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Annual Accounts For the Financial Year 2019-20

DGVCL

DAKSHIN GUJARAT VIJ COMPANY LIMITED

Registered & Corporate Office:
"Urja Sadan", Nana Varachha Road,
Kapodra Char Rasta,
Surat – 395 006.
CIN :U40102GJ2003SGC042909

DAKSHIN GUJARAT VIJ COMPANY LIMITED
Balance Sheet as at 31st March, 2020

(₹ in Lakhs)

Particulars	Note No	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	4,74,112.60	4,28,220.78
(b) Capital work-in-progress	3	15,983.02	17,257.76
(c) Financial Assets			
(i) Loans	4	318.57	265.69
(ii) Other Financial Assets	5	2,330.73	858.88
(d) Deferred Tax Assets (Net)	6	-	-
(e) Other Non-Current Assets	7	109.84	481.63
Total Non-current Assets		**4,92,854.76**	**4,47,084.74**
(2) Current Assets			
(a) Inventories	8	32,032.95	34,267.22
(b) Financial Assets			
(i) Trade Receivables	9	70,544.94	30,995.73
(ii) Cash and Cash Equivalents	10	7,718.96	14,058.22
(iii) Bank Balances Other than Cash and Cash Equivalents	11	109.52	44.23
(iv) Loans	12	173.69	285.85
(v) Other Financial Assets	13	95,738.45	1,01,951.63
(c) Current Tax Assets (net)	14	6,215.47	3,971.01
(d) Other Current Assets	15	77.96	66.73
Total Current Assets		**2,12,611.94**	**1,85,640.62**
(3) Assets classified as held for sale	16	-	62.43
Total		**7,05,466.70**	**6,32,787.79**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	44,113.14	40,996.51
(b) Other Equity	18	2,10,276.47	1,76,396.00
Total Equity		**2,54,389.61**	**2,17,392.51**
Deferred Government Grants, Subsidies & Contributions	19	**1,73,083.84**	**1,61,212.20**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	3,934.67	4,522.14
(ii) Other Financial Liabilities	21	1,86,821.20	1,66,196.73
(b) Provisions	22	15,606.56	14,423.63
Total Non-current Liabilities		**2,06,362.43**	**1,85,142.50**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	-	23.75
(ii) Trade payables	24		
(A) due to micro enterprises and small enterprises		-	-
(B) due to other than micro enterprises and small enterprises		404.15	329.65
(iii) Other Financial Liabilities	25	49,988.81	45,685.83
(b) Other current Liabilities	26	19,824.44	21,917.39
(c) Provisions	27	1,413.42	1,083.96
Total Current Liabilities		**71,630.82**	**69,040.58**
Total		**7,05,466.70**	**6,32,787.79**
Significant Accounting Policies and Notes to Financial Statements	1-53		

Notes 1 to 53 are an integral part of the financial statements
As per our report of even date attached

For Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Samip K. Shah

(Samip K. Shah)
Membership No. 128531

DHIRUBHAI SHAH & CO LLP FRN: 102511W/W100298 AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board
DAKSHIN GUJARAT VIJ COMPANY LIMITED

(Shahmeena Husain, IAS)
Chairperson
DIN:03584560

(Yogesh K. Choudhary, IAS)
Managing Director
DIN:08641734

(N. A. DAVE)
General Manager (F&A) & CFO

(Viral H. Vora)
Company Secretary

Place : Vadodara
Date : 30.09.2020

Place : Vadodara
Date : 30.09.2020

DAKSHIN GUJARAT VIJ COMPANY LIMITED
Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in lakhs)

Sr No.	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I	Revenue from operations	28	14,04,363.61	12,87,246.95
II	Other income	29	20,410.47	17,701.62
III	**Total income (I+II)**		**14,24,774.08**	**13,04,948.57**
IV	**EXPENSES**			
	Purchase of Power	30	13,05,495.94	12,12,809.15
	Employee Benefits Expense	31	40,874.04	36,918.83
	Finance Costs	32	10,993.50	9,642.43
	Depreciation and amortisation expense	2	31,263.05	28,337.05
	Other Expenses	33	21,248.16	12,917.87
	Total expenses (IV)		**14,09,874.69**	**13,00,625.33**
V	Profit before exceptional items and tax (III-IV)		**14,899.39**	**4,323.24**
VI	Exceptional items	-	-	-
VII	**Profit before tax (V-VI)**		**14,899.39**	**4,323.24**
VIII	Tax expense:	34		
	(a) Current tax		1,891.58	396.49
	(b) Deferred tax		-	-
IX	**Profit for the year (VII-VIII)**		**13,007.81**	**3,926.75**
X	**Other comprehensive income (OCI)**			
	(a) Items that will not be reclassified to profit or loss			
	(i) Re-measurement of the defined benefit plans		(4,245.80)	(2,622.84)
	Total of Other comprehensive income (OCI) (X)		**(4,245.80)**	**(2,622.84)**
XI	**Total comprehensive income for the year (IX+X)**		**8,762.01**	**1,303.91**
XII	Earnings per equity share:	35		
	Basic (in Rs.)		3.32	1.00
	Diluted (in Rs.)		3.32	1.00
	See accompanying notes forming part to the Financial Statements	1-53		

Notes 1 to 53 are an integral part of the financial statements
As per our report of even date attached

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Managing Director
DIN:08641734

(N. A. DAVE)
General Manager (F&A) & CFO

(Viral H. Vora)
Company Secretary

Place : Vadodara
Date : 30.09.2020

Place : Vadodara
Date : 30.09.2020

DAKSHIN GUJARAT VIJ COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2020

(₹ in Lakhs)

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax	14,899.39	4,323.24
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortization	31,263.05	28,337.05
	Re-measurement of the defined benefit plans	(4,245.80)	(2,622.84)
	Loss on Obsolescence assets	61.61	132.33
	Deferred Income (Capital Grant & Consumer Contribution Written Back)	(16,929.38)	(15,421.43)
	Interest Income	(61.31)	(77.24)
	Finance costs	10,993.50	9,642.43
	Miscellaneous Write off	168.06	0.00
	Leasehold amortisation	-	1.46
	Impairment for Doubtful receivables and Bad Debts Written off	5,564.42	402.04
	Working capital adjustments:		
	(Increase)/ Decrease in Current Assets:		
	Inventories	2,234.27	(8,126.26)
	Trade receivables	(45,113.64)	6,590.30
	Other Current financials assets	6,332.67	(18,109.79)
	Other Non Current financials assets	(1,524.74)	(523.03)
	Other non financial assets	192.51	(432.11)
	Increase / (Decrease) in Current Liabilities:		
	Trade Payables	74.50	(160.08)
	Other Current Financial Liabilities	2,171.42	(7,151.27)
	Other Non Current Financial Liabilities	20,624.47	18,898.73
	Other Non Current Liabilities	-	-
	Other non Financial Liabilities & Provisions	(580.54)	2,546.37
		26,124.47	**18,249.90**
	Income tax (paid)/ Refund	(4,136.04)	(1,754.71)
	Net cash flows from operating activities (A)	**21,988.43**	**16,495.19**
(B)	**Investing activities**		
	Purchase of property, plant and equipment (including CWIP)	(75,365.17)	(71,016.06)
	Sale/Adjustment of fixed assets	(28.31)	271.44
	(Increase)/ Decrease in Assets not in use	62.43	179.69
	Bank Balances not considered as Cash and Cash Equivalents	(72.61)	3,395.72
	Net cash flows used in investing activities (B)	**(75,403.66)**	**(67,169.21)**
(C)	**Financing activities**		
	Proceeds from Issue of Shares/Share Application Money	28,235.10	26,421.25
	Deferred Govt. Grants, Subsidy & Contributions	28,801.03	28,248.12
	Proceeds / (Repayment) from borrowing (net)	(447.76)	(336.44)
	Interest & financial charges	(9,573.71)	(9,453.52)
	Interest Income	61.31	77.24
	Net cash flows from/(used in) financing activities (C)	**47,075.97**	**44,956.65**
	Net increase in cash and cash equivalents (A+B+C)	(6,339.26)	(5,717.37)
	Cash and cash equivalents at the beginning of the year	14,058.22	19,775.59
	Cash and cash equivalents at year end	**7,718.96**	**14,058.22**

DHIRUBHAI SHAH & CO. LLP
FRN: 102511W/W100298
AHMEDABAD
CHARTERED ACCOUNTANTS

DAKSHIN GUJARAT VIJ COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2020

Notes: (₹ in Lakhs)

1 Cash & Bank Balances consists of the following:

Cash & Cash Equivalents	As at 31st March, 2020	As at 31st March, 2019
a. Balances with Banks	6,873.96	10,288.27
b. Cash on hand	0.86	0.72
c. Others	844.14	3,769.23
Closing Cash & Cash Equivalents	**7,718.96**	**14,058.22**

2 Changes in Liabilities arising from Financing Activities on account of Non-Current (Including Current Maturities) and Current Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening balance of liabilities arising from financing activities	(5,621.08)	(6,107.80)
(a) Changes from financing cash flow	619.22	486.72
Closing balance of liabilities arising from financing activities	(5,001.86)	(5,621.08)

3 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 " Cash Flow Statement") prescribed under the Companies (Accounting Standards) Rules, 2015.

4 Previous year figures have been regrouped wherever necessary.

Notes 1 to 53 are an integral part of the financial statements
As per our report of even date attached

For Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Samip K. Shah

DHIRUBHAI SHAH & CO. LLP FRN: 102511W/W100298 AHMEDABAD CHARTERED ACCOUNTANTS

(Samip K. Shah)
Membership No. 128531

For and on behalf of the Board
DAKSHIN GUJARAT VIJ COMPANY LIMITED

(Shahmeena Husain, IAS)
Chairperson
DIN:03584560

(Yogesh K. Choudhary, IAS)
Managing Director
DIN:08641734

(N. A. DAVE)
General Manager (F&A) & CFO

(Viral H. Vora)
Company Secretary

Place : Vadodara
Date : 30.09.2020

Place : Vadodara
Date : 30.09.2020

DAKSHIN GUJARAT VIJ COMPANY LIMITED
Statement of Changes in Equity for the year ended on 31st March, 2020

Equity Share Capital

Particulars	Amount (₹ in lakhs)
Balance as on 31st March, 2018	**37,973.75**
Changes during the year	3,022.76
Balance as on 31st March, 2019	**40,996.51**
Changes during the year	3,116.63
Balance as on 31st March, 2020	**44,113.14**

Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus			Total
	Share Application Money Account	Securities Premium	Retained Earnings	
Balance as at 31st March, 2018	**56.00**	**99,580.66**	**52,056.95**	**1,51,693.61**
Impact of Ind As adjustment to retained earnings				
Additions during the year	-	23,454.49		23,454.49
Profit for the year	-	-	3,926.75	3,926.75
Other comprehensive income for the year (net of Tax)	-		(2,622.84)	(2,622.84)
Total Comprehensive Income for the year	**-**	**23,454.49**	**1,303.91**	**24,758.40**
Share Capital Issued	(56.00)			(56.00)
Balance as at 31st March, 2019	**-**	**1,23,035.15**	**53,360.85**	**1,76,396.00**
Impact of Ind As adjustment to retained earnings				
Additions during the year		25,118.46		25,118.46
Profit for the year	-	-	13,007.81	13,007.81
Other comprehensive income for the year (net of Tax)		-	(4,245.80)	(4,245.80)
Total Comprehensive Income for the year	**-**	**25,118.46**	**8,762.01**	**33,880.47**
Less: Share Capital Issued	-			-
Balance as at 31st March, 2020	**-**	**1,48,153.61**	**62,122.86**	**2,10,276.47**

Notes 1 to 53 are an integral part of the financial statements
As per our report of even date attached

For Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Samir K. Shah

(Samip K. Shah)
Membership No. 128531

DHIRUBHAI SHAH & CO. LLP FRN: 102511W/W100298 CHARTERED ACCOUNTANTS

For and on behalf of the Board
DAKSHIN GUJARAT VIJ COMPANY LIMITED

Shahmeena

(Shahmeena Husain, IAS)
Chairperson
DIN:03584560

(Yogesh K. Choudhary, IAS)
Managing Director
DIN:08641734

(N. A. DAVE)
General Manager (F&A) & CFO

(Viral H. Vora)
Company Secretary

Place : Vadodara
Date : 30.09.2020

Place : Vadodara
Date : 30.09.2020

1Corporate information and Significant Accounting Policies

1.1 Corporate information

Dakshin Gujarat Vij Company Limited ('DGVCL' or 'the Company') is a public limited company domiciled and incorporated in India having its registered office at "UrjaSadan", Nana Varachha Road, Kapodra Char Raasta, Surat -395006. The Company is mainly engaged indistribution of power. The Principal places of business are located in South Gujarat area.

Pursuant to the enactment of the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, Government of Gujarat (GoG) has issued various notifications, resolutions and Transfer Schemes for vesting of the assets, liabilities, proceedings and personnel from erstwhile Gujarat Electricity Board (GEB) to the GoG and then to revest the same into initially six companies i.e. one Generation Company, one Transmission Company and four Distribution Companies (Thereinafter referred to as Successor companies). Dakshin Gujarat Vij Company Limited is one of these Companies, registered under the provisions of Companies Act1956. (Herein after referred to as Successor Company.)

On reorganization of GEB by the Government of Gujarat, the shares issued to and allotted in the name of GEB were transmitted w.e.f 1st April, 2005, by operation of law, in the name of Gujarat UrjaVikas Nigam Limited (GUVNL), a company promoted by Government of Gujarat to carry out the residual functions of erstwhile GEB.

GoG issued notification No. : GHU-2006-91-GUV-1106-590-K dated 3rd October, 2006 notifying the final opening balance sheet of the Company as on 01/04/2005 containing the value of the assets and liabilities of the distribution activities which stand transferred from erstwhile GEB to the Company.

1.2 Application of new Indian Accounting Standard

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified the new Ind AS and certain amendments to existing Ind ASs. They shall come into force on April 1, 2019 and therefore, the company shall apply the same with effect from that date.

Recent accounting pronouncements :

On 24 July 2020, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind AS. The amendments are effective from annual reporting periods beginning on or after 1 April, 2020. However, with respect to Ind AS 116, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments,

DHIRUBHAI SHAH & CO. LLP FRN: 102511W/W100298 AHMEDABAD CHARTERED ACCOUNTANTS then the same may be applied for annual reporting periods beginning on or after 1 April 2019.

Following are the Indian Accounting Standards which have been amended on various issues with effect from April 1, 2020. The following amendments are relevant to the company:

(i) Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Error: Refined definition of term 'material;

(ii) Ind AS 103, Business Combinations: Revised definition of a 'business' and introduction of an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business;

(iii) Ind AS 109, Financial Instruments: Modification to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform;

(iv) Ind AS 107, Financial Instruments Disclosure: Additional disclosures pertaining to interest rate benchmark reforms;

(v) Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification.

None of these amendments are expected to have any material effect on the Company's financial statements.

1.3 Significant Accounting Policies

i) Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended except in so far as the said provisions are inconsistent with the provisions of the Electricity Act, 2003.

ii) Basis of measurement

These financial statements are prepared in accordance with Ind ASs, under the historical cost convention on the accrual basis except for certain assets and liabilities which are measured at fair value/amortized cost/net present value at the end of each reporting period; as explained in the accounting policies below. These accounting policies have been applied consistently over all periods presented in these financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lacs except otherwise stated.

Claims of suppliers / contractors for price variation are accounted for on its acceptance.

(iii) Fair Value measurement

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

iv)Property, Plant & Equipment

Property, Plant & Equipment (PPE) comprises of Tangible assets. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and decommissioning costs. Direct costs are capitalized until the asset is ready for use

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CHARTERED ACCOUNTANTS

and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015, measured as per the previous GAAP, and use the "carrying value" as the deemed cost of such property, plant and equipment.

Capital work -in - progress includes the cost incurred on PPE that are not yet ready for the intended use and is capitalized whenever ready for use. All directly attributable expenditures are allocated to the projects on pro rata basis to the accretion made to respective projects. However, directly attributable expenditure of Corporate Office and field offices are allocated to Capital work – in – progress at the predetermined rate having regard to amount of directly attributable expenditure incurred during the year.

Land and Buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

Property Plant &Equipments also includes service equipments, at the time of initial recognition the Company classifies these items as inventory. Subsequently these items are classified either in Property, Plant and Equipment through Capital Work in Progress or capitalized as service equipment.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Directly attributable costs are capitalized until the asset is ready for use in accordance with the Company's accounting policy of capitalization.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the PPE. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the PPE and is recognised in the Statement of Profit and Loss.

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CHARTERED ACCOUNTANTS

Depreciation

Depreciation of these PPE commences when the assets are available forintended use.

The Company, being engaged in electricity business, is covered under the Electricity Act, 2003 and provisions of the Electricity Act supersede the provisions of the Companies Act, 2013. Accordingly, the Company charges depreciation on straight line method at the depreciation rates, the methodology and the residual value as prescribed in GERC (MYT) Regulations, 2016, also considering useful life estimated by the management.

The rates/range of depreciation of property, plant and equipment are as follows:

Asset Description	Rates/Range
Buildings	3.34%
Hydraulic Works	5.28%
Other Civil Works	3.34%
Plant & Machinery	5.28%
Lines & Cable Net-Work	Upto 5.28%
Vehicles	9.50%
Furniture-Fix & Elect-Light & Fan Installations	6.33%
Office Equipments	6.33%
Computers	15%

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions, except low value items not exceeding Rs 5000/- which are fully depreciated at the time of addition. Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

v)Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

DHIRUBHAI SHAH & CO LLP
FRN : 102511W/W100298
AHMEDABAD
CHARTERED ACCOUNTANTS

(A) Leases as Lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

(ii) Right-of-use Assets:

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use

FRN: 102511W/W100298 AHMEDABAD CHARTERED ACCOUNTANTS assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset as per 1.3 above.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

(iii) Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

(B) Leases as Lessor (assets given on lease)

When the company acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

vi) Impairment of tangible assets

The company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

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vii) Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, plant and equipment are not depreciated once classified as held for sale.

viii) Government Grant and Consumer Contributions

Government grants (including subsidies) are not recognized until there is reasonable assurance that it will be received and the Company will comply with the conditions associated with the grant.

Grants that compensate the Company for the cost of an asset and contributions by consumers towards items of property, plant and equipment, which require an obligation to provide grid connectivity to the consumers are initially set up as deferred income and recognized in profit or loss on a systematic basis over the period and in proportions of depreciation expense of the assets. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and shown separately.

ix)Inventories

a) The inventories of the Company have been valued on following basis :
   i) Stores and Spares – At Cost (Weighted Average Method) or Net Realisable Value, whichever is lower.
   ii) Scrap – At estimated Net Realizable Value (Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.)

b) Inventory consists of stock of items which are used interchangeably for capital expenditure or for regular repairs and maintenance purposes. Since ultimate use of such stock items are indeterminate at the initial recognition, the Company classifies such items as inventory. These items are classified subsequently either in Property, Plant and Equipment through Capital Work in Progress / as service equipment or expense in the Statement of Profit and Loss as and when it is so used.

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x) Revenue Recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Contract assets are recognized when there is right to consideration in exchange for goods or services that are transferred to a customer and when that right is conditioned on something other than the passage of time. Contract assets are classified as unbilled receivables (only act of invoicing is pending) as per contractual terms.

Revenue from sale of power:

Revenue from sale of power (including Deviation Settlement Mechanism (Unscheduled Interchange)) is recognised on accrual basis for energy supplied in accordance with the tariff orders awarded by Gujarat Electricity Regulatory Commission (GERC) as applicable to the consumers.

Surplus power, sold to GUVNL is accounted on the basis of credit notes received from GUVNL.

Miscellaneous revenue from consumers:

Recoveries from theft of power / malpractices, wheeling charges recoveries are recognized on accrual basis. Miscellaneous charges from consumers are recognized on cash basis except when ultimate realization of such income is certain.

Income in respect of delayed payment charges (except for cases where suits are filed in the court) is accounted on the basis of actual realization of late payment against outstanding energy bills.

Other Income

Income from sale of scrap and insurance claims are accounted for on the basis of actual realization.

Amount in respect of unclaimed / undisputed Security Deposit, Earnest Money Deposit, Deposit of Temporary Consumers and Miscellaneous Deposit of suppliers and contractors which is pending for more than three years and which, in the opinion of management is not payable, is considered as income.

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xi) Employee Benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment, compensated absences and retirement benefits.

Short-term employee benefits.

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services. These benefits include remuneration, bonus, incentives, etc.

Long-term employee benefits.

Defined contribution plans

Retirement benefit plans in the form of provident fund, pension fund and superannuation schemes are charged as an expense on an accrual basis when employees have rendered the service.

Defined benefit plans

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Other long term employee benefits

Other long term employee benefit comprises of leave encashment. The leave benefits are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

xii) Taxes on Income

Income tax expense represents the sum of the current tax expense and deferred tax.

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Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

Current and deferred tax for the year

Current and deferred tax are recognized in Statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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xiii) Borrowing Costs

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

xiv) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

xv) Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

xvi) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the figures used in the determination of basic EPS to take into account:

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- After tax effect of interest and other financing costs associated with dilutive potential equity shares.

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares."

xvii) Segment Reporting

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

xviii) Events Occurring after the Reporting period

Material adjusting events (that provides evidence of condition that existed at the end of reporting period)occurring after the end of reporting period are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the end of the reporting period) occurring after the reporting period that represents material change and commitment affecting the financial position are disclosed in the financial statements.

xix) Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except when the effect is immaterial. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

Financial assets

Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase,

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to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method, except when the effect of applying it is immaterial, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets (including investments) are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets (including investments) are subsequently measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

Impairment of Financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Further for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 i.e expected credit loss allowance as computed based on historical credit loss experience

Derecognition of financial assets

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The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

xx)Critical Accounting Judgments and Key Sources of Estimation Uncertainty
In the course of applying the policies outlined in all notes under note 1 above, the management of the Company are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily

DHIRUBHAI SHAH & CO LLP FRN: 102511W/W100298 AHMEDABAD CHARTERED ACCOUNTANTS apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Critical Judgements and Estimates in applying accounting policies

The following are the critical judgments and estimations, that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

(a) Useful life of property, plant and equipment[2]

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation/transmission/distribution of electricity business is determined by the CERC/GERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, other than the assets of generation/transmission/distribution of electricity business which are governed by CERC/GERC Regulations, and are adjusted prospectively, if appropriate.

(b) Evaluation of directly attributable costs[2]

The Company capitalizes the directly attributable costs to bring the Property, Plant and Equipment into the location and condition necessary for it to be capable of operating in the manner intended by the management. In assessing the directly attributable costs other than borrowing costs, the management has exercised judgment to evaluate a number of factors including the resources applied for direct construction related activity, enabling activities, ordinary operations of the Company, level of construction related activity compared to company's operating activity, consideration of the costs charged to external parties for similar works undertaken as well as experience of group companies engaged in distribution business. Based on this assessment and particularly considering experience across the group companies engaged in distribution business, the

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(c)Evaluation of indicators for impairment of Property, Plant and Equipment [2]

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

(d) Security deposits[2]

Considering the historical experience and practical expediency, the Company has exercised its judgement on timing of settlement of security deposit related to energy billed collected from the customers and has accordingly classified the material portion of security deposit as non-current liability or current liability as the case may be.

(e) Impairment of Trade receivables[2]

The Company estimates the credit allowance as per practical expedient based on historical credit loss experience as enumerated in note 8.

(f) Deferred tax assets[2]

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(g) Government grants & Consumer Contributions [12]

The grants i.e. revenue subsidies are not recognized until there is reasonable assurance that the Company will receive the grants and will comply with the conditions attached to them. Management judgement is required to determine when reasonable assurance is attained, based on historical experience of receipts including the quantum of aggregation, approved budget estimates of Government of Gujarat, likely timing and consideration of claim acceptance/rejection. Based on this assessment, the Company judges that in the case of revenue subsidies, there is reasonable assurance of complying with the conditions and receiving the subsidies as approved in the budget estimates of every year and the remaining subsidies which are receivable/claimable would be recognized when reasonable assurance is attained.

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The Company is required to recognise grants/consumer contribution that compensate the cost of assets to profit or loss on a systematic basis considering the amount of periodic consumption of the assets. This is based on the assessment of the present status of, and expected future benefits from the assets. The Company recognizes grants and consumer contributions that compensate the cost of an asset in the Statement of Profit and Loss on the basis of straight line method and consequentially the rates at which grant/consumer contribution is recognised in income.

(h) Defined benefit obligation (DBO)[2]

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

(i) Contingent liabilities[2]

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

(j) Impairment of investments[2]

At the end of each reporting period, the Company reviews the carrying amounts of it's investments when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

[1] Critical accounting Judgements
[2] Key sources of estimation uncertainties

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NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. 2
PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakhs)

Particulars /Assets	Land		TANGIBLE ASSETS								
	Free Hold Land	Right of Use Assets	Buildings	Hydraulic works	Other Civil works	Plant & Machinery	Lines & Cable Net Works	Vehicles	Furniture & Fixtures & Ele.Lightings	Office Equipments	Total
GROSS BLOCK											
At 1st April 2018	2,214.14		7,637.71	20.62	2,224.17	1,20,674.01	3,13,638.70	121.08	934.04	4,730.96	4,52,195.43
Additions	-		2,208.45	-	252.85	18,201.87	56,250.33	41.64	122.93	292.49	77,370.56
Deduction/Adjustments	-		33.64	0.16	-	482.52	927.65	3.22	10.94	156.35	1,614.48
At 31st March 2019	2,214.14		9,812.52	20.46	2,477.02	1,38,393.36	3,68,961.38	159.50	1,046.03	4,867.10	5,27,951.51
Additions	298.48	55.53	1,160.99	-	327.47	20,221.46	54,882.93	0.44	72.44	168.42	77,188.16
Deduction/Adjustments	-	-	-	-	-	-	86.00	-	-	-	86.00
At 31st March 2020	**2,512.62**	**55.53**	**10,973.51**	**20.46**	**2,804.49**	**1,58,614.82**	**4,23,758.31**	**159.94**	**1,118.47**	**5,035.52**	**6,05,053.67**
ACCUMULATED DEPRECIATION											
At 1st April 2018	-		632.45	4.99	213.06	19,278.12	50,434.02	31.30	183.93	1,826.53	72,604.40
Charge for the year	-		331.52	1.28	93.16	7,924.37	19,282.70	17.74	75.57	610.69	28,337.05
Deduction/Adjustments	-		23.73	0.08	3.32	339.31	767.86	2.90	4.94	68.57	1,210.71
At 31st March 2019	-		940.24	6.19	302.90	26,863.18	68,948.86	46.14	254.56	2,368.65	99,730.73
Charge for the year		1.46	366.53	1.24	97.23	8,715.45	21,501.19	17.80	78.20	483.95	31,263.05
Deduction/Adjustments							52.70				52.70
At 31st March 2020	-	**1.46**	**1,306.77**	**7.43**	**400.13**	**35,578.63**	**90,397.35**	**63.94**	**332.76**	**2,852.60**	**1,30,941.07**
Net Block											
At 31st March 2019	**2,214.14**	-	**8,872.28**	**14.27**	**2,174.12**	**1,11,530.18**	**3,00,012.52**	**113.36**	**791.47**	**2,498.45**	**4,28,220.78**
At 31st March 2020	**2,512.62**	**54.07**	**9,666.74**	**13.03**	**2,404.36**	**1,23,036.19**	**3,33,360.96**	**96.00**	**785.71**	**2,182.92**	**4,74,112.60**

2.1 Refer Note no. 41 also

2.2 Account balances of immovable properties which were transferred as on 01.04.2005 as per notification No.GHU-2006-91GUV-106-590-K dated 3rd October 2006 are held in the name of erstwhile GEB. The procedure for the registration and/or transfer in the name of the company is in progress.

3 Capital Works-in-progress

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital Work-in-Progress	15,670.63	16,957.57
Interest Charges to be Capitalised	312.39	300.19
Total	15,983.02	17,257.76

3.1 The bifurcation of total capital work-in-progress is as under:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Plant and Machinery	634.69	1,943.09
Lines and Cable Network	14,730.83	14,046.57
Other Misc Capital Work in Progress	305.11	967.91
Total	15,670.63	16,957.57

3.2 Interest charges to be capitalised of ₹. 312.39 Lakhs (P.Y. ₹.300.19 Lakhs) is with respect to PFC loan taken for SCADA. Interest rate of 9% (P.Y. 9%) is considered for capitalization.

4 Non Current Loans

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured Considered Good		
Loans to Staff	318.57	265.69
Total	318.57	265.69

4.1 Loans to staff are secured by way of hypothecation of house, four-wheeler and two-wheeler as applicable for which the loans have been given.

5 Other Non-Current Financial Assets

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good		
Interest Accrued & Due on Staff Loans	37.99	46.43
Interest Accrued But Not Due on Staff Loans	446.52	187.35
Fixed Deposit with more than 12 months maturity	7.32	-
Unsecured, considered good		
Loans Recoverable from Consumers for SKY Scheme	1,801.53	601.53
Advances to Staff	17.43	-
Advances to Others	19.94	23.57
Total	2,330.73	858.88

6 Deferred Tax Assets (Net)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred tax assets	-	-
Deferred tax liabilities	-	-
Total	-	-

Deferred Tax Asset / (Liability) is worked out as under:
2019-20

(₹ in lakhs)

Particulars	Opening Balance	Recognized in profit and loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of:				
Depreciation	(61,836.33)	(10,018.29)	-	(71,854.62)
Deferred tax asset on account of:				
Employee Benefits	4,273.23	1,323.34	-	5,596.57
Provision for Doubtful Debts	12,674.79	1,930.13	-	14,604.92
Deferred Income on Government Grant	13,783.93	0.00	-	13,783.93
Carried forward of unused Tax Losses	20,044.93	1,777.94	-	21,822.87
Carried forward of unused Tax Credits	17,139.80	1,891.58	-	19,031.38
Net Deferred Tax Asset/(Liability)	**6,080.35**	**(3,095.30)**	-	**2,985.05**

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2018-19 (₹ in lakhs)

Particulars	Opening Balance	Recognized in profit and loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of:				
Depreciation	(51,633.27)	(10,203.06)	-	(61,836.33)
Deferred tax asset on account of:				
Employee Benefits	5,220.06	(946.83)	-	4,273.23
Provision for Doubtful Debts	15,710.54	(3,035.75)	-	12,674.79
Deferred Income on Government Grant	13,783.94	(0.01)	-	13,783.93
Carried forward of unused Tax Losses	14,824.72	5,220.21	-	20,044.93
Carried forward of unused Tax Credits	16,888.65	251.15	-	17,139.80
Net Deferred Tax Asset/(Liability)	**14,794.64**	**(8,714.29)**	**-**	**6,080.35**

The Company had net Deferred Tax Assets on account of unabsorbed depreciation and Unused Tax Credit as at the year ended 31st March, 2020. In the absence of reasonable certainty and convincing evidence of sufficient future taxable income, net deferred tax assets was not recognized as at 31.03.2020 as well as in the preceding year.

In absence of reasonable certainty, the Management does not recognise the MAT credit entitlement.

7 Other Non-Current Assets

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Prepayments - Leasehold Land	-	55.53
Deposits with Others	37.37	348.44
Capital Advances	72.47	77.66
Total	**109.84**	**481.63**

8 Inventories*

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Stores , Spares and Scrap		
Stock of materials at stores	23,273.14	25,733.62
Materials at Site	3,882.39	3,997.30
Materials in Transit	315.47	693.34
Other Materials Accounts	4,561.95	3,842.67
Material Stock pending Investigation	10.82	83.84
Less: Provision for stock pending investigation	(10.82)	(83.55)
Total	**32,032.95**	**34,267.22**

* For basis of valuation Refer Note No. 1.3 (ix)

8.1 Inventory consists of stock of items which are used interchangeably for capital expenditure or for regular repairs and maintenance purposes. Due to high volume of frequent transactions and/or as the final use of such stock items are indeterminate at the initial recognition, the Company classifies these items as inventory. These items are classified subsequently either in Property, Plant and Equipment through Capital Work in Progress or as expenditure in the Statement of Profit and Loss as and when it is so used.

8.2 The physical verification of stock lying at sub-divisions was carried out subsequent to year end and such unutilised stock which was earlier charged during the year to Capital Work in Progress amounting to ₹ 2856.26 lakhs (31st March 2019 ₹ 3048.41 lakhs) and Repair & Maintenance expenses amounting to material at site ₹ 1026.13 lakhs (31st March 2019 ₹ 948.89 lakhs) respectively is accounted as material at site.

8.3 Cash credit from banks under Joint consortium agreement with UCO Bank (lead Bank) & other consortium member banks, is secured against hypothecation charge on the stocks.

8.4 Physical verification of inventory comprising of stores, spares and consumables is conducted subsequent to year end date and that have been reconciled with the stores record. Further store records also reconciled with the financial ledger as on 31st March, 2020. The shortage/excess observed during the physical verification has been accounted for.

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9 Trade Receivables*

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good**		
Trade Receivables for Sale of Power	82,066.99	37,582.73
Trade Receivable for Misc. Receipts from Cons.	40.89	39.79
Less: Allowance for bad and doubtful debts (refer note 9.1 below)	(254.78)	(197.26)
Less : Doubtful E D	(12,674.60)	(11,569.74)
Total (A)	69,178.50	25,855.52
Significant Increase in Credit Risk		
Dues from Non Consumers and Unconnected Consumers	6,001.49	5,232.57
Less : Allowances for bad and doubtful debts	(6,001.49)	(5,232.57)
Total (B)	-	-
Less : Unposted Receipts	0.14	-
Total (C)	0.14	-
Credit impaired		
Dues from Permanently Disconnected Consumers and Non-Consumers	36,905.23	35,982.09
Less: Allowance for bad and doubtful debts (refer note 9.1 below)	(35,538.93)	(30,841.88)
Total (D)	1,366.30	5,140.21
Total (A+B+C+D)	70,544.94	30,995.73

*Trade receivables shown net of advance received.

**Considered good to the extent of security deposit as well as bank guarantee received from the respective Consumers

9.1 The Company assesses expected credit loss to be provided for from its customers by using a practical expedient as permitted under Ind AS 109 i.e. expected credit loss allowance as computed based on historical credit loss experience and the ageing of the receivable balances.

9.2 Generally, the credit period on sales of electrical energy is 10 to 25 days. Delayed payment charges is charged at applicable rate as per GERC norms on the overdue balance.

9.3 Age of Trade receivables:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Less than or equal to 6 months	80,342.24	33,538.85
More than 6 months	7,767.14	9,316.24
Total	88,109.38	42,855.09

9.4 Trade Receivable for sale of power includes the provision for unbilled revenue in respect of the bills issued upto 31st March,2020 amounting to ₹.1,02,226.66 Lakhs (P.Y. ₹. 93,436.21 Lakhs).

9.5 As on 31st March, 2020, there are 33,63,861 (P.Y. 32,37,122) consumers with the Company. Taking into consideration such large no. of consumers, it is practically not feasible to obtain the confirmation of all the balances. Moreover tariff rate at which the consumers are billed is stipulated under tariff order as awarded by GERC and the Company has no powers to change it unilaterally. Further consumers pay the amount as and when the bill is raised to them. If there is any dispute the same is brought to notice of the Company. In view of this and considering the sample balance confirmation, the balances outstanding are considered as good and recoverable except those provided for.

9.6 Cash credit facilities are secured by hypothication of trade receivable of the company.

10 Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks (Including Cash Credit)	6,871.39	10,280.86
Cheques on Hand	494.66	2,654.91
Cash on hand	0.86	0.72
Remittance in Transit	349.48	1,114.32
Deposits with banks (Maturity within 3 Months)	2.57	7.41
Total	7,718.96	14,058.22

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11 Bank Balance other than Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits with banks (maturity of more than three months but less than twelve months)	109.52	44.23
Total	**109.52**	**44.23**

12 Current Loans

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good		
Loans to Staff	173.69	285.85
Total	**173.69**	**285.85**

13 Other Current Financial Assets

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
Interest Accrued But Not Due on Staff Loans	30.04	293.06
Interest Accrued & Due on Staff Loans	36.40	29.46
Loans Recoverable from Consumers for SKY Scheme	413.32	100.26
Interest Receivable from consumers for SKY Scheme loans	46.45	2.35
Advances to Staff	136.03	142.62
Amount recoverable from Staff (Including Retired Staff)	91.90	15.21
Unbilled Revenue (For which bills are not issued upto 31.03.2020)	18,148.69	28,095.55
Deposits with Others	511.42	652.56
Other recoverables	108.32	745.11
Receivable From Holding Company & Associates		
-Gujarat Urja Vikas Nigam Limited	76,215.88	71,866.27
Gujarat Energy Training & Research Institute	-	9.18
Total	**95,738.45**	**1,01,951.63**

13.1 The balances of fellow subsidiary companies have been transferred to GUVNL (Holding Company) after due reconciliation and confirmation.

14 Current Tax Assets/(Liabilities) (net)

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current Tax Liability		
Income Tax Payable	(3,897.30)	(2,005.71)
Current Tax Assets		
Tax Refund Receivable	10,112.77	5,976.72
Total	**6,215.47**	**3,971.01**

15 Other Current Assets

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Prepaid Expenses	52.17	51.16
Postage stamp & stamped agreements on hand	25.79	15.57
Total	**77.96**	**66.73**

16 Assets classified as held for sale

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Obsolete/scraped assets	-	62.43
Total	-	**62.43**

16.1 In respect of all such assets of the Company classified as "Assets classified as held for sale", the management is of the opinion that the NRV of the same is higher than their net carrying value due to very old assets and upward trend in the scrap market. In view of this the Comapany does not recognise any impairment loss in the Statement of Profit & Loss.

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17 Equity Share Capital

a Equity share capital consist of the following:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Share Capital		
Equity Share Capital		
Authorised Share capital		
1000,00,00,000 (P.Y. 50,00,00,000)Equity Shares each of Rs. 10 each	1,00,000.00	50,000.00
Issued & subscribed		
44,11,31,395 (P.Y 31 March 2019: 409965078) Equity Shares of Rs. 10 each	44113.14	40996.51
Issued, subscribed & fully paid share capital		
44,11,31,395 (P.Y 31 March 2019: 40,99,65,078) Equity Shares of Rs. 10 each fully Paid Up	44,113.14	40,996.51
Subscribed & Paid up		
44,11,31,395 (P.Y 31 March 2019: 40,99,65,078) Equity Shares of Rs. 10 each fully Paid Up	44,113.14	40,996.51
Total	**44,113.14**	**40,996.51**

b A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	No. of Shares	Share Capital (₹ in Lakhs)
As at 1st April,2018	37,97,37,533	37,973.75
Additions/(Reductions)	3,02,27,545	3,022.76
As at 31st March,2019	**40,99,65,078**	**40,996.51**
Additions/(Reductions)	3,11,66,317	3,116.63
As at 31st March, 2020	**44,11,31,395**	**44,113.14**

c Details of shares held by the holding Company, the ultimate holding Company their subsidiaries and associates are classified as under:

Particulars	No. of Shares	
	As at 31st March, 2020	As at 31st March, 2019
Gujarat Urja Vikas Nigam Limited & its Nominees	**44,11,31,395**	**40,99,65,078**

d Shares in the company held by share holders holding more than 5% is as under:

Particulars	As at 31st March, 2020	
	No. of shares	Extent of Holding
Gujarat Urja Vikas Nigam Limited	**44,11,31,315**	**99.99%**

Particulars	As at 31st March, 2019	
	No. of shares	Extent of Holding
Gujarat Urja Vikas Nigam Limited	**40,99,64,998**	**99.99%**

e Rights, preferences and restrictions attached to shares:

The company has only one class of equity shares. For all matters submitted to vote on a poll in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have voting right in proportion to his share in the paid up Equity Share Capital of the Company. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

f (i) During the FY 2018-19, the Company has issued 3,02,27,545 equity shares i.e 65,116 equity shares of ₹ 10/- each (fully paid up) worth of ₹ 6,51,160/- at a premium of ₹ 76 per share (total premium amount of ₹ 49.49 Lakhs) and1,81,23,544 equity shares of ₹ 10/- each (fully paid up) worth of ₹ 18,12,35,440/- at a premium of ₹ 76 per share (total premium amount of ₹ 13773.89 Lacs) and 1,20,38,885 equity shares of ₹ 10/- each (fully paid up) worth of ₹ 12,03,88,850/- at a premium of ₹ 80 per share (total premium amount of ₹ 9631.11 Lakh) to Gujarat Urja Vikas Nigam Limited (GUVNL) on right basis towards financial assistance received from GUVNL for release of Agriculture Connections, incurred expenditure on TASP wells & petapara electrifications, Agriculture connections to SC farmers & Shifting/replacement of Poles & Lines of Municipal/Nagarpalika area.

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(ii) During the FY 2019-20, the Company has issued 3,11,66,317 equity shares i.e. 1,26,25,561 equity shares of ₹ 10/- each (fully paid up) worth of ₹ 12,62,55,610/- at a premium of ₹ 80 per share (total premium amount of ₹ 10,100.45 Lakhs) and 1,85,40,756 equity shares of ₹ 10/- each (fully paid up) worth of ₹ 18,54,07,560/- at a premium of ₹ 81 per share (total premium amount of ₹ 15,018.01 Lakhs) to Gujarat Urja Vikas Nigam Limited (GUVNL) on right basis towards financial assistance received from GUVNL for release of Agriculture Connections, incurred expenditure on TASP wells & petapara electrifications, Agriculture connections to SC farmers & Shifting/replacement of Poles & Lines of Municipal/Nagarpalika area.

18 Other Equity

a Other equity consist of the following:

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium	1,48,153.61	1,23,035.15
Retained Earnings	62,122.86	53,360.85
Total	**2,10,276.47**	**1,76,396.00**

b Particulars relating to Other Equity

(₹ in lakhs)

Other Equity		As at 31st March, 2020	As at 31st March, 2019
Share Application Money pending allotment			
Opening Balance		-	56.00
Less: Share Capital Issued		-	(56.00)
Balance at the year end	(A)	-	-
Securities Premium			
Opening Balance		1,23,035.15	99,580.66
Add: Increase during the year		25,118.46	23,454.49
Balance at the year end	(B)	1,48,153.61	1,23,035.15
Retained Earnings			
Opening Balance		53,360.85	52,056.95
Add: Net profit after tax transferred from Statement of Profit & Loss		13,007.81	3,926.76
Less: Other Comprehensive income arising from remeasurement of defined benefit obligation		(4,245.80)	(2,622.84)
Balance at the year end	(C)	62,122.86	53,360.85
Total	**(A+B+C)**	**2,10,276.47**	**1,76,396.00**

c Securities Premium

Securities premium is used to record the premium on issue of equity shares. The reserve will be utilised in accordance with the provisions of the Act.

19 Deferred Government Grants, Subsidies & Contributions

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Government Grants, Subsidies towards Capital Assets	66,039.93	61,623.69
Consumers' contribution towards capital assets	1,07,043.91	99,588.51
Total	**1,73,083.84**	**1,61,212.20**

A Particulars relating to Deferred Government Grants, Subsidies and Contributions

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Govt.Grants & Subsidies towards cost of Capital Assets		
Opening balance	61,623.69	58,971.04
Add: Received during the year	11,509.02	9,153.54
Less: transferred to statement of P&L	7,092.78	6,500.89
Closing balance	**66,039.93**	**61,623.69**
Consumer Contribution towards Capital Assets		
Opening balance	99,588.51	89,414.48
Add: Received during the year	17,292.01	19,094.58
Less: transferred to statement of P&L	9,836.61	8,920.55
Closing balance	**1,07,043.91**	**99,588.51**
TOTAL	**1,73,083.84**	**1,61,212.20**

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19.1 Deferred Govt. Grants, Subsidies and Contributions

Adhering to the Significant Accounting Policy adopted by the Company, Grant / Subsidy and Consumer's contributions related to depreciable assets i.e. Property, Plant and Equipment are initially recognised as "Deferred Income" and recognised in the Statement of Profit and Loss on a systematic basis over the period and in the proportion in which depreciation expenses on those assets are recognised. The above referred accounting policy being followed was in compliance with the previous GAAP i.e. AS – 12,Indian GAAP as well as the current GAAP being followed i.e. Ind AS 20 Indian Accounting Standards (Ind AS) on 'Government Grants'. The deferred income recognised in the Statement of Profit or Loss was determined based on Reducing Balance Method (Written Down Value) (RBM / WDV) upto financial year ended 31 March 2015, which was changed w.e.f. 1 April 2016 to Straight Line Method in order to further align / match the grant income recognition to the depreciation being charged in the Statement of Profit and Loss. The change was made based on the Company's experience over the years and the circumstances obtained at the time of change. The Company determined such change of method as change in accounting estimate based on the consideration of the relevant Ind AS, particularsly para 34, 35 and 48 of Ind AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors' which was disclosed in the critical judgements and notes to financial statements in the year of change. The Company applied such a change in estimate prospectively in compliance with Ind AS 8.

The office of C&AG commented vide audit comment on the financial position and stated that the Company changed the method in order to correct an error and such change should have been worked out retrospectively. Similar comments were also issued for Financial Years 2016-17 and 2017-18 by C&AG office. The Company including all other concerned Group Companies, had provided explanation of its view, that such:

(i) a change is not a correction of prior period error as the WDV method selected earlier, was an informed and deliberated decision which was noted to be in compliance with the accounting standards in the earlier financial years even by all statutory auditors of the concerned group Companies; and

(ii) it is a change in estimate which has to be worked out prospectively.

Pursuant to the above referred comments by the C&AG Office in respect of accounting treatment given by the Company and also by all Distribution Subsidiary Companies (DISCOMs) & Transmission Subsidiary Company (GETCO), Gujarat Urja Vikas Nigam Limited (GUVNL), the parent Company, decided to consult and obtain an opinion from a reputed, prestigious and independent professional firm of Chartered Accountants. Accordingly, the parent Company GUVNL obtained the opinion from such Firm (the Firm) on the accounting treatment given by the Company, DISCOMs and GETCO as well. The Firm has provided the opinion vide letter dt. 1st September, 2020 and concluded that the change in estimates cannot be considered as correction of Prior Period Error and impact of such change in the estimate need to be considered prospectively. GUVNL has shared the Firm's expert opinion with Office of C&AG vide letter dt. 14th September 2020.

Given the Company's view, which was validated through the audit opinions of the statutory auditors and as further buttressed in the aforementioned paragraph, the Company has continued to recognise the change in method of computing Grant / Consumer Contribution received against depreciable asset to be recognised in the Statement of Profit and Loss from Reducing Balance Method to Straight Line Method as not a correction of prior period error but a "Change in Estimate" and accordingly continued to apply prospectively in terms of provisions of Ind AS-8 "Accounting Policies, change in Accounting Estimates and Errors".

If the Company had applied the above change in method retrospectively, the balances of the Government Grants and Consumer contributions as at 31st March, 2020 would have been higher by ₹. 29344.70 lakhs. The above information is only for comparative purpose and has no impact on these financial statements.

19.2 Nature of Government Grant received.

The Government Grants received are in capital nature of various Schemes i.e. Kutir Jyoti , Schedule caste Basties, Electrification of Hutment, Energy Conservation, Sagar Khedu , SKJGY, SKY and IPDS.

20 Non Current Borrowings (₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured		
Term Loans		
(i) From Financial Institutions PFC (Refer Sub-Note 20.2 & 20.3 below)	3,297.03	3,552.97
Unsecured		
Raised through GUVNL		
State Government Loan under APDRP	637.64	969.17
Total	**3,934.67**	**4,522.14**

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20.1 Current maturities of long-term debt

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured		
Term Loans		
(i) From Financial Institutions PFC		
(Refer Sub-Note 20.3 below)	735.67	767.43
Unsecured		
Raised through GUVNL		
(i) State Government Loan under APDRP	331.52	331.52
Total	**1,067.19**	**1,098.95**

20.2 Loan from PFC Financial Institution outstanding ₹ 4032.70 lakhs as on 31.03.2020 (₹ 4320.40 as on 31.03.2019) mentioned at Note no.20 & 20.1 above, is secured against charges on the (A) The whole R-APDRP movable properties of the newly finance assets under the project comprising of Hardware, Software, Bandwidth Charges, Implemention cost, GIS Survey Cost,System Metering Cost etc.created / to be created out of the above loans to be installed at 11 Towns namely Surat, Jambusar, Bardoli, Rajpipala, Navsari, Vyara, Vapi, Valsad, Billimora, Bharuch and Ankleshwar under the Company,includig its movable plant & machinary, machinary spares, tools and accessories, plant turbine and other various equipments, both present and future as well as on the existing movable assets comprising PV Modules, Lamps Lead Acid Battary, control Electronics, Module mounting Hardware, Battery Box interconnecting wires/cables, swithches etc of solar Generating Equipments of Rajpipala (O & M) division of the Company.(B) The Whole of the movable properties of the newly financed assets to be created at Surat, jambusar, Vyara, Vapi, Valsad, Billimora and Bharuch including movable plant & machinery, machinery spares, tools and accessories,spares and material at above mentioned project sites both present and future and the entire existing assets (Over head lines of 13.2 KV to 66 KV) at Rajpardi-Sub Division pf Rajpipla O & M Division, Bharuch Circle. (C) The whole of the movable assets of the R-APDRP (SCADA) project site, present and future and the existing assets at Rajpipla-1 subdivision of Rajpipla O & M division (overhead lines on RCC support-11 Kv), Bharuch Circle and deed of undertaking given by Goverment Of Gujarat.

20.3 As per the PFC letter no. 02:10: R-APDRP (P-A):2009: Utilities dated, 11.07.2013, The financial assistance as availed from PFC towards the R-APDRP project as loan along with the interest thereon shall be converted into the grant once the establishment of the required system is achieved and verified by an independent agency appointed by the Ministry of Power (MoP). No conversion to grant will be made in case the projects are not completed within the period of 5 years. Till the completion of the project, the said financial assistance is treated as loan and accordingly the interest has been accrued and accounted. The moratorium period of the said loan is of 5 years.

Furthermore the work of R-APDRP Part B SCADA has been completed in Nov-17 and as per the Office Memorandum No. 26.01.2015-IPDS (Vol – IV) – Part (1), Government of India, Ministry of Power Dtd: 24.06.2019, "the time limit extension for conversion of Part A- Scada has been extended.

20.4 Common loans raised by GUVNL:

GUVNL raises fund by issue of bonds as well as borrowing from Banks, Financial Institutions, GoG and other Public Sector Undertakings for common usages of GUVNL and its subsidiaries. The repayment and interest of these borrowings are reimbursed by the Company to GUVNL. Facilities sharing agreement between Bank, GUVNL and its subsidiaries have been executed. Consequently, the part amount of loan outstanding from Banks and Financial Institutions are disclosed under the head 'Long Term Borrowings / Short term borrowings' and maturity pattern, terms of repayment and security as disclosed below are as per the information provided by the GUVNL.

20.5 Maturity Profile of Secured and Unsecured Term Loan are as set out Below:

(₹ in lakhs)

Particulars	Maturity Period			
	Up to 2 Years	Next 2 Years	Beyond 4 Years	Total
Loans From PFC (Secured)	1471.36	368.90	2192.44	4032.70
Loans (Allocated By GUVNL)				
Loans Under APDRP (Unsecured)	663.04	306.12	-	969.16

20.6 Registration of charge in-respect of proportionate Secured Loans transferred by erstwhile GEB

The Company has, under a scheme of transfer, acquired the properties, which are subjected to charges created by the erstwhile GEB. As per the provisions of the Companies Act, the company is required to register the charges in respect of all such assets with the Registrar of Companies. Due to the common funds for all the operations of erstwhile GEB, funds were raised against the charge over all its assets. The Company, therefore has not registered the charge on these properties with the Registrar of Companies, Gujarat.

20.7 Secured and Unsecured Loans

The loans which were raised by erstwhile G.E.B. from State Goverment (loan under APDRP) relating to generation, transmission and distribution activities and were used for common purposes are continued in the books of GEB / (now GUVNL) on behalf of all transferee companies and the same have been apportioned under FRP Notification dated 3rd October, 2006, amongst all transferee companies and the same loans have been accounted by the Company as "loans allocated by GUVNL" in separate accounts. The repayments and interest thereon are reimbursed by the Company to GUVNL.

In light of above note, the said loans are reclassified and regrouped either as secured loans or unsecured loans and shown as Non current borrowings under Non-current liabilities and current borrowings under current liabilities as per repayment schedule given by GUVNL.

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21 Other Non Current Financial Liability

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security deposit from consumers	1,83,971.15	1,64,403.83
Staff Welfare Schemes	919.73	1,033.88
State Government Loan under SKY Scheme	1,930.32	759.02
Total	**1,86,821.20**	**1,66,196.73**

22 Non-Current provisions

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for Leave Encashment	15,606.56	14,423.63
Total	**15,606.56**	**14,423.63**

22.1 Provision for Gratuity is recorded and presented in GUVNL's standalone financial statements.

23 Current Borrowings

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured		
Cash Credit From Banks (also see note no.11)	-	23.75
Total	**-**	**23.75**

23.1 Cash credit from banks under Joint consortium agreement with UCO Bank (lead Bank) & other consortium member banks, is secured against hypothecation charge on the stocks and book debts of the company ranking pari-passu interse.

24 Trade Payables

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Payables for Purchase of Power :		
Micro, Small and Medium Enterprises	-	-
Others :		
Due to other than micro enterprises and small enterprises (Liability for Purchase of Power - Wind Farm & Solar)	404.15	329.65
Total	**404.15**	**329.65**

24.1 Considering large no. of suppliers & general ledger accounting system, it is practically not feasible to obtain Balance confirmation in all cases every year. Hence, company has the system to obtain the balance confirmation on sample basis & in case of other balances, company is of the opinion that they are duly reconciled.

25 Other Current Financial Liability

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturity of long term debt (Refer note no. 20.1):		
Secured:		
Loan from Financial Institutions	735.67	767.43
Unsecured:		
Govt. of Gujarat (Related Party)		
State Government Loan under APDRP	331.52	331.52
State Government Loan under SKY Scheme	321.72	126.50
Interest Accrued But Not Due on Loans	3,129.06	3,240.99
Interest Accrued & Due on Loan for SKY Scheme	57.69	7.08
Interest payable on consumers security Deposit	9,073.05	7,579.70
Liability for Capital Supplies / Works (refer note 25.1)	2,543.68	2,007.61
Payable to Gujarat Energy Training & Research Institute	15.07	-
Liability for O & M Supplies / Works (refer note 25.1)	3,666.65	5,055.66
Staff Related Liabilities	251.02	168.22
Deposits & Retentions from Suppliers / Contractors	7,692.58	8,688.27
Other Liability	748.74	490.94
Provision for Expenses	17,175.29	12,741.20
Staff Retirement cum Death Benefit Scheme	127.84	128.75
Pending utilisation of Grant received (net off expenditure) for solar energy pump set / solar home light / Sky Scheme / Surya Gujarat Scheme)	4,119.23	4,351.95
Total	**49,988.81**	**45,665.83**

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25.1 The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in lakhs)

Trade Payables -Total outstanding dues of Micro & Small Enterprises*	As at 31st March, 2020	As at 31st March, 2019
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	542.49	1,048.90
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid as at of end of each accounting year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

***Based on the confirmation from Vendors.**

25.2 No interest during the year has been paid to Micro and Small Enterprise on delayed payments. Further Interest Accrued during the year and remaining unpaid is not provided in the books as the management is of the opinion that due to contractual terms they will not be required to pay the same.

26 Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory Liabilities	1,057.45	971.01
Deposits for Electrification & Service connection	18,468.86	19,686.84
Other Liabilities	298.13	1,259.54
Total	**19,824.44**	**21,917.39**

27 Current Provisions

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(A) Provision for Employee Benefits		
Provision for Leave Encashment	1,320.69	984.01
Provision for Bonus	92.73	99.95
Total	**1,413.42**	**1,083.96**

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28 Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income from operating Activity		
Revenue from Sale of Power		
Residential General Purpose	1,84,183.03	1,62,982.66
General Lighting Purpose	3,568.35	3,102.21
Non-residential General Purpose & LT Medium Demand	4,23,170.20	3,70,651.11
HT Industrial	7,08,016.65	6,75,646.80
Public Lighting	3,754.83	3,558.73
Traction Railways	567.49	723.83
Irrigation Agricultural	27,270.48	28,061.63
Public water works and sew.pumps	14,835.31	12,661.17
Sale of power to GUVNL	-	-
Sub Total	**13,65,366.34**	**12,57,388.14**
Electricity Duty		
Electricity Duty Assessed	1,73,204.13	1,53,054.78
Less: Electricity Duty Assessed (Contra)	-1,73,204.13	-1,53,054.78
Sub Total	-	-
Income from Other Operating Activity		
Recoveries for theft of power / Malpractices	1,532.34	1,489.06
Wheeling Charges Recoveries	137.21	12.36
Parallel operation charge	2,016.48	684.57
Delayed payment charges from consumers	5,849.65	5,236.33
Cross Subsidy Surcharge	19,053.67	10,351.44
Addl. Surcharge - OA Consumers	1,369.12	3,228.99
Agriculture Subsidy	4,450.51	5,115.99
Miscellaneous Charges from Consumers	4,588.29	3,740.08
Sub Total	**38,997.27**	**29,858.82**
Total	**14,04,363.61**	**12,87,246.95**

28.1 On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers applicable from 1st April 2018. The management has evaluated the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers and accounted for the same pursuant to Ind AS 115.

The Company has used the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11.The Standard is applied to contracts that are remaining in force as at 1st April, 2018. The application of the standard does not have any significant Impact on the retained earnings as at 1st April, 2018 or on these financial statements.

29 Other Income

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Interest Income		
Interest on Staff Loans and Advances	61.31	77.24
Interest on - IT Refund	1.12	-
Other Non Operating Income		
Gain on sale of Fixed Assets (Net of Loss)	-	0.70
Deferred Income towards Govt. Grants/ Subsidies and Consumer Contribution towards Cost of Capital Assets	16,929.62	15,421.43
Grant for energy conservation	42.28	41.00
Revenue Subsidies and Grants	5.39	0.39
Income from Sales - Scrap etc.	33.91	78.98
Miscellaneous Income*	3,336.84	2,081.87
Total	**20,410.47**	**17,701.62**

* None of the items individually account for more than 1% of total revenue.

30 Purchase of Power

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Purchase of power from GUVNL	12,89,831.16	12,00,168.22
Purchase of power from Wind Turbine Generators/ CPP	1,935.26	1,790.88
Purchase of power from Solar Generators	627.82	477.16
DSM Charges purchase (Netted Off against DSM Charges Revenue)	12,684.36	10,249.41
SLDC Charges	417.34	123.48
Total	**13,05,495.94**	**12,12,809.15**

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30.1 Purchase of Power

Power purchase from GUVNL is accounted as billed by GUVNL considering the Bulk Supply Tariff mechanism / formula approved by Gujarat Electricity Regulatory Commission. For non-conventional energy, the power purchase cost is accounted considering the GERC order / Government policy / agreement executed with the suppliers of such power. As per the Deviation Setlement Mechanism(DSM) approved by GERC, the company has accounted for DSM charges purchase of ₹ 13,060.54 lakhs and DSM charges revenue of ₹ 376.18 lakhs during the year (P.Y DSM charges purchase of ₹ 10,800.36 lakhs and DSM charges revenue of ₹ 550.95 lakhs during the year) as shown netted under above note.

31 Employees benefit expense

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Salaries and wages	40,477.24	37,339.58
Contribution to provident and other funds	3,823.66	3,500.81
Staff welfare expenses	784.12	409.67
Retirement and Other Benefits	4,193.96	3,457.33
	49,278.98	44,707.39
Less : Directly attributable cost capitalised (refer note no. 1.3 (xxi) (b))	(8,404.94)	(7,788.56)
Total	40,874.04	36,918.83

31.1 Provision for employees remuneration and benefits:

Salaries and wages:

Employees of erstwhile GEB were transferred under the Scheme with complete benefit of continuation of service without break and on same terms and conditions as was prevailing on the effective date of transfer. The employee costs in respect of the transferred employees have been accordingly accounted.

31.2 Provision for Salaries & Wages

Salaries & Allowances for the FY 2019-20 includes ₹ 3472.62 Lakhs (P.Y. ₹ 3303.04 Lakhs) towards provision for 7th Pay Commission.

32 Finance Cost

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Interest Expense		
Interest on State Government Loans	124.94	162.45
Interest on Cash Credit and Working Capital	0.20	53.54
Interest on PFC	547.82	664.76
Interest on Others	87.04	110.41
Interest to Consumers on Security Deposits etc.	10,112.71	8,546.80
Interest on Income Tax (MAT)	33.22	-
Other Borrowing Costs		
Bank Charges, Commission and Others	99.77	131.50
	11,005.70	9,669.46
Less : Directly attributable cost capitalised (refer note no. 1.3 (xxi) (b))	(12.20)	(27.03)
Total	10,993.50	9,642.43

32.1 Borrowing Cost:

The Interest expenses and other borrowing cost allocated by GUVNL on borrowings taken by GUVNL on behalf of its subsidiary companies which are not directly allocable for any specific project of the Company are charged to statement of Profit & Loss.

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33 Other Expenses

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Repairs and Maintenance		
Building and Civil Works	102.18	57.39
Plant and Machinery	2,062.28	1,673.66
Lines, Cable Network etc.	4,013.70	2,975.00
Others	505.11	190.07
Sub Total (a)	**6,683.27**	**4,896.12**
Administrative & General Expenses		
Rent, Rates and Taxes	368.02	342.82
Insurance	23.01	17.98
Testing Charges	89.31	97.78
Telephone & Postage Expenses	210.23	216.46
Remuneration to collection agencies	258.01	263.91
Legal & Professional Fees	285.37	289.89
Auditors' Remuneration	20.36	20.91
Travelling & Conveyance	3,445.72	3,029.38
Printing & Stationery	516.82	439.34
Expenses on Computer Billing & EDP Charges	4.89	17.61
Advertisement	197.11	199.55
Electricity Charges	238.74	226.62
Water Charges	76.91	74.20
Corporate Social Responsibilities	100.00	110.91
Security Expenses	1,120.18	972.07
Freight Expense	281.79	223.05
Expenditure on Training to Staff	57.60	80.64
Expenses for Energy Conservation	12.48	5.58
Directors fees	2.24	1.77
Other Administration & general Expenses	1,773.60	1,514.31
Sub Total (b)	**9,082.39**	**8,144.78**
Bad & Doubtful debts write-off (also refer note no.33.2)	40.93	9,089.51
Less- Utilized against Bad debts Provision	-	(9,089.51)
Sub Total	**40.93**	-
Miscellaneous Expenses*	970.19	625.25
Miscellaneous Losses & Write-offs	651.27	347.49
Provision for Bad & Doubtful debts	5,523.49	402.04
Sub Total (c)	**7,185.88**	**1,374.78**
Sub Total (a+b+c)	**22,951.54**	**14,415.68**
Less : Directly attributable cost capitalised (refer note no. 1.3 (xxi) (b))	(1,703.38)	(1,497.81)
Total	**21,248.16**	**12,917.87**

* None of the items individually account for more than 1% of total revenue.

33.1 Payment to Auditors (Fees excluding applicable tax)

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Statutory Auditors		
- As Auditor	15.95	15.95
- Reimbursement of Expenses	1.00	1.00
Total	**16.95**	**16.95**
Cost Auditors		
- As Auditor	0.48	0.68
- Other Services	-	0.10
Total	**0.48**	**0.78**

33.2 GOG vide GR no. GUV-2016-3170-K-1-2842 dated 12.10.2017 has declared Amnesty Scheme-2017. The Scheme was implemented with effect from 25.04.2018 to 31.12.2018 vide GoG G.R No. GUV-2016-3170-K-1-3226 dated 25.04.2018 and subsequently extended with further amendments vide GR no.GUV-2016-3170-k-1 dated 19.02.2019 upto 31.05.2019 for various categories of consumers as one time settlement of their outstanding dues. Under this Scheme, during the year Company has waived off Principal dues amounting to ₹. 117.22 lakhs (P.Y. ₹. 9089.51 lakhs).

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34 Tax Expense

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Current Tax	1,891.58	396.49
Deferred Tax (Refer Note 6)	-	-
Total	**1,891.58**	**396.49**

34.1 Reconciliation of Current Tax

(₹ in lakhs)

Particulars	For the year ended31st March, 2020	For the year ended31st March, 2019
Profit before tax from continuing operations	14,899.39	4,323.24
Current tax expense calculated using MAT tax rate at 17.472% (Previous year - 21.5488%)	2,603.22	931.61
Add:		
Interest on MAT	5.80	-
Transition Period Impact	24.39	30.08
Less:		
Other Comprehensive Expense	(741.83)	(565.19)
Current Tax expense	**1,891.58**	**396.49**

The base tax rate used for the year ended 31st March, 2020 and year ended 31st March, 2019 reconciliations given above is at the MAT tax rate of 15.00% (P.Y 18.50%) (excluding surcharge and cess) payable by corporate entities in India on taxable book profits under the Indian tax law.

On 20 September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01 April 2019 subject to certain conditions. However, the Company having a significant amount of MAT credit entitlement at its disposal, has not exercise the option permitted under Section 115BAA. In view of the above, there is no impact of the new tax rate on the financial results for the year 2019-20

34.2 Unrecognised deferred tax assets

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unused tax losses	21,822.87	20,044.93
Unused tax credits	19,031.38	17,139.80

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35 Earnings per Share

(₹ in lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Basic Equity Shares		
Profit after tax for the year attributable to equity shareholders	13,007.81	3,926.75
Weighted average number of Equity shares for Basic EPS	39,14,81,827	39,35,35,192
Basic and Diluted earnings per Shares (₹)	3.32	1.00
Face value per equity share (₹)	10	10
Dillutive Potential Equity Shares		
Profit after tax for the year attributable to equity shareholders	13,007.81	3,926.75
Weighted average number of Equity shares for Basic EPS	39,14,81,827	39,35,35,192
Basic and Diluted earnings per Shares (₹)	3.32	1.00
Face value per equity share (₹)	10	10

36 Lease

a Ind AS 116 "Leases" introduces a single lessee accounting model which requires a lessee to recognise "Right of Use" asset and it replaces Ind AS 17 "Leases" with effect from 1st April, 2019. A lessee, under Ind AS 116, recognises "Right of Use" asset representing it's right to use the underlying asset and a "Lease Liability" representing it's obligation to make lease payments.

b Pursuant to Ind AS 116 "Leases" becoming mandatory, effective from 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease arrangements / contracts which existed on 1st April 2019, using the "Modified Retrospective Approach". Comparatives as at and for the year ended 31st March, 2019 have not been retrospectively adjusted and therefore, are continued to be reported in accordance with the accounting policy with respect to "Leases" included in the financial statements for the financial year ended on 31st March, 2019.

c The Company has entered into various Lease Arrangements for "Land" and "Building" for the purpose of office building, some of which are "Non-cancellable" and thus, creates enforceable rights. The Company applied the standard on such Lease Arrangements and recognised the "Right of Use" asset in its books by transferring the "Pre Payments - Lease hold land" amounting to ₹ 55.53 lakh as appeared under "Other Non-current Asset / Other Current Asset" in the financial statements for the financial year ended on 31st March, 2019, and disclosed the same in its financial statements under Property, Plant and Equipment" for the year ended 31st March, 2020.

Further, the Company, having already paid the upfront Lease rentals / premium at the time of execution of Lease Deed which accounted for almost all the lease payments, does not owe any lease obligations under such lease arrangement and accordingly "Lease obligations" corresponding to "Right of Use" asset are not recognised.

d In respect of Lease Arrangements, which are cancellable without any significant penalty either by lessor or lessee by giving appropriate notice as per respective agreements, do not create enforceable rights and obligations between the parties and thus, do not constitute a contract. Accordingly, the Company does not apply Ind AS 116 on such Lease Arrangements.

e There is no effect of this adoption on the profit before tax, profit for the year, earnings per share and cash flows.

The following is the summary of practical expedients elected on initial application:
1. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases for which the underlying asset is of low value.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

f Amount Recognized in Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Amount
Depreciation recognised in the Statement of profit and loss	1.46

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g The details of Right of Use Asset included in Property, Plant and Equipment held as lessee by class of underlying asset is presented below:

(₹ in Lakhs)

Leasehold Land	Amount
Opening Balance as on 01.04.2019	-
Additions During the year	55.53
Depreciation Recognized During the year	1.46
Net Carrying value as on 31.03.2020	**54.07**

Above additions in Right to use assets amounting to **₹ 55.53 lakhs** includes operating leases for lease agreements entered before 01.04.2019 on net carrying value.

37 Employee benefit plans

A Defined Contribution plans:

The Company has certain defined contribution plans. The Company makes contribution towards Employees' Provident Fund, Employees' Pension Scheme and Employees' Death Linked Insurance Scheme. Contributions are made at specified percentage of salary as per regulations. The contributions are made to registered provident fund administered by the Employees. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 3968.40 lakhs (P.Y.₹ 3650.14 lakhs).

B Other long term benefit plan

The Company accounts for leave encashment on the basis of actuarial valuation carried out by Life Insurance Corporation of India at each year end. Liability for the current year of ₹ 2880.63 lakhs (previous year ₹ 2477.48 lakhs) has been charged to statement of Profit & Loss. Leave encashment obligation as at 31st March, 2020 and 31st March, 2019 is ₹ 16,927.26 lakhs and ₹ 15,407.64 lakhs respectievly.

The company has a Staff Voluntary Retirement-Cum-Death Benevolent Fund Scheme wherein an employee can become a member voluntarily. A monthly contribution is to be made by the members. Upon retirement employee will be eligible to get an amount equivalent to his total "Contribution" along with simple interest at a specified rate from the date of joining the scheme or ₹ 10,000/- whichever is higher. In case of death of an employee, the nominee of the member shall be eligible to get a determined amount of compensation out of the fund, if the employee was the member of the scheme. The charge to the statement of Profit and loss for the year ended is ₹ 34.72 lakhs (P.Y. ₹ 20.43 lakhs). The balance of such fund as at 31st March, 2020 and 31st March, 2019 is ₹ 968.52 Lakhs and ₹ 988.84 Lakhs respectively.

C Defined Benefits Plan

Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to LIC. The Company maintains a target level of funding to be done over a period of time based on estimations of expected gratuity payments.

The Company makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust. The liability in respect of plan is determined on the basis of an actuarial valuation.

Risk Exposure

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Rate Risk and Salary Risk.

Investment Risk	The Present value of the Defined Benefit Obligation is calculated using the discount rate determined by LIC of India as the fund is being managed under Gratuity Assurance Plan.
Interest Risk	A decrease in the interest rate will increase the plan liability while increase in interest rate will decrease the plan liability.
Salary Risk	The present value of obligation is calculated by reference to future salary.

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The principal assumptions used for the purposes of the actuarial valuations were as follows:

Assumptions (Current Period)

Particulars	For the year ended 31st March	
	2020	**2019**
Expected Return on Plan Assets	7.50%	8.00%
Rate of Discounting	7.25%	7.50%
Rate of Salary Increase	10.00%	10.00%
Rate of Employee Turnover	1 to 3 % Depending on Age	
Mortality Rate During Employment	LIC (2006-08) ultimate	
Mortality Rate After Employment	N.A.	N.A.

(₹ in lakhs)

Particulars	As on 31.03.2020	As on 31.03.2019
Gratuity		
I) Reconciliation in present value of obligations (PVO) – defined benefit obligation:		
Opening defined benefit obligation	22,820.11	19,640.50
Current Service Cost	1,493.86	1,202.65
Interest Cost	1,654.46	1,473.04
Remeasurement (gains)/losses:		
Actuarial (gains) / losses arising from experience adjustments, changes in demographic assumptions and changes in financial assumptions	4,582.92	2,524.82
Benefits paid	(2,274.06)	(2,020.89)
Closing defined benefit obligation	**28,277.30**	**22,820.11**
Current obligation	2,116.75	1,921.75
Non-Current obligation	26,160.55	20,898.36
II) Change in fair value of assets :		
Opening fair value of plan assets	20,732.96	18,940.51
Expected return on plan assets	1,554.97	1,515.24
Remeasurement gain (loss):		
Actuarial gains and losses including Excess Return on plan assets (excluding amounts included in net interest expense)	337.12	(98.03)
Contributions by the employer	8930.46	2396.13
Benefits paid	(2,274.06)	(2,020.89)
Closing fair value of plan assets	**29,281.45**	**20,732.96**
III) Reconciliation of Present value of obligation and fair value of assets:		
Present value of funded defined benefit obligation	28,277.30	22,820.11
Fair Value of planned assets at end of year	29,281.45	20,732.96
Funded status	**Funded**	**Funded**
Net liability arising from defined benefit obligation	(1,004.15)	2,087.15
IV) Service Cost:		
Current Service cost	1493.86	1202.65
Past Service cost and Gain/(loss) from settlements		
Net Interest expense	96.52	(42.60)
Total expenses recognise in Statement of Profit & Loss	1,590.38	1,160.05
Components of defined benefit costs recognised in Employee Benefit expenses		
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from experience adjustments , changes in demographic assumptions and changes in financial assumptions including Return on Plan Assets excluding amount included in net interest cost	4245.80	2622.84
Total expense to be recognised in OCI	4,245.80	2,622.84
Total Expenses (Provision for the Period)	5,836.18	3,782.90
V) Category of assets as at 31st March:		
-Life Insurance Corporation	29281.45	20732.96
Total Gratuity	**29,281.45**	**20,732.96**

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(` in lakhs)

Experience Adjustment	On Plan Liabilities - Loss/(Gain)	On Plan Assets - Loss/(Gain)
As on 31st March, 2020	4,582.92	-
As on 31st March, 2019	2,524.82	-
As on 31st March, 2018	4,750.76	-
As on 31st March, 2017	1,584.77	-
As on 31st March, 2016	312.37	-

Maturity Analysis of Projected Benefit Obligation are as under:

(₹ in lakhs)

Gratuity	As at 31st March, 2020	As at 31st March, 2019
Gratuity		
Less than 1 year	2116.75	1681.99
One to Three Years	3243.17	2724.55
Three to Five Years	2693.35	4293.66
More than Five Years	20224.03	13880.16
Total	28,277.30	22,580.36

Sensitivity analysis for Gratuity

(₹ in lakhs)

Significant actuarial assumptions	As at 31st March, 2020	As at 31st March, 2019
Discount Rate		
- Impact due to increase of 50 basis points	(1,503.36)	(1,188.92)
- Impact due to decrease of 50 basis points	1,641.20	1,294.86
Salary increase	-	-
- Impact due to increase of 50 basis points	1,605.63	1,277.39
- Impact due to decrease of 50 basis points	(1,486.37)	(1,184.55)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Further more in presenting the above sensitivity analisys the present value of the defined benifit obligation has been calculated using the projecyed unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benifit obligation liability recognised in the Balancesheet.

GEB Employees' Group Gratuity Trust ("the Trust") is an exempted Gratuity Trust under the Income Tax Act, 1961 established to manage the Gratuity obligations of the employees of GUVNL and its Subsidiary Companies. GUVNL, the Holding Company is managing the same for and on behalf of itself and its six Subsidiary Companies. The Trust has an arrangement with M/s. Life Insurance Corporation of India (LIC) for the fund management based on actuarial determination of liability and the funds to be contributed.
Given the above structure and arrangement among GUVNL Group Companies, the overall Gratuity Liability or Asset (as the case may be) of the GUVNL Group, is reflected in GUVNL Books. The individual subsidiary Company(s) reflect the expense in its books and the Liability / Asset to / from GUVNL, given the above arrangement alongwith the disclosures in compliance with the applicable Ind AS 119 – Employee Benefits.
The following is the position of Gratuity related Asset / Liability reflected in the our books/ in the books of GUVNL as pertaining to individual companies:

Particulars	(Asset) / Liability - Net Funded	
	As at 31st March, 2020	As at 31st March, 2019
Dakshin Gujarat Vij Company Limited	(1,004.15)	2,087.15
Total	**(1,004.15)**	**2,087.15**

Net off Plan Asset of Gratuity amounting to Rs. 1,004.15 Lakhs (P.Y. Net liability of Gratuity Rs. 2,087.15 Lakhs) is considered in net (receivable) from / payable to holding company.

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38 Segment reporting

A Operating Segment

The Company's operations fall under single segment namely "Distribution of Power", taking into account the different risks and returns, the organization structure and the internal reporting systems.

B Information about major customers

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

C Information about geographical areas:

Segment revenue from "Distribution of Electricity" represents revenue generated from external customers which is fully attributable to the company's country of domicile i.e. India.

All assets are located in the company's country of domicile.

D Information about products and services:

The Company derives revenue from sale of Power and others. The information about revenues from external customers about each product is disclosed in Note no. 28 of the financial statements.

39 Financial instruments Disclosure

A Capital Management

The Company's objective when managing capital is to:

1. Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and

2. Maintain an optimal capital structure to reduce the cost of capital.

The Company's financial reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

Gearing Ratio

The gearing ratio at end of the reporting period is as follows.

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Net debt	5,001.86	5,621.09
Total equity	4,27,473.45	3,78,604.70
Net debt to equity ratio	**0.01**	**0.01**

1. Debt is defined as all long term debt outstanding + short term debt outstanding in lieu of long term debt.
2. Equity is defined as Equity share capital + Other Equity + deferred government grant and consumer contribution

B Categories of financial instruments

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Financial assets		
Measured at amortised cost		
(a) Trade and other receivables	70,544.94	30,995.73
(b) Cash and cash equivalents	7,718.96	14,058.22
(c) Loans	492.26	551.54
(d) Other financial assets	98,069.18	1,02,810.51
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	3,934.67	4,545.89
(b) Trade payables	404.15	329.65
(c) Other financial liabilities	2,36,810.01	2,11,882.57

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C Financial risk management objectives

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, routine and projects capital expenditure. The Company's principal financial assets include loans, advances, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz regulatory risk, interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Regulatory Risk

The Company's substantial operations are subject to regulatory interventions, introduction of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the Company.

Regulations are framed by Central / State Regulatory Commission as regard to Standard of Performance for utilities, Terms & Conditions for determination of tariff, obligation of Renewable Energy purchase, grant of Open Access, Deviation Settlement Mechanism, Indian Electricity Grid Code / Gujarat Grid Code, Power Market Regulations etc. Moreover, the State / Central Government are notifying various guidelines and policy for growth of the sector. These Policies / Regulations are modified from time to time based on need and development in the sector. Hence the policy / regulation is not restricted only to compliance but also have implications for operational performance of utilities, Return on Equity, revenue, competitiveness, scope of supply as consumer of 1 MW and above have an option to select the supplier, ceiling on trading margins, Regulatory charges, market etc.

To protect the interest of Utilities, State Utilities are actively participating while framing of Regulations. ARR is regularly filed & FPPPA is levied on quarterly basis for any increase/decrease in power purchase cost.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates in negligible as primarily to the Company's long-term debt obligations with fixed interest rates.

Credit risk management

Credit risk arises from cash and cash equivalents and deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2020 and 31st March, 2019.

Bank balances are held with reputed and creditworthy banking institutions.

Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. The management prepares annual budgets for detailed discussion and analysis of the nature and quality of the assumption, parameters etc. Daily and monthly cash flows are prepared, followed and monitored at senior levels to prevent undue loss of interest and utilize cash in an effective manner.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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(₹ in lakhs)

Particulars	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March, 2020				
Non - current financial liabilities				
Borrowings		1,926.66	2,008.01	3,934.67
Other Financial Liabilities		1,798.24	1,85,022.96	1,86,821.20
	-	3,724.90	1,87,030.97	1,90,755.87
Current financial liabilities				
Borrowings	-	-	-	-
Trade Payables	404.15	-	-	404.15
Other Financial Liabilities	49,988.81	-	-	49,988.81
	50,392.96	-	-	50,392.96
Total financial liabilities	50,392.96	3,724.90	1,87,030.97	2,41,148.83
As at 31st March, 2019				
Non - current financial				
Borrowings	-	2,845.23	1,676.91	4,522.14
Other Financial Liabilities	-	1,021.00	1,65,175.73	1,66,196.73
	-	3,866.23	1,66,852.64	1,70,718.87
Current financial liabilities				
Borrowings	23.75	-	-	23.75
Trade Payables	329.65	-	-	329.65
Other Financial Liabilities	45,685.83	-	-	45,685.83
	46,039.23	-	-	46,039.23
Total financial liabilities	46,039.23	3,866.23	1,66,852.64	2,16,758.10

The Company has access to committed credit facilities as described below.The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Secured committed Credit facility, reviewed annually and payable at call	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
amount used	-	23.75
amount unused	2500.00	2476.25

D Fair Value Measurement

a Fair value of the Company's financial assets on a recurring basis:

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

b Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2020	31st March, 2019		
		Nil		

c Financial assets and liabilities at amortised cost

The carrying amounts of cash and cash equivalent, other bank balances, trade receivables, loans, other financial assets, current borrowings, trade payables, other financial liabilities are considered to be the same as their fair values,due to their short-term nature.

40 Subsidy

The subsidy claims on Government of Gujarat are made by Gujarat Urja Vikas Nigam Limited (GUVNL), the Holding Company on behalf of our Company including all other Distribution Subsidiaries. The subsidy receivable balances are recorded, reflected and presented as such in GUVNL's standalone financial statements. Subsidies being government grants are recognised as revenue in the Statement of Profit or Loss in accordance with the accounting policy on government grants as stated in Note 1.3 (xx) (g) to the financial statements."

41 In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31.03.2020.

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42 Contingent liabilities, Contingent Assets and commitments (to the extent not provided for) :

A Claims against the Company/ disputed demands not acknowledged as debt:-

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
A. Contingent Liabilities not provided in respect of :		
I. Claims against the company not acknowledged as debt	23364.32	22189.98
II.Disputed demand of Income-Tax & Service Tax for which appeal is pending before Tax Authorities	25548.73	20792.24
Total	**48,913.05**	**42,982.22**

In respect of the above, the expected outflow will be determined at the time of final resolution of the dispute. No reimbursement is expected.

B A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainities that surround the related events and circumstances.

C Capital Commitments

(₹ in lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Estimated amount of Contract remaining to be executed on capital accounts (Net of Advances)	5,677.26	6,503.97
Total	**5,677.26**	**6,503.97**

43 CSR Expenditure

(₹ in lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
The CSR expenditure comprises the following:		
a)Gross amount required to be spent by the Company during the year	128.89	168.70
b)Amount spent during the year		
(i) Construction / acquition of any asset	-	-
(ii) on purpose other than (i) above	100.00	110.91
Total amount spent	100.00	110.91

44 The Company has a system of physical verification of Inventory, Fixed assets and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.

45 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. Further, some balances of Trade and other receivables, Trade and other payables and Loans are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.

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46 Dues of M/s. Essar Steel India Limited:

During F.Y 2011-12, considering violation of terms and conditions of the Minutes of Meeting (MOM) dated 01.02.2010 by M/s. Essar Steel India Limited (ESIL), the Company has issued supplementary bill of ₹ 231102.44 lakhs to ESIL as per conditions of MoM for 2020.99 MUs.This was subsequently revised to ₹ 19258.54 lakhs for 168.42 MUs as per directives of E&P Department till case of total claim of original supplementary bill is finally settled for breach of said MoM, which was paid by M/s. ESIL. Accordingly, revenue to the extent of ₹ 19258.54 lakhs was recognized in the books in F.Y 2011-12 and recognition of balance Revenue of ₹ 211843.90 lakhs was deferred till the final settlement is made by the E&P department, GOG, or appropriate judicial forum.

Further to above, Company has filed its claim (of a recurring nature) for ₹ 588228.20 Lakhs under Insolvency and Bankruptcy Code, 2016 (IBC) initiated against M/s Essar Steel Limited. This includes the amount of Cross subsidy surcharge relating to respective financial years till F.Y 2016-17 which was accounted in books as receivable which has been contested by M/s. ESIL as not payable by filing petition before GERC. Besides this claim which has been accounted in books as receivable, the Company also has other legal claims, which was not recognized and reflected in receivables as per the Company's accounting policy in compliance with Ind AS.

During F.Y 2017-18, notwithstanding the legal tenability of the Company's claims and litigation and without prejudice to the Company's rights to recover the aforementioned claims, based on the facts and circumstances as of the date of issue of financial statements, the Company has impaired the entire receivable of ₹ 44040.40 lakhs from M/s. ESIL as irrecoverable in compliance with Ind AS 109 on "Financial Instruments".

The NCLT (National Company Law Tribunal) vide order dated 08.03.2019 has approved Resolution Plan which was challenged before NCLAT by corporate creditors / operational creditors including DGVCL. The NCLAT vide its judgement dated 04.07.2019 has decided to distribute realized amount in an equitable manner amongst all majority creditors providing almost equal share of 60% to financial and operational creditors with admitted claim of ₹ 1.00 crore or more. The judgement of NCLAT has been challenged by aggrieved parties before the Hon'bleSupreme Court. On 22.07.2019, Hon'bleSupreme Court had ordered "status quo" as it agreed to hear the appeal filed by aggrieved parties against the NCLAT order. DGVCL has filed an "Impleadment Application" on 29th July, 2019 vide no. 114274/19 and accordingly DGVCL joined as respondent in Civil Appeal No-24417 of 2019 and also it has filed a Writ Petition vide no. 1246 of 2019 challenging relevant provisions of IBC (Amendment) Act, 2019.

This Civil Appeal was heard by Hon'ble Supreme Court and it delivered judgement vide dated 15th November, 2019 allowing the appeal of Committee of Creditors of ESIL and set aside the Order of NCLT. Being aggrieved from the judgement of the Hon'ble Supreme Court in Civil Appeal, DGVCL has once again filed Review Petition before Hon'ble Supreme Court bearing review petition Diary No. 240 of 2020 in Civil Appeal No. 8766-8767 of 2019. The said review petition has been dismissed by the Hon'ble Supreme Court by its Order dated 25th August, 2020. However, Contingent liabilities are disclosed under note no. 42 which includes the amount of ₹ 19258.54 lakhs of the SLP filed by M/s. ESIL.

47 Impact of COVID-19

COVID-19 virus, a global pandemic has affected the world economy including India leading to significant decline and the volatility in the financial markets and the decline in economic activities. On 24th March 2020, the Government of India ordered a nationwide lockdown of complete 21 days as a precautionary measure against the COVID-19 pandemic, which extended twice till 30th May, 2020.

The Company is engaged in the distribution of electricity. Since electricity has been categorised as an "Essential Service", the Company was in position to supply its services throughout lockdown period to all its consumers except to commercial and industrial consumers in case of whom, there was drastic reduction of demand due to lockdown situation.

Estimation of uncertainties:

The Company believes that it has taken into account all the known impacts arising from COVID 19 pandemic in the preparation of the financial statements. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any. The eventual outcome of the impact of the COVID 19 pandemic on the Company's business may be different from that estimated as on the date of approval of these financial statements.

Property, Plant and Equipment:

The Company has estimated recoverable amount of the cash generating units and has determined it to be greater than the carrying amount. Reasonable sensitivities in key assumptions consequent to the change in estimated future economic conditions on account of possible effects relating to COVID19 is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

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Capital Work-in-Progress:
There is impact on activities related to ongoing projects which have been hampered and may result into delays in implementation of these projects.

However, the Company expects that the ongoing projects will be resumed and that the projects will remain commercially viable, taking into account the availability of resources.

Loans and Advances & Other Assets:
The Company's Loans and Advances mainly consists of Loans given to Employees. In assessing the recoverability of such as loans to employees, other advances to suppliers and other financial and non-financial assets, the Company has considered internal and external information up to the date of approval of these financial statements. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information / indicators of future economic conditions and expects to recover the carrying amount of the assets.

Inventories: (if any)
The Company has evaluated the adequacy of provision on its carrying amount of inventory on account of COVID 19. However, based on the assessment made, no additional provision is required to the carrying amount of inventory, as it has been moving in the ordinary course post the year end.

Trade Receivables:
The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. In assessing the recoverability of trade receivables, the Company has considered subsequent recoveries, past trends, and internal and external information available up to the date of issuance of these financials. Based on assessment done by the Company, an adequate allowance of credit loss has been made for the receivables after factoring an anticipated reduction in the collection done subsequently.

Revenue:
The Company's revenue from distribution of electricity has downward impact due to lockdown mainly in commercial and industrial units. Since this situation will likely prevail in Financial Year 2020-21, the Company is in process of identification of loss in revenue due to disruption of supply of electricity to these units.

Employee and Other Costs:
The Company is making payments of salaries and wages to all employees on its payrolls as also the contract workers during the time of lockdown. Further, the Company is also incurring various other costs, during the period of full/partial lockdown. This may impact the profitability levels of the Company.

Contracts and Commitments: (If any)
The Company has binding purchase contracts with few of the suppliers for raw materials, power, etc. The Company has evaluated the impact of disruptions of business operations on those contracts.

Going Concern:
The management has evaluated the various financial ratios, expected ageing and maturities of assets and liabilities and the various internal and external information available. The management does not see any risks to Company's ability to continue as a going concern and expects that Company will be able to meet its liabilities in the foreseeable future, as and when the same fall due.

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48 Related Party Disclosures

A Name of related parties and description of relationship:

Name of Related Parties	Nature of Relationship
Gujarat Urja Vikas Nigam Limited	Holding Company
Gujarat Energy Transmission Company Limited	Fellow- Subsidiary Company
Gujarat State Electricity Corporation Limited	Fellow- Subsidiary Company
Madhya Gujarat Vij Company Limited	Fellow- Subsidiary Company
Paschim Gujarat Vij Company Limited	Fellow- Subsidiary Company
Uttar Gujarat Vij Company Limited	Fellow- Subsidiary Company
Shahmeena Husain, IAS	Chairperson
Shri Yogesh K. Choudhary, IAS	Key Management Personnel (KMP) (Appointed w.e.f 17.12.2019)
Ms. Kshipra S. Agre, IAS	Key Management Personnel (KMP) (Appointed w.e.f 25.09.2019) (Relieved on 17.12.2019)
Shri M. R. Kothari, IAS	Key Management Personnel (KMP) (Appointed w.e.f 07.09.2019) (Relieved on 25.09.2019)
Ms. Ardra Agarwal, IAS	Key Management Personnel (KMP) (Relieved on 07.09.2019)
Shri N. A. Dave	Key Management Personnel (KMP)
Shri V. H. Vora	Key Management Personnel (KMP)

B The following transactions were carried out with the related parties in ordinary course of business during the year:

(₹ in lakhs)

Nature of Transaction	Fellow-Subsidiary Company	KMP	Holding Company	Total
Transactions during the year				
Unscheduled Interchange Charges Receivable (DSM)	**376.18**	-	-	**376.18**
	(550.94)	-	-	(550.94)
Gujarat Energy Transmission Company Limited	**376.18**	-	-	**376.18**
	(550.94)	-	-	(550.94)
Unscheduled Interchange Charges Payable (DSM)	**13,060.54**	-	-	**13,060.54**
	(10,800.36)	-	-	(10,800.36)
Gujarat Energy Transmission Company Limited	**13,060.54**	-	-	**13,060.54**
	(10,800.36)	-	-	(10,800.36)
SLDC Charges Paid	**417.34**	-	-	**417.34**
	(123.49)	-	-	(123.49)
Gujarat Energy Transmission Company Limited	**417.34**	-	-	**417.34**
	(123.49)	-	-	(123.49)
Reactive Pool Charges	**9.56**	-	-	**9.56**
	(27.39)	-	-	(27.39)
Gujarat Energy Transmission Company Limited	**9.56**	-	-	**9.56**
	(27.39)	-	-	(27.39)
Electricity Charges	**502.13**	-	-	**502.13**
	(451.30)	-	-	(451.30)
Gujarat Energy Transmission Company Limited	**502.13**	-	-	**502.13**
	(451.30)	-	-	(451.30)
Purchase of Scrap material and Burnt Oil	-	-	-	-
	(73.71)	-	-	(73.71)
Gujarat Energy Transmission Company Limited		-	-	-
	(73.71)	-	-	(73.71)
Purchase of Assest	-	-	-	-
	(0.68)	-	-	(0.68)
Gujarat Energy Transmission Company Limited		-	-	-
	(0.68)	-	-	(0.68)
Reimbursement of Expenses	**10.98**	-	-	**10.98**
	(5.94)	-	-	(5.94)
Gujarat Energy Transmission Company Limited	**10.98**	-	-	**10.98**
	(5.94)	-	-	(5.94)
Sale of Material	**16.58**	-	-	**16.58**
	(20.93)	-	-	(20.93)
Gujarat Energy Transmission Company Limited	**16.58**	-	-	**16.58**
	(20.93)	-	-	(20.93)
Purchase of Power	-	-	**12,89,831.16**	**12,89,831.16**
	-	-	(12,00,168.22)	(12,00,168.22)
Gujarat Urja Vikas Nigam Limited	-	-	**12,89,831.16**	**12,89,831.16**
	-	-	(12,00,168.22)	(12,00,168.22)

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Allocation of Interest	-	-	**124.94**	**124.94**
	-	-	(162.46)	(162.46)
Gujarat Urja Vikas Nigam Limited	-	-	**124.94**	**124.94**
	-	-	(162.46)	(162.46)
Allocation of E-urja Expense	-	-	**273.36**	**273.36**
	-	-	-	
Gujarat Urja Vikas Nigam Limited	-	-	**273.36**	**273.36**
	-	-	-	-
Allocation of General Insurance Premium	-	-	**198.16**	**198.16**
	-	-	(208.09)	(208.09)
Gujarat Urja Vikas Nigam Limited	-	-	**198.16**	**198.16**
	-	-	(208.09)	(208.09)
Purchase of Material	**79.30**	-	-	**79.30**
	(77.95)	-	-	(77.95)
Uttar Gujarat Vij Company Limited	**79.30**	-	-	**79.30**
	(77.95)	-	-	(77.95)
Sale of Material	**208.71**	-	-	**208.71**
	(166.17)	-	-	(166.17)
Uttar Gujarat Vij Company Limited	**208.71**	-	-	**208.71**
	(166.17)	-	-	(166.17)
Allocation of Server Maintenance Expenses	**39.05**	-	-	**39.05**
	-			-
Uttar Gujarat Vij Company Limited	**39.05**	-	-	**39.05**
	-	-	-	
Purchase of Material	**31.11**	-	-	**31.11**
	(125.36)	-	-	(125.36)
Paschim Gujarat Vij Company Limited	**31.11**	-	-	**31.11**
	(125.36)	-	-	(125.36)
Sale of Material	**39.41**	-	-	**39.41**
	(38.33)	-	-	(38.33)
Paschim Gujarat Vij Company Limited	**39.41**	-	-	**39.41**
	(38.33)	-	-	(38.33)
Purchase of Material	**144.56**	-	-	**144.56**
	(187.69)	-	-	(187.69)
Madhya Gujarat Vij Company Limited	**144.56**	-	-	**144.56**
	(187.69)	-	-	(187.69)
Sale of Material	**356.22**	-	-	**356.22**
	(12.68)	-	-	(12.68)
Madhya Gujarat Vij Company Limited	**356.22**	-	-	**356.22**
	(12.68)	-	-	(12.68)
Reimbursement of Expenses	**0.19**	-	-	**0.19**
	(1.40)	-	-	(1.40)
Madhya Gujarat Vij Company Limited	**0.19**	-	-	**0.19**
	(1.40)	-	-	(1.40)
Electricity Charges	**104.12**	-	-	**104.12**
	(100.93)	-	-	(100.93)
Gujarat State Electricity Corporation Limited	**104.12**	-	-	**104.12**
	(100.93)	-	-	(100.93)
Purchase of Material	**12.65**	-	-	**12.65**
	-			-
Gujarat State Electricity Corporation Limited	**12.65**	-	-	**12.65**
	-	-	-	-
Remuneration paid	-	**64.11**	-	**64.11**
	-	(70.88)	-	(70.88)
Shri Yogesh Choudhary	-	**2.92**	-	**2.92**
	-	-	-	-
Shri M.R. Kothari	-	**0.07**	-	**0.07**
	-	-	-	-
Ms. Kshipra S. Agre, IAS		-	-	-
		-	-	-
Ms. Ardra Agarwal,IAS	-	**5.83**	-	**5.83**
	-	(12.72)	-	(12.72)
Shri N.A. Dave	-	**29.50**	-	**29.50**
	-	(31.59)	-	(31.59)
Shri V.H. Vora	-	**25.86**	-	**25.86**
	-	(26.57)	-	(26.57)
Receivable	-	-	**76,215.88**	**76,215.88**
	-	-	(71,866.27)	(71,866.27)
Gujarat Urja Vikas Nigam Limited	-	-	**76,215.88**	**76,215.88**
	-	-	(71,866.27)	(71,866.27)

49 Balance in respect of sundry creditors, sundry debtors, loans and advances (debit / credit) as at 31.03.2020 have been taken as shown in the books of accounts and are subject to confirmation and reconciliation.

The deposit for electrification and service connections are transferred to Consumers' Contribution on finalization of their bills.

The balances under the head Security Deposits from the consumer are subject to reconciliation with the balances as per subsidiary records. As per the practice followed by the Company, interest on Security Deposits is provided only for balances of Security Deposit of regular consumers.

Transactions serviced by GUVNL have been accounted as per the allocation made by GUVNL.

50 Other Disclosure

	FY 2019-20				FY 2018-19			
Consumer Category	**Mus Sold**	**% of Total Mus Sold**	**Revenue (₹ in Lakhs)**	**Average Rate ₹/Unit**	**Mus Sold**	**% of Total Mus Sold**	**Revenue (₹ in Lakhs)**	**Average Rate ₹/Unit**
RGP	3195	16.22	1,84,183	5.77	3011	15.78	1,62,983	5.41
GLP	59	0.30	3,568	6.09	53	0.28	3,102	5.88
LTMD/NRGP	5924	30.08	4,23,170	7.14	5350	28.04	3,70,651	6.93
Industrial HT	9321	47.33	7,08,017	7.60	9454	49.55	6,75,647	7.15
Public Lighting	62	0.31	3,755	6.08	61	0.32	3,559	5.83
Traction Railways	6	0.03	568	8.95	10	0.05	724	7.47
*Irrigation Agriculture	882	4.48	27,270	3.09	908	4.76	28,062	3.09
Public Water Works & sewage pumps**	243	1.23	14,835	6.11	234	1.22	12,661	5.42
Sub Total	**19692**	**100.00**	**13,65,366**	**6.93**	**19080**	**100.00**	**12,57,388**	**6.59**
Sale of Power to GUVNL	-		-				-	-
DSM Charges Revenue	-		-		-		-	-
Sub Total	**19692**		**13,65,366**	**6.93**	**19080**		**12,57,388**	**6.59**
Miscellaneous Recoveries			28,697	0.15			19,506	0.10
Grand Total	**19692**		**13,94,063**	**7.08**	**19080**		**12,76,894**	**6.69**

* Ag. Mus Sold = Metered unit 466 Mus + 416 Mus Un-Metered Unit assessed as per GERC

*Includes Ag. Tariff Compensation ₹ 4244.35+ ₹ 16662.94 Lacs FPPPA

**Includes water works subsidy ₹ 7836.93 Lakhs

51 Units Purchased T&D lossess & Distribution Losses.

Particulars	**2019-20 (Units in Mus)**	**2018-19 (Units in Mus)**
Units Purchased from GUVNL	20860	21042
Units Purchased from Wind Farms & Solar	69	66
DSM units Import	387	356
Sub Total	**21316**	**21464**
Less: DSM Unit export	26	31
Less: Unit Sold to GUVNL	0	
Net Power Purchase Units	**21290**	**21433**
Less: Unit Sold to consumer	19692	19080
Transmission & Distribution losses	**1598**	**2353**
T & D loss (In %)	7.50	10.98

52 Previous year figures have been reclassified and regrouped wherever necessary to confirm to current year's classification.

53 Approval of financial statements

The Standalone Financial Statements were approved for issue by the Board of Directors on 30.09.2020.

Notes 1 to 53 are an integral part of the financial statements
As per our report of even date attached

For Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Samip K. Shah

(Samip K. Shah)
Membership No. 128531

DHIRUBHAI SHAH & CO. LLP FRN: 102511W/W100298 CHARTERED ACCOUNTANTS

For and on behalf of the Board
DAKSHIN GUJARAT VIJ COMPANY LIMITED

(Shahmeena Husain, IAS)
Chairperson
DIN:03584560

(Yogesh K. Choudhary, IAS)
Managing Director
DIN:08641734

(N. A. DAVE)
General Manager (F&A) & CFO

(Viral H. Vora)
Company Secretary

Place : Vadodara
Date : 30.09.2020

Place : Vadodara
Date : 30.09.2020