

पश्चिमांचल विद्युत वितरण निगम लि०

PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.



ANNUAL ACCOUNTS FOR THE
YEAR 2008-09 (Revised)

Registered Office : Urja Bhawan Victoria Park, Meerut

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2	Profit & Loss Account
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**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT**

REVISED

BALANCE SHEET AS at 31.03.2009

(Amount in Rs.)			
PARTICULAR	SCHEDULE	As at 31.03.09	As at 31.03.08
<u>SOURCES OF FUNDS</u>			
<u>Shareholders funds :</u>			
Share Capital	(1)	5599536000	5599536000
Share Application Money	(1A)	6388872629	7086073425
Reserve & Surplus ..	(2)	6643716010	5514534721
		18632124639	18200144146
<u>Loan Funds</u>			
Secured Loans	(3)	7390037670	5715873738
Unsecured Loans		4222721505	4647537874
		11612759175	10363411612
TOTAL		30244883814	28563555758

APPLICATION OF FUNDS

Fixed Assets

Gross Block		39856206857	34760734759
Less-Accumulated Depreciation	(4)	19897387342	15646510321
Net Block		19958819515	19114224438
Capital Work in Progress Investment	(5)	1473957038	1574794745
		21432776553	20689019183

Current Assets, Loans & Advances

Stores & Spares	(6)	2261763062	1837198166
Sundry Debtors	(7)	8500918671	7673402857
Cash and Bank Balances	(8)	3917877455	3562494016
Other Current Assets	(9)	3357270718	5189861848
Loans & Advances	(10)	1949028797	2341395174
Inter Unit Transfer	(10A)	567289988	261542414
		20554148691	20865894475
Less : Current Liabilities & Provisions	(11)	43809393194	38696603185

Net Current Assets		(23255244503)	(17830708710)
Profit & Loss Account (Debit Balance)		32067351764	25705245285

Notes on Accounts (23)
Schedule 1 to 23 and Accounting Policies form integral part of Accounts.

TOTAL		30244883814	28563555758
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(H.K. Agarwal)
(H.K. Agarwal)
Company Secretary
Part Time

(P.K. Agarwal)
(P.K. Agarwal)
Dy. General Manager (Acctt.)

(S.K. Agarwal)
(S.K. Agarwal)
Director

(Amit Gupta)
(Amit Gupta)
Managing Director

Place : Meerut
Date :



For S.K. Kumar & Co.
Chartered Accountants

(Amit Gupta)
CA AQUIL SHABIR FCA
Partner

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

REVISED

REVISED PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 01.04.08 TO 31.03.09

(Amount in Rs.)

PARTICULAR	SCHEDULE	FOR THE PERIOD FROM 01.04.08 TO 31.03.09	FOR THE PERIOD FROM 01.04.07 TO 31.03.08
INCOME			
Revenue from sale of power (Gross)		40255256466	34058462219
Less Electricity Duty	(12)	<u>937004536</u>	<u>853169675</u>
Energy internally Consumed		39318251930	33205292544
Revenue Subsidies & Grants	(13)	57730829	61937294
Other income	(14)	4955800000	5614500000
		744421010	526830334
TOTAL		45076203769	39408560172
EXPENDITURE			
Purchase of Power	(15)	42181508980	40930526694
Wheeling Charges		1878528740	3163910970
Repair & Maintenance Expenses	(16)	1134587989	845661606
Employees Cost	(17)	1642579784	1117089124
Administrative, General & Other Expenses	(18)	178962636	183420757
Interest and Finance Charges	(19)	1372053629	1241421084
Depreciation	(20)	1530575022	1208898995
Provisions	(21)	7569510	16892797
Preliminary Expenses written off			4004725
TOTAL		49926366290	48711826752
Profit/(Loss) For the Year		(4850162521)	(9303266580)
Net prior period			(9303266580)
Income/(Expenditure)	(22)	(1511943958)	2652051038
Net Profit/(Loss) for the year		(6362106479)	(6651215542)
Accumulated loss brought forward		(25705245285)	(19054029743)
Net Profit/(Loss) Carried Over to Balance Sheet		(32067351764)	(25705245285)
Notes on Accounts	(23)		
Earning per share		(1136)	(1188)

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(S.K. Agarwal)
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Amit Gupta
(Amit Gupta)
Managing Director

Place : Meerut
Date :



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Aquill Shabbir
CA AQUIL SHABBIR FCA
Partner

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

Revised
SCHEDULE - 1

SHARE CAPITAL

PARTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
A. <u>AUTHORISED</u>	20000000000	20000000000
20000000 Equity Shares of Rs.1000/-each		
B. <u>ISSUED SUBSCRIBED AND PAID UP</u>		
(i) 5599036 Equity Share of Rs.1000/- each fully paid up	5599036000	5599036000
(ii) Promotors' Shares (500 Equity Share of Rs. 1000/- each)	500000	500000
TOTAL	5599536000	5599536000

SHARE APPLICATION MONEY

SCHEDULE - 1A

PERTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
SHARE APPLICATION MONEY		
(Pending for allotment to UPPCL)	6388872629	7086073425
TOTAL	6388872629	7086073425

RESERVES AND SURPLUS

SCHEDULE - 2

PARTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
A <u>Capital Reserve</u>		
i) Consumers Contributions towards Service Line and other charges	5665736617	4579979206
B <u>Grants</u>	971734666	934555515
B <u>Restructuring reserve account</u>	6244727	0
TOTAL	6643716010	5514534721

(Signature)
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(Signature)
(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants

(Signature)
CA AQUIL SHABBIR FCA
Partner

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

Revised
SCHEDULE - 3

LOAN FUNDS

(Amount in Rs.)

PARTICULARS	As at 31.03.09	As at 31.03.08
A. SECURED LOAN -		
(a) TERMS LOAN		
i) APDRP (PFC) (Secured against hypothecation of all the movable assets created under the loan)	1974143986	1903627209
ii) Power Finance Corporation Ltd. (Against theft prevention scheme. Secured against hypothecation of assets created)	423208474	472997706
(b) SHORT TERMS LOAN-		
Rural Electrification Corporation Ltd.		
i) (Secured against hypothecation of stores and charge on receivables of specified receipt accounts through escrow arrangements)	3185151509	1888484867
ii) Power Finance Corporation Ltd. (Charge on Receivables of specified receipt accounts through escrow arrangements)	1807533701	1450763956
Sub Total (A)	7390037670	5715873738
B. UNSECURED LOANS -		
(a) TERM LOANS :		
i) Govt. of U.P. Loan (Transfer Scheme)	37500000	37500000
FINANCIAL INSTITUTIONS		
ii) Rural Electrification Corporation Ltd. Loan (Transfer Scheme) (Guaranted by U.P. Govt.)	2280432924	2416247101
Interest accrued & due	<u>355640161</u>	<u>527071502</u>
iii) Power Finance Corporation Ltd. Loan (Transfer Scheme) (Guaranted by U.P. Govt.)	2636073085	2943318603
iv) U.P. State Industrial Development Corporation Ltd. Loan (Transfer Scheme)	140381798	184059665
v) NCRPB Loan (Transfer Scheme)	0	4030809
	37274250	52058285
Sub Total (B)	2851229133	3220967362

Myself

TSBND

Pragya

C



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

Revised
SCHEDULE - 3 (continue)

LOAN FUNDS

PARTICULARS	As at 31.03.09	As at 31.03.08
C. <u>LOAN BY UPPCL</u>		
i) <u>Rural Electrification Corporation Ltd.</u>	50787140	70231593
ii) <u>Power Finance Corporation Ltd.</u>	39996232	75629919
iii) <u>U.P. Govt.(APDRP)</u>		
Loan	425165000	425165000
iv) <u>U.P. Govt.(W.B. Aided Project)</u>		
Loan	855544000	855544000
Sub Total D	1371492372	1426570512
TOTAL	11612759175	10363411612

(Signature)
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(S.K. Agarwal)
Director

(Signature)
(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants

(Signature)
CA AQUIL SHABBIR FCA
Partner

PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT

SCHEDULE - 4 - Fixed Assets

Revised

Particulars	Gross Block				Depreciation				Net Block	
	As at 31.03.08	Additions	Deductions/ Adjustments	As at 31.03.09	As at 31.03.08	Additions	Deductions/ Adjustments	As at 31.03.09	As at 31.03.09	As at 31.03.08
Land & Land Rights										
i) Unclassified										
ii) Freehold Land	2695470	7350324		10045794					10045794	2695470
Buildings	199801325	85194886	185472	284910739	9427921	7664167		17092088	267718651	190373404
Plant & Machinery	4871553148	5261975055	3156262275	6977265928	-966233536	410848881	487965375	-1073340030	8050605958	5867786684
Lines, Cable Network etc.	5796088615	3390321853	500533203	8685877365	263976754	535796212	35155784	764617182	7921260183	5532111861
Vehicles	1676597			1676597	-107523	557742		450219	1226378	1784120
Furniture & Fixtures	5345552	4503399		9850951	375130	656227		1031357	8819594	4970422
Office Equipments	4374052	3105431		7479483	1538750	885930		2404680	5074803	2835302
Transfer Scheme	23879200000			23879200000	16367532825	3817599021		20185131846	3694068154	7511667175
Total	34760734759	8752453048	3656960960	39856206857	15646510321	4773988180	523111159	19897387342	19958819515	19114224438

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Partner

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

Revised
SCHEDULE - 5

CAPITAL WORKS IN PROGRESS

PARTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
Capital Work in Progress*	1285332283	1313764712
Add revenue expenditure pending for capitalisation**	188624755	261030033
TOTAL	1473957038	1574794745

Notes :

- * It includes Establishment and Administration & General Cost related to works.
- ** It includes borrowing cost only related to works.


SCHEDULE - 6

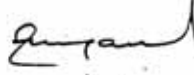
STORES & SPARES

PARTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
Stock of Materials	2261763062	1837198166
TOTAL	2261763062	1837198166

Notes : Stock of material 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

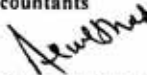

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Chartered Accountants


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

Revised
SCHEDULE - 7

SUNDRY DEBTORS

(Amount in Rs.)

PARTICULARS	As at 31.03.09	As at 31.03.08
Sundry Debtors	25268918671	24441402857
Unsecured & considered good	8500918671	7673402857
Considered doubtful	16768000000	16768000000
	25268918671	24441402857
Less - Provision for Bad & Doubtful Debts	16768000000	16768000000
TOTAL	8500918671	7673402857

SCHEDULE - 8

CASH AND BANK BALANCES

(Amount in Rs.)

PARTICULARS	As at 31.03.09	As at 31.03.08
<u>CASH IN HAND</u>		
Meerut Zone	523995994	607905173
Moradabad Zone	186245601	237376569
Saharanpur Zone	245421034	317418583
Head Office	51987	19542
	955714616	1162719867
<u>Balances with Scheduled Banks</u>		
Meerut Zone	1949475513	1720913004
Moradabad Zone	395639935	297254983
Saharanpur Zone	252232530	239778521
Head Office	364814861	141827641
	2962162839	2399774149
TOTAL	3917877455	3562494016

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Part Time

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(S.K. Agarwal)
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(Amit Gupta)
(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants

Aquill Shabbir
CA AQUIL SHABBIR FCA
Partner

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

Revised
SCHEDULE - 9

OTHER CURRENT ASSETS

(Amount in Rs.)

PARTICULARS	As at 31.03.09	As at 31.03.08
Income accrued but not received	5333605	3461581
<u>Receivables</u>		
UPPCL	1946209731	691375662
UP Rajya Vidyut Utpadan Nigam Ltd	1809540	6815313
UPPTCL	26209666	
<u>Receivables on Account of Loan</u>		
UPPCL	1954516533	4875873252
Less Liabilities against Loan	<u>-1150535021</u>	<u>-893355918</u>
	803981512	3982517334
<u>Other Receivables</u>		
Employees	114092003	97784488
Less Provision for doubtful Receivable	<u>-11662620</u>	<u>-9998917</u>
Receivables as per Transfer Scheme	219800000	219800000
Prepaid Expenses	1936523	1494034
Misc. Receivable	8784403	12118774
Receivable from Insurance Company	904683	904683
Theft of fixed Assets pending investigation	253177079	194119009
Less Provision for Estimated Loss	<u>-25317708</u>	<u>-19411901</u>
	227859371	174707108
<u>Deposits</u>		
Tax deducted at source	12012301	8881788
TOTAL	3357270718	5189861848

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

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Partner

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

Revised
SCHEDULE - 10

LOANS AND ADVANCES


PARTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
<u>A. LOANS (Secured/considered good)</u>		
Employees (including advances) (Recoverable from salary)	268378	179929
<u>B. ADVANCES (Unsecured)</u>		
Suppliers / Contractors	1948760419	2341206600
<u>C. Deposits</u>		
Telephone Security Deposit		8645
TOTAL	1949028797	2341395174

SCHEDULE - 10A

INTER UNIT TRANSFER

PARTICULARS	(Amount in Rs.)	
	As at 31.03.09	As at 31.03.08
<u>A. Transfer of Funds</u>	274455050	113437353
<u>B. Others :-</u>	292834938	148105061
TOTAL	567289988	261542414

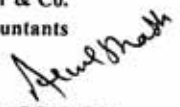

(H.K. Agarwal)
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(Amit Gupta)
Managing Director

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Chartered Accountants


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

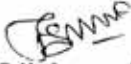
Revised
SCHEDULE - 11

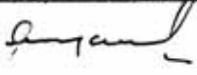
CURRENT LIABILITIES AND PROVISIONS

(Amount in Rs.)

PARTICULARS	As at 31.03.09		As at 31.03.08	
Liability for Purchase of Power : M/S UPPCL		23408914265		20761719234
Dhampur Sugar Mill		(372923)		(372923)
Wheeling Charges : M/S UPPTCL		595203763		1272453826
Liabilities As per Transfer Scheme 2003	4148800000		4148800000	
Staff Related Liabilities	946983220		(122795445)	
Sundry Liabilities	941877		7947009	
Liabilities for Expenses	33289079		109949499	
Liability for Capital and O&M Supplies/Works	2225394713		1771881311	
Financial contribution by consumers	(1512)	7355407377	(1512)	5915780862
Deposits & Retentions from Suppliers & Others		345504188		250223614
Electricity Duty & Other Levies payable to Govt.		968735469		627493430
Deposit for Electrification works		7837492		40121099
Other Liabilities payable to :				
UPPCL		2470027771		1880310000
Madhyanchal Vidyut Vitran Nigam Ltd		77944650		79751529
Purvanchal Vidyut Vitran Nigam Ltd		2305655		2305655
Dakshinanchal Vidyut Vitran Nigam Ltd		2799412		6926347
General Provident Fund	2611598501		2560975133	
Pension and Gratuity	402231671	3013830172	395275314	2956250447
CPF		3135172		1619788
Interest Accrued but not Due on Borrowings		97347117		72668852
Security Deposits from Consumers	4873023660		4247209276	
Interest on Security Deposits from Consumers	123647733	4996671393	118044996	4365254272
Provisions :				
Provision for Audit Expenses		1002221		997153
Provision for unserviceable store		463100000		463100000
TOTAL		43809393194		38696603185


(H.K. Agarwal)
Company Secretary
Part Time

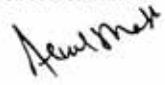

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Dy. General Manager (Acctt.)


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Director


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Managing Director



For S.K. Kumar & Co.
Chartered Accountants


CA AQUIL SHABBIR FCA
Partner

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
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Revised
SCHEDULE - 12

REVENUE FROM SALE OF POWER

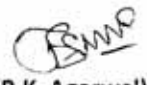
	(Amount in Rs.)	
PARTICULARS	2008-09	2007-08
<u>Large Supply Consumers</u>		
Industrial	19225977040	15864830103
Irrigation	1995861	1948477
Public Water Works	724816662	609258721
<u>Small & Others Consumers</u>		
Domestic	9320531658	7537337122
Commercial	2948578468	2877887285
Industrial Low & Medium Voltage	3225174492	2678965873
Public Lighting	385400381	303519428
STW & Pump Canals	630645652	399154450
PTW & Sewage Pumping	1894222266	1770899087
Institution	720332409	710214828
Assessment against Theft	235465228	432947165
Miscellaneous Charges from consumers	62842642	80267299
Less - Energy internally Consumed	(57730829)	(61937294)
Sub Total	39318251930	33205292544
Electricity Duty	937004536	853169675
Gross Sale of Power	40255256466	34058462219
Less Electricity Duty	937004536	853169675
Net Sale of Power	39318251930	33205292544

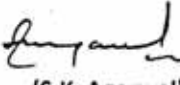
REVENUE SUBSIDIES AND GRANTS

SCHEDULE - 13

	(Amount in Rs.)	
PARTICULARS	2008-09	2007-08
<u>A. Subsidies</u>		
R.E. Subsidy from Govt. of U.P.	1018500000	1035000000
Revenue Loss & Tariff Subsidy from Govt. of U.P.	3937300000	4579500000
TOTAL	4955800000	5614500000


(H.K. Agarwal)
Company Secretary
Part Time

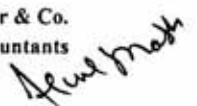

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VICTORIA PARK, MEERUT**

Revised
SCHEDULE - 14

OTHER INCOME

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
Interest from loan to Staff *	104982	114966
Delayed Payment Charges from consumers	677324473	477309309
Interest from Bank	41335374	9120551
Income from Contractors/Suppliers	10153590	21657146
Rental from Staff	1326774	767761
Rebate for timely repayment of Loan	12328055	13839547
Miscellaneous Receipts	1847762	1910001
Excess found on physical verification of Stores		2111053
TOTAL	744421010	526830334

* Pertains to loan amount advanced during UPSEB period

SCHEDULE - 15

PURCHASE OF POWER

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
UPPCL		
Power Purchase	42181508980	40930526694
Wheeling Charges	1878528740	3163910970
TOTAL	44060037720	44094437664

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

(Signature)
(P.K. Agarwal)
Dy. General Manager (Acctt.)

(Signature)
(S.K. Agarwal)
Director

(Signature)
(Amit Gupta)
Managing Director



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

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

Revised
SCHEDULE - 16

REPAIR & MAINTENANCE

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
Plant & Machinery	443296704	373503123
Buildings	21847285	16101608
Lines, Cables net works etc.	668142488	455010135
Furniture & Fixtures	110482	116317
Office Equipments	1191030	930423
TOTAL	1134587989	845661606

SCHEDULE - 17

EMPLOYEES COST

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
Salaries & Allowances	1413794924	1043231575
Dearness Allowance	562459322	406342642
Other Allowances	78223926	72128421
Bonus	31717084	28502575
Medical Expenses	25709417	36437339
Leave Travel Assistance	3841	22413
Earned Leave Encashment on retirement	46638390	24123115
Compensation	2022303	1887857
Staff Welfare Expenses	3115686	1608116
Pension & Gratuity	402907363	262663393
CPF	12195286	7080290
Expenditure on Trust	2556286	2201060
Sub Total	2581343828	1886228796
LESS - Expenses Capitalised	938764044	769139672
TOTAL	1642579784	1117089124

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

(Signature)
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(Signature)
(S.K. Agarwal)
Director

(Signature)
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Managing Director

For S.K. Kumar & Co.
Chartered Accountants



(Signature)
CA AQUIL SHABBIR FCA
Partner


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

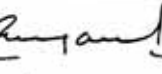
Revised
SCHEDULE - 18


ADMINISTRATIVE, GENERAL & OTHER EXPENSES

	(Amount in Rs.)	
PARTICULARS	2008-09	2007-08
Rent	2118933	2159356
Rates & Taxes	4645759	3530930
Insurance	2535931	2738554
Telephone	20606477	18068151
Postage	4834240	8527547
Legal Charges	11653924	11646119
Audit Fee	4420465	301976
Traveling Expenses (Audit)	230793	129792
Consultancy Charges		68500
Fees & Subscription	21356209	16186628
Traveling and Conveyance	22245519	20563058
Printing and Stationery	18297675	16330977
Advertisement Expenses	22163645	13936125
Electricity Charges	57730829	61937294
Water Charges	26109	23452
Miscellaneous Expenses	94212024	97258023
SUB TOTAL	287078532	273406482
LESS - Expenses Capitalised	114049000	95588416
SUB TOTAL	173029532	177818066
<u>OTHER EXPENSES</u>		
Compensation staff	1877553	730788
Compensation (Other than staff)	4055551	4871903
SUB TOTAL	5933104	5602691
TOTAL	178962636	183420757


(H.K. Agarwal)
Company Secretary
Part Time

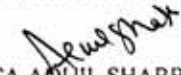

(P.K. Agarwal)
Dy. General Manager (Acctt.)


(S.K. Agarwal)
Director


(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants


CA AQUIL SHABBIR FCA
Partner

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

Revised
SCHEDULE - 19

INTEREST AND FINANCE CHARGES

	(Amount in Rs.)	
PARTICULARS	2008-09	2007-08
Interest on Loans		
Government of UP	189810553	189810553
PFC	350269768	343937565
Others	3324401	4323381
UPSIDC		3230
APDRP	227077157	189583608
REC	603339635	562637129
IDBI		3967249
Interest to Consumers	170131896	130716422
Finance Charges	4800878	5074640
Bank Charges		
Others	742772	950915
SUB TOTAL	1549497060	1431004692
LESS - Interest Capitalised	177443431	189583608
TOTAL	1372053629	1241421084


(H.K. Agarwal)
Company Secretary
Part Time

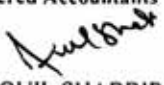

(P.K. Agarwal)
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(S.K. Agarwal)
Director


(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants


CA AQUIL SHABBIR FCA
Partner

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

Revised
SCHEDULE - 20

DEPRECIATION

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
Depreciation	1814035485	1432699878
Less - Equivalent amount of Depreciation on Assets acquired out of the Consumer's Contribution and GOUP's Capital Subsidy	(283460463)	(223800883)
GRAND TOTAL	1530575022	1208898995

SCHEDULE - 21

BAD DEBTS & PROVISIONS

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
Provision for Loss against theft of Fixed Assets pending investigation	5905807	9529977
Provision for Bad & Doubtful Dues from Staff on accounts of various reasons.	1663703	7362820
GRAND TOTAL	7569510	16892797

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

P.K. Agarwal
(P.K. Agarwal)
Dy. General Manager (Acctt.)

S.K. Agarwal
(S.K. Agarwal)
Director

Amit Gupta
(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants

Aquil Shabbir
CA AQUIL SHABBIR FCA
Partner

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

Revised
SCHEDULE - 22

NET PRIOR PERIOD INCOME/(EXPENSES)

PARTICULARS	(Amount in Rs.)	
	2008-09	2007-08
A. INCOME	(14309072)	5173093
SUB TOTAL	(14309072)	5173093
B. EXPENDITURE		
i) Power Purchase	(934813734)	
ii) Wheeling Charges	(931946819)	
iii) Operating Expenses	2697121	1027057
iv) Employees Cost	636474782	20728759
v) Depreciation Prev. Years	2684278244	(2671358329)
vi) Interest & finance charges	38119467	3143641
vii) Adm. & General Expenses	2825825	(419073)
SUB TOTAL	1497634886	(2646877945)
GRAND TOTAL	(1511943958)	2652051038

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

P.K. Agarwal
(P.K. Agarwal)
Dy. General Manager (Acctt.)

S.K. Agarwal
(S.K. Agarwal)
Director

Amit Gupta
(Amit Gupta)
Managing Director

For S.K. Kumar & Co.
Chartered Accountants

Aquil Shabbir
CA AQUIL SHABBIR FCA
Partner



PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED

Revised

SCHEDULE No. 23

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

- 1) (a) The Company is a subsidiary of U. P. Power Corporation Ltd. The annual accounts are prepared on the basis of opening balances received under Transfer Scheme 2003 which are subject to finalization of the same and will be adjusted accordingly.
(b) The Authorised Capital of the Company is Rs. 2000.00 crores.
(c) Accounting of funds received against Rajiv Gandhi Gramin Vidyutikaran Yojana has been made as Share Application Money (pending for allotment) as per orders of the U.P. Govt/UPPCL, the Holding Company.
(d) Difference of Loan transferred under provisional Transfer Scheme 2003 and actual loan amounting to Rs. 6244727.00 has been shown in Restructuring Reserve Account "Schedule 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, are taken into accounts.
(b) During the year the depreciation has been provided as per rates prescribed in the Schedule-XIV of Companies Act 1956 on SLM basis.
The change in the rates as prescribed by the Central Govt. notification under Electricity (Supply) Act 1948 to the rates prescribed in schedule-XIV of Companies Act 1956 for the period 12.08.03 to 31.03.07 resulted decrease in depreciation amounting to Rs. 294.85 crore has been added back in the depreciation in view of comments of AG on the annual accounts of the Company for financial year 2007-08.
(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 scheme 2003, being the rate prescribed for majority of items as per Companies Act 1956.
- 3) Necessary action for capitalisation of borrowing cost pertaining to APDRP Scheme has been taken as per AS-16.
- 4) (a) Age-wise classification of Sundry Debtors could not be given as the same is under process.

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- (b) 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.
- (c) 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.
- 5) Other Current Assets "Schedule-9" of Rs. 335.73 crores includes "Theft of Fixed Assets" pending investigation amounting to Rs. 22.79 crore.
Provision of loss on account of theft of fixed assets, pending investigation, has been made @ 10% of the balance appearing at the end of the year.
- 6) (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.
- 7) 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".
- 8) (a) The energy is being purchased as a bulk supply from UPPCL (The Holding Company) @ Rs. 2.47 per KWH.
(b) UPPTCL has charged the Transmission charges @ Rs. 0.11 per KWH.
- 9) 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.
- 10) 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 for the period from 01.04.08 to 31.03.09 has been made @ 16.70% and 2.38% respectively on the amount of Basic Pay and DA paid to the employees.
- 11) Liability towards Staff training expenses, Medical expenses, Leave Encashment and LTC has been provided to the extent established.
- 12) The reconciliation of Inter Unit Transfer balances amounting to debit Rs. 56.73 crore (previous year debit Rs. 26.15 crore) is in process and the effects of reconciliation, if any, will be provided for in the forthcoming years.
- 13) Rebate received against timely repayment of loan has been accounted for on cash basis.

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B. N. V. S.

K. S. S. S.



- 14) Expenditure on UP Power Sector Employees Trust amounting to Rs. 25.56 (previous year 22.01) lacs, distributed on prorata basis has been accounted for as intimated by the Holding Company. Electricity Import Export and Payment Circle.
- 15) The recovery of advances to employee granted before the incorporation of Company is being accounted for in the books of the Nigam.
- 16) As per Clause IV of Schedule VI of Electricity (Supply) Act 1948, the corporation is required to transfer a minimum of 0.25% of gross value of fixed assets from its revenue to Contingency Reserve Account. Since the Company has losses, this appropriation has not been made.
- 17) Employees cost includes remuneration to Managing Director and Directors as under.

	Amount (Rs. in Lacs)	
	2008-09	2007-08
Salary and Allowance	12.21	7.32
Contribution to Gratuity/Pension	2.05	0.14

- 18) Payment to Directors and Officers in foreign currency towards foreign tour was Nil. (previous period - NIL)
- 19) Debts due from Directors were Rs. NIL. (Previous period - NIL)
- 20) 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	2008-09	2007-08
(i)	Total no. of Units Purchased (MU)	17372.71 *	16652.16
(ii)	Total no. of Units sold (MU)	12531.96	11966.01
(iii)	Transmission & Distribution Losses	27.86%	28.14%

* This figure includes 295.173 MU pertaining to Financial Year 2007-08.

- (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. 1.06 crore(previous year Rs. 34.25 crore).
- (c) The details of auditor's expenses is as under :- (Rs. In lacs)

Details	2008-09	2007-08
(i) As auditor		-
(x) Audit fees	4.42	3.01
(y) T.A. expenses	2.31	1.29
(ii) As advisor		-



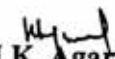
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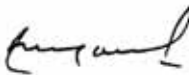
S. K. KUMAR & CO.


(x) Taxation matters		-
(y) Company law matters		-
(iii) In any other manner		

- 21) Cash Flow Statement has been prepared by following the Indirect Method.
- 22) Government dues in respect of Electricity Duty and other levies amounting to Rs. 96.87 crore shown in schedule -11 includes Rs. 29.34 crore on account of compounding charges realised from consumers.
- 23) 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.
- 24) 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"
- 25) 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.
- 26) AS-28 required 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.
- 27) The figures shown in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest Rupee.
- 28) Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.


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


(P.K. Agarwal)
Dy. General Manager (Acctt.)


(S.K. Agarwal)
Director


(Amit Gupta)
Managing Director



PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED
VICTORIA PARK, MEERUT

Revised

SIGNIFICANT ACCOUNTING POLICIES

1. **GENERAL**

- (a) The financial statements are prepared in accordance with the provisions of the Companies Act 1956. However, where there is a deviation from the provisions of the companies Act 1956 in preparation of these accounts, the corresponding provisions of Electricity (Supply) Act 1948 have been adopted.
- (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 opening balance.
- (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) Borrowing cost during construction stage of capital assets are apportioned on the average balance of capital work in progress for the year. The determination of amount of borrowing cost attributable to capital works are capitalized as per the computation method given in the Electricity (Supply) Annual Accounts Rules 1985.

3. **DEPRECIATION**

- (a) Depreciation is charged as per Electricity (Supply) Act 1948 on straight line method at the rates prescribed in the schedule XIV of Indian Companies Act 1956.

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(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.

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.

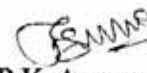
6. POWER PURCHASE


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. General Manager (Acctt.)


(S.K. Agarwal)
Director(Finance)


(Amit Gupta)
Managing Director




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

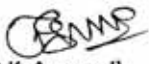
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CASH FLOW STATEMENT


(Rs. in Crore)

	Year 2008-09	Year 2007-08
Cash Flow from operating activities		
Net Loss before prior period expenses	-485.02	-930.33
Adjustment for		
Depreciation	153.06	120.89
Provisions including Bad Debts	0.76	1.69
Interest expenses (Financing)	137.21	124.14
Interest income		
Deferred Cost		
Prior period adjustments (Net)	-151.19	265.21
SUB TOTAL	-345.18	-418.40
Operating profit before working capital change		
Working Capital changes		
Sundry Debtors	-82.75	-173.93
Stores' Spares	-42.46	-42.80
Other Current Assets	182.50	-248.86
Loans & Advances	39.24	-40.38
Inter Unit Transfers	-30.58	19.18
Current Liabilities	511.28	1356.64
Current Assets/Liabilities transferred from UPPCL		
SUB TOTAL	577.23	869.85
Net cash from operating activities-	A	232.05
Cash flow from investing activities		
Additions to fixed assets & WIP	-227.44	-663.11
Investment in Discoms (Subsidiaries)		
Interest received		
Fixed assets transferred from UPPCL		
Net Cash flow from investing activities-	B	-227.44
Cash flow from financing activities		
Proceeds from Share Capital	-69.72	463.53
Proceeds from borrowings (Net)	124.94	-267.01
Proceeds from consumers' contribution and GoUP Capital Subsidy	112.92	149.51
Interest paid on borrowings	-137.21	-124.14
Restructuring Account		
Loans/Liabilities transferred from UPPCL		
Net Cash flow from financing activities-	C	30.93
Net increase in Cash and Cash equivalents (A+B+C)	35.54	10.23
Cash and Cash equivalents at the beginning of the Year	356.25	346.02
Cash and Cash equivalents at the end of the Year	391.79	356.25


(H.K. Agarwal)
Company Secretary
Part Time


(P.K. Agarwal)
Dy. General Manager (Acctt.)


(S.K. Agarwal)
Director


(Amit Gupta)
Managing Director

Place : Meerut
Date :



PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,

Urja Bhawan, Victoria Park, Meerut

Revised

1 Registration details

Registration No. -	20 - 27458	State Code	20
Balance Sheet Date	31	2009	
	Date	Month	Year

2 Capital raised during the year

(Amount in Rupees Thousands)

Public Issue	Bonus Issue
-	-
Right Issue	Private Placement
-	-

3 Position of Mobilisation and Development of Funds

(Amount in Rupees Thousands)

Total Liabilities	Total Assets
30244884	30244884
Sources of Funds :	Reserves & Surplus
Paid Up Capital	6643716
5599536	
Share App. Money pending for allotment	Unsecured Loans
6388872	4222722
Secured Loans	
7390038	Miscellaneous Expenditure
Applications of Funds :	0
Net Fixed Assets	Net Current Assets
21432776	-23255244
Accumulated Losses	Investments
32067352	-
	Total Expenditure**
	51438310
	(+/-) Profit/Loss after Tax
	-6362106
	Dividend rate in %
	NIL

4 Performance of the Company

(Amount in Rupees Thousands)

Turnover (Gross Revenue)	45076204
(+/-) Profit/Loss before Tax	-6362106
Earning per Share (in Rupees)	-1136

Product/Service description

- (i) Purchase of Electricity
- (ii) Distribution and Sale of Electricity

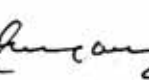
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NA
NA

** Including Prior Period Expenditure


(H.K. Agarwal)
Company Secretary
Part Time

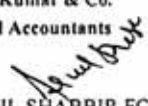

(P.K. Agarwal)
Dy. General Manager (Acctt.)


(S.K. Agarwal)
Director


(Amit Gupta)
Managing Director



For S.K. Kumar & Co.
Chartered Accountants


CA AQUIL SHABBIR FCA
Partner