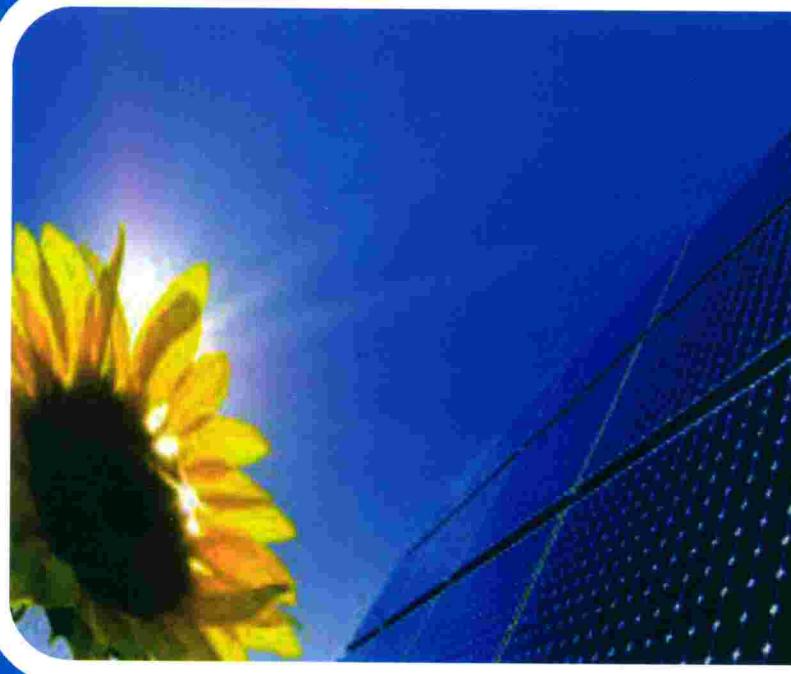




Gujarat  
Electricity  
Regulatory  
Commission



# 16<sup>th</sup> ANNUAL ACCOUNTS

Financial Year 2014-15

6<sup>th</sup> Floor, GIFT ONE, Road 5-C, Zone 5,  
GIFT CITY, Gandhinagar, GUJARAT-382 355.

# GUJARAT ELECTRICITY REGULATORY COMMISSION

Sixteenth Annual Accounts 2014-15



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 16<sup>th</sup> Annual Accounts for  
FY 2014-15, as required under Section 104 (4) of the  
Electricity Act, 2003.

**Roopwant Singh, IAS**  
Secretary  
Gujarat Electricity Regulatory Commission



## AN OVERVIEW

The Gujarat Electricity Regulatory Commission (GERC) has been functioning for the past 16 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 it 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 11<sup>th</sup> January, 2016 to 16<sup>th</sup> January, 2016.

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/or 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 ₹. 12,24,74,143/- and petition fee ₹. 5,90,76,500/- during the year 2014-15 and an amount of ₹. 8,85,16,894/- was earned as interest on Fixed/Term deposits and savings account with nationalized banks/state sponsored financial institutions.

GERC's total expenditure during the year 2014-15 was ₹. 8,25,68,368/-. Out of this ₹. 3,31,70,355/- was establishment expenditure, ₹. 2,41,98,986/- was other administrative charges and ₹. 2,51,99,027/- was depreciation.

GERC's total corpus fund as on 31<sup>st</sup> March, 2015 is ₹. 1,23,35,00,000/- and the general reserve fund is ₹. 6,02,10,677/-.

GERC had paid an amount of ₹. 1.50 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 finalized to purchase the 6<sup>th</sup> floor, GIFT ONE, Gandhinagar and has shifted to GIFT ONE. 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 been keeping 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, GANDHINAGAR.

**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 2015.**

We have audited the attached (revised) Balance Sheet of Gujarat Electricity Regulatory Commission as at 31<sup>st</sup> March 2015 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 statements based on our audit.

The 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 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 as revised and 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, 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.



(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<sup>st</sup> March 2015.
- 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 )  
Pr. Accountant General (E & RSA), Gujarat

Place : Ahmedabad.  
Date : 16.02.2016



**GUJARAT ELECTRICITY REGULATORY COMMISSION**  
**FINANCIAL STATEMENT**  
**BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2015**

<b>CORPUS / CAPITAL FUND AND LIABILITIES</b>	<b>Schedule</b>	<b>Amount - (In ₹.)</b>	
		<b>2014-15</b>	<b>2013-14</b>
CORPUS / GERC CAPITAL FUND	1	1,23,35,00,000.00	1,04,65,00,000.00
RESERVES AND SURPLUS	2	6,02,10,676.68	5,06,96,515.41
EARMARKED / ENDOWMENT FUNDS	3	0.00	0.00
SECURED LOANS AND BORROWINGS	4	0.00	0.00
UNSECURED LOANS AND BORROWINGS	5	2,000.00	1,27,000.00
DEFERRED CREDIT LIABILITIES	6	0.00	0.00
CURRENT LIABILITIES AND PROVISIONS	7	2,28,80,574.45	1,65,81,482.49
	<b>TOTAL</b>	<b>1,31,65,93,251.13</b>	<b>1,11,39,04,997.90</b>
<b>ASSETS</b>			
FIXED ASSETS	8	22,03,33,023.58	24,36,14,258.58
INVESTMENTS-FROM EARMARKED / ENDOWMENT FUNDS	9	0.00	0.00
INVESTMENTS - OTHERS	10	0.00	0.00
CURRENT ASSETS, LOANS, ADVANCES	11	1,09,62,60,227.55	87,02,90,739.32
MISCELLANEOUS EXPENDITURE			
	<b>TOTAL</b>	<b>1,31,65,93,251.13</b>	<b>1,11,39,04,997.90</b>

For and on behalf of the Commission

**P. J. JANI**  
 ACCOUNTS OFFICER

Date : 07.12.2015  
 Place : Gandhinagar

**S. T. ANADA**  
 DY. DIRECTOR (A & A)

**ROOPWANT SINGH IAS**  
 SECRETARY

**GUJARAT ELECTRICITY REGULATORY COMMISSION**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2015**

	Schedule	Amount - (In ₹.)	
		2014-15	2013-14
<b>A. INCOME</b>			
Income from sales / service	12	0.00	0.00
Grants / Subsidies	13	0.00	0.00
Fees and charges	14	18,15,50,643.00	17,32,01,904.00
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	9,75,10,756.98	7,84,33,076.62
Other Income	18	21,129.00	59,855.00
Increase / Decrease in stock of finished goods & work in progress	19	0.00	0.00
<b>TOTAL (A)</b>		<b>27,90,82,528.98</b>	<b>25,16,94,835.62</b>
<b>B. EXPENDITURE</b>			
Establishment Expenditure	20	3,31,70,355.00	2,37,78,370.00
Other Administrative Expenses etc.	21	2,41,98,985.71	3,08,04,422.67
Expenditure from Grants, subsidies etc.	22	0.00	0.00
Interest paid	23	0.00	0.00
Depreciation		2,51,99,027.00	2,78,47,281.00
(Net Total at the year end corresponding to Schedule-8)			
<b>TOTAL (B)</b>		<b>8,25,68,367.71</b>	<b>8,24,30,073.67</b>
Balance being excess of Income over Expenditure (A-B)		19,65,14,161.27	16,92,64,761.95
Transfer to Corpus Fund		18,70,00,000.00	16,15,00,000.00
Transfer to General Reserve		95,14,161.27	77,64,761.95
Balance being surplus transferred to balance sheet		0.00	0.00
<b>SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS</b>	<b>24</b>		

For and on behalf of the Commission

P. J. JANI  
 ACCOUNTS OFFICER

Date : 07.12.2015  
 Place : Gandhinagar

S. T. ANADA  
 DY. DIRECTOR (A & A)

ROOPWANT SINGH IAS  
 SECRETARY

**SCHEDULE - 1 CORPUS / CAPITAL FUND**

Amount - (In ₹.)

<b>CORPUS / CAPITAL FUND</b>	<b>2014 - 15</b>	<b>2013 - 14</b>
Balance as at the beginning of the year	1,04,65,00,000.00	88,50,00,000.00
Add: Contributions towards Corpus/Capital Fund	0.00	0.00
Add: Transferred from the Income and Expenditure Account of the current year	18,70,00,000.00	16,15,00,000.00
<b>BALANCE AS AT THE YEAR-END</b>	<b>1,23,35,00,000.00</b>	<b>1,04,65,00,000.00</b>

**SCHEDULE - 2 RESERVES AND SURPLUS**

Amount - (In ₹.)

<b>RESERVES AND SURPLUS</b>	<b>2014 - 15</b>	<b>2013 - 14</b>
Balance as at the begining of the year	5,06,96,515.41	4,29,31,753.46
Add: Balance being surplus transferred from the Income and Expenditure Account of the current year	95,14,161.27	77,64,761.95
<b>BALANCE AS AT THE YEAR-END</b>	<b>6,02,10,676.68</b>	<b>5,06,96,515.41</b>

**SCHEDULE - 3 EARMARKED / ENDOWMENT FUNDS**

Amount - (In ₹.)

	<b>FUND WISE BREAK UP</b>			<b>TOTAL</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>2014 - 15</b>	<b>2013 - 14</b>
	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**SCHEDULE - 4 SECURED LOANS AND BORROWINGS**

Amount - (In ₹.)

	<b>2014 - 15</b>	<b>2013 - 14</b>
<b>SECURED LOANS AND BORROWINGS</b>	<b>NIL</b>	<b>NIL</b>

**SCHEDULE - 5 UN-SECURED LOANS AND BORROWINGS**

Amount - (In ₹.)

UN-SECURED LOANS AND BORROWINGS	2014 - 15	2013 - 14
Security Deposit	1,000.00	1,26,000.00
EMD Deposit	1,000.00	1,000.00
<b>BALANCE AS AT THE YEAR-END</b>	<b>2,000.00</b>	<b>1,27,000.00</b>

**SCHEDULE - 6 DEFERRED CREDIT LIABILITIES**

Amount - (In ₹.)

DEFERRED CREDIT LIABILITIES	2014 - 15	2013 - 14
	NIL	NIL

SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS		Amount - (In ₹.)	
		2014 - 15	2013 - 14
<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	0.00
b) GIFT CITY		0.00	0.00
4 CPF - Commission		0.00	0.00
	<b>TOTAL (A)</b>	<b>0.00</b>	<b>0.00</b>
<b>B PROVISIONS</b>			
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 Expenses			
Unpaid Expenses : 2009-10		1,00,000.00	1,00,000.00
Unpaid Expenses : 2010-11		0.00	0.00
Unpaid Expenses : 2011-12		0.00	0.00
Unpaid Expenses : 2012-13		0.00	0.00
Unpaid Expenses : 2013-14		51,890.00	44,92,580.04
Unpaid Expenses : 2014-15		30,84,782.00	0.00
8 GERC Retirement Benefit Fund		1,96,43,902.45	1,19,88,902.45
<b>C. UNPAID EXPENSES</b>			
1 Tax Deducted at Source Office - Rent		0.00	0.00
2 Tax Deducted at Source - Salary		0.00	0.00
	<b>TOTAL (B)</b>	<b>2,28,80,574.45</b>	<b>1,65,81,482.49</b>
	<b>TOTAL (A+B)</b>	<b>2,28,80,574.45</b>	<b>1,65,81,482.49</b>

## SCHEDULE - 8 FIXED ASSETS

Amount - (In ₹.)

Description	Depreciation Rate*	Gross Block				
		Opening Cost/ Valuation of the year 1-4-2014	Additions during the year up to 30-9-2014	Additions during the year after 1-10-2014	Total Additions during the year 2014-15	Deductions during the year 2014-15
1	2	3	4	5		
1. Fixed Assets Land						
a) Free hold						
b) Lease hold						
2. Buildings						
a) On Free hold Land	0%	0.00	0.00	0.00	0.00	0.00
b) On Lease hold Land						
c) Onwernship Flats/Premises	10%	168300526.00	0.00	0.00	0.00	0.00
d) Superstructures on Land not belonging to the entity						
3. Plant Machi. & Equipment						
4. Vehicles	15%	5003892.00	1661410.00	897362.00	2558772.00	0.00
5. Furniture, Fixtures	10%	100372482.00	0.00	0.00	0.00	1326743.00
6. Office Equipment	10%	2074715.00	58315.00	62144.00	120459.00	0.00
7. Computer Peripherals	60%	6067029.00	396333.00	145939.00	542272.00	0.00
8. Electric Installations						
9. Library Books	100%	69005.00	20037.00	2995.00	23032.00	0.00
10. Tubewells & W. Supply						
11. Other Fixed Assets						
Total of Current Year						
Previous Year						
Capital Work in Progress-I		0.00	0.00	0.00	0.00	0.00
Capital Work in Progress-II		9439.00	0.00	0.00	0.00	0.00
Total		281897088.00	2136095.00	1108440.00	3244535.00	1326743.00

Cost/Valuation at the year end 1+4-5=6 31-3-2015	Depreciation				Net Block	
	At the Beginning of the year 1-4-2014	Depreciation of the current year 2014-15	On Addition during the year 2014-15	Total Up to year end 7+8+9=10 2014-15	As at the current year end 6-10=11 2014-15	As at the Previous year 2013-14
6	7	8	9	10	11	12
0.00	0.00	0.00	0.00	0.00	0.00	0.00
168300526.00	16830053.00	15147047.00	0.00	31977100.00	136323426.00	151470473.00
7562664.00	3157104.00	277019.00	316514.00	3750637.00	3812027.00	1846788.00
99045739.00	11565030.00	8748071.00	0.00	20313101.00	78732638.00	88807452.00
2195174.00	1092856.00	98186.00	8947.00	1199989.00	995185.00	981859.00
6609301.00	5571725.00	297182.00	281582.00	6150489.00	458811.58	495303.58
92037.00	66061.00	2944.00	21535.00	90540.00	1497.00	2944.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
9439.00	0.00	0.00	0.00	0.00	9439.00	9439.00
283814880.00	38282829.00	24570449.00	628578.00	63481856.00	220333023.58	243614258.58

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

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

	2014 - 15	2013 - 14
INVESTMENT FROM EARMARKED / ENDOWMENT FUNDS	NIL	NIL

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

	2014 - 15	2013 - 14
INVESTMENT - OTHERS	NIL	NIL

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

CURRENT ASSETS, LOANS, ADVANCES ETC.	2014 - 15	2013 - 14
<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)	15,379.00	32,663.00
3 Bank Balances :		
a) With Scheduled Banks		
1 Fixed/Term Deposit	1,06,25,16,730.02	71,19,99,838.00
2 Auto Sweep Savings Account	88,37,828.53	13,10,79,564.04
3 Current Account	22,663.00	22,606.00
4 Advance Paid	0.00	0.00
<b>TOTAL - (A)</b>	<b>1,07,13,92,600.55</b>	<b>84,31,34,671.04</b>

SCHEDULE - 11-B-LOANS, ADVANCES AND OTHER ASSETS		Amount - (In ₹.)	
		2014 - 15	2013 - 14
<b>1</b>	<b>Loans :</b>		
	<b>a. Advances</b>		
i)	Staff (Festival Advance)	1,08,000.00	1,14,000.00
ii)	HBA to Staff : Ranjit Makwana	1,33,132.00	1,51,312.00
iii)	HBA to Staff : K. G. Rajput	2,88,500.00	3,18,500.00
	<b>b. LTC Advance</b>	0.00	25,456.00
	<b>c. Other Entities engaged in activities/ objectives similar to that of the Entity</b>	0.00	0.00
	<b>d. Other (Deposits)</b>		
i)	Petrol Pump	30,000.00	30,000.00
ii)	Telephone	30,020.00	29,520.00
iii)	LPG Gas	0.00	3,100.00
iv)	Electricity	6,000.00	40,020.00
v)	Government Quarter Deposit	3,300.00	2,300.00
vi)	Safe Deposit Vault (Deposit)	0.00	5 000.00
vii)	S. D. Utility connection	9,17,490.00	9,17,490.00
viii)	Kalptaru	26,000.00	0.00
<b>2</b>	<b>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	67,67,909.00	89,62,094.28
	c) Receivable From Income Tax Department	15,57,276.00	15,57,276.00
	d) Others	0.00	0.00
<b>3</b>	<b>Income Accrued :</b>		
	a) On investments from Earmarked/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
<b>4</b>	<b>Receivable From CERC for FOIR Expenses</b>	0.00	0.00
<b>5</b>	<b>Receivable From GUVNL</b>	0.00	0.00
	<b>TOTAL (B )</b>	<b>2,48,67,627.00</b>	<b>2,71,56,068.28</b>
	<b>TOTAL ( A+B )</b>	<b>1,09,62,60,227.55</b>	<b>87,02,90,739.32</b>

**SCHEDULE - 12 INCOME FROM SERVICES**

	Amount - (In ₹.)	
	2014 - 15	2013 - 14
<b>INCOME FROM SERVICES</b>	<b>NIL</b>	<b>NIL</b>

**SCHEDULE - 13 GRANTS / SUBSIDIES**

	Amount - (In ₹.)	
	2014 - 15	2013 - 14
<b>GRANTS / SUBSIDIES</b>		
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
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

**SCHEDULE - 14 FEES / SUBSCRIPTIONS**

	Amount - (In ₹.)	
	2014 - 15	2013 - 14
<b>FEES / SUBSCRIPTIONS</b>		
1 Entrance Fees	0.00	0.00
2 Annual Fees/Subscription	12,24,74,143.00	10,46,30,150.00
3 Seminar/Program fees	0.00	0.00
4 Consultancy Fees	0.00	0.00
5 Others (Specify)	5,90,76,500.00	6,85,71,754.00
6 Petition fees	18,15,50,643.00	17,32,01,904.00
<b>TOTAL</b>		

**SCHEDULE - 15 INCOME FROM INVESTMENTS** Amount - (In ₹.)

Income on Investment from Earmarked / Endowment funds - Transferred to Funds.

	Income on Investment from Earmarked/Endowment Funds		Income on Investment Others	
	2014-15	2013-14	2014-15	2013-14
Transferred to Funds	NIL	NIL	NIL	NIL

**SCHEDULE - 16 INCOME FROM ROYALTY, PUBLICATION ETC.** Amount - (In ₹.)

2014 - 15      2013 - 14

INCOME FROM ROYALTY, PUBLICATION ETC.	NIL	NIL
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**SCHEDULE - 17 INTEREST EARNED** Amount - (In ₹.)

INTEREST EARNED	2014 - 15	2013 - 14
1 On Term Deposit		
a) With Scheduled Banks	8,62,66,171.94	7,84,33,076.62
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) i. With Scheduled Banks	22,50,722.23	0.00
ii. With Scheduled Banks (Prior Period Income)	89,93,862.81	0.00
b) With Non Scheduled Banks	0.00	0.00
c) Post Office Savings Account	0.00	0.00
d) Others	0.00	0.00
3 On Loans		
a) Employees/Staff	0.00	0.00
b) Others	0.00	0.00
4 Interest on Debtors and Other Receivables	0.00	0.00
TOTAL	9,75,10,756.98	7,84,33,076.62

## SCHEDULE - 18 OTHER INCOME

Amount - (In ₹.)

OTHER INCOME	2014 - 15	2013 - 14
1 Loans :		
i) Recovery of Printing Charges	0.00	0.00
ii) Recovery of Vehicle use from Staff	6,588.00	7,370.00
iii) Other Misc. Receipt	12,320.00	32,735.00
iv) Contribution from Forum of Indian Regulators	0.00	0.00
v) R.T.I. Fees	2,221.00	19,750.00
<b>TOTAL</b>	<b>21,129.00</b>	<b>59,855.00</b>

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

Amount - (In ₹.)

## GOODS AND WORK IN PROGRESS

	2014 - 15	2013 - 14
INCREASE / DECREASE IN STOCKS OF FINISHED GOODS & WORKS IN PROGRESS	NIL	NIL

## SCHEDULE - 20 ESTABLISHMENT EXPENSES

Amount - (In ₹.)

	2014 - 15	2013 - 14
a) Salaries and Wages		
1 Salaries - Commission	56,10,952.00	40,14,940.00
2 Salaries - Office Staff	1,60,29,565.00	1,47,35,385.00
3 Salaries - Ombudsman Office Staff	16,88,861.00	16,31,802.00
4 Leave Encashment	39,024.00	22,160.00
5 Pay Arrears	0.00	1,15,508.00
6 Incentive	1,49,292.00	1,26,123.00
b) Allowances and Bonus		
1 Uniform Allowance	0.00	0.00
2 Bonus Allowance	1,47,250.00	1,25,250.00
3 Charge Allowance	29,457.00	21,474.00
c) Contribution to Provident Fund	12,99,396.00	11,48,556.00
d) Contribution to Other Fund (Specify)	0.00	0.00
e) Staff Welfare Expenses		
1 Medical Facility and Reimbursement	4,76,488.00	2,38,362.00
2 Staff Welfare Expenses	30,130.00	15,650.00
3 Uniform Expenses	14,940.00	42,160.00
f) Expenses on Employees' Retirement and Terminal Benefits		
1 Gratuity	32,02,000.00	5,14,000.00
2 Leave Salary	44,53,000.00	10,27,000.00
g) Others (Specify)	0.00	0.00
<b>TOTAL</b>	<b>3,31,70,355.00</b>	<b>2,37,78,370.00</b>

## SCHEDULE - 21 OTHER ADMINISTRATIVE EXPENSES ETC.

Amount - (In ₹.)

		2014 - 15	2013 - 14
<b>a) General Expenses</b>			
1 Bank Charges		2,047.71	5,179.67
2 Electricity Charges		27,10,007.00	30,40,403.00
3 Vehicle Running Expenses, Fuel etc.		5,51,016.00	4,67,911.00
4 Advertisements and Publicity		16,51,127.00	13,35,535.00
5 Audit fees		2,51,540.00	1,97,450.00
6 Vehicle Insurance Expenses		1,11,481.00	69,255.00
7 Other Office Expenses		18,45,367.00	19,91,069.00
8 Misc. Expenses		63,338.00	1,71,902.00
9 Prior Period Expenses		65,385.00	64,050.00
10 Written Off Old Assets		0.00	21,61,653.00
	<b>TOTAL</b>	<b>72,51,308.71</b>	<b>95,04,407.67</b>
<b>b) Repairs and Maintenance</b>			
i) Furniture		3,280.00	0.00
ii) Office Equipment		12,98,146.00	2,42,419.00
iii) Vehicles		1,33,418.00	3,72,900.00
iv) Office Building		2,91,762.00	50,000.00
v) Office Building Maintenance		0.00	20,06,795.00
vi) Office Building Maintenance Common Area		20,61,780.00	18,44,642.00
	<b>TOTAL</b>	<b>37,88,386.00</b>	<b>45,16,756.00</b>
<b>c) Rent, Rates and Taxes</b>			
i) Rent (Office)		0.00	17,62,906.00
ii) Municipal Taxes		0.00	4,17,403.00
iii) Safe deposit Vault rent		3,148.00	2,697.00
	<b>TOTAL</b>	<b>3,148.00</b>	<b>21,83,006.00</b>
<b>d) Postage, Telephone and Communication Charges</b>			
i) Postage Charges		2,59,737.00	3,25,013.00
ii) Telephone Charges		4,21,081.00	5,22,701.00
iii) Website Charges		3,855.00	1,03,090.00
iv) Internet Charges		2,08,950.00	1,54,230.00
	<b>TOTAL</b>	<b>8,93,623.00</b>	<b>11,05,034.00</b>
<b>e) Printing and Stationery</b>			
Printing and Stationery		15,49,407.00	7,30,507.00

f) Traveling and Conveyance Expenses			
i)	Traveling Expenses for foreign tour	27,590.00	0.00
ii)	Traveling Allowances for domestic tour	47,980.00	61,053.00
iii)	Conveyance Expenses	3,513.00	15,856.00
iv)	Travel Expenses	12,69,837.00	9,38,267.00
v)	Leave Travel Concession	1,93,582.00	96,384.00
vi)	Transport Expenses	23,73,078.00	16,60,990.00
TOTAL		39,15,580.00	27,72,550.00
g) Subscription Expenses			
i)	Subscription of Newspapers and Magazines	56,504.00	57,704.00
ii)	CIGRE Subscription expenses	0.00	0.00
iii)	Financial Assistance for Consumer's Awareness	0.00	0.00
iv)	FOIR Annual Fees	2,50,000.00	2,50,000.00
v)	SAFIR Fees	2,35,44.00	1,50,000.00
vi)	FOR Fees	3,00,000.00	3,00,000.00
TOTAL		8,41,948.00	7,57,704.00
h) Expenses on Seminar / Training / Workshop / Meeting			
i)	Seminar, Training & Workshop Expenses	52,809.00	1,79,214.00
ii)	Meeting Expenses	7,09,051.00	8,00,397.00
TOTAL		7,61,860.00	9,79,611.00
i)	Auditors Remuneration	0.00	0.00
j)	Hospitality Expenses	0.00	0.00
k)	Consultancy charges / Professional charge	0.00	0.00
i)	Legal Consultancy	26,31,000.00	29,40,976.00
ii)	Professional Consultancy / Charges	21,12,187.00	47,41,541.00
iii)	Consultancy Retainer Fees	4,50,538.00	5,72,330.00
TOTAL		51,93,725.00	82,54,847.00
I)	Deposits / Investments	0.00	0.00
TOTAL (a to I)		2,41,98,985.71	3,08,04,422.67



SCHEDULE - 22 EXPENDITURE FROM GRANTS, SUBSIDIES ETC.	Amount - (In ₹.)	
	2014 - 15	2013 - 14
EXPENDITURE FROM GRANTS, SUBSIDIES ETC.	NIL	NIL

SCHEDULE - 23 INTEREST PAID	Amount - (In ₹.)	
	2014 - 15	2013 - 14
INTEREST PAID	NIL	NIL

## SCHEDULE-24

### 1 Significant Accounting Policies

- 1.1 Annual Accounts for the year 2014-15 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 account on 07.12.2015 considering audit observations raised by audit party during audit.
- 1.3 The Commission has notified the Gujarat Electricity Regulatory Commission (Fees, Fines and Charges) Regulations, 2005. As such license 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 the 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 ₹. 1.50 Crores towards token price of land in the year 2009-10. Meanwhile, GERC has purchased the 6<sup>th</sup> floor, GIFT ONE, Gandhinagar and shifted to GIFT ONE. Hence, GERC wrote a letter to Collector, Ahmedabad demanding refund of ₹.1.50 crore. Receivable amount ₹. 1.50 crore is shown accordingly, in Schedule -11 on capital account. ₹. 9,439/- was carried forward for wire fencing on land which was transferred to Capital Work in Progress.

4.4 Gujarat International Finance Tech City had assigned contract to M/s New Concept on behalf of GERC. GERC had paid ₹.9,84,85,554/-including price of ₹.1,39,29,648/- for direct bought-out items, furniture and fixtures for the new office at 6<sup>th</sup> floor, GIFT ONE, Gandhinagar. Actual Final bill received from GIFT was ₹. 8,45,55,906/-. GIFT has refunded ₹. 13,26,743/- for price difference or non installation or gap between tender quantity and quality, entry of which is made in current financial year after completion of physical verification during the current year. Also, entry of Toyota car (Model Altis Diesel 1.4 HO) is made during the current financial year.

#### 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 (including for employees on deputation) 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 or conditions of deputation. In the current F.Y, the Commission has made provision of ₹. 76.55 lakhs for payment of retirement benefits, which consists of ₹. 32.02 lakhs towards gratuity and ₹. 44.53 lakhs towards encashment of leave etc.
- 6.2 The Commission is having a Savings Bank account with 'Auto Sweep' facility with Syndicate Bank having its branch at GIFT CITY, Gandhinagar. The Interest earned through 'Sweep In' transactions from 14.07.2006 to 31.03.2014 of ₹. 89,93,862.81, was not accounted earlier is given effect during the current year as 'Interest Earned' (Schedule 17) as 'Prior Period Income' on Savings Accounts with Scheduled Banks in the books of accounts.
- 6.3 While finalizing Annual Accounts, authenticating of significant and accounting policies (Schedule 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 ₹. 12,24,74,143/- as license fees out of which ₹. 10,13,29,082/- based on the estimated sales of 2014-15 and ₹. 2,09,32,966/- is an adjustment based on the audited data for the year 2012-13 of the distribution licensees. It also includes license fees of ₹. 2,12,095/- of 2015-16. The Commission also received petition fees/charges as provided in the regulations. In the year 2014-15 the Commission has received ₹. 5,90,76,500/- 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 are finalized and audited and thereafter, the 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. 2014-15.

#### 9. Foreign Currency Transaction

During Financial Year 2014-15, the Total expenditure towards foreign tour was ₹. 27,590/-.

#### 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.

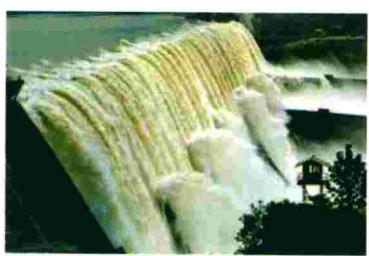
11. Corresponding figures for the previous figures have been regrouped/rearranged, wherever necessary.
12. Schedules 1 to 24 are annexed to and form an integral part of the Balance Sheet as at 31<sup>st</sup> March, 2015 and the Income and Expenditure Account for the year ended on that date.

P. J. JANI  
ACCOUNTS OFFICER

S. T. ANADA  
DY. DIRECTOR (A & A)

ROOPWANT SINGH I.A.S.  
SECRETARY

Date : 07.12.2015  
Place : Gandhinagar



# Gujarat Electricity Regulatory Commission

6<sup>th</sup> Floor, GIFT ONE, Road 5-C, Zone 5, GIFT CITY, Gandhinagar, GUJARAT-382 355.

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