



GUJARAT ELECTRICITY REGULATORY COMMISSION



17th ANNUAL ACCOUNT

Financial Year 2015-16

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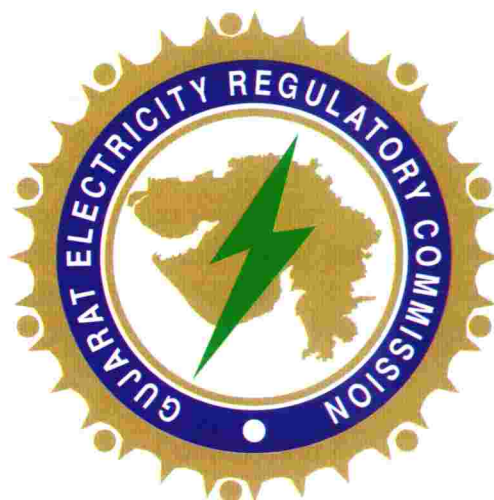
Seventeenth Annual Accounts 2015-16



6th Floor, GIFT ONE, Road 5-C, Zone 5, GIFT City, Gandhinagar-382 355.

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GUJARAT ELECTRICITY REGULATORY COMMISSION



The Commission presents the 17th Annual Accounts for
FY 2015-16, 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 17 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 15th November, 2016 to 16th November, 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 ₹. 15,17,18,236/- (including recognized as receivable or payable) and petition fee of ₹. 6,17,79,125/- during the year 2015-16 and an amount of ₹. 10,45,75,434/- was earned as interest on Fixed/Term deposits and savings account from nationalized banks/State sponsored financial institutions.

GERC's total expenditure during the year 2015-16 was ₹. 7,74,22,423/-. Out of this ₹. 2,85,55,764/- was establishment expenditure, ₹. 2,61,01,609/- was other administrative charges and ₹. 2,27,65,050/- was depreciation.



GERC's total corpus fund as on 31st March, 2016 is ₹. 1,46,80,00,000/- and the general reserve fund is ₹. 7,18,18,184/-.

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 6th 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.

The 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.



GUJARAT ELECTRICITY REGULATORY COMMISSION, GANDHINAGAR.

Separate Audit Report of the Comptroller and Auditor General of India on the accounts of Gujarat Electricity Regulatory Commission For the year ended 31 March 2016.

We have audited the attached (**revised**) Balance Sheet of Gujarat Electricity Regulatory Commission as at 31st March 2016 and the (**revised**) Income and Expenditure Account for the year ended on that date 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 best accounting practices, accounting standards, and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (propriety and regularity) and efficiency-cum-performance aspects, etc. if any, are reported through Inspection Reports/CAG's Audit Reports separately.

We have conducted our audit in accordance with the Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from mis-statements. An audit includes examining on a test basis, evidences supporting the accounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

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 approved by Government of Gujarat in consultation with the CAG under Section 104(1), of the Electricity Act, 2003.
- (iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Commission, in so far as it appears from our examination of such 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 and Notes on Accounts, and other matters mentioned in the Annexure to this Audit Report, 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 31st March 2016.
- 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 and Auditor General of India
sd.

(Gurveen Sidhu)
Accountant General (E & RSA), Gujarat

Place : Ahmedabad.
Date : 10.01.2017



**GUJARAT ELECTRICITY REGULATORY COMMISSION
FINANCIAL STATEMENT**

BALANCE SHEET AS ON 31ST MARCH, 2016

Amount - (In ₹.)

CORPUS / CAPITAL FUND AND LIABILITIES	Schedule	2015-16	2014-15
CORPUS / GERC CAPITAL FUND	1	1,46,80,00,000.00	1,23,35,00,000.00
RESERVES AND SURPLUS	2	7,18,18,183.72	6,02,10,676.68
EARMARKED / ENDOWMENT FUNDS	3	0.00	0.00
SECURED LOANS AND BORROWINGS	4	0.00	0.00
UNSECURED LOANS AND BORROWINGS	5	2,59,850.00	2,000.00
DEFERRED CREDIT LIABILITIES	6	0.00	0.00
CURRENT LIABILITIES AND PROVISIONS	7	1,45,94,825.00	2,28,80,574.45
TOTAL		1,55,46,72,858.72	1,31,65,93,251.13
ASSETS			
FIXED ASSETS	8	19,86,47,126.33	22,03,33,023.58
INVESTMENTS - FROM EARMARKED /			
ENDOWMENT FUNDS	9	0.00	0.00
INVESTMENTS - OTHERS	10	0.00	0.00
CURRENT ASSETS, LOANS, ADVANCES	11	1,35,60,25,732.39	1,09,62,60,227.55
MISCELLANEOUS EXPENDITURE			
TOTAL		1,55,46,72,858.72	1,31,65,93,251.13

For and on behalf of the Commission

P. J. JANI
ACCOUNTS OFFICER

D. R. PARMAR
JT. DIRECTOR (A & A)

ROOPWANT SINGH IAS
SECRETARY

Date : 28.10.2016
Place : Gandhinagar

GUJARAT ELECTRICITY REGULATORY COMMISSION
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED31ST MARCH, 2016

		Amount - (In ₹.)	
	Schedule	2015-16	2014-15
A. INCOME			
Income from sales / service	12	0.00	0.00
Grants / Subsidies	13	0.00	0.00
Fees and charges	14	21,34,97,361.00	18,15,50,643.00
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	10,49,32,879.84	9,75,10,756.98
Other Income	18	50,99,689.45	21,129.00
Increase/Decrease in stock of finished goods & work in progress	19	0.00	0.00
TOTAL (A)		32,35,29,930.29	27,90,82,528.98
B. EXPENDITURE			
Establishment Expenditure	20	2,85,55,764.00	3,31,70,355.00
Other Administrative Expenses etc.	21	2,61,01,609.00	2,41,98,985.71
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)		2,27,65,050.25	2,51,99,027.00
TOTAL (B)		7,74,22,423.25	8,25,68,367.71
Balance being excess of Income over Expenditure (A-B)		24,61,07,507.04	19,65,14,161.27
Transfer to Corpus Fund		23,45,00,000.00	18,70,00,000.00
Transfer to General Reserve		1,16,07,507.04	95,14,161.27
Balance being surplus transferred to Balance Sheet		0.00	0.00
SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	24	-	-

For and on behalf of the Commission

P. J. JANI
ACCOUNTS OFFICERD. R. PARMAR
JT. DIRECTOR (A & A)ROOPWANT SINGH IAS
SECRETARYDate : 28.10.2016
Place : Gandhinagar



SCHEDULE - 1 CORPUS / CAPITAL FUND		Amount - (In ₹.)
CORPUS / CAPITAL FUND	2015 - 16	2014 - 15
Balance as at the beginning of the year	1,23,35,00,000.00	1,04,65,00,000.00
Add : Contributions towards Corpus / Capital Fund	0.00	0.00
Add : Transferred from the Income and Expenditure Account of the current year	23,45,00,000.00	18,70,00,000.00
BALANCE AS AT THE YEAR-END	1,46,80,00,000.00	1,23,35,00,000.00

SCHEDULE - 2 RESERVES AND SURPLUS		Amount - (In ₹.)
RESERVES AND SURPLUS	2015-16	2014-15
Balance as at the beginning of the year	6,02,10,676.68	5,06,96,515.41
Add : Balance being surplus transferred from the Income and Expenditure Account of the current year	1,16,07,507.04	95,14,161.27
BALANCE AS AT THE YEAR-END	7,18,18,183.72	6,02,10,676.68

SCHEDULE - 3 EARMARKED / ENDOWMENT FUNDS				Amount - (In ₹.)	
	FUND WISE BREAK UP			TOTAL	
	Fund	Fund	Fund	2015-16	2014-15
	NIL	NIL	NIL	NIL	NIL

SCHEDULE - 4 SECURED LOANS AND BORROWINGS		Amount - (In ₹.)	
		2015-16	2014-15
SECURED LOANS AND BORROWINGS		NIL	NIL



SCHEDULE - 5 UN - SECURED LOANS AND BORROWINGS		Amount - (In ₹.)	
UN - SECURED LOANS AND BORROWINGS	2015-16	2014-15	
SECURITY DEPOSIT (SD)	2,08,850.00	1,000.00	
EARNEST MONEY DEPOSIT (EMD)	51,000.00	1,000.00	
BALANCE AS AT THE YEAR-END	2,59,850.00	2,000.00	

SCHEDULE - 6 DEFERRED CREDIT LIABILITIES		Amount - (In ₹.)	
	2015-16	2014-15	
DEFERRED CREDIT LIABILITIES	NIL	NIL	



SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS		Amount - (In ₹.)	
		2015-16	2014-15
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			
a) IL&FS Township And Urban Assets Ltd.		0.00	0.00
b) GIFT City		0.00	0.00
c) Payable to Licensees / Others		7,20,399.00	0.00
4 CPF - Commision		0.00	0.00
TOTAL (A)		7,20,399.00	0.00
B. PROVISIONS			
1 For Taxation		0.00	0.00
2 Gratuity		43,37,000.00	0.00
3 Superannuation / Pension		0.00	0.00
4 Accumulated Leave Encashment		67,81,000.00	0.00
5 Trade Warranties / Claims		0.00	0.00
6 Others (Specify)		0.00	0.00
7 Unpaid expenses			
Unpaid exp. 2009-10		0.00	1,00,000.00
Unpaid exp. 2010-11		0.00	0.00
Unpaid exp. 2011-12		0.00	0.00
Unpaid exp. 2012-13		0.00	0.00
Unpaid exp. 2013-14		0.00	51,890.00
Unpaid exp. 2014-15		0.00	30,84,782.00
Unpaid exp. 2015-16		27,56,426.00	0.00
8 GERC Retirement Benefit Fund		0.00	1,96,43,902.45
C. UNPAID EXPENSES			
1 Tax Deducted at Source Office - Rent		0.00	0.00
2 Tax Deducted at Source - Salary		0.00	0.00
TOTAL (B)		1,38,74,426.00	2,28,80,574.45
TOTAL (A+B)		1,45,94,825.00	2,28,80,574.45



SCHEDULE - 8 FIXED ASSETS						Amount - (In ₹.)
Description	Depre- ciation Rate*	Opening Cost/ Valuation of the year 1-4-2015	Additions during the year up to 30-9-2015	Gross Block Additions during the year after 1-10-2015	Total Additions during the year 2015-16	Deductions during the year 2015-16
		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%	7562664.00	0.00	9940.00	9940.00	0.00
5. Furniture, Fixtures	10%	99045739.00	22185.00	0.00	22185.00	0.00
6. Office Equipment	10%	2195174.00	13800.00	253853.00	267653.00	0.00
7. Computer Peripherals	60%	6609301.00	51608.00	624178.00	675786.00	0.00
8. Electric Installations						
9. Library Books	100%	92037.00	4092.00	99497.00	103589.00	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		283814880.00	91685.00	987468.00	1079153.00	0.00



Cost/Valuation at the year end 1+4-5=6 (31-3-2016)	Depreciation				Net Block	
	At the Beginning of the year 1-4-2015	Depreciation of the current year 2015-16	On Addition during the year 2015-16	Total Up to year end 7+8+9=10 2015-16	As at the current year end 6-10=11 2015-16	As at the Previous year 2014-15
6	7	8	9	10	11	12
0.00	0.00	0.00	0.00	0.00	0.00	0.00
168300526.00	31977100.00	13632343.00	0.00	45609443.00	122691083.00	136323426.00
7572604.00	3750637.00	571804.00	2549.25	4324990.25	3247613.75	3812027.00
99067924.00	20313101.00	7873264.00	2219.00	28188584.00	70879340.00	78732638.00
2462827.00	1199989.00	99521.00	16163.00	1315673.00	1147154.00	995185.00
7285087.00	6150489.00	275286.00	218218.00	6643993.00	641093.58	458811.58
195626.00	90540.00	42280.00	31403.00	164223.00	31403.00	1497.00
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
284894033.00	63481856.00	22494498.00	270552.25	86246906.25	198647126.33	220333023.58
Note : Depreciation rate as per Appendix I of IT Rules 1962 and Incometax Act.1961.						



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

	2015-16	2014-15
INVESTMENT FROM EARMARKED / ENDOWMENT FUNDS	NIL	NIL

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

	2015-16	2014-15
INVESTMENT - OTHERS	NIL	NIL

SCHEDULE - 11 CURRENT ASSETS, LOANS, ADVANCES ETC.

SCHEDULE - 11 - A CURRENT ASSETS	2015-16	2014-15
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)	151.00	15,379.00
3. Bank Balances:		
a) With Scheduled Banks	1,08,78,74,730.02	1,06,25,16,730.02
1 Fixed / Term Deposit	21,21,11,265.37	88,37,828.53
2 Auto Sweep Savings Account	22,606.00	22,663.00
3 Current Account	0.00	0.00
4 Advance Paid		
TOTAL - (A)	1,30,00,08,752.39	1,07,13,92,600.55



SCHEDULE - 11 - B LOANS, ADVANCES AND OTHER ASSETS

Amount - (In ₹.)

	2015-16	2014-15
1. Loans :		
a) Advances		
(i) Staff (Festival Advance)	1,20,000.00	1,08,000.00
(ii) HBA to Staff : Ranjit Makwana (Principal)	1,13,437.00	1,33,132.00
(iii) HBA to Staff : K.G. Rajput (Principal)	2,56,000.00	2,88,500.00
(iv) HBA Loan Interest to Staff : Ranjit Makwana	2,31,963.00	0.00
(v) HBA Loan Interest to Staff : K.G. Rajput	1,25,483.00	0.00
b) LTC Advance	18,694.00	0.00
c) Other Entities engaged in activities / objectives similar to that of the Entity	0.00	0.00
d) Office equipment advance	3,000.00	0.00
e) Medical Advance	0.00	0.00
f) Other (Deposits)		
(i) Petrol Pump	30,000.00	30,000.00
(ii) Telephone	30,020.00	30,020.00
(iii) LPG Gas	0.00	0.00
(iv) Office building	0.00	0.00
(v) Electricity	6,000.00	6,000.00
(vi) Govt. Quarter Deposit	3,300.00	3,300.00
(vii) Safe Deposit Vault (deposit)	0.00	0.00
(viii) S.D. Utility Connection (GIFT)	9,17,490.00	9,17,490.00
(ix) Kalptaru	26,000.00	26,000.00
2. Advances and other amounts recoverable in cash or in kind or for value to be received		
a) On Capital Account	1,50,00,000.00	1,50,00,000.00
b) Receivable Interest	1,76,45,699.00	67,67,909.00
c) Receivable From Income Tax Dept.	15,57,276.00	15,57,276.00
d) Others	0.00	0.00
3. Income Accrued :		
a) On investments from Ear marked / Endowment Funds	0.00	0.00
b) On Investments - Others	0.00	0.00
c) On Loans and Advances	0.00	0.00
d) Others	0.00	0.00
(Includes income due unrealized ₹.)		



SCHEDULE - 11 - B LOANS, ADVANCES AND OTHER ASSETS		Amount - (In ₹.)	
	2015-16	2014-15	
4. Receivable Interest	0.00	0.00	
5. Receivable From CERC - FOR	20,910.00	0.00	
6. Receivable From GUVNL - Licensees	1,99,11,708.00	0.00	
7. Receivable From Others	0.00	0.00	
TOTAL (B)	5,60,16,980.00	2,48,67,627.00	
TOTAL (A+B)	1,35,60,25,732.39	1,09,62,60,227.55	

SCHEDULE - 12 INCOME FROM SERVICES		Amount - (In ₹.)	
	2015-16	2014-15	
INCOME FROM SERVICES	NIL	NIL	

SCHEDULE - 13 GRANTS / SUBSIDIES		Amount - (In ₹.)	
	2015-16	2014-15	
GRANTS / SUBSIDIES	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 ₹.)	
	2015-16	2014-15	
FEES / SUBSCRIPTIONS	0.00	0.00	
1. Entrance Fees	15,17,18,236.00	12,24,74,143.00	
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)	6,17,79,125.00	5,90,76,500.00	
6. Petition fees	21,34,97,361.00	18,15,50,643.00	
TOTAL	21,34,97,361.00	18,15,50,643.00	



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	
	2015-16	2014-15	2015-16	2014-15
Transferred to Funds	NIL	NIL	NIL	NIL

SCHEDULE - 16 INCOME FROM ROYALTY, PUBLICATION ETC.

Amount - (In ₹.)

	2015-16	2014-15
INCOME FROM ROYALTY, PUBLICATION ETC.	NIL	NIL

SCHEDULE - 17 INTEREST EARNED

Amount - (In ₹.)

INTEREST EARNED	2015-16	2014-15
1. On Term Deposit		
a) With Scheduled banks	9,84,13,228.20	8,62,66,171.94
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	61,62,205.64	22,50,722.23
(ii) With Scheduled banks (Prior Period Income)	0.00	89,93,862.81
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
i) HBA Loan Interest (K G Rajput)	28,849.00	0.00
ii) HBA Loan Interest (R M Makwana)	13,104.00	0.00
iii) HBA Loan Interest (Prior Period)	3,15,493.00	0.00
b) Other	0.00	0.00
4. Interest on Debtors and Other Receivables	0.00	0.00
TOTAL	10,49,32,879.84	9,75,10,756.98



SCHEDULE - 18 OTHER INCOME		Amount - (In ₹.)	
OTHER INCOME		2015-16	2014-15
i) Recovery of Printing Charges		0.00	0.00
ii) Recovery of Vehicle use from Staff		6,778.00	6,588.00
iii) Other Misc. Reciept		49,803.00	12,320.00
iv) Contribution from Forum Of Indian Regulators		0.00	0.00
v) R.T.I. Fees		2,520.00	2,221.00
vi) Excess provision of Leave Salary and Gratuity - Written back		50,40,588.45	0.00
TOTAL		50,99,689.45	21,129.00

SCHEDULE - 19 INCREASE / DECREASE IN STOCK OF FINISHED GOODS AND WORK IN PROGRESS		Amount - (In ₹.)	
INCREASE / DECREASE IN STOCKS OF FINISHED GOODS & WORKS IN PROGRESS		2015-16	2014-15
		NIL	NIL



SCHEDULE - 20 ESTABLISHMENT EXPENSES		Amount - (In ₹.)	
		2015-16	2014-15
a) Salaries and Wages			
1) Salaries - Commision	48,81,391.00	56,10,952.00	
2) Salaries - Office staff	1,84,24,442.00	1,60,29,565.00	
3) Salaries - Ombudsment Office Staff	20,20,360.00	1,68,8861.00	
4) Leave Encashment	86,662.00	39,024.00	
5) Pay Arrears	0.00	0.00	
6) Incentive	1,54,252.00	1,49,292.00	
b) Allowances and Bonus			
1) Uniform Allowance	0.00	0.00	
2) Bonus Allowance	1,76,250.00	1,47,250.00	
3) Charge Allowance	41,233.00	29,457.00	
c) Contribution to Provident Fund	15,16,632.00	12,99,396.00	
d) Contribution to Other Fund (Specify)	0.00	0.00	
e) Staff Welfare Expenses			
1) Medical Facility and Reimbursement	4,12,977.00	4,76,488.00	
2) Staff Welfare Expenses	28,000.00	30,130.00	
3) Uniform Expenses	71,282.00	14,940.00	
f) Expenses on Employees' Retirement and Terminal Benefits			
1) Gratuity	3,96,624.00	32,02,000.00	
2) Leave Salary	3,45,659.00	44,53,000.00	
g) Others (Specify)	0.00	0.00	
TOTAL:	2,85,55,764.00	3,31,70,355.00	



SCHEDULE - 21 OTHER ADMINISTRATIVE EXPENSES ETC.		Amount - (In ₹.)	
		2015-16	2014-15
a) General Expenses			
1) Bank charges	957.00		2,047.71
2) Electricity charges	13,47,461.00		27,10,007.00
3) Vehicle Running Expenses, Fuel etc.	4,61,542.00		5,51,016.00
4) Advertisements and Publicity	16,29,162.00		16,51,127.00
5) Audit fees	2,17,975.00		2,51,540.00
6) Vehicle Insurance Expenses	1,23,559.00		1,11,481.00
7) Other Office Expenses	18,83,609.00		18,45,367.00
8) Misc. Expenses	78,216.00		63,338.00
9) Prior Period Expenses	22,67,145.00		65,385.00
a) Prior period Expenses	0.00		0.00
10) Written off old Assets	80,09,626.00		72,51,308.71
TOTAL			
b) Repairs and Maintenance			
i) Furniture	0.00		3,280.00
ii) Office Equipment	4,76,862.00		12,98,146.00
iii) Vehicles	1,92,876.00		1,33,418.00
iv) Office Building	4,89,023.00		2,91,762.00
v) Office Building Maintenance	0.00		0.00
vi) Office Building Maintenance Common Area	22,64,243.00		20,61,780.00
TOTAL	34,23,004.00		37,88,386.00
c) Rent, Rates and Taxes			
i) Rent (Office)	0.00		0.00
ii) Municipal Taxes	0.00		0.00
iii) Safe Deposit Rent	2,405.00		3,148.00
TOTAL	2,405.00		3,148.00
d) Postage, Telephone and Communication Charges			
i) Postage charges	3,02,555.00		2,59,737.00
ii) Telephone charges	3,98,512.00		4,21,081.00
iii) Website charges	3,96,978.00		3,855.00
iv) Internet charges	1,38,945.00		2,08,950.00
TOTAL	12,36,990.00		8,93,623.00
e) Printing and Stationary			
i) Printing and Stationery	10,36,634.00		15,49,407.00



f) Traveling and Conveyance Expenses		
i) Traveling Expenses for foreign tour	0.00	27,590.00
ii) Traveling Allowances for domestic tour	30,631.00	47,980.00
iv) Conveyance Expenses	5,405.00	3,513.00
v) Travel Expenses	8,50,072.00	12,69,837.00
vi) Leave Travel Concession	45,744.00	1,93,582.00
vii) Transport Expenses	23,94,009.00	23,73,078.00
TOTAL	33,25,861.00	39,15,580.00
g) Subscription Expenses		
i) Subscription of Newspapers and Magazines	1,05,209.00	56,504.00
ii) CIGRE Subscription Expenses	0.00	0.00
iii) Financial Assistance for Consumer's Awareness	0.00	0.00
iv) FOIR Annual Fees	4,00,000.00	2,50,000.00
v) SAFIR Fees	2,53,800.00	2,35,444.00
vi) FOR Fees	6,00,000.00	3,00,000.00
TOTAL	13,59,009.00	8,41,948.00
h) Expenses on Seminar / Training / Workshop / Meeting		
i) Seminar, Training & Workshop Expenses	2,68,107.00	52,809.00
ii) Meeting Expenses	1,88,611.00	7,09,051.00
iii) FOR Meeting Expenses	9,48,191.00	0.00
TOTAL	14,04,909.00	7,61,860.00
l) Auditors Remuneration	0.00	0.00
j) Hospitality Expenses	0.00	0.00
k) Consultancy charges / Professional charges		
i) Legal Consultancy	61,02,709.00	26,31,000.00
ii) Professional Consultancy / Charges	0.00	21,12,187.00
iii) Consultancy Retainer Fees	2,00,462.00	4,50,538.00
TOTAL	63,03,171.00	51,93,725.00
l) Deposits / Investments	0.00	0.00
TOTAL (a to l)	2,61,01,609.00	2,41,98,985.71



SCHEDULE - 22 EXPENDITURE FROM GRANTS, SUBSIDIES ETC.		Amount - (In ₹.)	
		2015-16	2014-15
EXPENDITURE FROM GRANTS, SUBSIDIES ETC.		NIL	NIL

SCHEDULE - 23 INTEREST PAID		Amount - (In ₹.)	
		2015-16	2014-15
INTEREST PAID		NIL	NIL



SCHEDULE-24 Significant Accounting Policies and Notes on Accounts.

1 Significant Accounting Policies

- 1.1 Annual Accounts for the year 2015-16 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). Commission has revised annual accounts for the year 2015-16 on 28.10.2016 considering audit observations raised by audit party during audit.
- 1.2 The Commission prepares Accounts on Accrual basis except salary, its related payments i.e. CPF contribution etc. and foreign currency transactions.
- 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 the income from License Fees, Petition Fees and Other Revenue was adequate to meet the requirements of the Commission, no budgetary support from the State Government is received by 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 by transferring 95% to Corpus Fund (rounded off to in Rupees Lakhs) and balance amount is transferred to 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.

2. Accounting convention

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

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 forming 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 An amount of ₹. 1.50 Crores was paid towards token price of land in the year 2009 -10 for construction of office building. Since, a new office is purchased at 6th floor, GIFT ONE, Gandhinagar a demand for refund of the said amount has been made to Collector, Ahmedabad. 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.

5. Depreciation

5.1 Depreciation is provided on written down value method as per the rates specified in the Income Tax Act, 1961 and Rules made thereunder. There is no change in the method for calculating depreciation for the year under report except as stated hereunder.

5.2 In respect of addition to/deduction from fixed assets during the year, depreciation is calculated in accordance with Income Tax Act, 1961 and the rules made there under, except that the assets purchased by the Commission during the current financial year and costing or having value of ₹. 5000/- or less per item are fully depreciated during the year of capitalization.

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 was 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.



- 6.2 During the current year, the provision made towards GERC Retirement Benefit Fund, Leave Salary and Gratuity was reviewed and it is observed that there has been excess provision on this account considering the total number of employees - own and on deputation.

The payment made to the Chairman, Member and Secretary on their retirement during the current financial year towards their retirement dues was debited to GERC Retirement Benefit Fund Account and the balance has been written back as excess provision. Moreover, the provision for Leave Salary and Gratuity in excess of the provisions of Leave salary and Gratuity required to take care of the employees of the Commission up to the current year is also written back as excess provision.

The expenditure during the current year towards the total amount remitted towards Leave Salary and Gratuity in respect of employees on deputation to respective parent companies up to 2014-15 has been debited to the respective accounts as 'Prior Period Expense' and the expenditure of the same for the current year has been debited to the respective accounts as Expenses on Employees' Retirement and Terminal Benefits.

- 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 license fee at the commencement of the financial year on the estimated basis. Further, it also provides that the excess or shortfall in license fee calculated on the actual basis shall be adjusted against the annual license 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 licensees has been accounted as under:

- 7.1 In the current F.Y. the Commission has received ₹. 13,25,26,927/- as license fees out of which ₹. 11,67,85,186/- based on the estimated sales of 2015-16 and ₹. 1,57,41,741/- is an adjustment based on the audited data for the year 2013-14 of the distribution licensees. The Commission also received petition fees/charges as provided in the regulations. In the year 2015-16 the Commission has received ₹. 6,17,79,125/- as petition fees and charges etc.



7.2 The Commission received license fees from the Licensees during the F.Y. 2016-17 based on the estimated sale for 2016-17 and actual sales for 2014-15. Accordingly, the license fees based on actual sales for 2014-15 has been recognized as receivable or payable in the current financial year.

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 the current F.Y.2015-16.

9. Foreign Currency Transaction

During Financial Year 2015-16, the total expenditure towards foreign tour was ₹. 18,675/- which is accounted as 'Receivable from CERC-FOR. Moreover, an amount of ₹. 27,590/- received from SAFIR against foreign tour expenses of previous year, is accounted as 'Misc. Receipt' and the net total expenditure towards foreign tour during the current Financial Year is ₹. 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.

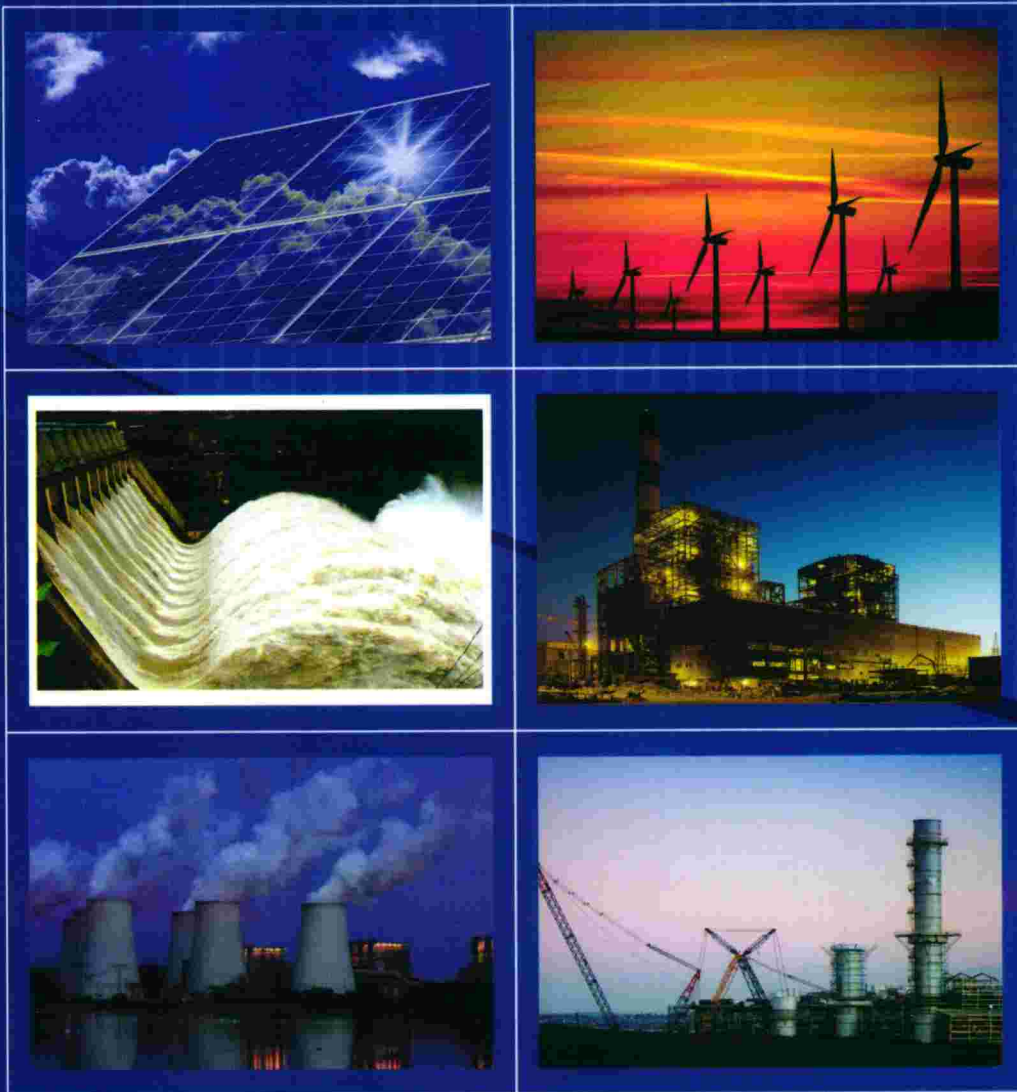
12. Schedules 1 to 24 are annexed to and form an integral part of the Balance Sheet as at 31st March, 2016 and the Income and Expenditure Account for the year ended on that date.

P. J. JANI
ACCOUNTS OFFICER

D. R. PARMAR
JT. DIRECTOR (A & A)

ROOPWANT SINGH I.A.S.
SECRETARY

Date : 28.10.2016
Place : Gandhinagar



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