

The Gujarat Electricity Regulatory Commission



12th Annual Account

Financial Year 2010-11

THE GUJARAT ELECTRICITY REGULATORY COMMISSION

Twelfth Annual Account 2010-11



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Ahmedabad 380 009

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THE GUJARAT ELECTRICITY REGULATORY COMMISSION



**The Commission presents the 12th Annual Account for
FY 2010-11, as required under Section 104 (4) of the
Electricity Act, 2003.**

Dr. Ketan Shukla, IFS
Secretary
Gujarat Electricity Regulatory Commission



FROM THE DESK OF THE CHAIRMAN

The institution of Electricity Regulatory Commission in India owes its genesis to the Electricity Regulatory Commission (ERC) Act, 1998, which provided for Regulatory Commissions at the Centre and in the States. Under the provisions of this Act, the Government of Gujarat constituted the Gujarat Electricity Regulatory Commission (GERC) in November 1998. The ERC Act, 1998 has since been repealed by the Electricity Act, 2003. However, the GERC is deemed to be established under sub-section (1) of Section 3 of the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003 and in terms of Section 82 of the Electricity Act, 2003.

Gujarat Electricity Regulatory Commission fund is operated as per 'GERC Fund Rules 2005'. The income of the GERC mainly consists of License and Petition fees. The GERC fund is audited every year by the Comptroller and Auditor General of India, who certifies the Annual Accounts, which are laid before the State Legislative Assembly. The last CAG audit was held from 26th September 2011 to 28th September, 2011

The fund is operated through nationalized banks and State sponsored financial Institutions only. The utilisation of fund is governed by the Gujarat Financial Rules 1971 amended from time to time and surplus funds are invested in the form of Fixed Deposits in the nationalised banks and State Government financial Institutions. The GERC is not getting any grant/financial support from Government of Gujarat and is financially self-reliant since 2005. GERC's main source of income is annual license fee and petition fee in pursuance of the Regulation of Fees, fines and charges, notification no. 6 of 2005 of GERC.

GERC received an annual license fee of Rs.7,76,72,466/- and petition fee Rs. 6,87,65,974/- during the year 2010-11. Rs. 3,30,66,707/- was earned as interest on fixed/Term deposits from nationalized banks/state sponsored financial institutions.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

GERC's total expenditure during the year 2010-11 was Rs. 3,41,93,647/-. Out of this Rs. 2,09,14,094/- was establishment expenditure, Rs. 1,22,71,822/- was other administrative charges and Rs. 10,07,731/- was depreciation.

GERC's total corpus fund as on date 31st March, 2011 is Rs. 53,00,00,000/- and the general reserve fund is Rs. 3,48,35,433/-.

GERC intends to build its own building and the Government of Gujarat has allotted 5,000 sq. meter land for office building of GERC at survey no. 102, behind Nirma University. Rs. 1.50 Crores has already been paid towards initial payment for land during the year 2009-10. Sale price of land is not yet finalised by Government of Gujarat. The final payment will be made after determination of land price by the Government of Gujarat.

Dr. P. K. Mishra
Chairman



THE GUJARAT ELECTRICITY REGULATORY COMMISSION, AHMEDABAD

Separate Audit Report of the Comptroller and Auditor General of India under section 104(2) of the Electricity Act, 2003 on the accounts of Gujarat Electricity Regulatory Commission for the year ended 31 March 2011.

We have audited the attached Balance Sheet of Gujarat Electricity Regulatory Commission as at 31 March 2011 and the income and Expenditure Account for the year ended on that date annexed thereto under Section 104(2) of the Electricity Act, 2003. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (propriety and regularity) and efficiency-cum-performance aspects, etc. if any, are reported through Inspection Reports.

Based on our audit, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) The Balance Sheet and Income and Expenditure account dealt with in this report have been drawn up in the format prescribed by the Government of Gujarat in consultation with the CAG under Section 104(1).
- (iii) In our opinion, proper books of accounts and other relevant records as required in the Electricity Act, 2003 have been maintained by the Commission in so far as it appears from our examination of books.
- (iv) We further observe that:



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

I. Balance Sheet

1. Current Liabilities and Provisions (Schedule-7) GERC Retirement Benefit Fund Rs. 9800070/-

The Commission, during the year made a provision for retirement benefit of Rs.18 Lakh raising the retirement fund balance to Rs. 98.00 lakh whereas, the provision for retirement benefit for regular and deputation staff in respect of gratuity and leave encashment liability as on 31 March 2011 worked out to only Rs. 57.94 lakh. Thus, there was excess provision of Rs. 40.06 lakh as on 31 March 2011. This has resulted in Overstatement of Current Liabilities and Provisions - GERC Retirement Benefit Funds by Rs. 40.06 lakh with corresponding Understatement of Excess of Income over Expenditure by Rs. 18.00 lakh and consequent Understatement of Reserves and Surplus - Accumulated Profits (Schedule -2) by Rs. 40.06 lakh.

2. General

Fixed Assets Register

The Commission has maintained Fixed Asset Register showing the details of location of Assets, date of purchase, value of Asset showing year wise addition and the year wise Depreciation provided. This is an essential basic for the purpose of maintenance and control of Fixed Assets.

- (i) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure account dealt with by this report are in agreement with the books of accounts.
- (ii) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and subject to the significant matters stated in para (iv) above, give a true and fair view in conformity with accounting principles generally accepted in India.
 - a. In so far as it relates to the Balance Sheet, of the state of affairs of the Commission as at 31 March 2011,
 - b. In so far as it relates to Income and Expenditure account, of the excess of income over expenditure for the year ended on that date.

For and on behalf of the
Comptroller & Auditor General of India
sd.

(Dr. Prasenjit Mukherjee)
Principal Accountant General
(C & R A), Gujarat

Date : 09.01.2012
Place : Ahmedabad.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

GUJARAT ELECTRICITY REGULATORY COMMISSION

FINANCIAL STATEMENT

BALANCE SHEET AS ON 31ST MARCH, 2011

		Amount – (In Rs.)	
CORPUS / CAPITAL FUND AND LIABILITIES	Schedule	2010-11	2009-10
CORPUS /GERC CAPITAL FUND	1	53,00,00,000.00	39,00,00,000.00
RESERVES AND SURPLUS	2	3,48,35,433.13	2,94,91,439.79
EARMARKED ENDOWMENT FUNDS	3	0.00	0.00
SECURED LOANS AND BORROWINGS	4	0.00	0.00
UNSECURED LOANS AND BORROWINGS	5	0.00	0.00
DEFERRED CREDIT LIABILITIES	6	0.00	0.00
CURRENT LIABILITIES AND PROVISIONS	7	1,05,35,063.58	95,77,197.10
TOTAL		57,53,70,496.71	42,90,68,636.89
ASSETS			
FIXED ASSETS			
GROSS BLOCK		2,79,18,528.58	2,74,19,680.58
LESS :			
TOTAL DEPRICIATION UPTO YEAR END (2010-11)			
NET BLOCK	8	88,36,820.00	79,06,711.00
INVESTMENTS -FROM			
EARMARKED / ENDOWMENT FUNDS	9	0.00	0.00
INVESTMENTS - OTHERS			
CURRENT ASSETS, LOANS, ADVANCES	10	0.00	0.00
MISCELLANEOUS EXPENDITURE	11	55,62,88,788.13	40,95,55,667.31
TOTAL		57,53,70,496.71	42,90,68,636.89

For and on behalf of the commission

C. N. BHATT
CHIEF ACCOUNTS OFFICER

M. N. KHALLYANI
DY.DIRECTOR
(A & A)

DR. KETAN SHUKLA
SECRETARY

Date : 15.09.2011
Place : Ahmedabad



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

GUJARAT ELECTRICITY REGULATORY COMMISSION INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

		Amount – (In Rs.)	
INCOME	Schedule	2010-11	2009-10
Income from sales / service	12	0.00	0.00
Grants /Subsidies	13	0.00	0.00
Fees and charges	14	14,64,38,440.00	14,28,45,062.00
Income from Investments (Income on Investment, from earmarked/ endowment Funds transferred to Funds)	15	0.00	0.00
Income from Royalty , Publications etc.	16	0.00	0.00
Interest Earned	17	3,30,66,707.83	2,80,30,189.84
Other Income	18	32,493.00	19,709.00
Increase/Decrease in stock of finished goods & work in progress	19	0.00	0.00
TOTAL (A)		17,95,37,640.83	17,08,94,960.84
EXPENDITURE			
Establishment Expenditure	20	2,09,14,094.80	1,84,41,527.96
Other Administrative Expenses etc.	21	1,22,71,821.69	1,41,13,967.47
Expenditure from Grants, subsidies etc	22	0.00	0.00
Interest paid	23	0.00	0.00
Depreciation			
(Net Total at the year end corresponding to schedule -8)		10,07,731.00	10,24,267.00
TOTAL (B)		3,41,93,647.49	3,35,79,762.43
Balance being excess of Income over Expenditure (A-B)		14,56,43,993.34	13,73,15,198.41
Transfer to Corpus Fund		14,00,00,000.00	12,50,00,000.00
Transfer to General Reserve		53,43,993.34	1,23,15,198.41
Balance being surplus transferred to balance sheet		0.00	0.00
SIGNIFICANT ACCOUNTING POLICIES CONTINGENT	24		
LIABILITIES AND NOTES ON ACCOUNTS			

C. N. BHATT
CHIEF ACCOUNTS OFFICER

M. N. KHALLYANI
DY.DIRECTOR
(A & A)

DR. KETAN SHUKLA
SECRETARY

Date : 15.09.2011
Place : Ahmedabad



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 1 CORPUS / CAPITAL FUND

CORPUS / CAPITAL FUND	Amount – (In Rs.)	
	2010 - 11	2009 - 10
Balance as at the beginning of the year	39,00,00,000.00	26,50,00,000.00
Add: Contributions towards Corpus/Capital Fund	0.00	0.00
Add transferred from the Income and expenditure	14,00,00,000.00	12,50,00,000.00
BALANCE AS AT THE YEAR-END	53,00,00,000.00	39,00,00,000.00

SCHEDULE - 2 RESERVES AND SUPPLUS

RESERVES AND SURPLUS	Amount – (In Rs.)	
	2010 - 11	2009 - 10
Balance as at the beginning of the year	2,94,91,439.79	1,71,76,241.38
Add Balance being surplus transferred from the Income and Expenditure Account of the current year	53,43,993.34	1,23,15,198.41
BALANCE AS AT THE YEAR-END	3,48,35,433.13	2,94,91,439.79

SCHEDULE - 3 EARMARKED / ENDOWMENT FUNDS

	FUND WISE Fund	BREAK UP Fund	Fund	Amount–(In Rs.)	
				TOTAL 2010 - 11	2009 - 10
	NIL	NIL	NIL	NIL	NIL

SCHEDULE - 4 SECURED LOANS AND BORROWINGS

SECURED LOANS AND BORROWINGS	Amount–(In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 5 UN SECURED LOANS AND BORROWINGS

UN SECURED LOANS AND BORROWINGS	Amount – (In Rs.)	
	2010 - 11	2009 - 10
Security Deposit	NIL	NIL

SCHEDULE - 6 DEFERRED CREDIT LIABILITIES :

	Amount – (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS

		Amount – (In Rs.)	
A. CURRENT LIABILITIES		2010 - 2011	2009-2010
1.	Interest Accrued but not due on,		
	a) Secured Loans / borrowings	0.00	0.00
	b) Unsecured Loans /borrowings	0.00	0.00
2	Statutory Liabilities		
	a) Over due	0.00	0.00
	b) Others	0.00	0.00
3	Other current Liabilities	77,210.00	0.00
4	CPF Commission	0.00	0.00
TOTAL (A)		77,210.00	0.00
B. PROVISIONS			
1	For Taxation	0.00	0.00
2	Gratuity	0.00	0.00
3	Superannuation /Pension	0.00	0.00
4	Accumulated Leave Encashment	0.00	0.00
5	Trade Warranties / Claims	0.00	0.00
6	Others (Specify)	0.00	0.00
7	Unpaid Exp.		
	Unpaid exp.2007-2008	3,00,000.00	3,00,000.00
	Unpaid exp. 2009-2010	1,00,000.00	11,03,881.45
	Unpaid exp. 2010-2011	2,57,782.93	0.00
8.	Gerc retirement Benifit fund	98,00,070.65	81,51,781.65
C. UNPAID EXP.			
1.	Tax Deduct at Source Office Rent	0.00	21,534.00
TOTAL (B)		1,04,57,853.58	95,77,197.10
TOTAL (A+B)		1,05,35,063.58	95,77,197.10



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 8 FIXED ASSETS

Decription	Decri. Rate*	Gross Block				
		Opening / Valuation of the year 1-4-11	Additions during the year uo to 30-9-10	Additions during the year after 1-10-10	Total Additions during the year 2010-11	Deductions during the year 2010-11
		1	2	3	4	5
1. Fixed Assets Land						
a) Free Hold		15009439.00	0.00	0.00	0.00	15009439.00
b) Lease Hold						
2. Buildings						
a) On Freehond Land						
b) On Lease hold Land						
c) Onwernship Flats/Premises						
d) Superstructures on Land not belonging to the entry						
3. Plant Machi. & Equipment						
4. Vehicles	15%	3621631.00	0.00	0.00	0.00	0.00
5. Furniture, Fixtures	10%	2563543.00	50962.00	45023.00	95985.00	0.00
6. Office Equipment	10%	1402935.00	286575.00	22963.00	309538.00	16038.00
7. Computer Peripherals	60%	4746760.58	120274.00	74152.00	194426.00	17550.00
8. Electric Installations						
9. Library Books	100%	0.00	10109.00	0.00	10109.00	0.00
10. Tubewells & W.Supply						
11. Other Fixed Assets						
Total of Current Year						
Previous Year						
Capital Work in Progress						
Total		27344308.58	467920.00	142138.00	610058.00	33588.00



Note : Depreciation rate as per appendix I of IT Rules 1962 Incometax Act.1961.



Note : Depreciation rate as per appendix I of IT Rules 1962 Incometax Act.1961.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 9 INVESTMENT FROM EARMARKED ENDOWMENT FUNDS

	Amount – (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL

SCHEDULE - 10 INVESTMENTS - OTHERS

	Amount – (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL

SCHEDULE - 11 CURRENT ASSETS, LOANS, ADVANCES ETC.

	Amount – (In Rs.)	
	2010 - 11	2009 - 10
A CURRENT ASSETS		
1. Sundry Debtors :		
a) Debts Outstanding for a period exceeding six months	0.00	0.00
b) Others	0.00	0.00
2. Cash balances in Hand	30250.00	8,645.01
3. Bank Balances:		
a) With Scheduled Banks		
1) Fixed / Term Deposit	53,69,99,838.00	39,49,99,838.00
2) Auto Sweep Savings Account	37,83,818.48	14,51,490.65
3) Current Account	23,492.65	23,606.65
4. ADVANCE PAID	2,16,790.00	7,632.00
TOTAL - (A)	54,10,54,189.13	39,64,91,212.31



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 11 - B - LOANS, ADVANCES AND OTHER ASSETS

	Amount – (In Rs.)	
	2010 - 11	2009 - 10
1. Loans :		
a) Advances		
i) Staff (Festival Advance)	52,500.00	33,000.00
ii) Hba to Staff : Ranjit Makwana	2,05,852.00	2,24,032.00
iii) Hba to Staff : K. G. Rajput	4,08,500.00	4,38,500.00
b) LTC Advance	16,000.00	0.00
c) Other Entities engaged in activities/ objectives similar to that of the Entity		
d) Medical Advance	7,995.00	8,995.00
e) Other (Deposits)		
i. Petrol Pump	30,000.00	30,000.00
ii. Telephone	34,350.00	34,350.00
iv. LPG Gas	3,100.00	3,100.00
v. Office building	2,52,700.00	2,52,700.00
vi. Electricity	16,520.00	16,520.00
vii Govt. Qut. Deposit	2,300.00	2,300.00
viii Safe Deposit Walt (Deposit)	5,000.00	5 000.00
2. Advances and other amounts recoverable in cash or in kind or for value to be received		
a) On Capital Account	0.00	0.00
b) Prepayments	0.00	0.00
c) Others	0.00	0.00
3) Income Accrued :		
a) On investments from Ear marked/Endowment Funds	0.00	0.00
b) On Investments - Others	0.00	0.00
c) On Loans and Advances	0.00	0.00
d) Others	0.00	0.00
(Includes income due unrealized Rs)		
4) Claims Receivable (TDS Receivable from IT Dept.)		
5) Receivable Interest	1,41,99,782.00	1,20,15,958.00
TOTAL (B)	1,52,34,599.00	1,30,64,455.00
TOTAL (A+B)	55,62,88,788.13	40,95,55,667.31



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 12 INCOME FROM SERVICES

INCOME FROM SERVICES	Amount – (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL

SCHEDULE- 13 GRANTS / SUBSIDIES

GRANTS / SUBSIDIES	Amount – (In Rs.)	
	2010 - 11	2009 - 10
1) Central Government	0.00	0.00
2) State Government	0.00	0.00
3) Government Agencies	0.00	0.00
4) Institutions /Welfare bodies	0.00	0.00
5) International Organizations	0.00	0.00
6) Others (specify)	0.00	0.00
TOTAL	0.00	0.00

SCHEDULE - 14 FEES / SUBSCRIPTIONS

FEES / SUBSCRIPTIONS	Amount – (In Rs.)	
	2010 - 11	2009 - 10
1) Entrance Fees	0.00	0.00
2) Annual Fees / Subscription	7,76,72,466.00	5,60,80,955.00
3) Seminar / Program fees	0.00	0.00
4) Consultancy Fees	0.00	0.00
5) Others (Specify)	0.00	0.00
6) Petition fees	6,87,65,974.00	8,67,64,107.00
TOTAL	14,64,38,440.00	14,28,45,062.00



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 15 INCOME FROM INVESTMENTS				
(Income on Investment from Earmarked/ endowment funds) transferred to Funds.	Investment from Earmarked Funds		Investment - others	
	2010 - 11	2009 - 10	2010 - 11	2009 - 10
	NIL	NIL	NIL	NIL

SCHEDULE - 16 INCOME FROM ROYALTY, PUBLICATION ETC.		
	Amount - (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL

SCHEDULE - 17 INTEREST EARNED		
	Amount - (In Rs.)	
INTEREST EARNED	2010-11	2009-10
1) On Term Deposit		
a) With Scheduled banks	3,27,73,931.00	2,75,78,826.35
b) With Non Scheduled Banks	0.00	0.00
c) With Institution	0.00	0.00
d) Other	3,28,776.72	4,51,363.49
2) On Savings Accounts		
a) With Scheduled banks	0.00	0.00
b) With Non Scheduled Banks	0.00	0.00
c) Post Office Savings Account	0.00	0.00
d) Other	0.00	0.00
3) On Loans		
a) Employees / Staff	0.00	0.00
b) Other	0.00	0.00
4) Interest on Debtors and Other Receivables	0.00	0.00
5) Interest on TDS Refund for Asst. Yr. 2009-2010	0.00	0.00
TOTAL	3,30,66,707.83	2,80,30,189.84



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 18 OTHER INCOME

OTHER INCOME	Amount - (In Rs.)	
	2010 - 11	2009 - 10
I) Recovery of Printing Charges	0.00	0.00
II) Recovery of / Vehicle use from staffs	11,875.00	10,887.00
III) Other Misc. Receipt	20,618.00	8,822.00
IV) Contribution from Forum of Indian Regulators	0.00	0.00
V) RTI Fees	0.00	0.00
TOTAL	32,493.00	19,709.00

SCHEDULE - 19 INCREASE / DECREASE IN STOCK OF FINISHED GOODS AND WORKS IN PROGRESS

	Amount - (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 20 ESTABLISHMENT EXPENSES

	Amount - (In Rs.)	
	2010-11	2009-10
a) Salaries and Wages		
1) Salaries commision	36,59,687.00	22,29,120.00
2) Salaries office staff	1,09,83,493.00	77,00,819.00
3) Salaries Ombudsment Office Staff	10,98,556.00	5,65,194.00
4) Cpf Commision	0.00	0.00
5) Pay Arrears	24,81,635.00	35,23,319.00
6) Insentive	34,482.00	0.00
b) Allowances and Bonus		
1) Uniform Allowance	0.00	0.00
2) Bonus Allowance	70,000.00	49,000.00
3) Charge Allow	19,448.00	10,544.00
c) Contribution to Provident Fund	6,21,444.00	5,38,620.00
d) Contribution to Other Fund (specify)		
e) Staff Welfare Expenses	0.00	0.00
Medical Facility and Reimbursement	96,049.80	2,45,427.96
1) Staff welfare exp.	24,000.00	2,500.00
2) Uniform exp.	25,300.00	6,984.00
f) Expenses on Employees'Retirement and Terminal Benefits		
1) Gratuity	6,00,000.00	12,70,000.00
2) Leave Salary	12,00,000.00	23,00,000.00
g) Others (Specify)		
TOTAL	2,09,14,094.80	1,84,41,527.96



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 21 OTHER ADMINISTRATIVE EXPENSES ETC.		
	Amount - (In Rs.)	
	2010-11	2009-10
a) General Expenses		
i) Bank Charges	43,279.18	7,201.46
ii) Electricity charges	2,58,441.00	2,35,347.00
iii) Vehicle Running Expenses Fuel etc.	4,38,727.30	3,75,256.24
iv) Advertisements and Publicity	9,04,710.00	9,56,516.70
v) Audit fees	57,305.00	1,86,419.00
vii) Vehicle Insurance Expenses	27,136.00	32,499.00
ix) Other Office Expenses	9,09,849.50	5,61,112.20
xi) Misc. exp.	38,027.00	3,25,854.50
xii) Prior Period Exp.		
a) Audit exp.2008-2009	0.00	20,000.00
b) Telephone exp.	2,250.00	0.00
TOTAL :	26,79,724.98	27,00,206.10
b) Repairs and Maintenance		
i) Building	6,860.00	1,06,844.00
ii) Furniture and Office Equipment	43,451.00	1,02,919.00
iii) Vehicles	1,72,205.00	1,01,096.00
iv) R & M Furniture & Fixture	0.00	1,850.00
TOTAL	2,22,516.00	3,12,709.00
c) Rent , Rates and Taxes		
i) Rent (office)	28,90,555.00	26,40,587.00
iii) Municipal Taxes	30,622.00	3,61,311.00
iii) Safe deposit rent	745.00	745.00
TOTAL	29,21,922.00	30,02,643.00
d) Postage, telephone and Communication Charges		
i) Postage charges	94,419.00	80,219.00
ii) Telephone charges	3,35,848.15	2,54,897.17
iii) Website charges	16,500.00	19,500.00
iv) Internet charges	1,28,396.10	14,695.95
TOTAL	5,75,163.25	3,69,312.12



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

	Amount - (In Rs.)	
	2010-11	2009-10
e) Printing and Stationery		
i) Printing and Stationery	6,77,512.50	3,56,447.00
f) Traveling and Conveyance Expenses		
i) Traveling Expenses for foreign tour	3,65,258.00	1,86,873.00
ii) Traveling allowances for domestic tour	40,177.25	7,84,144.75
iii) Conveyance expenses	22,490.71	34,437.00
iv) Travel Exp.	9,16,553.00	46,521.50
v) Leave Travel Concession	76,945.00	20,956.00
	14,21,423.96	10,72,932.25
g) I.W.D.M.S. Exp.	0.00	44,836.00
h) Loss On Transfer of Vehicle	0.00	1,58,251.00
TOTAL	84,98,262.69	80,17,336.47
i) Subscription Expenses		
i) Subscription of Newspapers and Magazines	80,122.00	54,168.00
ii) Purchase of Book	0.00	0.00
iii) Financial Assistance for Consumer's Awareness	0.00	0.00
iv) For Annual Fees	2,00,000.00	2,00,000.00
v) Safir Fees	1,50,000.00	1,50,000.00
vi) For Annual Fees	50,000.00	50,000.00
TOTAL	4,80,122.00	4,54,168.00
j) Expenses on Seminar/ work shop		
i) Seminars	2,97,712.00	29,470.00
TOTAL	2,97,712.00	29,470.00
k) Auditors Remuneration		
i) Hospitality Expenses	0.00	0.00
m) Consultancy charges / Professional charges		
i) Legal Consultancy	2,000.00	6,15,000.00
ii) Professional Consultancy / Charges	21,48,060.00	43,88,961.00
iii) Consultancy Retainer Fee	8,45,665.00	6,09,032.00
TOTAL	29,95,725.00	56,12,993.00
n) Deposits / Investments	0.00	0.00
TOTAL	37,73,559.00	60,96,631.00
TOTAL (a to n)	1,22,71,821.69	1,41,13,967.47



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 22 EXPENDITURE FROM GRANTS, SUBSIDIES ETC.

	Amount - (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL

SCHEDULE - 23 INTEREST PAID

	Amount - (In Rs.)	
	2010 - 11	2009 - 10
	NIL	NIL



SCHEDULE - 24

1. Significant Accounting Policies

- 1.1 Annual Accounts for the year 2010-11 have been prepared as per the format approved by Government of Gujarat vide Resolution No. GHU-2005(105)-GRC-2003-7997-K dated 20.10.2005 in consultation with the C&AG of India (vide its letter No. 967/AC-II/GJ/GERC/2003-04/75-04 dated 31.8.2004).
- 1.2 The Commission prepares Accounts on Accrual basis.
- 1.3 The Commission has notified Gujarat Electricity Regulatory Commission (Fees, Fines and Charges) Regulations, 2005. As such licence fees and other revenue income started w.e.f. 01.04.2005, Government of Gujarat is not giving any budgetary support to the Commission from F.Y. 2005-06. The State Government has also notified the GERC Fund Rules, 2005 vide Notification No. GHU-2005-(84)-GRC-2003-9688-K dated 02.08.2005.
- 1.4 Excess of income over expenditure is transferred to GERC Funds/ General Reserve. Generally, GERC fund is invested in Nationalized banks/Gujarat State Financial Services Ltd (a State Public Sector Undertaking) for one year as Fixed Deposit Receipt.

2. Accounting Convention

The financial statements are prepared on the basis of historical cost convention, unless otherwise stated and on the accrual method of accounting.

3. Investment

- 3.1 Investments classified as "long term investments" are carried forward at cost. Provision for decline, other than temporary, is made in carrying cost of such investment.
- 3.2 Investments classified as "long term investments" are carried forward at cost. Provision for decline, other than temporary, is made in carrying cost of such investment.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

- 3.3 Investments classified as "Current" are carried at lower of cost and fair value. Provision for shortfall on the value of such investments is made for each investment considered individually and not on a global basis.
- 3.4 Cost includes acquisition expenses like brokerage, transfer stamp duty.
- 3.5 Current Liabilities pertaining to "Security Deposit" received from architect for the consultancy work of office building.

4. Fixed Assets

- 4.1 Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition (in respect of projects involving construction, related pre-operational expenses, including interest on loans for specific project prior to its completion) from part of the value of assets capitalized. Accumulated depreciation and book value and net value of assets are shown in Schedule No. 8.
- 4.2 Fixed Assets received by way of non-monetary grants (other than towards the Corpus Fund), are capitalized at values stated, by corresponding credit to Capital Reserve.
- 4.3 GERC had paid Rs. 1.5 Crores towards token price of land in the year 2009 -10. The sale price of land will be determined by State Government and remaining amount will be paid as and when it will be finalized. Yet, sale price of land is not finalized and communicated to the Commission so, liability is not ascertained. Hence, it is not reflected in Annual Accounts of 2010-11.

5. Depreciation

- 5.1 Depreciation is provided on written down method as per the rates specified in the Income Tax Act, 1961 and Rules made there under. There is no change in the method for calculating depreciation for the year under report.
- 5.2 In respect of additions to/deduction from fixed assets during the year, depreciation is calculated in accordance with Income Tax Act, 1961 and the rules made thereunder.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

6. General

- 6.1 The Commission started making provisions for the liability towards retirement benefits from F.Y. 2007-08. The provision for retirement benefit is calculated considering the liabilities towards payment of gratuity and payment of encashment of leave salary etc. to the Members/employees of the Commission at the time of retirement or vacating their office. Gratuity and accumulated leave encashment are worked out in line with the relevant provisions in the State Government. In the current F.Y, the Commission has made provision of Rs. 18.00 lakhs for payment of retirement benefits, which consists of Rs. 6.00 lakhs towards gratuity and Rs. 12.00 lakhs towards encashment of leave etc.
- 6.2 While finalizing Annual Account, the objection regarding au the nticating of significant and accounting policies (Sch. 24) has been complied.

7. Fees and Charges

- 7.1 Commission's Regulations in this regard provide for advance payment of annual licence fee at the commencement of the financial year on the estimated basis. Further, it also provides that the excess or shortfall in licence fee calculated on the actual basis shall be adjusted against the annual licence fees for the following years. Accordingly, advance payment of annual license fees and adjustment of license fees for the earlier years based on the audited data paid by the licensee is shown as revenue income for the current year.

In the current F.Y. the Commission has received Rs. 6,96,65,446/- as licence fees based on the estimated sales and Rs. 80,07,020/- as adjustment based on the audited data for the year 2008-09 of the distribution licencees. The Commission also receives petition fees/charges as provided in the regulations. In the year 2010-11 the Commission has received Rs. 6,87,65,974 as petition fees and charges etc.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

8. Government grants and subsidies

Commission had not received government grant/subsidy in F.Y.2010-11.

9. Foreign Currency Transaction

During Financial Year 2010-11 there was foreign visit of Hon'ble Chairman to Philippines and Canada. Total expenditure towards foreign tour is Rs. 3,65,258/-.

10. Taxation

GERC being statutory Commission established under the Electricity Act, 2003 is carrying on statutory and regulatory functions as laid down in the Act. Hence, all its functions are functions of State and in view of same, the surplus, if any is considered exempt from the provisions of the Income Tax Act, 1961.

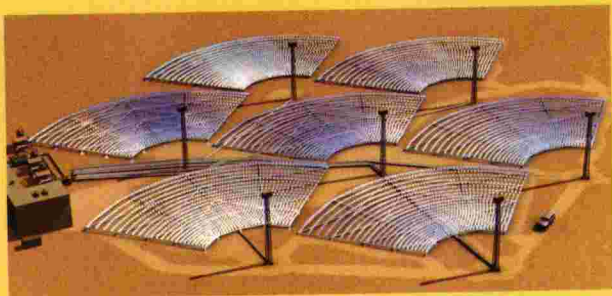
11. Corresponding figures for the previous figures have been regrouped/ rearranged, wherever necessary.
12. Schedules 1 to 24 are annexed to and form an integral part of the Balance Sheet as at 31st March, 2011 and the Income and Expenditure Account for the year ended on that date.

C. N. BHATT
CHIEF ACCOUNTS
OFFICER

M. N. KHALLYANI
DY. DIRECTOR
(A & A)

DR. KETAN SHUKLA
SECRETARY

Date : 15.09.2011
Place : Ahmedabad



The Gujarat Electricity Regulatory Commission

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