

UTTRANCHAL JAL VIDYUT NIGAM LIMITED

DIRECTORS' REPORTS

Dear Members,

Your Directors have pleasure in presenting the 1st Annual Report together with the Audited Accounts of the Company for the period ended 31st March 2002.

1. OPERATIONS

The State of Uttaranchal came into existence on 9th November 2001. In accordance to the provisions of the U.P. Reorganization Act, 2000, a separate company was established as Uttaranchal Jal Vidyut Nigam Limited under the Companies Act, 1956 by the Government of Uttaranchal on 12-2-2001 for the purpose of generation of electricity and development of New Hydro Power plants in the State of Uttaranchal. The Nigam took over the financial and administration control of the generation activities of hydroelectric plants in Uttaranchal w.e.f 9-11-2001 in term of Government of India Letter No. 42/7/2000-R&R dated 5-11-2001 by taking over all assets and liabilities of the U.P. Jal Vidyut Nigam limited in the state of Uttaranchal.

2. FINANCIAL RESULTS

The financial performance of the Nigam is summarized below :-

	<u>12-2-2001 to 31-3-2002</u> (Rs. In Lacs)
Turnover	5515.36
Operating profit/(Loss)	1616.41
Add:-Other Income	31.90
Profit/(Loss) Before Interest, Depreciation and Taxes	1648.31
Less:-Interest	300.70
Profit/(Loss) Before Depreciation and Taxes	1347.61
Less:-Depreciation	1712.48
Profit/(Loss) Before Taxes	(364.87)
Less:-Taxation	Nil
Profit/(loss) After Taxes	(364.87)

(NB : This being the first year of the company hence previous year's figures have not been given. The accounts have been prepared for the period from 12-2-2001 to 31-3-2002.)

3. INFORMATION PERSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

(A) As required under, Clause (e) of sub section (1) of section 217 of the Companies Act, 1956 read with Rules 2A, 2B and 2C of the Companies (Disclosure of particulars in the Reports of the Board of Directors) Rules, 1988, status of required disclosure is as under for the period under review.

- (i) Our Company is not a specified Industry as per Schedule of Form -A under rule 2 for disclosure relating to Conservation of energy.
- (ii) The information required in Form -B under rule 2 in respect of Research and Development absorption, adaptation and innovation etc. is NIL and
- (iii) The information relating to Foreign exchange inflow and outflow is NIL

(B) In term of Sub Section 2A of Section 217 of the companies Act, 1956 read with the Companies (Particulars of employees) rules 1975, the Nigam has no employee drawing more than Rs.24,00,000/- per annum or Rs.2,00,000 per month during the period under review.

4. AUDITORS

The C & AG of India appointed M/s I.C. Sanghal & Co. Chartered Accountants as the Statutory Auditors of the Nigam for the period ending 31st March 2002 and for the year 2002-2003.

The Statutory Auditor carried out the Audit for the period ended on 31st March, 2002 ; the C&AG of India has commented upon /supplemented the Audit reports vide letter dated (Annex-A)

Replies of the Management to the Comments are annexed herewith (Annex-B)

5. DIRECTORS

Shri Keshav Desraju ,Shri Indu Kumar Pande and Shri M.C.Joshi were appointed as the first director at the time of the incorporation of the Nigam

Shri. A.B. Giri Joined the Nigam as Chairman & Managing Director, Shri. S.P.Singh as Director(Operation), Shri A.K.Bhadur as Director (Project) and Shri S. Ratnam as Director (finance) as on 7.1.2002,29.10.2001,25.10.2001 and 10.1.2002 respectively.

Shri S.Krishnan ,Shri A.R. Aggarwal were appointed as a Director on 26.3.2002.

6.DIRECTORS'RESPONSIBILITY STATEMENT

The company is in compliance with various accounting and financial reporting requirement in respect of the financial statements for the period under review. Pursuant to section 217(2AA) of the Companies Act, 1956 and in respect of the accounts for the period under review, the Directors hereby confirm that subject to observations and comments of the auditors in Para 1 to 8 of main audit report and annexure thereto , they have :-

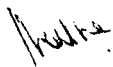
- (i) Followed in the preparation of Annual Accounts, the applicable accounting standards with proper explanation relating to material departures, if any.;
- (ii) Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Nigam as at 31st March, 2002 and its profit for the period ended on that date
- (iii) Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act, so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- (iv) Prepared the Annual Accounts on a going concern basis.

7. ACKNOWLEDGEMENT


The Directors place on record their sincere appreciation of the total commitment, dedication and hard work put in by all the employees of the Nigam.

The Directors further express their deep gratitude and thank the Energy department of the Central and the State Government, Banks, Financial Institutions for their valuable support.

For and on behalf of the Board



(S. Ratnam)
Director (Finance)


(A. B. Giri)

Chairman & Managing Director

Place :- Dehradun

Dated :- 27.09.2005