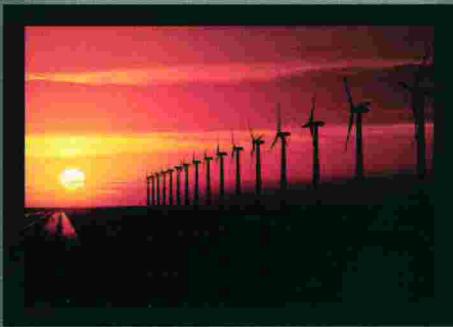


# Gujarat Electricity Regulatory Commission



## 15<sup>th</sup> ANNUAL ACCOUNT Financial Year 2013-14



# GUJARAT ELECTRICITY REGULATORY COMMISSION

Fifteenth Annual Accounts 2013-14



6<sup>th</sup> Floor, GIFT ONE, Road 5-C, Zone 5, GIFT City, Gandhinagar-382 355.  
Website : [www.gercin.org](http://www.gercin.org) E-mail : [gerc@gercin.org](mailto:gerc@gercin.org)

# **GUJARAT ELECTRICITY REGULATORY COMMISSION**



**The Commission presents the 15<sup>th</sup> Annual Accounts for  
FY 2013-14, as required under Section 104 (4) of the  
Electricity Act, 2003.**

**Dilip Raval, IAS**  
Secretary  
Gujarat Electricity Regulatory Commission

## AN OVERVIEW

The Gujarat Electricity Regulatory Commission (GERC) has been functioning for the past 15 years discharging its 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 the State Grid Code, supply Code, fixing trading margin for intra-state trading of electricity and discharging such other functions assigned to under it 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 07<sup>th</sup> January 2015 to 13<sup>th</sup> January, 2015.

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 ₹.10,46,30,150/- and petition fee ₹. 6,85,71,754/- during the year 2013-14 and an amount ₹. 7,84,33,077/- was earned as interest on fixed/Term deposits from nationalized banks/state sponsored financial institutions.

GERC's total expenditure during the year 2013-14 was ₹. 8,24,30,074/-. Out of this ₹. 2,37,78,370/- was establishment expenditure, ₹. 3,08,04,423/- was other administrative charges and ₹. 2,78,47,281/- was depreciation.

GERC's total corpus fund as on 31st March, 2014 is ₹.1,04,65,00,000/- and the general reserve fund is ₹. 5,06,96,515/-.

GERC had paid an amount of ₹. 1.5 Crores to Collector, Ahmedabad towards token price of land in the year 2009-10 for its own building at the Sarkhej-Gandhinagar highway. Meanwhile GERC has finalized to purchase 6<sup>th</sup> floor, GIFT ONE, Gandhinagar. Hence, GERC has written a letter to Collector, Ahmedabad requesting for refund of ₹.1.50 crore towards the land cost paid as above.

GERC has paid ₹.16,98,57,802/- including land premium, stamp duty and registration charges and service tax to IL&FS towards price of the 6<sup>th</sup> floor in GIFT ONE Tower for GERC office. Transfer deed executed during the year 2013-14. Hence, depreciation is calculated for that period. GERC had paid ₹. 9,84,85,554/- to Gujarat international finance tech city for interior work and other equipments and direct bought out items.

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 REVISED accounts of Gujarat Electricity Regulatory Commission For the year ended 31 March 2014.**

We have audited the attached (revised) Balance Sheet of Gujarat Electricity Regulatory Commission as at 31 March 2014 and (revised) Income and Expenditure Account for the year ended on that date annexed there to 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 statement based on our audit.

The Separate Audit Report contains the comments of the Comptroller & 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 as revised 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 out examination of books.
- (iv) We further observe that on the basis of the audit nothing significant was noticed.
- (v) We report that the revised Balance Sheet and revised Income and Expenditure Account dealt with by this report are in agreement with the books of accounts.



## GUJARAT ELECTRICITY REGULATORY COMMISSION

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said (revised) financial statements read together with the Accounting Policies, give a true and fair view in conformity with accounting principles generally accepted in India.

- a. In so far as it relates to the (revised) Balance Sheet, of the state of affairs of the commission as at 31 March 2014.
- b. In so far as it relates to the (revised) 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.

(Y. N. Thakare)  
Accountant General (E & RSA), Gujarat

Place : Ahmedabad.

Date : 25.02.2015



## GUJARAT ELECTRICITY REGULATORY COMMISSION

## FINANCIAL STATEMENT

BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2014

CORPUS/CAPITAL FUND AND LIABILITIES	Schedule	Amount - (In ₹.)	
		2013-14	2012-13
CORPUS /GERC CAPITAL FUND	1	1,04,65,00,000.00	88,50,00,000.00
RESERVES AND SURPLUS	2	5,06,96,515.41	4,29,31,753.46
EARMARKED ENDOWMENT FUNDS	3	0.00	0.00
SECURED LOANS AND BORROWINGS	4	0.00	0.00
UNSECURED LOANS AND BORROWINGS	5	1,27,000.00	1,26,000.00
DEFERRED CREDIT LIABILITIES	6	0.00	0.00
CURRENT LIABILITIES AND PROVISIONS	7	1,65,81,482.49	20,81,31,779.45
	TOTAL	1,11,39,04,997.90	1,13,61,89,532.91
ASSETS			
FIXED ASSETS	8	24,36,14,258.58	23,69,17,911.58
INVESTMENTS-FROM EARMARKED/ENDOWMENT FUNDS	9	0.00	0.00
INVESTMENTS - OTHERS	10	0.00	0.00
CURRENT ASSETS, LOANS, ADVANCES	11	87,02,90,739.32	89,92,71,621.33
MISCELLANEOUS EXPENDITURE			
	TOTAL	1,11,39,04,997.90	1,13,61,89,532.91

For and on behalf of the commission

C. N. BHATT  
CHIEF ACCOUNTS OFFICER

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

DILIP RAVAL IAS  
SECRETARY

Date : 17.11.2014  
Place : Gandhinagar



**GUJARAT ELECTRICITY REGULATORY COMMISSION**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2014**

	Schedule	2013-14	2012-13	Amount - (In ₹.)
<b>INCOME</b>				
Income from sales / service	12	0.00	0.00	0.00
Grants / Subsidies	13	0.00	0.00	0.00
Fees and charges	14	17,32,01,904.00	15,18,58,011.00	15,18,58,011.00
Income from Investments (Income on Investment, from earmarked/endowment Funds transferred to Funds)	15	0.00	0.00	0.00
Income from Royalty , Publications etc.	16	0.00	0.00	0.00
Interest Earned	17	7,84,33,076.62	7,41,56,881.18	7,41,56,881.18
Other Income	18	59,855.00	31,448.00	31,448.00
Increase/Decrease in stock of finished goods & work in progress	19	0.00	0.00	0.00
	<b>TOTAL (A)</b>	<b>25,16,94,835.62</b>	<b>22,60,46,340.18</b>	
<b>EXPENDITURE</b>				
Establishment Expenditure	20	2,37,78,370.00	2,37,14,629.99	2,37,14,629.99
Other Administrative Expenses etc.	21	3,08,04,422.67	2,13,83,136.31	2,13,83,136.31
Expenditure from Grants, subsidies etc	22	0.00	0.00	0.00
Interest paid	23	0.00	0.00	0.00
Depreciation		2,78,47,281.00	8,44,244.00	8,44,244.00
(Net Total at the year end corresponding to schedule-8)		<b>8,24,30,073.67</b>	<b>4,59,42,010.30</b>	
Balance being excess of Income over Expenditure (A-B)		16,92,64,761.95	18,01,04,329.88	18,01,04,329.88
Transfer to Corpus Fund		16,15,00,000.00	17,50,00,000.00	17,50,00,000.00
Transfer to General Reserve		77,64,761.95	51,04,329.88	51,04,329.88
Balance being surplus transferred to balance sheet		0.00	0.00	0.00
<b>SIGNIFICANT ACCOUNTING POLICIES CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS</b>	<b>24</b>			

**C. N. BHATT**  
**CHIEF ACCOUNTS OFFICER**

Date : 17.11.2014  
Place : Gandhinagar

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

**DILIP RAVAL IAS**  
**SECRETARY**

**SCHEDULE - 1 CORPUS/CAPITAL FUND**

Amount - In ₹.

<b>CORPUS / CAPITAL FUND</b>	<b>2013 - 14</b>	<b>2012 - 13</b>
Balance as at the begining of the year	88,50,00,000.00	71,00,00,000.00
Add: Contributions towards Corpus/Capital Fund	0.00	0.00
Add transferred from the Income and Expenditure Account of the current year	16,15,00,000.00	17,50,00,000.00
<b>BALANCE AS AT THE YEAR-END</b>	<b>1,04,65,00,000.00</b>	<b>88,50,00,000.00</b>

**SCHEDULE - 2 RESERVES AND SURPLUS**

Amount - In ₹.

<b>RESERVES AND SURPLUS</b>	<b>2013 - 14</b>	<b>2012 - 13</b>
Balance as at the begining of the year	4,29,31,753.46	3,78,27,423.58
Add: Balance being surplus transferred from the Income and Expenditure Account of the current year	77,64,761.95	51,04,329.88
<b>BALANCE AS AT THE YEAR-END</b>	<b>5,06,96,515.41</b>	<b>4,29,31,753.46</b>

**SCHEDULE - 3 EARMARKED / ENDOWMENT FUNDS**

Amount - In ₹.

	FUND WISE BREAK UP			TOTAL	
	Fund	Fund	Fund	2013 - 14	2012 - 13
	NIL	NIL	NIL	NIL	NIL

**SCHEDULE - 4 SECURED LOANS AND BORROWINGS**

Amount - In ₹.

<b>SECURED LOANS AND BORROWINGS</b>	<b>2013 - 14</b>	<b>2012 - 13</b>
	NIL	NIL



SCHEDULE - 5 UN SECURED LOANS AND BORROWINGS		Amount - In ₹.	
		2013 - 14	2012 - 13
UN SECURED LOANS AND BORROWINGS		1,26,000.00	1,26,000.00
Security Deposit		1,000.00	0.00
EMD Deposit		1,27,000.00	1,26,000.00
BALANCE AS AT THE YEAR-END			

SCHEDULE - 6 DEFERRED CREDIT LIABILITIES		Amount - In ₹.	
		2013 - 14	2012 - 13
DEFERRED CREDIT LIABILITIES		NIL	NIL

SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS		Amount - In ₹.	
CORPUS / CAPITAL FUND		2013 - 14	2012 - 13
<b>A CURRENT LIABILITIES</b>			
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			
a. IL & FS Township & Urban Assets Ltd.	0.00	13,15,40,820.00	
b. Gift City	0.00	6,27,37,918.00	
4 CPF Commission		0.00	0.00
	<b>TOTAL (A)</b>	<b>0.00</b>	<b>19,42,78,738.00</b>
<b>B PROVISIONS</b>			
1 Unpaid exp.			
Unpaid exp. 2007-08		0.00	92,250.00
Unpaid exp. 2009-10		1,00,000.00	1,00,000.00
Unpaid exp. 2012-13		0.00	24,33,377.00
Unpaid exp. 2013-14		44,92,580.04	0.00
2 GERC retirement Benefit Fund		1,19,88,902.45	1,12,27,414.45
	<b>TOTAL (B)</b>	<b>1,65,81,482.49</b>	<b>1,38,53,041.45</b>
	<b>TOTAL (A+B)</b>	<b>1,65,81,482.49</b>	<b>20,81,31,779.45</b>

## SCHEDULE - 8 FIXED ASSETS

Description	Depreciation Rate*	Gross Block				
		Opening/ Valuation of the year 1-4-13	Additions during the year up to 30-9-13	Additions during the year after 1-10-13	Total Additions during the year 2013-14	Deductions during the year 2013-14
		1	2	3	4	5
1. Fixed Assets Land						
a) Free Hold						
b) Lease Hold						
2. Buildings						
a) On Freehold Land	0%	0.00	0.00	0.00	0.00	0.00
b) On Lease hold Land						
c) Onwernship Flats/Premises	10%	0.00	168300526.00	0.00	168300526.00	0.00
d) Superstructures on Land not belonging to the entry						
3. Plant Machi. & Equipment						
4. Vehicles	15%	5003892.00	0.00	0.00	0.00	0.00
5. Furniture, Fixtures	10%	3355846.00	98485554.00	0.00	98485554.00	1468918.00
6. Office Equipment	10%	2530350.00	184383.00	52717.00	237100.00	692735.00
7. Computer Peripherals	60%	5176772.00	675930.00	214327.00	890257.00	0.00
8. Electric Installations						
9. Library Books	100%	61255.00	1862.00	5888.00	7750.00	0.00
10. Tubewells & W.Supply						
11. Other Fixed Assets						
Total of Current Year						
Previous Year						
Capital Work in Progress-I		146660000.00	0.00	0.00	0.00	146660000.00
Capital Work in Progress-II		84565345.00	0.00	0.00	0.00	84555906.00
Total		247353460.00	267648255.00	272932.00	267921187.00	233377559.00



Cost/Valuation at the year and 1+4-5=6 31-3-14	Depreciation				Net Block		
	At the Beginning of the year 1-4-13	Depreciation of the current year and 2013-14	On Addition during the year 2013-14	Total Up to year and 7+8+9=10 2013-14	As at the current year end 6-10=11 2013-14	As at the Perovious year 2012-13	
6	7	8	9	10	11	12	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
168300526.00	0.00	16830053.00	0.00	16830053.00	151470473.00	0.00	
5003892.00	2831200.00	325904.00	0.00	3157104.00	1846788.00	2172692.00	
100372482.00	1628480.00	87049.00	9849501.00	11565030.00	88807452.00	1727364.00	
2074715.00	957451.00	116880.00	18525.00	1092856.00	981859.00	1572900.00	
6067029.00	4986727.00	114027.00	470971.00	5571725.00	495303.58	190045.58	
69005.00	31690.00	29565.00	4806.00	66061.00	2944.00	29565.00	
0.00	0.00	0.00	0.00	0.00	0.00	146660000.00	
9439.00	0.00	0.00	0.00	0.00	9439.00	84565345.00	
281897088.00	10435548.00	17503478.00	10343803.00	38282829.00	243614258.58	236917911.58	
Note : Depreciation rate as per appendix I of IT Rules 1962 Incometax Act.1961.							

**SCHEDULE - 9 INVESTMENT FROM EARMARKED ENDOWMENT FUNDS** Amount - In ₹.

INVESTMENT FROM EARMARKED ENDOWMENT FUNDS	2013 - 14	2012 - 13
	NIL	NIL

**SCHEDULE - 10 INVESTMENTS - OTHERS** Amount - In ₹.

INVESTMENT - OTHERS	2013 - 14	2012 - 13
	NIL	NIL

**SCHEDULE - 11 CURRENT ASSETS, LOANS, ADVANCES ETC.** Amount - In ₹.

CURRENT ASSETS, LOANS, ADVANCES ETC.	2013 - 14	2012 - 13
<b>A CURRENT ASSETS</b>		
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)	32,663.00	27,209.00
3 Bank Balances :		
a. With Scheduled Banks		
1 Fixed/Term Deposit	71,19,99,838.00	79,00,99,838.00
2 Auto Sweep Savings Account	13,10,79,564.04	8,73,22,615.68
3 Current Account	22,606.00	23,268.65
<b>TOTAL - (A)</b>	<b>84,31,34,671.04</b>	<b>87,74,72,931.33</b>

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

Amount - In ₹.

INVESTMENT FROM EARMARKED ENDOWMENT FUNDS	2013 - 14	2012 - 13
<b>1 Loans :</b>		
a. Advances		
i) Staff (Festival Advance)	1,14,000.00	1,26,000.00
ii) Hba to Staff : Ranjit Makwana	1,51,312.00	1,69,492.00
iii) Hba to Staff : K. G. Rajput	3,18,500.00	3,48,500.00
b. LTC Advance	25,456.00	28,099.00
c. Other (Deposits)		
i) Petrol Pump	30,000.00	30,000.00
ii) Telephone	29,520.00	34,350.00
iii) LPG Gas	3,100.00	3,100.00
vi) Office Building	0.00	2,52,700.00
v) Electricity	40,020.00	40,020.00
vi) Govt. Qut. Deposit	2,300.00	2,300.00
vii) Safe Deposit Walt (Deposit)	5,000.00	5 000.00
iiiv) S. D. Utility conn.	9,17,490.00	0.00
<b>2 Advances and other amounts recoverable in cash or in kind or for value to be received</b>		
a. On Capital Account	1,50,00,000.00	1,50,00,000.00
b. Receivable Interest	89,62,094.28	57,59,129.00
c. Receivable From Income Tax Dept.	15,57,276.00	0.00
d. Others	0.00	0.00
<b>3 Income Accrued :</b>		
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 ₹. ....)		
<b>TOTAL ( B )</b>	<b>2,71,56,068.28</b>	<b>2,17,98,690.00</b>
<b>TOTAL ( A+B )</b>	<b>87,02,90,739.32</b>	<b>89,92,71,621.33</b>

## SCHEDULE - 12 INCOME FROM SERVICES

Amount - In ₹.

## INCOME FROM SERVICES

2013 - 14      2012 - 13

NIL

NIL

## SCHEDULE - 13 GRANTS / SUBSIDIES

Amount - In ₹.

## GRANTS / SUBSIDIES

2013 - 14

2012 - 13

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

2013 - 14

2012 - 13

1 Entrance Fees

0.00

0.00

2 Annual Fees/Subscription

10,46,30,150.00

8,96,45,708.00

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

6,85,71,754.00

6,22,12,303.00

TOTAL

17,32,01,904.00

15,18,58,011.00

## SCHEDULE - 15 INCOME FROM INVESTMENTS

Amount - In ₹.

(Income on Investment from Earmarked/ endowment funds)(Transferred to Funds.)	Investment from Earmarked Funds		Investment - others	
	2013-14	2012-13	2013-14	2012-13
	NIL	NIL	NIL	NIL

## SCHEDULE - 16 INCOME FROM ROYALTY, PUBLICATION ETC.

Amount - In ₹.

INCOME FROM ROYALTY, PUBLICATION ETC.	2013 - 14	2012 - 13
	NIL	NIL

## SCHEDULE - 17 INTEREST EARNED

Amount - In ₹.

INTEREST EARNED	2013 - 14	2012 - 13
1 Central Government	0.00	0.00
1 On Term Deposit		
a) With Scheduled banks	7,84,33,076.62	7,41,56,881.18
b) With Non Scheduled Banks	0.00	0.00
c) With Institution	0.00	0.00
d) Other	0.00	0.00
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
TOTAL	7,84,33,076.62	7,41,56,881.18

## SCHEDULE - 18 OTHER INCOME

Amount - In ₹.

ONOTHER INCOME	2013 - 14	2012 - 13
1 Loans :		
i) Recovery of Printing Charges	0.00	0.00
ii) Recovery of/Vehicle use from staffs	7,370.00	9,310.00
iii) Other Misc. Receipt	32,735.00	22,138.00
iv) RTI Fees	19,750.00	0.00
TOTAL	59,855.00	31,448.00

## SCHEDULE - 19 INCREASE / DECREASE IN STOCK OF FINISHED

Amount - In ₹.

## GOODS AND WORKS IN PROGRESS

2013 - 14      2012 - 13

NIL      NIL

## SCHEDULE - 20 ESTABLISHMENT EXPENSES

Amount - In ₹.

	2013 - 14	2012 - 13
a) Salaries and Wages		
1 Salaries Commission	40,14,940.00	52,75,362.00
2 Salaries office staff	1,47,35,385.00	1,34,44,645.00
3 Salaries Ombudsment Office Staff	16,31,802.00	14,16,341.00
4 Leave Encashment	22,160.00	98,481.00
5 Pay Arrears	1,15,508.00	1,15,506.00
6 Incentive	1,26,123.00	94,325.00
b) Allowances and Bonus		
1 Uniform Allowance	0.00	0.00
2 Bonus Allowance	1,25,250.00	77,250.00
3 Charge Allow	21,474.00	22,037.00
c) Contribution to Provident Fund	11,48,556.00	10,59,385.00
d) Contribution to Other Fund (specify)	0.00	0.00
e) Staff Welfare Expenses	0.00	0.00
1 Medical Facility and Reimbursement	2,38,362.00	1,81,898.99
2 Staff welfare exp.	15,650.00	2,500.00
3 Uniform exp.	42,160.00	26,899.00
f) Expenses on Employees' Retirement and Terminal Benefits		
1 Gratuity	5,14,000.00	6,35,000.00
2 Leave Salary	10,27,000.00	12,65,000.00
g) Others (Specify)	0.00	0.00
TOTAL	2,37,78,370.00	2,37,14,629.99

## SCHEDULE - 21 OTHER ADMINISTRATIVE EXPENSES ETC.

Amount - In ₹.

		2013 - 14	2012 - 13
a) General Expenses			
1 Bank Charges		5,179.67	6,760.00
2 Electricity Charges		30,40,403.00	3,15,593.00
3 Vehicle Running Expenses Fuel etc.		4,67,911.00	4,01,591.00
4 Advertisements and Publicity		13,35,535.00	17,76,870.00
5 Audit fees		1,97,450.00	97,110.00
6 Vehicle Insurance Expenses		69,255.00	73,876.00
7 Other Office Expenses		19,91,069.00	11,06,205.00
8 Misc. exp.		1,71,902.00	30,510.00
9 Prior Period Exp.		64,050.00	59,525.00
10 Written off old Assets		21,61,653.00	1,03,354.00
	TOTAL	95,04,407.67	39,71,394.00
b) Repairs and Maintenance			
i) Furniture		0.00	1,755.00
ii) Office Equipment		2,42,419.00	1,38,100.00
iii) Vehicles		3,72,900.00	93,468.84
iv) Office Building		50,000.00	7,050.00
v) Office Building Maintenance		20,06,795.00	0.00
vi) Office Building Maintenance Common Area		18,44,642.00	0.00
	TOTAL	45,16,756.00	2,40,373.84
c) Rent, Rates and Taxes			
i) Rent (office)		17,62,906.00	35,22,288.00
ii) Municipal Taxes		4,17,403.00	3,59,104.00
iii) Safe deposit rent		2,697.00	1,236.00
	TOTAL	21,83,006.00	38,82,628.00
d) Postage, telephone and Communication Charges			
i) Postage Charges		3,25,013.00	1,75,958.00
ii) Telephone Charges		5,22,701.00	2,91,905.71
iii) Website Charges		1,03,090.00	41,714.00
iv) Internet Charges		1,54,230.00	67,392.76
	TOTAL	11,05,034.00	5,76,970.47
e) Printing and stationary			
i) Printing and Stationery		7,30,507.00	10,95,923.00



<b>f) Traveling and Conveyance Expenses</b>			
i) Traveling Expenses for foreign tour	0.00	8,700.00	
ii) Traveling allowances for domestic tour	61,053.00	63,525.00	
iii) Conveyance Expenses	15,856.00	22,573.00	
iv) Travel Exp.	9,38,267.00	10,19,529.00	
v) Leave Travel Concession	96,384.00	2,07,543.00	
vi) Transpotation Exp.	16,60,990.00	0.00	
<b>TOTAL</b>	<b>27,72,550.00</b>	<b>13,21,870.00</b>	
<b>g) Subscription Expenses</b>			
i) Subscription of Newspapers and Magazines	57,704.00	1,38,863.00	
ii) CIGRE Subscription expenses	0.00	18,000.00	
iii) Financial Assitance for Consumer's Awerness	0.00	0.00	
iv) FOIR Annual Fees	2,50,000.00	2,50,000.00	
v) Safir Fees	1,50,000.00	1,50,000.00	
vi) FOR	3,00,000.00	3,00,000.00	
<b>TOTAL</b>	<b>7,57,704.00</b>	<b>8,56,863.00</b>	
<b>h) Expenses on Seminar/work shop</b>			
i) Meeting Exp.	8,00,397.00	0.00	
ii) Foir Meeting Exp	0.00	1,000.00	
<b>TOTAL</b>	<b>9,79,611.00</b>	<b>6,11,160.00</b>	
<b>i) Consultancy charges/Professional charges</b>			
i) Legal Consultancy	29,40,976.00	21,12,073.00	
ii) Professional Consultancy/Charges	47,41,541.00	60,55,810.00	
iii) Consultancy Retaineir Fee	5,72,330.00	6,58,071.00	
<b>TOTAL</b>	<b>82,54,847.00</b>	<b>88,25,954.00</b>	
<b>j) Deposits / Investments</b>			
<b>TOTAL</b>	<b>99,92,162.00</b>	<b>1,02,93,977.00</b>	
<b>TOTAL (a to j)</b>	<b>3,08,04,422.67</b>	<b>2,13,83,136.31</b>	



SCHEDULE - 22 EXPENDITURE FROM GRANTS, SUBSIDIES ETC.	Amount - In ₹.	
EXPENDITURE FROM GRANTS, SUBSIDIES ETC.	2013 - 14	2012 - 13
	NIL	NIL

SCHEDULE - 23 INTEREST PAID	Amount - In ₹.	
INTEREST PAID	2013 - 14	2012 - 13
	NIL	NIL



## SCHEDULE - 24

### 1. Significant Accounting Policies

- 1.1 Annual Accounts for the year 2013-14 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 and related payments i.e. cpf contribution etc. Commission has revised accounts on dt. 03-11-2014 considering audit observations raised by audit party during audit.
- 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 of financial support from Government of Gujarat, we did not get budgetary support from state Government 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)-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.

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

#### 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 ₹. 1.5 Crores towards token price of land in the year 2009-10. Meanwhile GERC has purchased 6th floor, GIFT ONE and GERC shifted to GIFT ONE in the so, GERC wrote a letter to Collector, Ahmedabad demanding refund of ₹. 1.50 crore. Receivable amount ₹. 1.50 crore is shown in Schedule 11 on capital account. ₹. 9439/- was carried forward for wire fencing on land which was transferred to Capital Work in Progress.

4.4 IL & FS and Sabarmati Capital-I was paid ₹. 16,98,57,802/-towards price including Land Premium, stamp duty & Registration charges ₹. 55,89,076/- outwards service Tax to the seller for of 6<sup>th</sup> floor in GIFT ONE Tower for GERC office. Transferdeed is executed during the year. Hence, depreciation is calculated for entire year.

4.5 Gujarat international finance tech city has assigned contract to m/s. New Concept on behalf of GERC. Actual Final bill received from GIFT was ₹. 8,45,55,906/-. GERC has paid ₹. 9,84,85,554/- including price for direct bought-out items, furniture and fixtures ₹. 1,39,29,648/- for new office at 6<sup>th</sup> floor, GIFT ONE, Gandhinagar. GIFT has refunded ₹. 1,32,67,743/- price differnce of non installation or gap between tender quality & quantity. Physical verification for the items of refund was not concluded at the time of closing of accounts. Hence it is not reflected in 2013-14 accounts. Necessary entry will be made in the account for the financial year 2014-15. GERC had placed Order for Toyota car (Model Altis Diesel 1.4 HO) for Hon'ble Chairman on the date 28th March, 2014. However payment was made on date 02-04-2014. GERC being an Autonomous body Constituted by Govt. of Gujarat, Toyoto had delivered a car in March, 2014 in advance before payment. Payment was made on 2nd April, 2014 it is not reflected in annual accounts ending 31st March, 2014.

4.6 Furniture & Other movable Assets which was usable at Old Premises were transferred were transferred in August 2013 end to Revenue Department & It's Subsidiary Offices. The Amount of transferred assets value is shown as loss of Property in Schedule 8.

#### 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 there under.

#### 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 ₹. 15.41 lakhs for payment of retirement benefits, which consists of ₹. 5.14 lakhs towards gratuity and ₹. 10.27 lakhs towards encashment of leave etc.

6.2 While finalizing Annual Accounts, the objection regarding authenticating of significant and accounting policies (Sch. 24) has been complied.

#### 7. Fees and Charges

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.

7.1 In the current F.Y. the Commission has received ₹. 10,46,30,150/- as license fees out of which ₹. 8,81,89,569/- based on the estimated sales of 2013-14 and ₹. 1,64,40,581/- is an adjustment based on the audited data for the year 2011-12



of the distribution licensees. The Commission also received petition fees/charges as provided in the regulations. In the year 2013-14 the Commission has received ₹. 6,85,71,754,/- as petition fees and charges etc.

- 7.2 It is not feasible to show receivable licence fees of previous year from distribution companies (DISCOMs) . Because it can only be shown after DISCOMs accounts done finalized and audited and thereafter tariff is determined. The entire process of determination of tariff takes 120 days from the filling petitions by DISCOMs. Hence, at the time of finalization GERC's annual accounts, it is not possible to ascertain the amount of receivable license fees.
- 7.3 Unscheduled interchange (UI) charges are not considered as sale of electricity. Therefore it is excluded from the calculation of sales revenue.

#### 8. Government grants and subsidies

Commission had not received any government grant/subsidy in F.Y.2013-14.

#### 9. Foreign Currency Transaction

During Financial Year 2013-14 Total expenditure towards foreign tour was ₹. NIL.

#### 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, 2014 and the Income and Expenditure Account for the year ended on that date.

**C. N. BHATT**  
CHIEF ACCOUNTS OFFICER

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

**DILIP RAVAL I.A.S.**  
SECRETARY

Date : 17.11.2014  
Place : Gandhinagar



## Gujarat Electricity Regulatory Commission

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