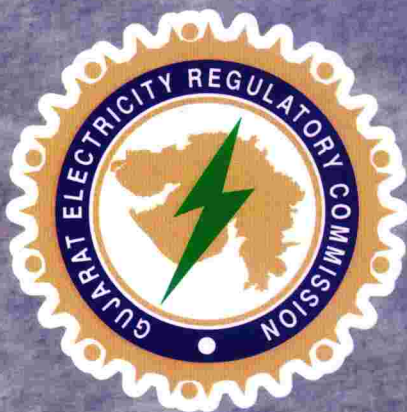


The Gujarat Electricity Regulatory Commission

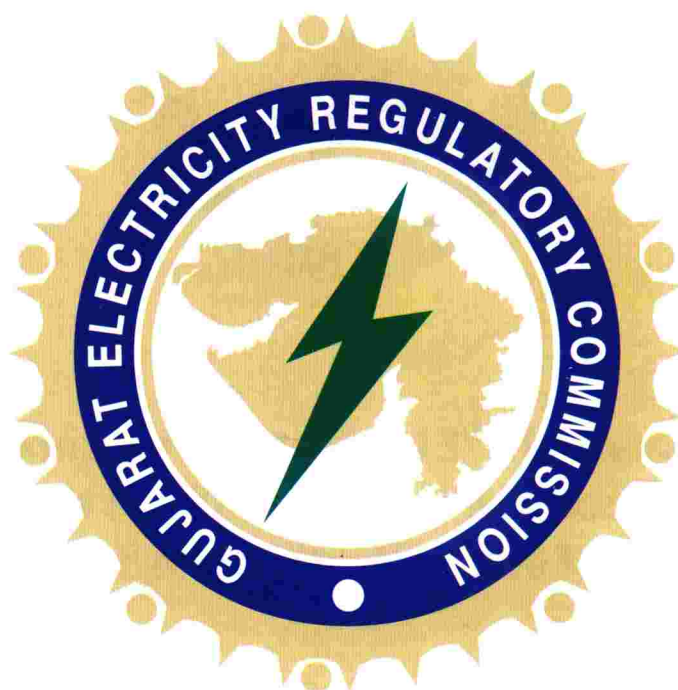


13th Annual Accounts

Financial Year 2011-12

THE GUJARAT ELECTRICITY REGULATORY COMMISSION

Thirteenth Annual Accounts 2011-12



1st. Floor, Neptune Tower,
Opp. Nehru Bridge, Ashram Road,
Ahmedabad 380 009.

Website : www.gercin.org **E-mail :** gerc@gercin.org

THE GUJARAT ELECTRICITY REGULATORY COMMISSION



**The Commission presents the 13th Annual Accounts for
FY 2011-12, as required under Section 104 (4) of the
Electricity Act, 2003.**

Dr. Ketan Shukla, IFS
Secretary
Gujarat Electricity Regulatory Commission



AN OVERVIEW

The Gujarat Electricity Regulatory Commission (GERC) has been functioning for the past 13 years discharging functions of determination of tariff for generation, supply, transmission, wheeling, wholesale, bulk and retail supply within the State of Gujarat. It also undertakes the functions of enabling open access, regulating the power purchase and procurement process, facilitating intra-state transmission, issuing licences for transmission and distribution, promoting co-generation and generation of electricity from renewable sources of energy, adjudicating on the disputes between licensees and the utilities, specifying State Grid Code, supply Code, fixing trading margin for intra-state trading of electricity and discharging such other functions assigned under the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003. The Commission was constituted under the Electricity Regulatory Commissions Act, 1998 (ERC Act) and was subsequently deemed to have been 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.

The Gujarat Electricity Regulatory Commission Fund is operated as per the GERC Fund Rules, 2005. The income of the GERC consists of mainly 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 27th August 2012 to 1st September, 2012.

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 the 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 Fees, Fines and Charges Regulations, notification no. 6 of 2005 of GERC.



GERC received an annual license fee of ₹. 7,89,09,275/- and petition fee ₹. 7,83,35,323/- during the year 2011-12 and an amount ₹. 6,21,79,490/- was earned as interest on fixed/Term deposits from nationalized banks/state sponsored financial institutions.

GERC's total expenditure during the year 2011-12 was ₹. 3,64,90,079/-. Out of this ₹. 2,06,91,989/- was establishment expenditure, ₹. 1,49,45,454/- was other administrative charges and ₹. 8,52,636/- was depreciation.

GERC's total corpus fund as on 31st March, 2012 is ₹. 71,00,00,000/- and the general reserve fund is ₹. 3,78,27,423/-.

GERC had planned to build its own building for which the Government of Gujarat allotted 5,000 sq. meter of land at survey number 102, behind Nirma University. ₹. 1.50 Crores was paid towards initial payment for land during the year 2009-10. Sale price of the land is not yet finalised by Government of Gujarat. The Commission has been, since its inception, having its office at rented premises in Ahmedabad. Recently it has been decided to purchase office space and shift its office to Block QC-1 of the Gujarat International Finance Tec-City (GIFT), Gandhinagar.

The GERC keeps pace with the changing electricity sector scenario and has been proactive in ensuring an effective regulatory framework for development of the sector.



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 2012.

We have audited the attached Balance Sheet of Gujarat Electricity Regulatory Commission as at 31 March 2012 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 observation on financial transaction 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 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:

I. Income and Expenditure Account

1. Fees and Charges (Sch. -14) - ₹ 15.72 crore Annual Fees/Subscription ₹ 7.89 crore

- a) As per clause No. 6 (i.e. Fees Payable on license) of Notification No. 6 of 2005 (Fees, Fines and Charges regulation) dated 30th March 2005, regularizing levy and collection of Fees, Fines and Charges from the licensees as well as deemed licensees, the Commission was entitled to receive the annual fees as per the rates contained in the Schedule to the said Notification.



The Commission received an amount of ₹ 5.62 crore towards licence fee from distribution licensees based on estimated energy sales for 2010-11 against which the fee was receivable was ₹ 6.81 crore based on actual energy sales. The difference of ₹ 1.19 crore was not accounted as receivable in 2011-12 accounts, which resulted in understatement of "Excess of Income over expenditure" and "Sundry debtors" by ₹ 1.19 crore.

- (b) The Commission has not reckoned the income from Unscheduled Interchange charges received by the DISCOMs for calculating the licence fee receivable. The above fact should have been disclosed in the accounts.

II. General

2. Significant Accounting Policies (Schedule-24)

Fixed Assets

Note 4.3 is deficient to the extent as it does not disclose the fact that though the possession of the land had been obtained, title/agreement was yet to be executed.

3. Fixed Assets Register

The Commission has neither maintained Fixed Asset Register in proper format showing the details of location, date of purchase, value of addition per year and year wise depreciation provided thereon nor physical verification of these assets has been conducted. Therefore, the existence of such assets could not be ensured in audit.

- (v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure account dealt with by this repo are in agreement with the books of accounts.

- (vi) 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 2012,
- 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.

(Meera Swarup)
Accountant General
(E & RSA), Gujarat

Date : 23.11.2012
Place : Ahmedabad.



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

GUJARAT ELECTRICITY REGULATORY COMMISSION

FINANCIAL STATEMENT

BALANCE SHEET AS ON 31ST MARCH, 2012

Amount – (In ₹.)

CORPUS / CAPITAL FUND AND LIABILITIES	Schedule	2011-12	2010-11
CORPUS /GERC CAPITAL FUND	1	71,00,00,000.00	53,00,00,000.00
RESERVES AND SURPLUS	2	3,78,27,423.58	3,48,35,433.13
EARMARKED ENDOWMENT FUNDS	3	0.00	0.00
SECURED LOANS AND BORROWINGS	4	0.00	0.00
UNSECURED LOANS AND BORROWINGS	5	1,000.00	77,210.00
DEFERRED CREDIT LIABILITIES	6	0.00	0.00
CURRENT LIABILITIES AND PROVISIONS	7	1,07,98,863.92	1,04,57,853.58
TOTAL		75,86,27,287.50	57,53,70,496.71
ASSETS			
FIXED ASSETS	8	1,90,20,365.58	1,90,81,708.58
INVESTMENTS-FROM EARMARKED/ ENDOWMENT FUNDS	9	0.00	0.00
INVESTMENTS - OTHERS	10	0.00	0.00
CURRENT ASSETS, LOANS, ADVANCES	11	73,96,06,921.92	55,62,88,788.13
MISCELLANEOUS EXPENDITURE			
TOTAL		75,86,72,287.50	57,53,70,496.71

For and on behalf of the commission

C. N. BHATT
CHIEF ACCOUNTS OFFICER

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

DR. KETAN SHUKLA IFS
SECRETARY

Date : 21.07.2012
Place : Ahmedabad



GUJARAT ELECTRICITY REGULATORY COMMISSION
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31ST MARCH, 2012

		Amount – (In ₹.)	
INCOME	Schedule	2011-12	2010-11
Income from sales / service	12	0.00	0.00
Grants /Subsidies	13	0.00	0.00
Fees and charges	14	15,72,44,598.00	14,64,38,440.00
Income from Investments (Income on Investment, from	15	0.00	0.00
earmarked/ endowment Funds transferred to Funds)			
Income from Royalty , Publications etc.	16	0.00	0.00
Interest Earned	17	6,21,79,490.51	3,30,66,707.83
Other Income	18	57,981.00	32,493.00
Increase/Decrease in stock of finished goods	19	0.00	0.00
& work in progress			
TOTAL (A)		21,94,82,069.51	17,95,37,640.83
EXPENDITURE			
Establishment Expenditure	20	2,06,91,989.00	2,09,14,094.80
Other Administrative Expenses etc.	21	1,49,45,454.06	1,22,71,821.69
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)		8,52,636.00	10,07,731.00
TOTAL (B)		3,64,90,079.06	3,41,93,647.49
Balance being excess of Income over Expenditure (A-B)		18,29,91,990.45	14,53,43,993.34
Transfer to Corpus Fund		18,00,00,000.00	14,00,00,000.00
Transfer to General Reserve		29,91,990.45	53,43,993.34
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 IFS
SECRETARY

Date : 21.07.2012
Place : Ahmedabad



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 1 CORPUS / CAPITAL FUND		Amount – (In ₹.)
CORPUS / CAPITAL FUND	2011 - 12	2010 - 11
Balance as at the beginning of the year	53,00,00,000.00	39,00,00,000.00
Add: Contributions towards Corpus/Capital Fund	0.00	0.00
Add transferred from the Income and Expenditure		
Account of the current year	18,00,00,000.00	14,00,00,000.00
BALANCE AS AT THE YEAR-END	71,00,00,000.00	53,00,00,000.00

SCHEDULE - 2 RESERVES AND SURPLUS		Amount – (In ₹.)
RESERVES AND SURPLUS	2011 - 12	2010 - 11
Balance as at the beginning of the year	3,48,35,433.13	2,94,91,439.79
Add Balance being surplus transferred from the Income and Expenditure Account of the current year	29,91,990.45	53,43,993.34
BALANCE AS AT THE YEAR-END	3,78,27,423.58	3,48,35,433.13

SCHEDULE - 3 EARMARKED / ENDOWMENT FUNDS				Amount – (In ₹.)	
	FUND WISE Fund	BREAK UP Fund	Fund	TOTAL 2011 - 12	2010 - 11
	NIL	NIL	NIL	NIL	NIL

SCHEDULE - 4 SECURED LOANS AND BORROWINGS		Amount – (In ₹.)
SECURED LOANS AND BORROWINGS	2011 - 12	2010 - 11
	NIL	NIL



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 5 UN SECURED LOANS AND BORROWINGS		Amount – (In ₹.)
UN SECURED LOANS AND BORROWINGS	2011 - 12	2010 - 11
Security Deposit	1,000.00	77,210.00

SCHEDULE - 6 DEFERRED CREDIT LIABILITIES		Amount – (In ₹.)
	2011 - 12	2010 - 11
	NIL	NIL



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS		Amount – (In ₹.)	
		2011 - 12	2010 - 11
A. CURRENT LIABILITIES			
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	0.00	0.00
4	CPF Commission	0.00	0.00
	TOTAL (A)	0.00	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	1,00,000.00
	Unpaid exp. 2010-2011	0.00	2,57,782.93
	Unpaid exp. 2011-2012	2,59,069.27	0.00
8.	GERC Retirement Benifit fund	1,01,39,794.65	98,00,070.65
	TOTAL (B)	1,07,98,863.92	1,04,57,853.58
	TOTAL (A+B)	1,07,98,863.92	1,04,57,853.58



SCHEDULE - 8 FIXED ASSETS

Description	Decri. Rate*	Gross Block				
		Opening / Valuation of the year 1-4-11	Additions during the year uo to 30-9-11	Additions during the year after 1-10-11	Total Additions during the year 2011-12	Deductions during the year 2011-12
		1	2	3	4	5
1. Fixed Assets Land						
a) Free Hold	0%	15009439.00	0.00	0.00	0.00	0.00
b) Lease Hold						
2. Buildings						
a) On Freehold Land						
b) On Lease hold Land						
c) Onwernship Flats/Premises						
d) Superstructures on Land not belonging to the entiry						
3. Plant Machi. & Equipment						
4. Vehicles	15%	3621631.00	0.00	0.00	0.00	0.00
5. Furniture, Fixtures	10%	2659528.00	38040.00	0.00	38040.00	0.00
6. Office Equipment	10%	1696435.00	297144.00	298388.00	595532.00	0.00
7. Computer Peripherals	60%	4923636.58	103521.00	0.00	103521.00	0.00
8. Electric Installations						
9. Library Books	100%	0.00	39882.00	14318.00	54200.00	0.00
10. Tubewells & W.Supply						
11. Other Fixed Assets						
Total of Current Year						
Previous Year						
Capital Work in Progress						
Total		27910669.58	478587.00	312706.00	791293.00	0.00



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

Cost/ Valuation at the year and 31-3-12	Depreciation				Net Block	
	At the Beginning of the year 1-4-12	Depreciati on of the current year and 2011-12	On Addition during the year 2011-12	Total Up to year and 7+8+9=10 2011-12	As at the current year end 6-10=11 2011-12	As at the Previous year 2011-12
6	7	8	9	10	11	12
15009439.00	0.00	0.00	0.00	0.00	15009439.00	15009439.00
3621631.00	2384122.00	185626.00	0.00	2569748.00	1051883.00	1237509.00
2697568.00	1315066.00	134446.00	3804.00	1453316.00	1244252.00	1344462.00
2291967.00	643696.00	105276.00	44635.00	793607.00	1498360.00	1052739.00
5027157.58	4486077.00	262536.00	62113.00	4810726.00	216431.58	437559.58
54200.00	0.00	0.00	54200.00	54200.00	0.00	0.00
28701962.58	8828961.00	687884.00	164752.00	9681597.00	19020365.58	19081708.58

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 ₹.)
INVESTMENT FROM EARMARKED ENDOWMENT FUNDS	2011 - 12	2010 - 11
	NIL	NIL

SCHEDULE - 10 INVESTMENTS - OTHERS		Amount – (In ₹.)
INVESTMENTS - OTHERS	2011 - 12	2010 - 11
	NIL	NIL

SCHEDULE - 11 CURRENT ASSETS, LOANS, ADVANCES ETC.		Amount – (In ₹.)
	2011 - 12	2010 - 11
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 (Including cheques/drafts and imprest)	58,532.00	30,250.00
3. Bank Balances:		
a) With Scheduled Banks		
1) Fixed / Term Deposit	71,65,99,838.00	53,69,99,838.00
2) Auto Sweep Savings Account	64,01,831.96	37,83,818.48
3) Current Account	23,211.65	23,492.65
4. ADVANCE PAID	0.00	2,16,790.00
TOTAL - (A)	72,30,83,413.61	54,10,54,189.13



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 11-B-LOANS, ADVANCES AND OTHER ASSETS		Amount – (In ₹.)	
INVESTMENT FROM EARMARKED ENDOWMENT FUNDS		2011 - 12	2010 - 11
1. Loans :			
a) Advances	45,000.00	52,500.00	
i) Staff (Festival Advance)	1,87,672.00	2,05,852.00	
ii) Hba to Staff : Ranjit Makwana	3,78,500.00	4,08,500.00	
iii) Hba to Staff : K. G. Rajput	0.00	16,000.00	
b) LTC Advance			
c) Other Entities engaged in activities/ objectives similar to that of the Entity	995.00	7,995.00	
d) Medical Advance			
e) Other (Deposits)	30,000.00	30,000.00	
i. Petrol Pump	34,350.00	34,350.00	
ii. Telephone	3,100.00	3,100.00	
iv. LPG Gas	2,52,700.00	2,52,700.00	
v. Office building	16,520.00	16,520.00	
vi. Electricity	2,300.00	2,300.00	
vii Govt. Qut. Deposit	5,000.00	5 000.00	
viii Safe Deposit Walt (Deposit)			
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 (Includes income due unrealized ₹.)			
4) Receivable Interest	1,39,43,457.31	1,41,99,782.00	
5) Receivable From CERC for FOIR Exp.	14,00,000.00	0.00	
6) Receivable From GUVNL	1,73,888.00	0.00	
7) Receivable From TOURISUM CORP.	50,026.00	0.00	
TOTAL (B)	1,65,23,508.31	1,52,34,599.00	
TOTAL (A+B)	73,96,06,921.92	55,62,88,788.13	



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 12 INCOME FROM SERVICES		Amount – (In ₹.)	
INCOME FROM SERVICES		2011 - 12	2010 - 11
		NIL	NIL

SCHEDULE - 13 GRANTS / SUBSIDIES		Amount – (In ₹.)	
GRANTS / SUBSIDIES		2011 - 12	2010 - 11
		0.00	0.00
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		Amount – (In ₹.)	
FEES / SUBSCRIPTIONS		2011 - 12	2010 - 11
		0.00	0.00
1) Entrance Fees		7,89,09,275.00	7,76,72,466.00
2) Annual Fees / Subscription		0.00	0.00
3) Seminar / Program fees		0.00	0.00
4) Consultancy Fees		0.00	0.00
5) Others (Specify)		7,83,35,323.00	6,87,65,974.00
6) Petition fees		15,72,44,598.00	14,64,38,440.00
TOTAL		15,72,44,598.00	14,64,38,440.00



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 15 INCOME FROM INVESTMENTS			Amount – (In ₹.)	
(Income on Investment from Earmarked/ endowment funds) transferred to Funds.	Investment from Earmarked Funds		Investment - others	
	2011- 12	2010 - 11	2011 - 12	2010 - 11
	NIL	NIL	NIL	NIL

SCHEDULE - 16 INCOME FROM ROYALTY, PUBLICATION ETC.	Amount – (In ₹.)	
	2011 - 12	2010 - 11
	NIL	NIL

SCHEDULE - 17 INTEREST EARNED	Amount – (In ₹.)	
INTEREST EARNED	2011 - 12	2010 - 11
1) On Term Deposit		
a) With Scheduled banks	6,21,79,490.51	3,27,73,931.11
b) With Non Scheduled Banks	0.00	0.00
c) With Institution	0.00	0.00
d) Other	0.00	3,28,776.72
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	6,21,79,490.51	3,30,66,707.83



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 18 OTHER INCOME			Amount – (In ₹.)	
ON OTHER INCOME			2011 - 12	2010 - 11
			0.00	0.00
I)	Recovery of Printing Charges		32,340.00	11,875.00
II)	Recovery of / Vehicle use from staffs		25,641.00	20,618.00
III)	Other Misc. Receipt		0.00	0.00
IV)	Contribution from Forum of Indian Regulators		0.00	0.00
V)	RTI Fees		57,981.00	32,493.00
TOTAL				

SCHEDULE - 19 INCREASE / DECREASE IN STOCK OF FINISHED GOODS AND WORKS IN PROGRESS			Amount – (In ₹.)	
			2011 - 12	2010 - 11
			NIL	NIL



THE GUJARAT ELECTRICITY REGULATORY COMMISSION

SCHEDULE - 20 ESTABLISHMENT EXPENSES		Amount – (In ₹.)	
	2011 - 12	2010 - 11	
a) Salaries and Wages			
1) Salaries commision	48,70,490.00	36,59,687.00	
2) Salaries office staff	1,13,25,481.00	1,09,83,493.00	
3) Salaries Ombudsment Office Staff	12,13,695.00	10,98,556.00	
4) Pay Arrears	2,96,376.00	24,81,635.00	
5) Insentive	97,320.00	34,482.00	
b) Allowances and Bonus			
1) Bonus Allowance	80,500.00	70,000.00	
2) Charge Allow	37,272.00	19,448.00	
c) Contribution to Provident Fund	9,15,569.00	6,21,444.00	
d) Contribution to Other Fund (specify)	0.00	0.00	
e) Staff Welfare Expenses	0.00	0.00	
Medical Facility and Reimbursement	1,17,716.00	96,049.80	
1) Staff welfare exp.	45,270.00	24,000.00	
2) Uniform exp.	12,300.00	25,300.00	
Expenses on Employees' Retirement and Terminal Benefits			
1) Gratuity	5,60,000.00	6,00,000.00	
2) Leave Salary	11,20,000.00	12,00,000.00	
g) Others (Specify)			
TOTAL	2,06,91,989.00	2,09,14,094.80	



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SCHEDULE - 21 OTHER ADMINISTRATIVE EXPENSES ETC.		Amount – (In ₹.)	
		2011 - 12	2010 - 11
a) General Expenses			
i) Bank Charges	4,771.22	43,279.18	
ii) Electricity charges	2,60,269.00	2,58,441.00	
iii) Vehicle Running Expenses Fuel etc.	5,48,963.00	4,38,727.30	
iv) Advertisements and Publicity	7,62,887.00	9,04,710.00	
v) Audit fees	1,20,895.00	57,305.00	
vii) Vehicle Insurance Expenses	25,779.00	27,136.00	
ix) Other Office Expenses	10,77,442.00	9,09,849.50	
xi) Misc. exp.	32,488.00	38,027.00	
xii) Prior Period Exp.	1,394.00	2,250.00	
b) Prior Period Exp.			
TOTAL :	28,34,888.22	26,79,724.98	
b) Repairs and Maintenance			
i) Office Building	27,261.00	6,860.00	
ii) Furniture and Office Equipment	1,14,917.00	43,451.00	
iii) Vehicles	1,60,292.00	1,72,205.00	
TOTAL	3,02,470.00	2,22,516.00	
c) Rent, Rates and Taxes			
i) Rent (office)	31,65,752.00	28,90,555.00	
iii) Municipal Taxes	3,41,158.00	30,622.00	
iii) Safe deposit rent	1,213.00	745.00	
TOTAL	35,08,123.00	29,21,922.00	
d) Postage, telephone and Communication Charges			
i) Postage charges	1,27,606.00	94,419.00	
ii) Telephone charges	3,24,348.87	3,35,848.15	
iii) Website charges	27,500.00	16,500.00	
iv) Internet charges	73,526.97	1,28,396.10	
TOTAL	5,52,981.84	5,75,163.25	
e) Printing and stationary			
i) Printing and Stationery	9,44,131.00	6,77,512.50	



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	2011 - 12	2010 - 11
f) Traveling and Conveyance Expenses		
i) Traveling Expenses for foreign tour	42,187.00	3,65,258.00
ii) Traveling allowances for domestic tour	42,750.00	40,177.25
iii) Conveyance expenses	20,996.00	22,490.71
iv) Travel Exp.	5,98,464.00	9,16,553.00
v) Leave Travel Concession	2,22,831.00	76,945.00
TOTAL	9,27,228.00	14,21,423.96
g) I.W.D.M.S. Exp.	0.00	0.00
h) Loss On Transfer of Vehicle	0.00	0.00
Loss On Computer Sales	0.00	0.00
i) Subscription Expenses		
i) Subscription of Newspapers and Magazines	1,19,344.00	80,122.00
ii) Purchase of Book	0.00	0.00
iii) Subscription Exp.	0.00	0.00
iv) Financial Assistance for Consumer's Awareness	0.00	0.00
v) Fair Annual Fees	50,000.00	50,000.00
vi) Safir Fees	1,50,000.00	1,50,000.00
vii) For	3,00,000.00	2,00,000.00
TOTAL	6,19,344.00	4,80,122.00
j) Expenses on Seminar/ work shop		
i) Seminars	2,40,682.00	2,97,712.00
ii) Fair Meeting Exp.	9,37,701.00	0.00
TOTAL	11,78,383.00	2,97,712.00
k) Auditors Remuneration	0.00	0.00
l) Hospitality Expenses	0.00	0.00
m) Consultancy charges/Professional charges		
i) Legal Consultancy	74,250.00.00	2,000.00
ii) Professional Consultancy/Charges	34,76,155.00	21,48,060.00
iii) Consultancy Retainer Fee	5,27,500.00	8,45,665.00
TOTAL	40,77,905.00	29,95,725.00
n) Deposits / Investments	0.00	0.00
TOTAL (a to n)	1,49,45,454.06	1,22,71,821.69



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SCHEDULE - 22 EXPENDITURE FROM GRANTS, SUBSIDIES ETC.	Amount – (In ₹.)	
	2011 - 12	2010 - 11
	NIL	NIL

SCHEDULE - 23 INTEREST PAID	Amount – (In ₹.)	
	2011 - 12	2010 - 11
	NIL	NIL



SCHEDULE - 24

1. Significant Accounting Policies

- 1.1 Annual Accounts for the year 2011-12 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 except salary.
- 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, As there is no need financial support from Government of Gujarat, we did not get budgetary support from state Government has also notified the GERC Fund Rules, 2005 vide Notification No. GHU-2005-(84)-GERC-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 "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.



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3.3 Cost includes acquisition expenses like brokerage, transfer stamp duty.

3.4 The amount shown in schedule-11 (b) pertaining to FOIR expenditure incurred by Gujarat Electricity Regulatory Commission on behalf of GUVNL. The amount is receivable from GUVNL & Gujarat Tourism Corporation Ltd. pertaining to FOIR meeting expenditure.

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 2011-12.

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.



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 ₹. 16.80 lakhs for payment of retirement benefits, which consists of ₹. 5.60 lakhs towards gratuity and ₹. 11.20 lakhs towards encashment of leave etc.
- 6.2 While finalizing Annual Account, the objection regarding the communicating 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 ₹. 7,89,09,275/- as licence fees out of which ₹. 7,06,28,166/- based on the estimated sales of 2011-12 and ₹. 82,81,109/- is an adjustment based on the audited data for the year 2009-10 of the distribution licencees. The Commission also received petition fees/charges as provided in the regulations. In the year 2011-12 the Commission has received ₹. 7,83,35,323/- as petition fees and charges etc.



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8. Government grants and subsidies

Commission had not received government grant/subsidy in F.Y. 2011-12.

9. Foreign Currency Transaction

During Financial Year 2011-12 there was foreign visit of Hon'ble Chairman to U.S.A. Total expenditure towards foreign tour is ₹.42,187/-.

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.

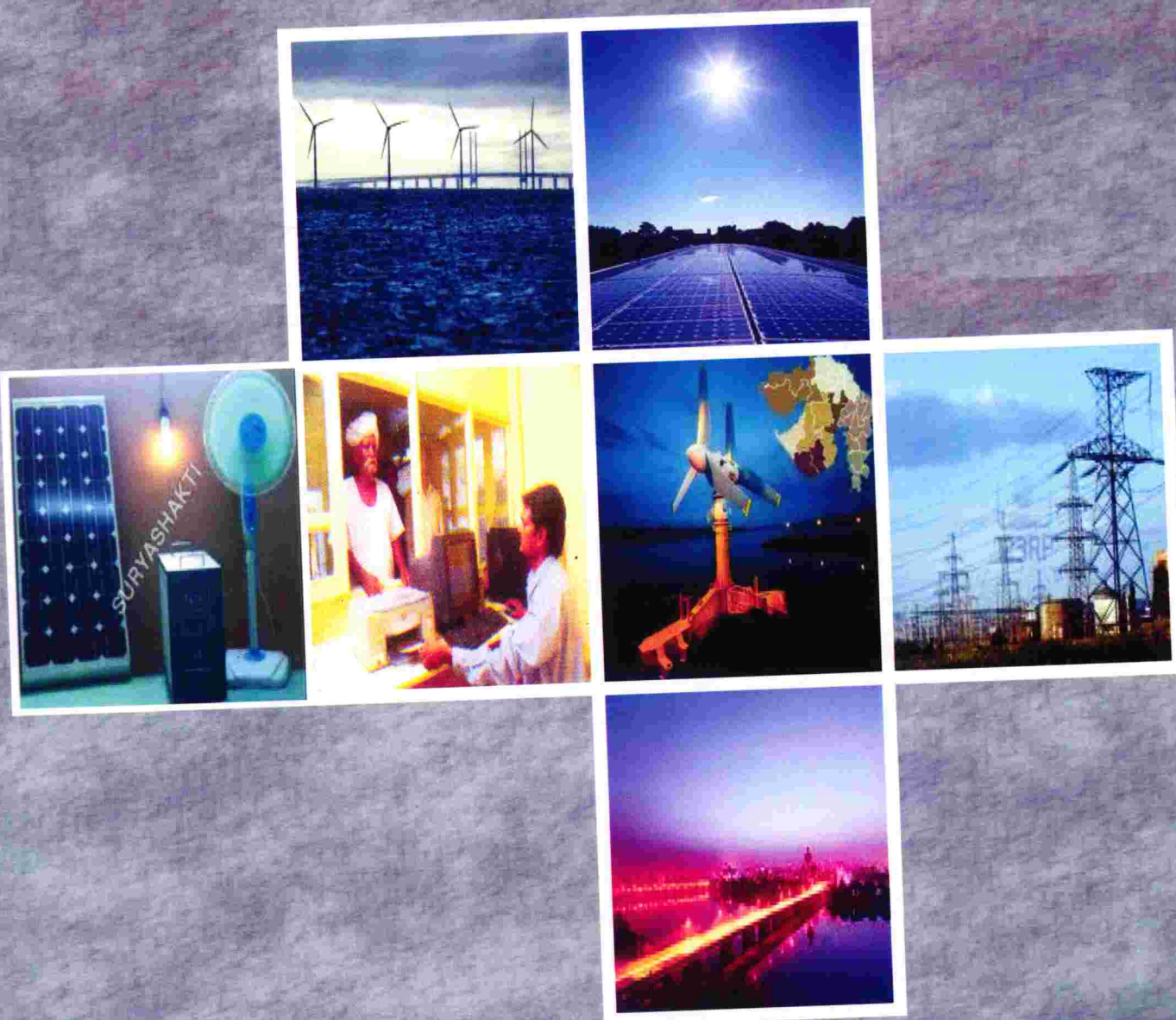
12. Schedules 1 to 24 are annexed to and form an integral part of the Balance Sheet as at 31st March, 2012 and the Income and Expenditure Account for the year ended on that date.

C. N. BHATT
CHIEF ACCOUNTS
OFFICER

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

DR. KETAN SHUKLA IFS
SECRETARY

Date : 21.07.2012
Place : Ahmedabad



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