |
| Considered doubtful                                                  | 1531.24        | 1649.42        |
|                                                                      | 30624.79       | 32988.45       |
| <b>Total Debtors</b>                                                 | 397737.42      | 336883.84      |
| Less - Provision for Bad & Doubtful Debts                            | 167680.00      | 167680.00      |
| <b>NET DEBTORS</b>                                                   | 230057.42      | 169203.84      |

  
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VICTORIA PARK, MEERUT

Note-10

CASH AND BANK

(Rs. in Lacs)

| PARTICULARS                                                                                                                     | Non-Current    |                | Current Maturities |                 |
|---------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|--------------------|-----------------|
|                                                                                                                                 | As at 31.03.12 | As at 31.03.11 | As at 31.03.12     | As at 31.03.11  |
| Balances in Current Accounts                                                                                                    |                |                | 44670.65           | 44591.12        |
| Balance in Fixed Deposit<br>(Remaining Maturity less than twelve months)                                                        |                |                | 734.45             | 4785.10         |
| Balance in Fixed Deposit<br>(Remaining Maturity more than twelve months) Amount disclosed under other current assets Note no-12 | 2.00           |                |                    |                 |
| Cash in hand                                                                                                                    |                |                | 16928.79           | 20404.55        |
| <b>TOTAL</b>                                                                                                                    | <b>2.00</b>    | <b>0.00</b>    | <b>62333.89</b>    | <b>69780.77</b> |

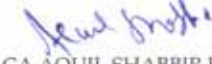
  
(H.K. Agarwal)  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**


NOTE-11


**SHORT TERM LOANS AND ADVANCES**


(Rs. in Lacs)

| PARTICULARS                 | As at 31.03.12  | As at 31.03.11  |
|-----------------------------|-----------------|-----------------|
| <b>ADVANCES (Unsecured)</b> |                 |                 |
| Suppliers / Contractors     | 16446.35        | 17640.15        |
|                             | <b>16446.35</b> | <b>17640.15</b> |
| <b>ADVANCES (Secured)</b>   |                 |                 |
| Staff                       | 8.49            | -2.84           |
| Income Tax Department       | 198.55          | 158.80          |
|                             | <b>207.04</b>   | <b>155.96</b>   |
| <b>TOTAL</b>                | <b>16653.39</b> | <b>17796.11</b> |

  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-12

OTHER CURRENT ASSETS

(Rs. in Lacs)

| PARTICULARS                                 | As at 31.03.12   | As at 31.03.11   |
|---------------------------------------------|------------------|------------------|
| Receivables as per Transfer Scheme          | 2198.00          | 2198.00          |
| Income accrued on deposit                   | 33.76            | 121.88           |
| Non current bank balance note-10            | 2.00             |                  |
| <u>Receivables</u>                          |                  |                  |
| Uttar Pradesh Power Corpoartion Ltd.        | 46611.56         | 42579.06         |
| Uttar Pradesh Power Trans. Corp. Ltd.       | 1647.21          | 433.07           |
| <u>Receivables on Account of Loan</u>       |                  |                  |
| Uttar Pradesh Power Corpoartion Ltd.        | 48549.49         | 31714.55         |
| Less Liabilities against Loan               | <u>-29274.97</u> | <u>-20041.51</u> |
|                                             | 19274.52         | 11673.04         |
| <u>Receivables from staff</u>               |                  |                  |
| Employees                                   | 1604.00          | 1574.63          |
| Less Provision for doubtful Receivable      | <u>-164.50</u>   | <u>-162.10</u>   |
|                                             | 1439.50          | 1412.53          |
| <u>Misc. Receivable</u>                     |                  |                  |
| Theft of fixed Assets pending investigation | 5127.30          | 4384.70          |
| Less Provision for Estimated Loss           | <u>-5127.30</u>  | <u>-4384.70</u>  |
|                                             | 0.00             | 0.00             |
| <u>Inter Unit Transfer</u>                  |                  |                  |
| IUT                                         | 11871.00         | 8927.23          |
| <b>TOTAL</b>                                | <b>83339.27</b>  | <b>67699.46</b>  |

  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-13

REVENUE FROM OPERATIONS

(Rs. in Lacs)

| PARTICULARS                               | 2011-12          | 2010-11          |
|-------------------------------------------|------------------|------------------|
| <b><u>Large Supply Consumers</u></b>      |                  |                  |
| Industrial                                | 312030.08        | 273239.09        |
| Irrigation                                | 346.33           | 10.85            |
| Public Water Works                        | 11879.54         | 10226.41         |
| <b><u>Small &amp; Other Consumers</u></b> |                  |                  |
| Domestic                                  | 159723.54        | 144462.33        |
| Commercial                                | 55821.64         | 50458.33         |
| Industrial Low & Medium Voltage           | 48308.64         | 45092.92         |
| Public Lighting                           | 8382.33          | 6945.28          |
| STW & Pump Canals                         | 9226.00          | 8729.06          |
| PTW & Sewage Pumping                      | 22747.19         | 22216.19         |
| Institution                               | 9703.92          | 8252.92          |
| Railway                                   | 1951.14          | 1079.66          |
| Assessment against Theft                  | 1566.57          | 2458.02          |
| Miscellaneous Charges from consumers      | 677.33           | 572.21           |
| Less:-Energy internally Consumed          | (1622.29)        | (753.12)         |
| <b>Sub Total</b>                          | <b>640741.96</b> | <b>572990.15</b> |
| Electricity Duty                          | 14193.86         | 12653.05         |
| <b>Gross Sale of Power</b>                | <b>654935.82</b> | <b>585643.20</b> |
| Less: Electricity Duty                    | 14193.86         | 12653.05         |
| <b>Net Sale of Power</b>                  | <b>640741.96</b> | <b>572990.15</b> |
| Energy internally Consumed                | 1622.29          | 753.12           |

  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-14

OTHER INCOME

| PARTICULARS                                    | 2011-12          | 2010-11         |
|------------------------------------------------|------------------|-----------------|
| R.E. Subsidy from Govt. of U.P.                | 9745.00          | 9783.00         |
| Revenue Loss & Tariff Subsidy from Govt. of UP | 93376.00         | 48186.00        |
| Interest from loan to Staff *                  | 0.36             | 0.66            |
| Delayed Payment Charges from consumers         | 11798.54         | 12043.84        |
| Interest from Bank                             | 551.59           | 378.17          |
| Interest from Contractors/Suppliers            | 321.04           | 161.70          |
| Rental from Staff                              | 12.80            | 4.60            |
| Rebate for timely repayment of Loan            | 45.64            | 86.27           |
| Miscellaneous Receipts                         | 22.56            | 23.30           |
| <b>TOTAL</b>                                   | <b>115873.53</b> | <b>70667.54</b> |


\*Pertains to loan amount advanced during UPSEB period

NOTE-15

PURCHASE OF POWER

| PARTICULARS          | 2011-12          | 2010-11          |
|----------------------|------------------|------------------|
| Power Purchase       | 856118.63        | 591152.35        |
| Transmission Charges | 28537.29         | 24745.91         |
| <b>TOTAL</b>         | <b>884655.92</b> | <b>615898.26</b> |

  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-16

**EMPLOYEES COST**

(Rs. in Lacs)

| PARTICULARS                           | 2011-12         | 2010-11         |
|---------------------------------------|-----------------|-----------------|
| Salaries & Allowances                 | 16263.52        | 16851.33        |
| Dearness Allowance                    | 8574.13         | 6816.86         |
| Other Allowance                       | 1269.96         | 1390.63         |
| Bonus                                 | 200.95          | 249.27          |
| Medical Expenses                      | 649.60          | 444.89          |
| Leave Travel Assistance               | 0.00            | 0.05            |
| Earned Leave Encashment on retirement | 1219.98         | 1565.79         |
| Compensation                          | 0.35            | 9.46            |
| Staff Welfare Expenses                | 24.90           | 18.43           |
| Pension & Gratuity                    | 4003.56         | 3428.32         |
| CPF                                   | 396.62          | 329.98          |
| Expenditure on Trust                  | 41.87           | 36.01           |
| <b>Sub Total</b>                      | <b>32645.44</b> | <b>31141.02</b> |
| LESS - Expenses Capitalised           | 13768.46        | 11548.87        |
| <b>TOTAL</b>                          | <b>18876.98</b> | <b>19592.15</b> |

  
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Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-17

**OPERATION & OTHER EXPENSES**

|                                                                              | (Rs. in Lacs)   |                 |
|------------------------------------------------------------------------------|-----------------|-----------------|
| PARTICULARS                                                                  | 2011-12         | 2010-11         |
| <b>REPAIR &amp; MAINTENANCE</b>                                              |                 |                 |
| Plant & Machinery                                                            | 8850.00         | 6466.29         |
| Buildings                                                                    | 248.99          | 207.76          |
| Lines, Cables net works etc.                                                 | 9165.25         | 7644.20         |
| Furniture & Fixtures                                                         | 0.93            | 8.20            |
| Office Equipments                                                            | 22.43           | 15.89           |
| <b>OTHER EXPENSES</b>                                                        |                 |                 |
| Rent                                                                         | 38.21           | 24.62           |
| Rates & Taxes                                                                | 12.53           | 5.26            |
| Insurance                                                                    | 44.24           | 36.69           |
| Telephone                                                                    | 205.50          | 243.39          |
| Postage                                                                      | 44.91           | 34.53           |
| Legal Charges                                                                | 190.99          | 181.13          |
| Audit Fee                                                                    | 30.05           | 28.08           |
| Traveling Expenses (Audit)                                                   | 1.46            | 1.38            |
| Consultancy Charges                                                          | 525.36          | 29.25           |
| Fees & Subscription                                                          | 387.46          | 238.32          |
| Traveling and Conveyance                                                     | 330.49          | 216.33          |
| Printing and Stationery                                                      | 206.28          | 259.20          |
| Advertisement Expenses                                                       | 973.85          | 194.08          |
| Electricity Charges                                                          | 1622.29         | 753.12          |
| Water Charges                                                                | 0.43            | 4.52            |
| Meter Reading & Billing Expenses                                             | 1598.24         | 1126.80         |
| Compensation staff                                                           | 4.37            | 3.36            |
| Compensation (Other than staff)                                              | 104.01          | 107.57          |
| Miscellaneous Expenses                                                       | 959.24          | 680.00          |
| <b>PROVISIONS</b>                                                            |                 |                 |
| Provision for Loss against theft of Fixed Assets pending investigation       | 742.60          | 917.47          |
| Provision for Bad & Doubtful Dues from staff on accounts or various reasons. | 2.40            | 22.53           |
| <b>SUB TOTAL</b>                                                             | <b>26312.51</b> | <b>19449.97</b> |
| LESS - Expenses Capitalised                                                  | 1785.33         | 1229.75         |
| <b>TOTAL</b>                                                                 | <b>24527.18</b> | <b>18220.22</b> |

  
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(Vijay Vishwas Pant)  
Managing Director



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Chartered Accountants

  
CA AQUIL SHABBIR FCA  
Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-18

FINANCE COST

(Rs. in Lacs)

| PARTICULARS                 | 2011-12         | 2010-11         |
|-----------------------------|-----------------|-----------------|
| <b>Interest on Loans</b>    |                 |                 |
| Government of UP            | 1898.11         | 1898.10         |
| PFC                         | 428.32          | 1688.31         |
| Others                      | 8.11            | 16.44           |
| APDRP                       | 1691.07         | 2328.84         |
| HUDCO                       | 3121.81         | 866.09          |
| REC                         | 7373.96         | 7053.07         |
| Interest on GPF             | 0.70            |                 |
| Interest to Consumers       | 3860.05         | 3408.32         |
| Finance Charges             | 9.26            | 16.00           |
| <b>Bank Charges</b>         |                 |                 |
| Others                      | 9.08            | 9.55            |
| <b>SUB TOTAL</b>            | <b>18400.47</b> | <b>17284.72</b> |
| LESS - Interest Capitalised | 341.54          | 620.89          |
| <b>TOTAL</b>                | <b>18058.93</b> | <b>16663.83</b> |

NOTE-19

DEPRECIATION

(Rs. in Lacs)

| PARTICULARS        | 2011-12         | 2010-11         |
|--------------------|-----------------|-----------------|
| Depreciation       | 17657.08        | 23910.52        |
| <b>GRAND TOTAL</b> | <b>17657.08</b> | <b>23910.52</b> |

  
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

NOTE-20

NET PRIOR PERIOD INCOME/(EXPENSES)

(Rs. in Lacs)

| PARTICULARS                                               | 2011-12        | 2010-11         |
|-----------------------------------------------------------|----------------|-----------------|
| <b>A. INCOME</b>                                          |                |                 |
| Receipt from consumers                                    | 2923.11        |                 |
| <b>SUB TOTAL</b>                                          | <b>2923.11</b> |                 |
| <b>B. EXPENDITURE</b>                                     |                |                 |
| Power Purchase                                            |                |                 |
| Wheeling Charges                                          |                |                 |
| Operating Expenses                                        | 8.51           | 0.18            |
| Employees Cost                                            | 433.91         | 24.54           |
| Depreciation Prev. Years                                  |                | 415.47          |
| Interest & finance charges                                | 2038.54        | (39.39)         |
| Short Provision for loss against<br>Theft of fixed assets |                |                 |
| <b>SUB TOTAL</b>                                          | <b>2480.96</b> | <b>400.80</b>   |
| <b>GRAND TOTAL</b>                                        | <b>442.15</b>  | <b>(400.80)</b> |

  
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Partner

# PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED

## Note No. 21

### NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2012 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

- 1) (a) The Company was incorporated under the Companies Act 1956 on 01-05-2003 and commenced the business operations w.e.f 12-08-2003 in terms of Government of U.P Notification No. 2740/P-1/2003-24-14P/2003 dated 12-08-2003.
- (b) The Company is a subsidiary of U.P. Power Corporation Ltd. The annual accounts for the year 2011-12 are based on the balances of assets and liabilities received as per Transfer Scheme 2003 as well as the transactions pertaining to business during the period 12-08-2003 to 31-03-2004 and the financial years 2004-05 to 2011-12. The final transfer scheme is yet to be finalised and the balances in the accounts will be adjusted accordingly.
- (c) The share capital includes 500 Nos. Equity Shares of Rs. 1000 each allotted to subscribers of Memorandum of Association and shown separately in Balance Sheet.
- (d) The Authorised Share Capital of the Company has been increased from Rs. 2000 crores (Rs. Two thousand crore) to Rs. 5000 crore (Rs. Five Thousand crore) divided into 5 crores (Five Crore) Equity Shares of Rs. 1000 each approved vide Board resolution dated 23<sup>rd</sup> Feb 2011 and Extra Ordinary General Meeting dated 9<sup>th</sup> Nov 2011.
- (e) Difference of Loan transferred under provisional Transfer Scheme 2003 and actual loan amounting to Rs. 6244727.00 (Credit) has been shown in Restructuring Reserve Account (Note No. 2).
- 2) (a) The Company is making efforts to recognize and identify the location of fixed assets, transferred under the Transfer Scheme-2003 for the purpose of maintaining the Fixed Assets Register. Till such time the assets as mentioned in the Transfer Scheme, have been taken into accounts.
- (b) During the year, the depreciation has been provided as per the Schedule-XIV of Companies Act 1956 on SLM basis.
- (c) In absence of asset wise break up of Plants & Machinery, Lines & Cables and other assets taken over as on 12-08-2003, the depreciation on these assets has been charged @ 4.75% on the value transferred as per transfer

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scheme 2003, being the rate prescribed for majority of items as per Companies Act 1956.

- (d) Due to multiplicity of nature of capital works and difficulty in establishing the correct date of installation of assets, the depreciation on addition of fixed assets during the year has been provided on pro-rata basis by taking average six months period.
- 3) The loan received by UPPCL on behalf of the Company during the year 2011-12 amounting to Rs. 168.35 Crore and repayment made by UPPCL amounting to Rs. 51.39 Crore have been accounted for in the books of the Company.
  - 4) Necessary action for capitalisation of borrowing cost has been taken as per AS-16.
  - 5) Age-wise classification of Sundry Debtors could not be given as the same is under process.
  - 6) The provision for bad and doubtful debts against revenue from sale of power has not been made since the sufficient provision already exists in the Transfer Scheme-2003.
  - 7) The provision for unserviceable/obsolete material has not been made since the sufficient provision already exists in the Transfer Scheme-2003.
  - 8) The provision for doubtful receivable from employees have been made @ 10 % on the incremental basis appearing at the close of financial year under the head "Other Current Assets- Other Receivables-Employees" have been made.
  - 9) The 100% Provision for loss on account of theft of fixed assets pending investigation have been made for balance at the close of financial year.
  - 10) (a) Some balances appearing under the heads 'Current Assets', 'Loans & Advances', 'Unsecured Loans', 'Current Liabilities', Material in transit/ under inspection/lying with contractors are subject to confirmation/ reconciliation and subsequent adjustments, as may be required.  
(b) On an overall basis the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amounts at which they are stated in the Balance Sheet.
  - 11) The Value of construction stores is charged to capital work-in-progress as and when the material is issued. The material at the year end lying at the work sites is treated as part of capital work in progress but the material lying in stores is grouped under the head "Stores & Spares".
  - 12) (a) The energy is being purchased as a bulk supply from UPPCL (The Holding Company).  
(b) UPPTCL has charged the Transmission charges @ Rs. 0.126 per KWH.

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- 13) Amount due to SSI units could not be ascertained and interest thereon could not be provided for want of complete information. Efforts are being made to segregate the same.
- 14) Based on actuarial valuation report submitted by M/s Price Waterhouse Coopers to UPPCL (the Holding Company) and adopted by their Board of Directors, the provision for accrued liability on account of Pension and Gratuity during the year has been made @ 16.70% and 2.38% respectively on the amount of Basic Pay and DA paid to the employees.
- 15) Liability towards Staff training, Medical expenses, Leave Encashment and LTC has been provided to the extent established.
- 16) The reconciliation of Inter Unit Transfer balances amounting to debit Rs. 118.71 crore (previous year debit Rs. 89.27 crore) is in process and the effects of reconciliation, if any, will be provided for, in the forthcoming years.
- 17) Rebate received against timely repayment of loan has been accounted for on cash basis.
- 18) Expenditure on UP Power Sector Employees Trust amounting to Rs. 41.87 (previous year 36.01) lacs, distributed on prorata basis has been accounted for as intimated by the Holding Company.
- 19) The recovery of advances to employee granted before the incorporation of Company is being accounted for in the books of the Nigam.
- 20) Employees cost includes remuneration to Managing Director and Directors as under.

Amount (Rs. in Lacs)

|                                   | 2011-12 | 2010-11 |
|-----------------------------------|---------|---------|
| Salary and Allowance              | 34.41   | 21.92   |
| Contribution to Gratuity/ Pension | 3.60    | 2.32    |

- 21) Payment to Directors and Officers in foreign currency towards foreign tour was Nil. (previous year - NIL)
- 22) Debts due from Directors were Rs. NIL. (Previous year - NIL)
- 23) Information pursuant of provision of Part I & II of Schedule VI of Companies Act, 1956 are as under :-

(a) Quantitative Details of Energy Purchased & Sold :-

| Sl.No. | Details                           | 2011-12   | 2010-11   |
|--------|-----------------------------------|-----------|-----------|
| (i)    | Total no. of Units Purchased (MU) | 22648.641 | 19639.613 |

*Kejriwal*

*Sharma*

*Sharma*

*Sharma*



|       |                                    |          |          |
|-------|------------------------------------|----------|----------|
| (ii)  | Total no. of Units sold (MU)       | 16024.72 | 14329.77 |
| (iii) | Transmission & Distribution Losses | 29.25%   | 27.04%   |

- (b) Contingent Liabilities under different categories i.e. Claims against the company not acknowledged as debts, Capital commitment and Contingencies for the year is Rs. 26.14 crore (previous year Rs. 10.49 crore).
- (c) The details of auditor's expenses is as under :-

(Rs. In lacs)

| Details                   | 2011-12 | 2010-11 |
|---------------------------|---------|---------|
| (i) As auditor            | -       | -       |
| (x) Audit fees            | 30.05   | 28.07   |
| (y) T.A. expenses         | 1.46    | 1.37    |
| (ii) As advisor           | -       | -       |
| (x) Taxation matters      | -       | -       |
| (y) Company law matters   | -       | -       |
| (iii) In any other manner | -       | -       |

- 24) Cash Flow Statement has been prepared by following the Indirect Method.
- 25) Government dues in respect of Electricity Duty and other levies amounting to Rs. 190.61 crore (previous year Rs. 174.28 crore) shown in Note No-6 includes Rs. 61.83 crore (previous year Rs. 52.68 crore) on account of compounding charges realised from consumers.
- 26) Since the Company is principally engaged in the distribution business of electricity and there are no other reportable segment as per AS-17, hence the disclosure as per AS-17 on segment reporting is not required.
- 27) The disclosure required as per AS-18 issued by ICAI on related parties transactions is not applicable as the Accounting Standard provides that " no disclosure is required in the financial statement of state-controlled enterprises as regard related party relationship with other state-controlled enterprises and transactions with such enterprises"
- 28) Due to heavy carried forward losses/depreciation and uncertainties to recover such losses/depreciation in near future, accounting of deferred tax assets as required by AS-22 issued by ICAI is not made.

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- 29) AS-28 requires estimation and provision for impairment loss represented by amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the assets net selling price and its value in use based on the present value of estimated future cash flows expected from the use of assets and its disposal at the end of its useful life. It is worth mentioning here that assets of the Company have been accounted for at their historical cost and most of the assets are very old. Thus the impairment of assets is unlikely in the Company because of the fact that the recoverable amount of the assets is higher than its present accounted value.
- 30) The figures shown in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest Rupee.
- 31) Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary

  
(H.K. Agarwal)  
Company Secretary  
Part-time

  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

  
(R.P. Gupta)  
Director(Finance)

  
(Vijay Vishwas Pant)  
Managing Director



**PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED**  
**VICTORIA PARK, MEERUT**

**SIGNIFICANT ACCOUNTING POLICIES 2011-12**

1. **GENERAL**

- (a) The financial statements are prepared in accordance with the provisions of The Companies Act 1956.
- (b) The accounts are prepared under historical cost convention, on accrual basis unless stated otherwise and on accounting assumption of going concern.
- (c) Subsidy, Grants etc are accounted for on cash basis. Interest on loans to staff is accounted for on receipt basis after the recovery of principal in full.

2. **FIXED ASSETS**

- (a) Fixed Assets are shown at the value transferred as per transfer Scheme, 2003 as well as the transactions made by Nigam w.e.f. 12.08.2003 onwards.
- (b) All costs relating to the acquisition and installation of fixed assets till the date of commissioning are capitalized.
- (c) Consumers Contribution, Grant and subsidies received towards cost of capital assets are treated initially as capital reserve and subsequently amortized in the proportion in which depreciation on related asset is charged.
- (d) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- (e) Due to multiplicity of functional units as well as multiplicity of function at particular unit, employees cost and general & administration expenses to capital works are capitalized @ 15% on distribution and deposit work, 11% on other works on the amount of total expenditure.
- (f) The 100% provision for loss on account of theft of fixed assets pending investigation are being made for balance at the close of financial year.

3. **DEPRECIATION**

- (a) Depreciation is charged on straight line method at the rates prescribed in the schedule XIV of Indian Companies Act 1956.
- (b) Fixed assets are depreciated up to 95% of original cost after taking 5% as the residual value of assets.

4. **STORES & SPARES**

- (a) Stores & Spares are valued at cost.
- (b) Steel scrap is valued at realizable value and scrap other than steel is accounted for in the accounts as and when sold.
- (c) Any shortage/excess of material found during the year end are shown as "material short/excess pending investigation" till the finalization of investigation.

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5. REVENUE/EXPENDITURE RECOGNITION

- (a) Revenue from sale of energy is accounted for on accrual basis.
- (b) Late payment surcharge recoverable from consumer on energy bills is accounted for on cash basis due to uncertainty of realisation.
- (c) The sale of electricity does not include electricity duty payable to the State Government, as the same is not the income of the Nigam.
- (d) Assessment of own energy consumption is done on the basis of connected load/hours of supply/meters.
- (e) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission.
- (f) In case of detection of theft of energy, the consumer is billed on laid down norms irrespective of actual realisation from the consumer.
- (g) Penal interest, overdue interest, commitment charges, restructuring charges and incentives/rebates on loans are accounted for on cash basis after final ascertainment.
- (h) 5% provision for bad and doubtful debts against revenue from sale of power are being made on incremental basis.
- (i) The provision for doubtful receivable from employees are being made @ 10% on incremental basis.

6. POWER PURCHASE

The bulk power purchase from UPPCL, is accounted for on the basis of bills raised by the UPPCL, the holding company.


7. RETIREMENT BENEFITS

- (a) Liability for Pension & Gratuity in respect of employees has been determined on the basis of actuarial valuation and has been accounted for on accrual basis.
- (b) Leave encashment and post retirement medical benefits are accounted for on the basis of claims received and approved during the year.

  
(H.K. Agarwal)  
Company Secretary  
Part-time

  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

  
(R.P. Gupta)  
Director(Finance)

  
(Vijay Vishwas Pant)  
Managing Director





**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

**CASH FLOW STATEMENT**

(Rs. in Crore)

| PARTICULARS                                                    | Year 2011-12     | Year 2010-11   |
|----------------------------------------------------------------|------------------|----------------|
| Cash Flow from operating activities                            |                  |                |
| Net Loss before prior period expenses                          | -1996.02         | -448.68        |
| <u>Adjustment for</u>                                          |                  |                |
| Depreciation                                                   | 117.20           | 189.04         |
| Interest expenses (Financing)                                  | 180.59           | 166.64         |
| Prior period adjustments (Net)                                 | 4.42             | -4.01          |
| <b>SUB TOTAL</b>                                               | <b>-1,693.81</b> | <b>-97.01</b>  |
| Operating profit before working capital change                 |                  |                |
| <u>Working Capital changes</u>                                 |                  |                |
| Trade Receivables                                              | -608.54          | -598.03        |
| Stores' Spares                                                 | -62.37           | -57.22         |
| Loans & Advances                                               | 11.43            | 0.64           |
| Other Current Assets                                           | -156.40          | -168.44        |
| Trade Payables                                                 | 2311.42          | 1315.59        |
| Current Liabilities                                            | 480.26           | -145.57        |
| <b>SUB TOTAL</b>                                               | <b>1,975.80</b>  | <b>346.97</b>  |
| Net cash from operating activities- A                          | 281.99           | 249.96         |
| <b>Cash flow from investing activities</b>                     |                  |                |
| Additions to fixed assets & WIP                                | -725.93          | -538.34        |
| Investment in Discoms (Subsidiaries)                           |                  |                |
| Interest received                                              |                  |                |
| Fixed assets transferred from UPPCL                            |                  |                |
| Net Cash flow from investing activities- B                     | <b>-725.93</b>   | <b>-538.34</b> |
| <b>Cash flow from financing activities</b>                     |                  |                |
| Proceeds from Equity                                           | 263.10           | 304.05         |
| Proceeds from borrowings (Net)                                 | 138.05           | 94.96          |
| Proceeds from consumers' contribution and GoUP Capital Subsidy | 148.91           | 133.23         |
| Interest paid on borrowings                                    | -180.59          | -166.64        |
| Restructuring Account                                          |                  |                |
| Loans/Liabilities transferred from UPPCL                       |                  |                |
| Net Cash flow from financing activities- C                     | <b>369.47</b>    | <b>365.60</b>  |
| Net increase in Cash and Cash equivalents (A+B+C)              | -74.47           | 77.22          |
| Cash and Cash equivalents at the beginning of the Year         | 697.81           | 620.59         |
| Cash and Cash equivalents at the end of the Year               | 623.34           | 697.81         |

  
(H.K. Agarwal)  
Company Secretary  
Part Time

  
(P.K. Agarwal)  
Dy. G.M.(Accounts)

  
(R.P. Gupta)  
Director(Finance)

  
(Vijay Vishwas Pant)  
Managing Director

Place : Meerut


Date : 14 MAY 2013




**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,**  
**Urja Bhawan, Victoria Park, Meerut**

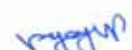
|          |                                                                                          |                                        |            |                                          |           |
|----------|------------------------------------------------------------------------------------------|----------------------------------------|------------|------------------------------------------|-----------|
| <b>1</b> | <b>Registration details</b>                                                              | Registration No. -                     | 20 - 27458 | State Code                               | 20        |
|          |                                                                                          | Balance Sheet Date                     | 31 3       | 2012                                     |           |
|          |                                                                                          |                                        | Date       | Month                                    | Year      |
| <b>2</b> | <b>Capital raised during the year</b><br>(Amount in Rupees Thousands)                    | Public Issue                           | -          | Bonus Issue                              | -         |
|          |                                                                                          | Right Issue                            | -          | Private Placement                        | -         |
| <b>3</b> | <b>Position of Mobilisation and Development of Funds</b><br>(Amount in Rupees Thousands) | Total Liabilities                      | 77497878   | Total Assets                             | 77497878  |
|          | <b>Sources of Funds :</b>                                                                | Paid Up Capital                        | 8050280    | Reserves & Surplus Less Accumulated Loss | -51949989 |
|          |                                                                                          | Share App. Money pending for allotment | 12972094   | Other Current Liabilities                | 32619029  |
|          |                                                                                          | Long term borrowings                   | 10598980   | Trade payables                           | 65207484  |
|          | <b>Applications of Funds :</b>                                                           | Net Fixed Assets                       | 35250582   | Net Current Assets                       | 42247296  |
|          |                                                                                          | Investments                            |            |                                          |           |
| <b>4</b> | <b>Performance of the Company</b><br>(Amount in Rupees Thousands)                        | Turnover (Gross Revenue)               | 75823778   | Total Expenditure**                      | 95739734  |
|          |                                                                                          | (+/-) Profit/Loss before Tax           | -19915956  | (+/-) Profit/Loss after Tax              | -19915956 |
|          |                                                                                          | Earning per Share (in Rupees)          | -2474      | Dividend rate in %                       | NIL       |
|          | Product/Service description                                                              |                                        |            | Item code No.                            |           |
| (i)      | Purchase of Electricity                                                                  |                                        |            | 22648.641 MU                             |           |
| (ii)     | Distribution and Sale of Electricity                                                     |                                        |            | 16024.720 MU                             |           |

\*\* Including Prior Period Expenditure


  
**(H.K. Agarwal)**  
 Company Secretary  
 Part Time

  
**(P.K. Agarwal)**  
 Dy. G.M.(Accounts)

  
**(R.P. Gupta)**  
 Director(Finance)

  
**(Vijay Vishwas Pant)**  
 Managing Director



For S.K. Kumar & Co.  
 Chartered Accountants  
  
 CA AQUIL SHABBIR FCA  
 Partner