

# पश्चिमांचल विद्युत वितरण निगम लि०

PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.



## ANNUAL ACCOUNTS FOR THE YEAR 2007-08

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**Registered Office : Urja Bhawan Victoria Park, Meerut**

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

**BALANCE SHEET AS at 31.03.2008**

(Amount in Rs.)

PARTICULAR	SCHEDULE	As at 31.03.08		As at 31.03.07	
<b>SOURCES OF FUNDS</b>					
<b>Shareholders funds :</b>					
Share Capital	(1)	5599536000		5400500000	
Share Application Money	(1A)	7086073425		2649780218	
Reserve & Surplus	(2)	5514534721	18200144146	4019372563	12069652781
<b>Loan Funds</b>					
Secured Loans	(3)	2861473415		3880425164	
Unsecured Loans		7501938197	10363411612	9153130485	13033555649
<b>TOTAL</b>			<b>28563555758</b>		<b>25103208430</b>

**APPLICATION OF FUNDS**

**Fixed Assets**

Gross Block		34760734759		30195253739	
Less-Accumulated Depreciation	(4)	15646510321		17060206482	
Net Block		19114224438		13135047257	
Capital Work in Progress	(5)	1574794745	20689019183	2131752141	15266799398

**Investment**

**Current Assets, Loans and**

Stores & Spares	(6)	1837198166		1409203897	
Sundry Debtors	(7)	7673402857		5934125530	
Cash and Bank Balances	(8)	3562494016		3460167884	
Other Current Assets	(9)	5180980060		2705181018	
Loans & Advances	(10)	2350276962		1946512248	
Inter Unit Transfer		261542414		453348147	
		20865894475		15908538724	
<b>Less : Current Liabilities and</b>	(11)	<b>38696603185</b>	<b>(17830708710)</b>	<b>25130164160</b>	<b>(9221625436)</b>

**Net Current Assets**

**Miscellaneous Expenses**


(to the extend not written off)

Preliminary Exp.				4004725	
<b>Profit &amp; Loss Account (Debit)</b>			25705245285		19054029743

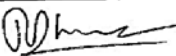
Notes on Accounts (23)

Schedule I to 23 and Accounting Policies form integral part of

<b>TOTAL</b>			<b>28563555758</b>		<b>25103208430</b>
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(H. K. Agarwal)  
Company Secretary  
Part-time

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

  
(R. P. Gupta)  
Director (Finance)

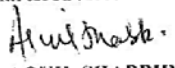
  
(Ashish Kumar Goel)  
Managing Director

Place : Meerut

Date : 28.4.2011

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 01.04.07 TO 31.03.08**

(Amount in Rs.)

PARTICULAR	SCHEDULE	FOR THE PERIOD FROM 01.04.07 TO 31.03.08	FOR THE PERIOD FROM 01.04.06 TO 31.03.07
<b>INCOME</b>			
Revenue from sale of power (Gross)		34058462219	29261692070
Less Electricity Duty	(12)	853169675	33205292544
Energy internally Consumed		61937294	741959595
Revenue Subsidies & Grants	(13)	5614500000	76558679
Other income	(14)	526830334	4811169352
<b>TOTAL</b>		<b>39408560172</b>	<b>574020124</b>
<b>EXPENDITURE</b>			
Purchase of Power	(15)	40930526694	36357276870
Wheeling Charges		3163910970	
Repair & Maintenance Expenses	(16)	845661606	707179333
Employees Cost	(17)	1117089124	1192219339
Administrative General & Other	(18)	183420757	184642937
Interest and Finance Charges	(19)	1241421084	916363885
Depreciation	(20)	1208898995	1899052159
Provisions	(21)	16892797	6645491
Preliminary Expenses written off		4004725	4004725
<b>TOTAL</b>		<b>48711826752</b>	<b>41267384739</b>
Profit/(Loss) For the Year		(9303266580)	(7285904109)
Net prior period Income/(Expenditure)	(22)	2652051038	(13684692)
<b>Net Profit/(Loss) for the year</b>		<b>(6651215542)</b>	<b>(7299588801)</b>
<b>Accumulated loss brought</b>		<b>(19054029743)</b>	<b>(11754440942)</b>
<b>Net Profit/(Loss) Carried Over to Balance Sheet</b>		<b>(25705245285)</b>	<b>(19054029743)</b>
Notes on Accounts	(23)		
Earning per share		(1188)	(1352)

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

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

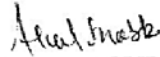
  
(R. P. Gupta)  
Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director

Place : Meerut  
Date : 28.4.2011

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**

**SCHEDULE - 1**

**SHARE CAPITAL**

PARTICULARS	(Amount in Rs.)	
	As at 31.03.08	As at 31.03.07
<b>A. AUTHORISED</b>	20000000000	6000000000
20000000 Equity Shares of Rs. 1000/- each		
<b>B. ISSUED SUBSCRIBED AND PAID UP</b>		
(i) 5599036 Equity Share of Rs. 1000/- each fully paid up	5599036000	5400000000
(ii) Promoters' Shares (500 Equity Share of Rs. 1000/- each)	500000	500000
<b>TOTAL</b>	<b>5599536000</b>	<b>5400500000</b>

**SHARE APPLICATION MONEY**

**SCHEDULE - 1A**

PARTICULARS	(Amount in Rs.)	
	As at 31.03.08	As at 31.03.07
<b>SHARE APPLICATION MONEY</b>		
(Pending for allotment to UPPCL)	7086073425	2649780218
<b>TOTAL</b>	<b>7086073425</b>	<b>2649780218</b>

**RESERVES AND SURPLUS**

**SCHEDULE - 2**

PARTICULARS	(Amount in Rs.)	
	As at 31.03.08	As at 31.03.07
<b>A Capital Reserve</b>		
i) Consumers Contributions towards Service	4579979206	3239587113
<b>B Grants</b>	934555515	779785450
<b>TOTAL</b>	<b>5514534721</b>	<b>4019372563</b>

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Part-time

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(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 3**

**LOAN FUNDS**

(Amount in Rs.)

PARTICULARS	As at 31.03.08	As at 31.03.07
<b>A. SECURED LOAN -</b>		
<b>(a) TERMS LOAN</b>		
i) <b>APDRP (PFC)</b> (Secured against hypothecation of all the movable assets created under the loan)	1903627209	1888317589
Interest accrued & due	1903627209	1888317589
ii) <b>Power Finance Corporation Ltd.</b> (Against theft prevention scheme. Secured against hypothecation of assets created)	472997706	234531800
<b>(b) SHORT TERMS LOAN-</b>		
<b>Rural Electrification Corporation Ltd.</b> (Secured against hypothecation of stores and charge on receivables of specified receipt accounts through escrow arrangements)	484848500	1757575775
	484848500	1757575775
<b>Sub Total (A)</b>	<b>2861473415</b>	<b>3880425164</b>
<b>B. UNSECURED LOANS -</b>		
<b>(a) TERM LOANS :</b>		
i) <b>Govt. of U.P.</b> Loan (Transfer Scheme)	37500000	37500000
<b>FINANCIAL INSTITUTIONS</b>		
ii) <b>Rural Electrification Corporation Ltd.</b> Loan (Transfer Scheme)	2416247101	2502133878
(Guaranted by U.P. Govt.) Interest accrued & due	527071502	2943318603
430515537		2932649415
iii) <b>Power Finance Corporation Ltd.</b> Loan (Transfer Scheme)	184059665	242194866
(Guaranted by U.P. Govt.) Interest accrued & due	184059665	242194866
iv) <b>U.P. State Industrial Development Corporation Ltd.</b> Loan (Transfer Scheme)	4030809	4220155
Interest accrued & due	4030809	4220155
v) <b>Other Loans from Noida, HDFC, NCRPB &amp; Grater Noida</b> Loan (Transfer Scheme)	52058285	64546922
Interest accrued & due	52058285	64546922
<b>(b) Bill Rediscounting Scheme</b>		
<b>Industrial Development Bank of India</b> Loan (Transfer Scheme)		6079642
Interest accrued & due		6079642
<b>Sub Total (B)</b>	<b>3220967362</b>	<b>3287191000</b>

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(Amount in Rs.)

PARTICULARS	As at 31.03.08	As at 31.03.07
<b>C. SHORT TERM LOANS :</b>		
<b>i) Rural Electrification Corporation Ltd.</b>		
(Charge on Receivables of specified receipt accounts through escrow arrangements)	1403636367	2066363636
Interest accrued & due	1403636367	2066363636
<b>ii) Power Finance Corporation Ltd.</b>	1450763956	2315336842
(Charge on Receivables of specified receipt accounts through escrow arrangements)		
Interest accrued & due	1450763956	2315336842
<b>Sub Total C</b>	<b>2854400323</b>	<b>4381700478</b>
<b>D. LOAN BY UPPCL</b>		
<b>i) Rural Electrification Corporation Ltd.</b>	70231593	89676046
<b>ii) Power Finance Corporation Ltd.</b>	75629919	113853961
<b>iii) U.P. Govt.(APDRP)</b>		
Loan	425165000	425165000
<b>iv) U.P. Govt.(W.B. Aided Project)</b>		
Loan	855544000	855544000
<b>Sub Total D</b>	<b>1426570512</b>	<b>1484239007</b>
<b>TOTAL</b>	<b>10363411612</b>	<b>13033555649</b>

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

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

(R. P. Gupta)  
Director(Finance)

(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 4 - Fixed Assets**

Particulars	Gross Block			Depreciation			Net Block			
	As at 31.03.07	Additions	Deductions/ Adjustments	As at 31.03.08	As at 31.03.07	Additions	Deductions/ Adjustments	As at 31.03.08	As at 31.03.07	
Land & Land Rights	1990426	705044	0	2695470				0	2695470	1990426
(i) Unclassified										
(ii) Freehold Land	145666360	54366207	231242	199801325	4125509	5302412	0	9427921	190373404	141540851
Buildings	2695769983	4956870380	2781199795	4871553148	-1133504078	38808817	-98460725	-996233538	5067786884	3023273661
Plant & Machinery	3463566558	2733068093	400538138	5796088615	271229921	-11160832	-3907465	263976754	553211861	3192339737
Lines, Cable Network etc.	2201597	250000	775000	1676597	547850	-189313	468060	-107523	1784120	1663747
Vehicles	3204810	2140742	0	5345552	347523	27607	0	375130	4870422	2857287
Furniture & Fixtures	3652305	721747	0	4374052	851911	888339	0	1538750	2835302	2800394
Office Equipments	23873200000	0	0	23873200000	17016507848	-1549078021	0	16367552825	7511687175	5962592154
Transfer Scheme Data	30195253739	7748212193	3182731173	34760734759	17090206482	-18155698291	-101902130	16646510321	19114224438	13135047287
<b>Total</b>										

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

*(P.K. Jadhav)*  
**(P.K. Jadhav)**  
Dy. General Manager (Acctt.)

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

*(Ashish Kumar Goyal)*  
**(Ashish Kumar Goyal)**  
Managing Director





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

SCHEDULE - 5

**CAPITAL WORKS IN PROGRESS**

PARTICULARS	(Amount in Rs.)	
	As at 31.03.08	As at 31.03.07
Capital Work in Progress*	1313764712	1879174104
Add revenue expenditure pending for capitalisation**	261030033	252578037
<b>TOTAL</b>	<b>1574794745</b>	<b>2131752141</b>

**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 31.03.08	As at 31.03.07
Stock of Materials	1837198166	1409203897
<b>TOTAL</b>	<b>1837198166</b>	<b>1409203897</b>

Notes : Stock of material includes capital, and O&M material, material issued to fabricators,

  
(H. K. Agarwal)  
Company Secretary  
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(P.K. Jauhari)  
Dy. General Manager (Acctt.)

  
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Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director



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

SCHEDULE - 7

SUNDRY DEBTORS

(Amount in Rs.)

PARTICULARS	As at 31.03.08	As at 31.03.07
<b>Sundry Debtors</b>	24441402857	22702125530
Unsecured & considered good	7673402857	5934125530
Considered doubtful	16768000000	16768000000
	<u>24441402857</u>	<u>22702125530</u>
Less – Provision for Bad & Doubtful Debts	16768000000	16768000000
<b>TOTAL</b>	<b>7673402857</b>	<b>5934125530</b>


SCHEDULE - 8

CASH AND BANK BALANCES

(Amount in Rs.)

PARTICULARS	As at 31.03.08	As at 31.03.07
<b>CASH IN HAND</b>		
Cash in Hand	1162719867	1153551378
<b>Balances with Scheduled Banks</b>		
Meerut Zone	1720913004	1538979640
Moradabad Zone	297254983	297557546
Saharanpur Zone	239778521	307211362
Head Office	141827641	152867958
	2399774149	2306616506
<b>TOTAL</b>	<b>3562494016</b>	<b>3460167884</b>

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

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

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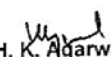
**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,  
VICTORIA PARK, MEERUT**

**SCHEDULE - 9**

**OTHER CURRENT ASSETS**

(Amount in Rs.)

PARTICULARS	As at 31.03.08	As at 31.03.07
<b>Income Accrued but not due</b>	3461581	923216
<b><u>Receivables</u></b>		
UPPCL	691375662	1064223804
UP Rajya Vidyut Utpadan Nigam Ltd	6815313	
<b><u>Receivables on Account of Loan</u></b>		
UPPCL	4875873252	1917124362
Less Liabilities against Loan	<u>-893355918</u>	<u>-618350211</u>
<b><u>Other Receivables</u></b>		
Employees	97784488	24370256
Less Provision for doubtful Receivable	<u>-9998917</u>	<u>-2636097</u>
Receivables as per Transfer Scheme	219800000	219800000
Prepaid Expenses	1494034	653038
Misc. Receivable	12118774	9230656
Receivable from Insurance Company	904683	904683
Theft of fixed Assets pending investigation	194119009	98819235
Less Provision for Estimated Loss	<u>-19411901</u>	<u>-9881924</u>
<b>TOTAL</b>	<b>5180980060</b>	<b>2705181018</b>

  
(H. K. Agarwal)  
Company Secretary  
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(Ashish Kumar Goel)  
Managing Director



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

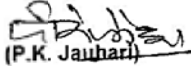
SCHEDULE - 10


LOANS AND ADVANCES

(Amount in Rs.)

PARTICULARS	As at 31.03.08	As at 31.03.07
<b>A. LOANS ( Secured/considered good )</b>		
Employees ( including advances ) (Recoverable from salary )	179929	664623
<b>B. ADVANCES (Unsecured)</b>		
Suppliers / Contractors	2341206600	1938357866
<b>C. Deposits</b>		
Tax deducted at source	8881788	7481114
Telephone Security Deposit	8645	8645
<b>TOTAL</b>	<b>2350276962</b>	<b>1946512248</b>

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

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

  
(R. P. Gupta)  
Director(Fiannce)

  
(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 11**

**CURRENT LIABILITIES AND PROVISIONS**

(Amount in Rs.)

PARTICULARS	As at 31.03.08		As at 31.03.07	
Liability for Purchase of Power : M/S UPPCL		20761346311		10586570039
Wheeling Charges : M/S UPTCL		1272453826		
Liabilities As per Transfer Scheme 2003	4148800000		4148800000	
Staff Related Liabilities	(122795445)		116836021	
Sundry Liabilities	7947009		944760	
Liabilities for Expenses	109949499		116270909	
Liability for Capital and O&M Supplies/Works	1771881311		1043920550	
Financial contribution by consumers	(1512)	5915780862	(1512)	5426770728
Deposits & Retentions from Suppliers & Others		250223614		219450158
Electricity Duty & Other Levies payable to Govt.		627493430		348895755
Deposit for Electrification works		40121099		39680935
<b>Other Liabilities payable to :</b>				
UPPCL		1880310000		1490522964
Madhyanchal Vidyut Vitran Nigam Ltd		79751529		81442667
Purvanchal Vidyut Vitran Nigam Ltd		2305655		2305655
Dakshinanchal Vidyut Vitran Nigam Ltd		6926347		3297797
General Provident Fund	2560975133		2471180921	
Pension and Gratuity	395275314	2956250447	196791854	2667972775
CPF		1619788		1601531
Interest Accrued but not Due on Borrowings		72668852		65564034
Security Deposits from Consumers	4247209276		3647999423	
Interest on Security Deposits from Consumers	118044996	4365254272	84281389	3732280812
<b>Provisions :</b>				
Provision for Audit Expenses		997153		708310
Provision for unserviceable store		463100000		463100000
<b>TOTAL</b>		<b>38696603185</b>		<b>25130164160</b>

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

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

(R. P. Gupta)  
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(Ashish Kumar Goel)  
Managing Director



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

**REVENUE FROM SALE OF POWER**

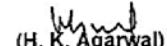
(Amount in Rs.)		
PARTICULARS	2007-08	2006-07
<b>Large Supply Consumers</b>		
Industrial	15864830103	12932415080
Irrigation	1948477	1755472
Public Water Works	609258721	578929363
<b>Small &amp; Others Consumers</b>		
Domestic	7537337122	6880235892
Commercial	2877887285	2689949623
Industrial Low & Medium Voltage	2678965873	2455766952
Public Lighting	303519428	242629203
STW & Pump Canals	399154450	426109858
PTW & Sewage Pumping	1770899087	1467677058
Institution	710214828	785964915
Assessment against Theft	432947165	85515697
Miscellaneous Charges from consumers	80267299	49342041
<b>Less - Energy internally Consumed</b>	(61937294)	(76558679)
<b>Sub Total</b>	<b>33205292544</b>	<b>28519732475</b>
Electricity Duty	853169675	741959595
<b>Gross Sale of Power</b>	<b>34058462219</b>	<b>29261692070</b>
Less Electricity Duty	853169675	581956258
<b>Net Sale of Power</b>	<b>33205292544</b>	<b>28679735812</b>
Energy internally Consumed	61937294	76558679

**REVENUE SUBSIDIES AND GRANTS**

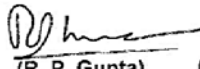
**SCHEDULE - 13**

(Amount in Rs.)

PARTICULARS	2007-08	2006-07
<b>A. Subsidies</b>		
R.E. Subsidy from Govt. of U.P.	1035000000	1012700000
Revenue Loss & Tariff Subsidy from Govt. of U.P.	4579500000	3798469352
<b>TOTAL</b>	<b>5614500000</b>	<b>4811169352</b>

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

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

  
(R. P. Gupta)  
Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 14**

**OTHER INCOME**

PARTICULARS	2007-08	2006-07
Interest from loan to Staff	114966	206472
Delayed Payment Charges from consumers	477309309	543095246
Interest from Bank	9120551	9353622
Income from Contractors/Suppliers	21657146	18979760
Rental from Staff	767761	777824
Miscellaneous Receipts	15749548	1384921
Excess found on physical verification of Stores	2111053	222279
<b>TOTAL</b>	<b>526830334</b>	<b>574020124</b>

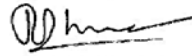
**SCHEDULE - 15**

**PURCHASE OF POWER**

PARTICULARS	2007-08	2006-07
<b>UPPCL</b>		
Power Purchase	40930526694	36357276870
Wheeling Charges	3163910970	
<b>TOTAL</b>	<b>44094437664</b>	<b>36357276870</b>

  
(H. K. Agarwal)  
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Part-time

  
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(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 16**

**REPAIR & MAINTENANCE**

PARTICULARS	(Amount in Rs.)	
	2007-08	2006-07
Plant & Machinery	373503123	335085266
Buildings	16101608	15784479
Lines Cables net works etc.	455010135	355796722
Furniture & Fixtures	116317	53457
Office Equipments	930423	459409
<b>TOTAL</b>	<b>845661606</b>	<b>707179333</b>

**SCHEDULE - 17**

**EMPLOYEES COST**

PARTICULARS	(Amount in Rs.)	
	2007-08	2006-07
Salaries & Allowances	1043231575	1172653376
Dearness Allowance	406342642	229004526
Other Allowances	72128421	75201814
Bonus/Ex-gratia	28502575	22730560
Medical Expenses ( Re-imburement )	36437339	36924482
Leave Travel Assistance	22413	
Earned Leave Encashment on retirement	24123115	41025838
Compensation	1887857	2172610
Staff Welfare Expenses	1608116	1178062
Pension & Gratuity	262663393	255106904
CPF	7080290	5093899
Expenditure on Trust	2201050	1448944
<b>Sub Total</b>	<b>1886228796</b>	<b>1842541015</b>
<b>LESS - Expenses Capitalised</b>	<b>769139672</b>	<b>650321676</b>
<b>TOTAL</b>	<b>1117089124</b>	<b>1192219339</b>

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

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

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

*(Ashish Kumar Goel)*  
(Ashish Kumar Goel)  
Managing Director






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

**SCHEDULE - 18**

**ADMINISTRATIVE, GENERAL & OTHER EXPENSES**

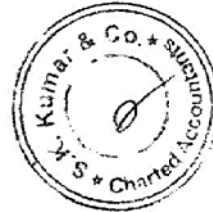
PARTICULARS	(Amount in Rs.)	
	2007-08	2006-07
Rent	2159356	2313581
Rates & Taxes	3530930	3465030
Insurance	2738554	2359289
Communication Charges	26595698	22223447
Legal Charges	11646119	8329685
Audit Fee	301976	294113
Traveling Expenses (Audit)	129792	125000
Consultancy Charges	68500	16077
Fees & Subscription	16186628	17480577
Traveling and Conveyance	20563058	21935296
Printing and Stationery	16330977	17666541
Advertisement Expenses	13936125	12046976
Electricity Charges	61937294	76558679
Water Charges	23452	62889
Miscellaneous Expenses	97258023	74921892
<b>SUB TOTAL</b>	<b>273406482</b>	<b>259799072</b>
<b>LESS - Expenses Capitalised</b>	<b>95588416</b>	<b>77821428</b>
<b>SUB TOTAL</b>	<b>177818066</b>	<b>181977644</b>
<b><u>OTHER EXPENSES</u></b>		
Compensation staff	730788	134000
Compensation (Other than staff)	4871903	2531293
<b>SUB TOTAL</b>	<b>5602691</b>	<b>2665293</b>
<b>TOTAL</b>	<b>183420757</b>	<b>184642937</b>

  
(H. K. Agarwal)  
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(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 19**

**INTEREST AND FINANCE CHARGES**

(Amount in Rs.)

PARTICULARS	2007-08	2006-07
<b>Interest on Loans</b>		
Government of UP	189810553	190746016
PFC	343937565	140900149
Others	4323381	5344693
UPSIDC	3230	76720
APDRP	189583608	109743587
REC	562637129	587442914
IDBI	3967249	16087945
Interest to Consumers	130716422	81643430
Finance Charges	5074640	10222679
<b>Bank Charges</b>		
Others	950915	1435339
<b>SUB TOTAL</b>	<b>1431004692</b>	<b>1143643472</b>
<b>LESS - Interest Capitalised</b>	<b>189583608</b>	<b>227279587</b>
<b>TOTAL</b>	<b>1241421084</b>	<b>916363885</b>

  
(H. K. Agarwal)  
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Part-time

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

  
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Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 20**

**DEPRECIATION**

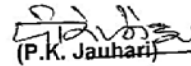
PARTICULARS	(Amount in Rs.)	
	2007-08	2006-07
Depreciation	1432699878	2183470038
Less - Equivalent amount of Depreciation on Assets acquired out of the Consumer's Contribution and GOUP's Capital Subsidy	(223800883)	(284417879)
<b>GRAND TOTAL</b>	<b>1208898995</b>	<b>1899052159</b>

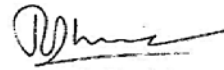
**SCHEDULE - 21**

**BAD DEBTS & PROVISIONS**

PARTICULARS	(Amount in Rs.)	
	2007-08	2006-07
Provision for Loss against theft of Fixed Assets pending investigation	9529977	5641630
Provision for Bad & Doubtful Adv. to Employees	7362820	1003861
<b>GRAND TOTAL</b>	<b>16892797</b>	<b>6645491</b>

  
(H. K. Agarwal)  
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Part-time

  
(P.K. Jauhari)  
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Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director



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

**SCHEDULE - 22**

**NET PRIOR PERIOD INCOME/EXPENSES**

(Amount in Rs.)		
PARTICULARS	2007-08	2006-07
<b>A. INCOME</b>	5173093	40815
<b>SUB TOTAL</b>	5173093	40815
<b>B. EXPENDITURE</b>		
i) Operating Expenses	1027057	437414
ii) Employees Cost	20728759	13810825
iii) Depreciation Prev. Years	(2671358329)	0
iv) Interest & finance charges	3143641	0
v) Adm. & General Expenses	(419073)	(522732)
<b>SUB TOTAL</b>	(2646877945)	13725507
<b>GRAND TOTAL</b>	<b>(2652051038)</b>	<b>13684692</b>

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

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

  
(R. P. Gupta)  
Director(Finance)

  
(Ashish Kumar Goel)  
Managing Director



# PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED

## SCHEDULE No. 23

### NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2008 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 has been increased from Rs. 600.00 crore to Rs. 2000.00 crore vide BOD resolution No. 43(11)/2008 dated 13.03.08.
  - (c)(i). A sum of Rs. 463.53 crore (Previous year 163.64 crore) has been provided as equity by the Holding Company and vide BOD resolution no. 39(8)2007 dated 23.07.07 199036 No. shares of Rs. 1000.00 each has been allotted to M/S UPPCL.
  - (ii). Balance equity amounting Rs. 708.61 crore(Rs. 264.98+463.53-19.90) has been shown as share application money in the books of accounts.
  - (d) 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.
2. The Preliminary Expenses have been continued to be written off during the year @ 1/5<sup>th</sup>.
  3. (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) Depreciation has been provided on SLM basis on the opening balances of fixed assets as on beginning of the year. Further as per directives of CAG, the depreciation has been provided during the year on the rates prescribed in the schedule-XIV of Companies Act 1956 as against the rates prevailed upto the previous year, prescribed by the Central Govt. notification under Electricity (Supply) Act 1948. This change in the rates of depreciation has resulted in decrease of depreciation for the period 12.08.03 to 31.03.07 by Rs. 267.14 crore.
  - (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



*[Handwritten signatures]*

- 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.
4. In reference to Significant Accounting Policy No. 2(f) the borrowing cost in respect of assets created against specific loan, where the same are well identifiable and attributable 100% to the capital works has been debited to the respective capital works, however since the qualifying amount for capital assets during the construction stage is negative, the same has not been apportioned. on the average balance of capital works in progress for the year while in respect of assets created against specific loan where the same are well identifiable and attributable 100% to the capital works has been debited to the respective capital works.
  5. (a) Age-wise classification of Sundry Debtors could not be given as the same is under process.  
(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 since the sufficient provision already exists in the Transfer Scheme- 2003.  
(c) The provision for doubtful receivable from employers have been made @ 10 % on the incremental balances appearing at the close of financial year under the head "Other Current Assets- Other Receivables-Employees" have been made.
  6. (a) Other Current Assets "Schedule-9" of Rs. 518.09 crores includes "Theft of Fixed Assets" pending investigation amounting to Rs. 17.47 crore.  
(b) Provision of loss on account of theft of fixed assets, pending investigation, has been made @ 10% of the balance, amount *pending investigation* appearing at the end of the year.
  7. (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.
  8. 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".

(9) The energy is being purchased as a bulk supply from UPPCL (The Holding Company) @ Rs. 2.36 per KWH as per rate approved by UPERC.



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(b)UPPTCL has charged the Transmission charges @ Rs. 0.19 per KWH as approved by UPERC.

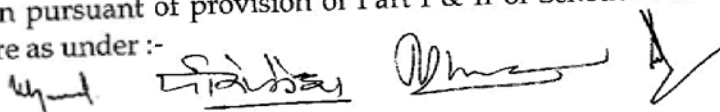
10. Amount due to SSI units could not be ascertained and interest thereon could not be provided for want of complete information. Efforts are being made to segregate the same.
11. Based on actuarial valuation report submitted by M/s Price Waterhouse Coopers to UPPCL (the Holding Company) and adopted by their Board of Directors, the provision for accrued liability on account of Pension and Gratuity for the period from 01.04.07 to 31.03.08 has been made @ 16.70% and 2.38% respectively on the amount of Basic Pay and DA paid to the employees.
12. Liability towards Staff training expenses, Medical expenses, Leave Encashment and LTC has been provided to the extent established.
13. The reconciliation of Inter Unit Transfer balances amounting to debit Rs. 26.15 crore (previous year debit Rs. 45.33 crore) is in process and the effects of reconciliation, if any, will be provided for in the forthcoming years.
14. Rebate received against timely repayment of loan has been accounted for on cash basis.
15. Expenditure on UP Power Sector Employees Trust amounting to Rs. 22.01 (previous year 14.49) lacs, distributed on prorata basis has been accounted for as intimated by Holding Company.
16. The recovery of advances to employee granted before the incorporation of Company is being accounted for in the books of the Nigam.
17. 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.
18. Employees cost includes remuneration to Managing Director and Directors as under.

	Amount (Rs. in Lacs)	
	2007-08	2006-07
Salary and Allowance	7.32	7.29
Contribution to Gratuity/Pension	0.14	-

19. Payment to Directors and Officers in foreign currency towards foreign tour was Nil. (previous period - NIL)

20. Debts due from Directors were Rs. NIL. (Previous period - NIL)

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	2007-08	2006-07
(i)	Total no. of Units Purchased (MU)	16652.16	15086.007
(ii)	Total no. of Units sold (MU)	11966.01	11053.97
(iii)	Distribution Losses	28.14%	26.73%

(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. 34.25 crore(previous year Rs. 193.58 crore).

(c) The details of auditor's expenses is as under :-

(Rs. In lacs)

Details	2007-08	2006-07
(i) As auditor		-
(x) Audit fees	3.11	2.34
(y) T.A. expenses	1.29	1.25
(ii) As advisor		-
(x) Taxation matters		-
(y) Company law matters		-
(iii) In any other manner		-

22. Cash Flow Statement has been prepared by following the Indirect Method.

23. Government dues in respect of Electricity Duty and other levies amounting to Rs. 62.75 crore shown in schedule -11 includes Rs. 20.96 crore on account of compounding charges realised from consumers.

24. 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.

25. 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"

26. 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.

27. 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




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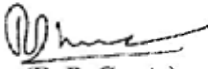
value in use based on the present value of estimated future cash flows expected from the use of assets and its disposal at the end of its useful life. It is worth mentioning here that assets of the Company have been accounted for at their historical cost and most of the assets are very old. Thus the 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.

28. The figures shown in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest Rupee.

29. Previous year figures have been regrouped, rearranged and reclassified wherever considered necessary.

  
(H.K. Agarwal)  
Company Secretary

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

  
(R. P. Gupta)  
Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director

Part Time



**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 prescribed in the schedule XIV of Indian Companies Act 1956.



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(b) Depreciation is provided only on fixed assets transferred as per transfer scheme 2003 proportionate basis in existence at the beginning of the year.

(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) 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

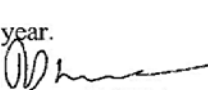
(a) Liability for Pension & Gratuity in respect of employees has been determined on the basis of actuarial valuation and has been accounted for on accrual basis.

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

  
(R. P. Gupta) Director(Finance)

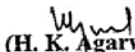
  
(Ashish Kumar Goel) Managing Director



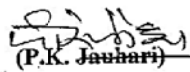
**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,**  
**VICTORIA PARK, MEERUT**  
**CASH FLOW STATEMENT**

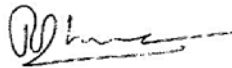
(Rs. in Crore)

	Year 2007-08	Year 2006-07
<b>Cash Flow from operating activities</b>		
Net Loss before prior period expenses	-930.33	-728.59
<b>Adjustment for</b>		
Depreciation	120.89	189.91
Provisions including Bad Debts	1.69	0.66
Interest expenses (Financing)	124.14	91.64
Interest income		
Deferred Cost		
Prior period adjustments (Net)	265.21	-1.37
<b>SUB TOTAL</b>	<b>-418.40</b>	<b>-447.75</b>
Operating profit before working capital change		
<b>Working Capital changes</b>		
Sundry Debtors	-173.93	-163.00
Stores' Spares	-42.80	-27.18
Other Current Assets	-248.86	217.36
Loans & Advances	-40.38	15.93
Inter Unit Transfers	19.18	-18.64
Current Liabilities	1356.64	495.98
Current Assets/Liabilities transferred from UPPCL		
<b>SUB TOTAL</b>	<b>869.85</b>	<b>520.45</b>
Net cash from operating activities- A	451.45	72.70
<b>Cash flow from investing activities</b>		
Additions to fixed assets & WIP	-663.11	-483.32
Investment in Discoms (Subsidiaries)		
Interest received		
Fixed assets transferred from UPPCL		
Net Cash flow from investing activities- B	-663.11	-483.32
<b>Cash flow from financing activities</b>		
Proceeds from Share Capital	463.53	163.64
Proceeds from borrowings (Net)	-267.01	259.18
Proceeds from consumers' contribution and GoUP Capital Subsidy	149.51	86.82
Interest paid on borrowings	-124.14	-91.64
Restructuring Account		
Loans/Liabilities transferred from UPPCL		
Net Cash flow from financing activities- C	221.89	418.00
Net increase in Cash and Cash equivalents (A+B+C)	10.23	7.38
Cash and Cash equivalents at the beginning of the Year	346.02	338.64
Cash and Cash equivalents at the end of the Year	356.25	346.02

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



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

  
(R. P. Gupta)  
Director (Finance)

  
(Ashish Kumar Goel)  
Managing Director

**PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.,**

Urja Bhawan, Victoria Park, Meerut

**1 Registration details**

Registration No. -

20 - 27458

State Code

20

Balance Sheet Date

31

3

2008

Date

Month

Year

**2 Capital raised during the year**

(Amount in Rupees Thousands)

Public Issue

-

Bonus Issue

-

Right Issue

-

Private Placement

199036

**3 Position of Mobilisation and Development of Funds**

(Amount in Rupees Thousands)

Total Liabilities

28563555

Total Assets

28563555

Sources of Funds :

Paid Up Capital

5599536

Reserves &amp; Surplus

5514535

Share App. Money pending for allotment

7086073

Secured Loans

2861473

Unsecured Loans

7501938

Applications of Funds :

Net Fixed Assets

20689019

Miscellaneous Expenditure

0

Accumulated Losses

25705245

Net Current Assets

-17830709

Investments

-

**4 Performance of the Company**

(Amount in Rupees Thousands)

Turnover (Gross Revenue)

39408560

Total Expenditure

46050340

(+/-) Profit/Loss before Tax

-6652051

(+/-) Profit/Loss after Tax

-6652051

Earning per Share (in Rupees)

-1188

Dividend rate in %

NIL

Product/Service description:

Purchase of Electricity

ger (Distribution and Sale of Electricity)

Item code No.

NA

NA

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Part-time

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