

पश्चिमांचल विद्युत वितरण निगम लि०

PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.



**BALANCE SHEET AS AT 31.03.2005
AND
PROFIT & LOSS ACCOUNT FOR THE
PERIOD 01.04.04 to 31.03.05**

Registered Office : Victoria Park, Meerut

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

BALANCE SHEET AS at 31.03.2005

(Amount in Rs.)

PARTICULAR	SCHEDULE	As at 31.03.05		As at 31.03.04	
<u>SOURCES OF FUNDS</u>					
<u>Shareholders funds :</u>					
Share Capital	(1)	5400500000		5400500000	
Share Application Money	(1A)	738826028		199036028	
Reserve & Surplus	(2)	2365824466	8505150494	1662308018	7261844046
<u>Loan Funds</u>					
Secured Loans	(3)	68951104			
Unsecured Loans		6962308175	7031259279		4028956988
TOTAL			15536409773		11290801034

APPLICATION OF FUNDS

Fixed Assets

Gross Block		25934000407		24682275424	
Less-Accumulated Depreciation	(4)	<u>13805574805</u>		<u>12135027367</u>	
Net Block		12128425602		12547248057	
Capital Work in Progress Inventment	(5)	<u>1025418579</u>	13153844181	<u>929507666</u>	13476755723

Current Assets, Loans and Advances

Stores & Spares	(6)	93149413		170045400	
Sundry Debtors	(7)	2439852289		537373911	
Cash and Bank Balances	(8)	3124397573		2063606291	
Other Current Assets	(9)	4641859115		2405935194	
Loans & Advances	(10)	18619772		1601436	
Inter Unit Transfer		176830669		7220487	
		<u>10494708831</u>		<u>5185782719</u>	
Less : Current Liabilities and Net Current Assets	(11)	<u>13660384325</u>		<u>9427849061</u>	
			-3165675494		-4242066342

Miscellaneous Expenses

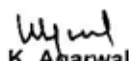
(to the extent not written off)

Preliminary Exp.			12014175		16018900
Profit & Loss Account (Debit Balance)			5536226911		2040092753

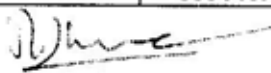
Notes on Accounts (23)

Schedule 1 to 23 and Accounting Policies
form integral part of Accounts.

TOTAL			15536409773		11290801034
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(H. K. Agarwal)
Company Secretary
In Part-time


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


(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director

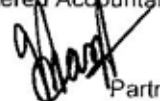
Place : Meerut

Date : 26 MAY 2005

Subject to our report of even date

For Manoj Sachdeva & Co.
Chartered Accountants




Partner

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

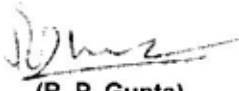
PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 01.04.04 TO 31.03.05

(Amount in Rs.)

PARTICULAR	SCHEDULE	FOR THE PERIOD FROM 01.04.04 TO 31.03.05	FOR THE PERIOD FROM 01.05.03 TO 31.03.04
<u>INCOME</u>			
Revenue from sale of power (Gross)		23076744517	11701947483
Less Electricity Duty	(12)	-581956258	-353430834
Energy internally Consumed		85728528	55581985
Revenue Subsidies & Grants	(13)	3505400000	1874651100
Other income	(14)	1298171398	421569160
TOTAL		27384088185	13700318894
<u>EXPENDITURE</u>			
Purchase of Power	(15)	26085746858	12891631189
Repair & Maintenance Expenses	(16)	511039389	279033074
Employees Cost	(17)	1938357215	1029406538
Administrative General & Other Expenses	(18)	194192901	109407256
Interest and Finance Charges	(19)	299658092	304404106
Depreciation	(20)	1817515763	1122524759
Provisions	(21)	1050178	
Preliminary Expenses written off		4004725	4004725
TOTAL		30851565121	15740411647
Profit/(Loss) For the Year		(3467476936)	(2040092753)
Net Prior Period Income/(Expenditure)	(22)	(28657222)	
Net Profit/(Loss) for the year		(3496134158)	
Accumulated loss brought forward		(2040092753)	
Net Profit/(Loss) Carried Over to Balance Sheet		(5536226911)	(2040092753)
Notes on Accounts	(23)		
Earning per share		(647)	(378)


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


(R. P. Gupta)
Director
(Finance)

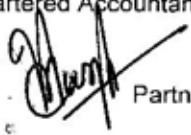

(Nand Lal)
Managing Director

Place : Meerut

Date : 20.04.05

Subject to our report of even date

For Manoj Sachdeva & Co.
Chartered Accountants


Partner

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

SCHEDULE - 1


SHARE CAPITAL

PARTICULARS	(Amount in Rs.)	
	As at 31.03.05	As at 31.03.04
A. AUTHORISED		
6000000 Equity Shares of Rs.1000/-each	6000000000	6000000000
B. ISSUED SUBSCRIBED AND PAID UP		
(i) 5400000 Equity Share of Rs.1000/- each fully paid up	5400000000	5400000000
(ii) Promoters' Shares (500 Equity Share of Rs. 1000/- each)	500000	500000
TOTAL	5400500000	5400500000


SHARE APPLICATION MONEY

SCHEDULE - 1A

PARTICULARS	(Amount in Rs.)	
	As at 31.03.05	As at 31.03.04
SHARE APPLICATION MONEY		
(Pending for allotment to UPPCL)	738826028	199036028
TOTAL	738826028	199036028


(H. K. Agarwal)
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In Part-time


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Dy. General Manager (Acctt.)


(R.P. Gupta)
Director
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(Nand Lal)
Managing Director



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

SCHEDULE - 2

RESERVES AND SURPLUS

(Amount in Rs.)


PARTICULARS	As at 31.03.04	Additions	Deductions / Adjustments	As at 31.03.05
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A Capital Reserve

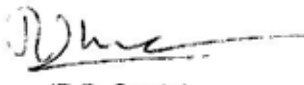
i) Consumers Contributions towards Service Line and other charges	1446325684	599370496	113391933	1932304247
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ii) Subsidies towards cost of Capital Assets	77700	117400	6092	189008
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<u>B Grants</u>	215904634	234353500	16926923	433331211
TOTAL	1662308018	833841396	130324948	2365824466


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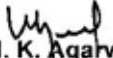
**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT**

SCHEDULE - 3

LOAN FUNDS

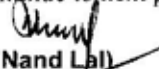
(Amount in Rs.)

PARTICULARS	As at 31.03.05		As at 31.03.04	
A. SECURED LOAN -				
(a) TERMS LOAN				
i) APDRP (PFC) (Secured against hypothecation of all the movable assets created under the loan)	67650000			
Interest accrued & due	1301104	68951104		
Sub Total (A)		68951104		-
B. UNSECURED LOANS -				
(a) TERM LOANS :				
i) Govt. of U.P.				
Loan (Transfer Scheme)	37500000	37500000	37500000	37500000
FINANCIAL INSTITUTIONS				
ii) Rural Electrification Corporation Ltd.				
Loan (Transfer Scheme) (Guaranted by U.P. Govt.)	2565326381	2565326381	2565800000	2565800000
iii) Power Finance Corporation Ltd.				
Loan (Transfer Scheme) (Guaranted by U.P. Govt.)	380006398		463916230	
Interest accrued & due	8387210	388393608	10211227	474127457
iv) U.P. State Industrial Development Corporation Ltd.				
Loan (Transfer Scheme)	8230087		12786927	
Interest accrued & due	58463	8288550	119560	12906487
v) Other Loans from Noida, HDFC, NCRPB & Grater Noida				
Loan (Transfer Scheme)	91671431		122634108	
Interest accrued & due	194942	91866373	244421	122878529
(b) Bill Rediscounting Scheme				
Industrial Development Bank of India				
Loan (Transfer Scheme)	66313054		99657112	
Interest accrued & due	215093	66528147	292164	99949276
Sub Total (B)		3157903059		3313161749


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(R.P. Gupta)
Director
(Finance)

continue to next page.....

(Nand Lal)
Managing Director



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

SCHEDULE - 3(continue..)

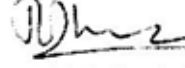
LOAN FUNDS

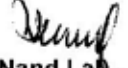
(Amount in Rs.)

PARTICULARS	As at 31.03.05	As at 31.03.04
C. <u>SHORT TERM LOANS :</u>		
i) <u>Rural Electrification Corporation Ltd.</u>		
Loan	1500000000	
Interest accrued & due	1315068	1501315068
ii) <u>Power Finance Corporation Ltd.</u>		
Loan	1000000000	
Interest accrued & due	4131849	1004131849
Sub Total C	2505446917	
D. <u>LOAN BY UPPCL</u>		
i) <u>Rural Electrification Corporation Ltd.</u>		
	109120499	11937000
ii) <u>Power Finance Corporation Ltd.</u>		
	183054664	209853730
iii) <u>U.P. Govt.(APDRP)</u>		
Loan	147350000	77496500
iv) <u>U.P. Govt.(W.B. Aided Project)</u>		
Loan	855544000	415636000
Sub Total D	1295069163	714923230
E. <u>FINANCIAL CONTRIBUTION BY CONSUMERS</u>		
	3889036	3889036
		872009
		872009
TOTAL	7031259279	4028956988


(H. K. Agarwal)
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(Finance)


(Nand Lal)
Managing Director




PASCHIMANCHAL IDYUT VITRAN NIGAM LIMITED
VICTORIA PARK, MEERUT


SCHEDULE - 4 - Fixed Assets

(Amount in Rs.)

Particulars	Gross Block			Depreciation			Net Block	
	As at 31.03.2004	Additions	Deductions/ Adjustments	As at 31.03.2004	Additions	Deductions/ Adjustments	As at 31.03.2005	As at 31.03.2004
Land & Land Rights								
i) Unclassified		130651					130651	
ii) Freehold Land								
Buildings	14752977	29926841	107348		445540	159	44127089	14752977
Other Civil Works								
Plant & Machinery	286485598	1494576249	1000166486	-153693724	26643428	253961355	1162907032	440179322
Lines, Cable Network etc.	500682775	879461612	154144921	-11498915	49458285	23322759	1211362855	512181690
Vehicles		20000	10000			9000	-9000	19000
Furniture & Fixtures	429485	525670			54845		54845	429485
Office Equipments	724589	1512595			109333		109333	724589
Transfer Scheme Data	23879200000			123002200006	1872129280		14172349286	11578979994
Total	24682275424	2406153718	1154428735	12135027367	1947840711	277293273	13805574805	12547248057


(H. K. Agarwal)
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(Finance)


(Nand Lal)
Managing Director



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

SCHEDULE - 5

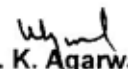
CAPITAL WORKS IN PROGRESS

PARTICULARS	(Amount in Rs.)	
	As at 31.03.05	As at 31.03.04
Capital Work in Progress*	816626296	833467489
Add revenue expenditure pending for capitalisation**	44425891	21878000
SUB TOTAL (A)	861052187	855345489
Advances to Suppliers/Contractors	164366392	74162177
SUB TOTAL (B)	164366392	74162177
TOTAL (A)+(B)	1025418579	929507666

Notes :

* It includes Establishment and Administration & General Cost related to works.

** It includes borrowing cost only related to works.


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


(P.K. Jauhari)
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(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director



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

SCHEDULE - 6

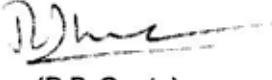
STORES & SPARES

PARTICULARS	(Amount in Rs.)	
	As at 31.03.05	As at 31.03.04
Stock of Materials	556249413	633145400
SUB TOTAL	556249413	633145400
Less - Provision for Unserviceable Stores	463100000	463100000
TOTAL	93149413	170045400

Notes : Stock of material includes capital, and O&M material, material issued to fabricators, obsolete material, scrap transformer sent to repair store, excess/shortage pending for investigation and material in transit.


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


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


(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director



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

SCHEDULE - 7

SUNDRY DEBTORS

(Amount in Rs.)

PARTICULARS	As at 31.03.05	As at 31.03.04
Sundry Debtors	19207852289	17305373911
Secured & Considered good *	2439852289	537373911
Considered doubtful	16768000000	16768000000
	<u>19207852289</u>	<u>17305373911</u>
Less - Provision for Bad & Doubtful Debts	16768000000	16768000000
TOTAL	2439852289	537373911

* Secured against security deposit from consumer

SCHEDULE - 8

CASH AND BANK BALANCES

(Amount in Rs.)

PARTICULARS	As at 31.03.05	As at 31.03.04
Opening Balance		776560520
<u>CASH IN HAND</u>		
Cash in Hand (Including Stamps in hand & imprest)	725994957	516072676
<u>Balances with Scheduled Banks</u>		
In Current & Other account	2398402616	770973095
TOTAL	3124397573	2063606291


(H. K. Agarwal)
Company Secretary
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Managing Director



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

SCHEDULE - 9

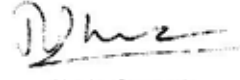
OTHER CURRENT ASSETS


(Amount in Rs.)

PARTICULARS	As at 31.03.05	As at 31.03.04
Income Accrued & Due	1770579	9091
<u>Receivables</u>		
UPPCL	3174318531	1292742407
Madhyanchal Vidyut Vitran Nigam Ltd	22719708	81459613
<u>Receivables on Account of Loan</u>		
UPPCL	1346403274	814343783
Less Liabilities against Loan	-140601995	1205801279
Employees	9659751	4899968
Less Provision for doubtful Receivable	1050178	8609573
Receivables as per Transfer Scheme	219800000	219800000
Prepaid Expenses	526422	345999
Mis. Receivables	7408340	
Receivable from Insurance Company	904683	904683
TOTAL	4641859115	2405935194


(H. K. Agarwal)
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Director
(Finance)


(Nand Lal)
Managing Director

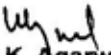


**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT**

SCHEDULE - 10

LOANS AND ADVANCES

PARTICULARS	(Amount in Rs.)	
	As at 31.03.05	As at 31.03.04
<u>A. LOANS (Secured/considered good)</u>		
Employees (including advances) (Recoverable from salary)	129819	-32322
<u>B. ADVANCES (Unsecured)</u>		
Suppliers / Contractors	18481308	1584201
<u>C. Deposits -</u>		
Others	8645	7025
TOTAL	18619772	1558904


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


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


(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director



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

SCHEDULE - II

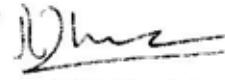
CURRENT LIABILITIES AND PROVISIONS

(Amount in Rs.)

PARTICULARS	As at 31.03.05		As at 31.03.04	
Liability for Purchase of Power		2717902029		57170737
Liabilities As per Transfer Scheme 2003	4148800000		4148800000	
Less - Staff Related Liabilities	88785733		-30092438	
Sundry Liabilities	-565578		-733741	
Liabilities for Expenses	8803395		-9369617	
Liability for Capital and O&M Supplies/Works	232599022	4478422572	308443685	4417047889
Deposits & Retentions from Suppliers & Others		34828630		8465363
Electricity Duty & Other Levies payable to Govt.		78481792		6886535
Deposit for Electrification works		14317348		13389345
Other Liabilities payable to :				
UPPCL Payable A/c		1077833947		454264042
Purvanchal		2398365		-1021635
Dakshinanchal		994417		-2935333
Provident Fund Liabilities	2274248126		2331091190	
Pension and Gratuity Liability	137980569	2412228695	-258142188	2072949002
CPF Liability		741516		83266
Security Deposits from Consumers	2791346938		2383082421	
Interest on Security Deposits from Consumers	50769473	2842116411	18354782	2401437203
Provisions :				
Provision for Audit Expenses (net)		118603		112647
TOTAL		13660384325		9427849061


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


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


(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director



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

SCHEDULE - 12

REVENUE FROM SALE OF POWER

(Amount in Rs.)

PARTICULARS	2004-05	01.05.03 to 31.03.04
Large Supply Consumers		
Industrial	9101048725	4790251762
Irrigation	555000	780630
Public Water Works	451616500	478835693
Small & Others Consumers		
Domestic	5730959423	2527401387
Commercial	2502796515	1104942128
Industrial Low & Medium Voltage	2071346678	970171515
Public Lighting	226990602	169582987
STW & Pump Canals	475417363	208039968
PTW & Sewage Pumping	1263178370	672342663
Common Pobl		1544797
Institution	649374880	352117579
Assessment against Theft	25350355	
Meter Rent/Service Line Rental		1439331
Miscellaneous Charges from consumers	81882376	115949794
Other Charges		10698400
Less - Energy internally Consumed	85728528	55581985
Sub Total	22494788259	11348516649
Electricity Duty	581956258	353430834
Gross Sale of Power	23076744517	11701947483
Less Electricity Duty	581956258	353430834
Net Sale of Power	22494788259	11348516649
Energy internally Consumed	85728528	55581985

SCHEDULE - 13

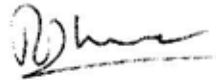
REVENUE SUBSIDIES AND GRANTS

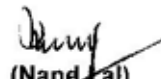
(Amount in Rs.)

PARTICULARS	2004-05	01.05.03 to 31.03.04
A. Subsidies		
R.E. Subsidy from Govt. of U.P.	2389200000	631135908
Revenue Loss & Tariff Subsidy from Govt. of U.P.	1116200000	1243515192
Other Subsidy		
TOTAL	3505400000	1874651100


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


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


(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director



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

SCHEDULE - 14

OTHER INCOME

PARTICULARS	(Amount in Rs.)	
	2004-05	01.05.03 to 31.03.04
Interest from loan to Staff	252201	96327
Delayed Payment Charges from consumers	1278510412	417319213
Other Income	7696799	
Income from Contractors/Suppliers	8672328	2735934
Rental from Staff	758126	333743
Miscellaneous Receipts	1087657	1009513
Excess found on physical verification of Stores.	1193875	74430
TOTAL	1298171398	421569160

SCHEDULE - 15

PURCHASE OF POWER

PARTICULARS	(Amount in Rs.)	
	2004-05	01.05.03 to 31.03.04
Power Purchased from -		
UPPCL	26085746858	12891631189
TOTAL	26085746858	12891631189


(H. K. Agarwal)
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Managing Director



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

SCHEDULE - 16

REPAIR & MAINTENANCE

PARTICULARS	(Amount in Rs.)	
	2004-05	01.05.03 to 31.03.04
Plant & Machinery	226494162	119220568
Buildings	8851108	6011198
Lines Cables net works etc.	275310129	153619440
Furniture & Fixtures	91149	70183
Office Equipments	292841	111685
TOTAL	511039389	279033074

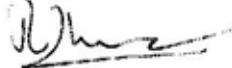
SCHEDULE - 17

EMPLOYEES COST

PARTICULARS	(Amount in Rs.)	
	2004-05	01.05.03 to 31.03.04
Salaries & Allowances	839689767	574807073
Dearness Allowance	519474334	333470741
Other Allowances	87371926	57990913
Bonus/Ex-gratia	12206612	10326619
Medical Expenses (Re-imburement)	20810565	11362013
Leave Travel Assistance		19224
Earned Leave Encashment	484914422	54688986
Compensation	306156	330137
Staff Welfare Expenses	1407197	1367444
Pension & Gratuity	250752000	164006005
CPF	397130	
Expenditure on Trust	1742309	883700
Sub Total	2219072418	1209252855
LESS - Expenses Capitalised	280715203	179846317
TOTAL	1938357215	1029406538


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


(P.K. Jauhari)
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(Finance)


(Nand Lal)
Managing Director


NAND LAL
MANAGING DIRECTOR

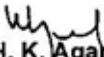
**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT**

SCHEDULE - 18

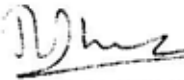
ADMINISTRATIVE, GENERAL & OTHER EXPENSES

(Amount in Rs.)

PARTICULARS	2004-05	01.05.03 to 31.03.04
Rent	2424243	1633116
Rates & Taxes	128130	808184
Insurance	1832183	867980
Communication Charges	16303754	13122418
Legal Charges	13408919	4136000
Audit Fee	247706	154264
Traveling Expenses (Audit)	134313	90182
Consultancy Charges	55900	6290
Fees & Subscription	11245860	
Traveling and Conveyance	25920448	15743144
Printing and Stationery	14777955	10873550
Advertisement Expenses	9746732	1537569
Electricity Charges	85728528	55581985
Water Charges	74139	12273
Miscellaneous Expenses	37510816	17982076
SUB TOTAL	219539626	122549031
LESS - Expenses Capitalised	27229458	14163839
SUB TOTAL	192310168	108385192
<u>OTHER EXPENSES</u>		
Compensation staff	641590	134000
Compensation (Other than staff)	1210643	809064
Loss of Material due to pilferages	30500	79000
SUB TOTAL	1882733	1022064
TOTAL	194192901	109407256


(H. K. Agarwal)
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In Part-time


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Dy. General Manager (Acctt.)


(R.P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director

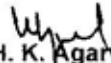



**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT**

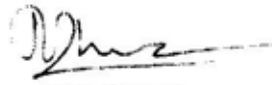
SCHEDULE - 19

INTEREST AND FINANCE CHARGES

PARTICULARS	(Amount in Rs.)	
	2004-05	01.05.03 to 31.03.04
Interest on Loans		
Government of UP	89188416	3905135
PFC	76199800	34540994
Others	9668642	8217943
UPSIDC	932257	566802
REC	32112865	164930979
IDBI	29282481	30137011
Interest to Consumers	72375489	39974516
Finance Charges	10967121	3800000
<u>Bank Charges</u>		
Others	1478912	1347347
Discount to Consumers		38861379
SUB TOTAL	322205983	326282106
LESS - Interest Capitalised	22547891	21878000
TOTAL	299658092	304404106


(H. K. Agarwal)
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(R.P. Gupta)
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(Nand Lal)
Managing Director



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

SCHEDULE - 20

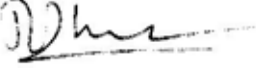
DEPRECIATION

(Amount in Rs.)

PARTICULARS	2004-05	01.05.03 to 31.03.04
Depreciation	1947840711	1191820006
Less - Equivalent amount of Depreciation on Assets acquired out of the Consumer's Contribution and GOUP's Capital Subsidy	130324948	69295247
GRAND TOTAL	1817515763	1122524759


(H. K. Agarwal)
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Managing Director



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

SCHEDULE - 21


BAD DEBTS & PROVISIONS

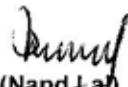
(Amount in Rs.)

PARTICULARS	2004-05	01.05.03 to 31.03.04
Provision for Bad & Doubtful adv. To employees	1050178	
GRAND TOTAL	1050178	


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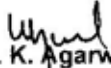
**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT**

SCHEDULE - 22

NET PRIOR PERIOD EXPENSES

(Amount in Rs.)

PARTICULARS	2004-05	01.05.03 to 31.03.04
A. INCOME	-	-
B. EXPENDITURE		
i) Operating Expenses	1076894	-
ii) Employees Cost	24778001	-
iii) Adm. & General Expenses	2802327	-
GRAND TOTAL	28657222	


(H. K. Agarwal)
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(R.P. Gupta)
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(Finance)


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Managing Director

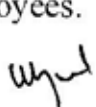


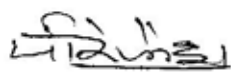
PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED

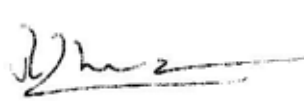
SCHEDULE No. 23

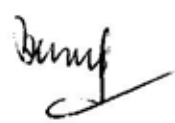
**NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF
BALANCE SHEET AS AT 31.03.2005 AND PROFIT & LOSS ACCOUNT FOR
THE PERIOD ENDED ON THAT DATE**

1. The Nigam was incorporated under the Companies Act 1956 on 01.05.2003, and commenced the business operation w.e.f. 12.08.2003 in terms of Government of U.P. Notification No. 2740/P-1/2003-04-14P/2003 dated 12.08.2003.
2. The Nigam is a subsidiary of U. P. Power Corporation Ltd. The annual accounts for the previous year were prepared on the basis of opening balances received under transfer scheme. The accounts for the year 2004-05 have been prepared on the basis of balances driven out considering the transfer scheme balances and transactions of 2003-04 & 2004-05. The balances in accounts are subject to finalisation of transfer scheme which is under finalisation and will be adjusted accordingly.
3. The Share Capital includes 500 Equity Shares of Rs. 1000 each as Promoter's Shares and shown separately in Balance Sheet.
4. The Preliminary Expenses have been continued to be written off during the year @ 1/5th.
5. The energy is being purchased as a bulk supply from UPPCL.
6. Depreciation has been provided on the opening balances of fixed assets as on 12-08-2003 in terms of Electricity (Supply) Act, 1948. In absence of asset wise break up of Plant and Machinery, Lines, Cables and other assets taken over as on 12-08-2003, the depreciation on these assets has been charged @ 7.84% on the value transferred as per transfer scheme 2003, being the maximum rates prescribed for majority of the items as per Central Govt. notification.
7. (a) Age-wise classification of Sundry Debtors could not be given for want of age-wise details of receivables transferred under the Transfer Scheme-2003.
(b) The Provision for bad & doubtful debts against revenue from sale of power has been made @ 5% on incremental basis but the related entries in the accounts have not been passed as the sufficient provision already exists in the transfer scheme.
8. Based on actuarial valuation report submitted by M/s Price Waterhouse Coopers to UPPCL (the Holding Company) provision for accrued liability on account of Pension and Gratuity for the period from 01.04.04 to 31.03.05 has been made @ 16.70% and 2.38% respectively on the amount of basic pay and DA paid to employees.











9. Amount due to SSI units could not be ascertained and interest there on could not be provided for want of complete information. Efforts are being made to segregate this information.
10. Liability towards medical Expenses, Leave Encasement and LTC have been provided to the extent established.
11. 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.
12. Employees cost includes remuneration to Managing Director as under. There was no full time Director in the Company during the year.

	2004-05	2003-04
Salary and Allowance	Rs. 3.57 Lacs	Rs. 2.16 Lacs
Contribution to Grat./Pension	—	—

13. Payment to Directors and Officers in foreign currency towards foreign tours was Nil. (previous period - NIL)
14. Debts due from Directors were Rs. NIL. (previous period - NIL.)
15. Information pursuant of provision of Para II of Schedule VI of Companies Act, 1956 are as under :-

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

Sl.No.	Details	2004-05	2003-04
(i)	Total no. of Units Purchased	12541809072	7918206000
(ii)	Total no. of Units sold	8934930000	5258700000
(iii)	Distribution Losses	28.76%	33.59%

(b) Contingent Liabilities :-

S.No.	Details	AMOUNT (Rs. In lacs)	
		2004-05	2003-04
1	Claims against the company not acknowledged as debts.	13.50	963.50
2	Estimated amount of contracts remaining to be executed on capital account and not provided for.	40.00	56.00
3	Other money for which the company is contingently liable.	112.93	3216.75

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(c) Statutory Auditor's expenses :- (Rs. In lacs)

Details	2004-05	2003-04
Audit Fees	Rs. 2.48 lacs	Rs. 1.54 lacs
Other expenditure(T.A.)	Rs. 1.34 lacs	Rs. 0.90 lacs

16.A sum of Rs. 74.08 Lacs withdrawn from the Bank Accounts of following divisions against various court orders, and entry to this effect was not made in cash book of the concerning units, has been accounted for at Head Quarter Account as per following details :-

Sl. No.	Name of the units	Amounts withdrawn (Rs. in lacs)
1.	EDD Pilkhuwa	3.04 Lacs
2.	E Test Dn. Ghaziabad	8.87 Lacs
3.	EDD I Rampur	41.91 Lacs
4.	EDD II Rampur	2.47 Lacs
5.	EDD II SRE	8.31 Lacs
6.	EUDD II SRE	0.22 Lacs
7.	EDD Muzaffarnagar	0.16 Lacs
8.	EUDD II Muzaffarnagar	0.47 Lacs
9.	EDD I Shamli	0.55 Lacs
10.	EDD II Shamli	8.08 Lacs
	TOTAL	74.08 Lacs

Apart from above, a sum of Rs. 99,613.83 has also been withdrawn from Bank Account of EUDD-I, Meerut in prior years to 2003-04.

17. Government dues in respect of Electricity Duty and other levies amounting to Rs. 7,84,81,792.00 shown in shedule -11 includes Rs. 2,28,39,000.00 on account of compounding charges realised from consumers.

18. The loan taken by UPPCL on behalf of the Company during the year 2004-05 amounting to Rs. 61,25,83,194.00 and a repayment made by U.P.P.C.L. amounting to Rs. 13,36,203.00 has been accounted for in the Books of the Company.

19. Following frauds were noticed in the year 2003-04 :-

S.No.	Name of the Unit	Amount of Fraud	Remarks
1	EDD-I, Saharanpur	Rs. 11.24 lacs	Head cashier did not deposit the company's money in designated bank which was received by him from collecting agents.
2	EDD, Hapur	Rs. 0.44 lacs	The Enquiry is in progress.

Mynd

Chandra

Sharma

Sharma

Sharma

20. 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.
21. 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"
22. Due to carry forward losses/depreciation and uncertainties to recover such losses in near future, accounting of deferred tax assets as required by AS-22 issued by ICAI is not made.
23. The figure shown in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest Rupee.


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(Finance)


(Nand Lal)
Managing Director



PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED
VICTORIA PARK, MEERUT

SIGNIFICANT ACCOUNTING POLICIES

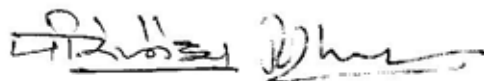
1. **GENERAL**

- (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

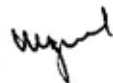
- (a) Depreciation is charged as per Electricity (Supply) Act 1948 on straight line method at the rates notified by the Central Govt.
- (b) Depreciation is provided only on fixed assets transferred as per transfer scheme 2003 proportionate basis in existence at the beginning of the year as per Electricity (Supply) Act 1948.
- (c) Fixed assets are depreciated up to 90% of original cost after taking 10% as the residual value of assets.

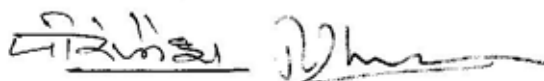
4. STORES & SPARES

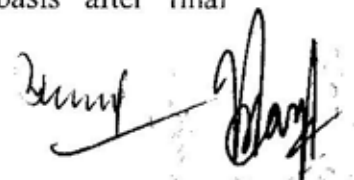
- (a) Stores & Spares are valued at cost.
- (b) Steel scrap is valued at realizable value and scrap other than steel is accounted for in the accounts as and when sold.
- (c) Any shortage/excess of material found during the year end are shown as "material short/excess pending investigation" till the finalization 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) Rebate allowed to consumers for timely payment of energy bills have been shown separately as an expense in the accounts.
- (e) Assessment of own energy consumption is done on the basis of connected load/hours of supply/meters.
- (f) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission.
- (g) In case of detection of theft of energy, the consumer is billed on laid down norms respective of actual realisation from the consumer.
- (h) Penal interest, overdue interest, commitment charges, restructuring charges and incentives/rebates on loans are accounted for on cash basis after final ascertainment.





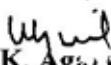


6. POWER PURCHASE

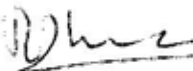
The bulk power purchase from UPPCL, is accounted for on the basis of bills raised by the UPPCL, the holding company.

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. Aggarwal)
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In Part-time


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(Finance)


(Nand Lal)
Managing Director



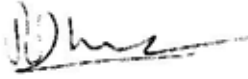
PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT
CASH FLOW STATEMENT

(Rs. in Crore)

	Year 2004-05	Year 2003-04
Cash Flow from operating activities		
Net Loss before prior period expenses	-346.75	-204.01
Adjustment for		
Depreciation	181.75	112.25
Provisions including Bad Debts	0.11	
Interest expenses (Financing)	29.97	30.44
Interest income		
Deferred Cost		
Prior period adjustments (Net)	-2.87	
SUB TOTAL	-137.79	142.69
Operating profit before working capital change		-61.32
Working Capital changes		
Sundry Debtors	-190.25	258.50
Stores' Spares	7.69	3.80
Other Current Assets	-223.60	-157.58
Loans & Advances	-1.81	21.82
Inter Unit Transfers	-16.96	-0.72
Current Liabilities	423.26	310.81
Current Assets/Liabilities transferred from UPPCL		114.68
SUB TOTAL	-1.67	551.31
Net cash from operating activities- A	-139.46	489.99
Cash flow from investing activities		
Additions to fixed assets & WIP	-149.46	-99.65
Investment in Discoms (Subsidiaries)		
Interest received		
Fixed assets transferred from UPPCL		-1,360.27
Net Cash flow from investing activities- B	-149.46	-1,459.92
Cash flow from financing activities		
Proceeds from Share Capital	53.98	559.95
Proceeds from borrowings (Net)	300.23	-164.24
Proceeds from consumers' contribution and GoUP Capital Subsidy	70.35	166.23
Interest paid on borrowings	-29.57	-30.44
Restructuring Account		
Loans/Liabilities transferred from UPPCL		567.13
Net Cash flow from financing activities- C	394.99	1,098.63
Net increase in Cash and Cash equivalents (A+B+C)	106.07	128.70
Cash and Cash equivalents at the beginning of the Year	206.36	77.66
Cash and Cash equivalents at the end of the Year	312.43	206.36


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


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


(R. P. Gupta)
Director
(Finance)


(Nand Lal)
Managing Director



ANNEXURE-A

Statement showing the transfer of Assets & Liabilities to DISCOMS as per Schedule-A,B,C&D (Part-II) of the Uttar Pradesh Power Sector Reforms (transfer of Distribution Undertakings) Scheme, 2003 vide Uttar Pradesh Shasan Urja Anubhag 1, Notification No. 2740/P-1-2003-24-14P-2003, Dated Lucknow, August 12, 2003

(Rs. in Crores)

	MEERUT
Fixed Assets	
Gross Fixed Assets	2387.92
Less Accumulated depreciation	-1110.84
Net Fixed Assets	1277.08
Cap. Expd. In progress	83.19
Investments	
Total Fixed Assets	1360.27
Current Assets	
Cash and Bank Balances	163.53
Total Stocks	67.11
Less Provision for Obsolete Stores	-46.31
Net Stock	20.80
Gross Receivable for Sale of Electricity	1989.04
Less : Provision for Bad & Doubtful debts	-1676.80
NetReceivables for sale of Power	312.24
Other Receivable	21.98
Total Current assets	518.55
Total Assets	1878.82
Net Worth	
Paid up and Subscribed Share Capital	540.00
Retained Earning (Losses)/Reserves	
Consumer's contributions	123.89
Capital Reserves	
Grants-RE	10.82
Grants-APDRP	3.75
Total Net Worth	678.46
Long Term Debts	
GoUP Loans	3.75
IDBI-Deferred Credit	14.96
REC	256.58
Commercial Banks (SPA)	
HDFC	
PFC	48.90
NOIDA	
UPSIDC	1.58
Urban Cooperative Bank	
Others	12.79
IBRD	
Working Capital Borrowings	
GPF Liability	228.57
Total Long Term Loans	567.13
Current Liabilities	
Accounts Payable	414.88
Security Deposit from consumers	218.35
Accumulated Interest on Govt. Loans	-
Accumulated Interest on Other IFI's	-
Overdue Principal not paid	-
Total Current Liabilities	633.23
Total Liabilities	1878.82

PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,
VICTORIA PARK, MEERUT

ANNEXURE-B

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 Registration details

Registration No. -	20 - 27458		State Code	20
Balance Sheet Date	31	3	2005	
	Date	Month	Year	

2 Capital raised during the year

(Amount in Rupees Thousands)

Public Issue	-	Bonus Issue	-
Rights Issue	-	Private Placement	-

3 Position of Mobilisation and Development of Funds

(Amount in Rupees Thousands)

Total Liabilities	15536410	Total Assets	15536410
Sources of Funds :		Reserves & Surplus	2365825
Paid Up Capital	5400500	Unsecured Loans	6962308
Share App. Money pending for allotment	738826	Miscellaneous Expenditure	12014
Secured Loans	68951	Net Current Assets	(-) 3165675
Applications of Funds :		Investments	-
Net Fixed Assets	13153844		
Accumulated Losses	5536227		

4 Performance of the Company

(Amount in Rupees Thousands)

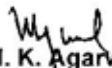
Turnover (Gross Revenue)	27397753	Total Expenditure	30880222
(+/-) Profit/Loss before Tax	(-) 3496134	(+/-) Profit/Loss after Tax	(-) 3496134
Earning per Share (in Rupees)	(-) 647	Dividend rate in %	NIL

Product/Service description

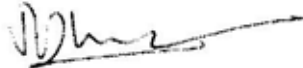
- (i) Purchase & Transmission of Electricity
(ii) Distribution and Sale of Electricity

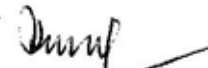
Item code No.

NA
NA


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