

Uttarakhand Jal Vidyut Nigam Ltd

BALANCE SHEET AS AT 31st MARCH 2006

Particulars	Schedule	(Amount in Rs)	
		As at 31st March, 2006	As at 31st March, 2005
SOURCES OF FUNDS			
(A) SHARE HOLDERS' FUNDS			
Share Capital	I	3,700,963,000	1,423,145,000
Reserve & Surplus	II	7,779,180,473	7,512,681,594
(B) LOANS FUNDS			
Unsecured Loans	III	8,554,678,149	6,878,152,233
(C) DEFERRED TAX			
Net deferred tax liabilities		171,822,056	179,643,624
TOTAL		20,206,643,678	15,993,622,451
APPLICATION OF FUNDS			
(A) FIXED ASSETS			
Gross Block	IV	7,484,855,895	7,403,961,002
Less: Depreciation		(5,281,870,166)	(5,155,582,597)
Net Block		2,202,985,729	2,248,378,405
Incidental Expenditure during construction period pending capitalisation			
Capital Work In Progress	V VI	142,584,529 14,027,628,486	177,120,659 10,436,452,167
(B) CURRENT ASSETS, LOANS & ADVANCES			
Inter Unit Balances	VII	217,372,575	217,372,575
Stock, Stores & Spares	VIII	54,919,844	68,295,386
Sundry Debtors	IX	2,089,801,452	2,423,694,071
Cash & Bank Balance	X	2,532,793,961	1,665,861,553
Loans & Advances	XI	952,614,797	906,053,041
Total Current Assets		5,847,502,629	5,281,276,626
Less: CURRENT LIABILITIES & PROVISIONS	XII	(2,040,060,797)	(2,174,096,835)
NET CURRENT ASSETS		3,807,441,832	3,107,179,791
(C) MISCELLANEOUS EXPENDITURE			
(To the extent not Written off or Adjusted)	XIII	26,003,102	24,491,429
TOTAL		20,206,643,678	15,993,622,451

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

XXI

Schedules (I to XX) and Accounting Policies & Notes on Accounts (Sch. XXI) form Integral Part of the Accounts

(Signature)
(R.K. Jha)
Company Secretary (r/c)

(Signature)
(C.P. Madan)
DyGM(F&A-O&M)

For and on behalf of the Board of the Board of Directors

(Signature)
(Dr. S.K. Agarwal)
Director(Finance)

(Signature)
(R.P. Thapliyal)
Managing Director

(Signature)
(Yogendra Prasad)
Chairman

Dated: 12th August, 2008
Place: Dehradun



As per our Audit Report
of even date attached.
For, RAG & ASSOCIATES
Chartered Accountants

Date: 06/07/2009
Place: Dehradun

(Signature)
Raghvendra
(Partner)

UTTARAKHAND JAL VIDYUT NIGAM LTD

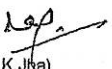
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31st MARCH 2006


Particulars	Schedule	Current Year	Previous Year
INCOME			
Sale of Power	XIV	2,659,054,785	2,335,850,153
Other Income	XV	73,355,498	78,520,811
TOTAL		2,732,410,283	2,414,370,964
EXPENSES			
Royalty & Cess		1,277,081,851	1,155,277,827
Fuel Cost		8,132,249	6,345,713
Repairs & Maintenance	XVI	273,326,207	418,117,741
Employees Remuneration and Benefits	XVII	546,577,574	551,928,275
Administrative & General expenses	XVIII	105,441,730	102,002,964
Depreciation	IV	103,512,855	94,004,215
Interest & Other Charges	XIX	86,290,358	71,500,179
TOTAL		2,400,362,824	2,399,176,914
Net Profit/(Loss) before Prior Period Items		332,047,459	15,194,050
Less :- Net Prior Period Adjustments	XX	9,759,156	(1,720,064)
Less :- Provision of Deferred Tax Liability/(Assets)		(7,821,568)	10,523,873
Less :- Provision of Fringe Benefit Tax		1,967,644	-
Profit/(Loss) before tax		328,142,227	6,390,241
Provision for Income tax		27,120,561	1,326,278
Profit/(Loss) after tax		301,021,666	5,063,963

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

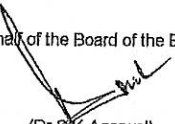
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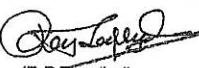
Schedules (I to XX) and Accounting Policies & Notes on Accounts (Sch. XXI) form Integral Part of the Accounts



(R.K. Jha)
Company Secretary (J/L)


(C.P. Madan)
DyGM (F&A-O&M)

For and on behalf of the Board of the Board of Directors


(Dr. S.K. Agarwal)
Director (Finance)


(R.P. Thapliyal)
Managing Director


(Yogendra Prasad)
Chairman


Dated : 12th August, 2008
Place : Dehradun



As per our Audit Report of
even date attached.

For, RAG & ASSOCIATES
Chartered Accountants

Date: 06/07/2009
Place: Dehradun.


Raghvendera
(Partner.)

UTTARAKHAND JAL VIDYUT NIGAM LTD

SCHEDULE - I

SCHEDULES TO THE ACCOUNTS

Particulars	(Amount in Rs)	
	As at 31st March, 2006	As at 31st March, 2005
SHARE CAPITAL		
A. AUTHORISED		
8000000 Equity Shares of Rs. 1,000 each (Previous Year 3000000 Equity Shares of Rs. 1000/ each)	8,000,000,000	3,000,000,000
B. ISSUED, SUBSCRIBED & PAID UP		
2518963 Equity Shares of Rs. 1000/- each (Previous Year 50000 Equity Shares of Rs. 1000/ each)	2,518,963,000	50,000,000
C. SHARE DEPOSIT ACCOUNTS		
Development Fund pending allotment of Equity Shares)	1,182,000,000	1,373,145,000
TOTAL	3,700,963,000	1,423,145,000

SCHEDULE - II RESERVE & SURPLUS

Particulars	(Amount in Rs)					
	Opening Balance As at 01-04-05	Additions during the year	Deductions/Adjust ment	Refunded during the year	Depreciation	Closing Balance As at 31-03-2006
A) CAPITAL RESERVE						
(i) Capital Grant & Subsidies	667,576,901	4,000,000	104,895,729	713,000	-	565,968,172
(ii) Capital Reserve for Assets acquired out of Capital Grants & Subsidies	482,268,540	86,958,729			19,872,787	549,354,482
B) DIFFERENCE BETWEEN ASSETS & LIABILITIES (UNDER THE TRANSFER SCHEME)	6,509,150,994					6,509,150,994
(C) PROFIT AND LOSS ACCOUNTS	(146,314,841)	301,021,686				154,706,825
	7,512,681,594	391,980,395	104,895,729		19,872,787	7,779,180,473



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	As at 31st March, 2006	As at 31st March, 2005
SCHEDULE III		
UNSECURED LOANS		
From Life Insurance Corporation (Note-1)	437,804,300	437,804,300
From Power Finance Corporation (Guaranteed By Govt. of Uttarakhand)	7,739,212,040	5,850,191,746
From State Government		
(i) State Govt. Loan provisionally acquired from UPJVNL	50,500,000	50,500,000
(ii) GOU Loan	-	200,000,000
(iii) APDP Loan(Note-2)	36,960,750	37,942,000
(iv) PMGY Loan(Note-3)	1,876,250	1,937,500
Interest Accrued and due on Unsecured Loans(Note-4)	288,324,809	299,776,687
TOTAL	8,554,678,149	6,878,152,233

Note-1 :- Loan from Life Insurance Corporation shown as Unsecured Loan , pending finalisation of the loan amount and terms & conditions.

Note-2 :-Principal amount due but not paid as on 31-3-2006 is Rs.NIL. Principal amount due within one year Rs.9,81,250/-

Note-3 :-Principal amount due but not paid as on 31-3-2006 is Rs.Nil . Principal amount due within one year Rs.50,000/-

Note-4 :-Detail of Interest Accrued and due on unsecured Loans as follows

	As At 31-3-2006	As At 31-3-2005
Interest Payable LIC Loan	255,255,451	186,574,399
GOU (MB-II) Loan	-	42,137,534
GOU (SHP) Loan	-	44,633,972
State Govt. Loan provisionally acquired from UPJVNL	28,814,045	22,249,054
Others	4,255,313	4,181,728
	288,324,809	299,776,687



UTTARAKHAND JAL VIDYUT NIGAM LTD

SCHEDULE IV - FIXED ASSETS

Particulars	Opening Balance	G R O S S B L O C K		D E P R E C I A T I O N		W D V	
		Additions during the Year	Adjustments	For the year	Adjustments	As at 31-Mar-2006	As at 31-Mar-2005
Land And Land Rights	14,545,703	-	-	-	-	14,545,703	14,545,703
Lease Hold Land	2,550,741	23,270	-	254,474	-	2,574,011	2,550,741
Temporary Building	4,409,846	-	-	4,249,798	-	160,048	414,522
Building 5%	76,202,732	95,271	-	93,945,148	-	42,562,955	44,528,177
Buildings Plant	487,070,838	932,727	-	193,371,431	-	294,632,134	310,255,815
Hydraulic Works	3,916,827,239	782,508	-	75,875,129	-	1,181,500,873	1,266,593,494
Other Civil Works	81,256,970	-	-	2,453,109	-	38,809,418	41,282,527
Plant And Machinery	2,567,130,658	54,883,952	-	42,447,552	-	486,377,279	445,065,672
Lines Cables, Net Works etc.	86,927,848	700	-	61,352,620	-	67,524,205	25,275,228
Vehicles	26,430,144	11,128,344	-	14,862,033	-	19,328,238	18,230,280
Furniture And Fixtures	10,294,939	7,494,044	-	3,593,122	-	4,556,275	13,232,368
Office Equipments	7,100,498	2,418,801	-	953,153	-	4,643,147	4,875,952
Capital Spares At Generating Stations	10,992,212	-	-	4,277,640	-	6,984,482	1,907,730
Tools & Tackles	5,010,536	1,181,477	-	373,922	-	9,894,482	2,822,858
Electric Equipments	1,609,199	1,78,236	-	641,984	-	1,108,309	5,053,704
Electric Installation	109,845	-	-	118,481	-	235,329	1,492,106
Camp Equipments	6,839	-	-	9,051	-	9,051	109,845
Survey Equipments	1,927,520	-	-	6,492	-	6,492	397
Books & Periodicals	7,148	400	-	124,321	-	217,340	1,710,180
Sign Boards	900	-	-	777	-	4,655	2,593
Steel Shuttering	1,192,891	-	-	4216	31	808	92
Wooden Frames	19,389	-	-	1,192,891	-	1,192,891	-
Wireless Sets	455,217	-	-	19,389	-	19,389	-
Computers	20,385,959	2,261,543	-	409,696	-	409,696	45,521
Sobha-1	76,274,653	-	-	22,647,502	-	5,890,994	16,956,508
HO Fixed Assets (Share of UJVN in Fixed assets of HO UJVN at WDV)	5,520,828	-	-	21,837,646	-	21,837,646	54,437,007
Total	7,403,961,002	81,161,073	266,180	7,484,865,895	126,287,559	5,281,870,166	2,202,985,729
Previous Year	7,089,375,408	315,708,023	1,122,429	7,403,961,002	5,040,960,003	114,622,594	5,155,862,597
							2,248,378,405
							2,048,415,405

1. No depreciation has been charged on Fixed Assets of Sobha-1 project damaged by Flood in 2000-01 as it is under rehabilitation
 2. No depreciation has been charged on HO assets of UJVN likely to be transferred as per Central Government order for want of details
 3

SHP LHP Balance carry forward to Balance Sheet and P&L A/C

Dep. Transferred to Capital Reserves	15641509	4,231,278	19,872,787
Dep. Transferred to Incidental Exp.	1395019	1,506,908	2,901,927
Dep. Transferred to P/L A/C	10175343	99337512	103,512,855
Total Depreciation	27211871	99075698	126,287,559



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs)	
	As at 31st March, 2006	As at 31st March, 2005
SCHEDULE V		
<u>INCIDENTAL EXPENDITURE DURING CONSTRUCTION PERIOD PENDING CAPITALISATION</u>		
<u>EXPENDITURE UPTO LAST YEAR</u>		
Opening Balance	177,120,659	196,380,703
Add :- Prior Period Adjustment	538,292	274,649
	177,658,951	196,655,352
EXPENDITURE DURING THE YEAR :		
Employee Cost	78,020,506	52,704,989
Repairs & Maintenance	8,211,057	9,082,106
Other Administrative Overhead		
Rent	178,693	257,113
Electric & Water Charges & Other taxes	490,556	75,173
Printing & stationary Charges	612,378	483,245
Bank Charges	77,519	18,533
Travelling Expenses.	3,162,511	2,195,826
Advertisement & Publicity	1,414,795	380,238
Stock handling Expenses.	5,498	3,358
Legal Charges	998,350	41,626
Insurance charges	48,448	1,492,236
Conveyance & taxi Hire Charges	1,642,305	632,105
Consultancy Charges	32,054	561,004
Entertainment Expenses.	245,971	123,489
Postage & Telephone etc.	1,102,895	776,472
Miscellaneous Expenses.	4,205,944	2,184,327
Stores Adjustment Expenses.	-	119,940
Depreciation (Schedule-IV)	2,901,927	1,566,850
Total Expenses For the year	103,351,407	72,698,630
Less:		
Tender fee	821,756	60,550
Miscellaneous Receipts	24,467,429	16,411,258
Interest Receipts	57,164,310	25,735,919
Total (Income)	82,453,495	42,207,727
Net Expenses for the year	20,897,912	30,490,903
TOTAL INCIDENTAL EXPENSES DURING CONSTRUCTION PERIOD	198,556,863	227,146,255
Less :		
Expenses Capitalised to projects	-	17,948,167
Adjustment for Capital Grant	17,937,000	-
Expenses Transferred to P/L A/C	38,035,334	32,077,429
AMOUNT CARRIED FORWARD	142,584,529	177,120,659



UTTARAKHAND JAL VIDYUT NIGAM LTD

SCHEDULE-VI

CAPITAL WORK IN PROGRESS

(Amount in Rs.)

PARTICULARS	As At 1-4-2005	Additions the Year	During	Adjustment	Capitalisation During the Year	As at 31-3-2006
(A) Large Hydro Projects						
1. Opening Balance of CWIP From UPJVNL	3,527,151,269		-	-	-	3,527,151,269
2. Hydraulic Works	740,600		-	-	-	740,600
3. Plant & Machinery	1,547,705,255		914,457,841	-	41,004,985	2,421,158,111
4. Building & Civil Work	4,403,161,339		1,865,955,764	-	-	6,269,117,103
5. Interest During Construction Period	656,713,774		533,265,620	-	-	1,189,979,394
6. Other	151,341,289		309,365,461	-	-	460,706,750
Total(A)	10,286,813,526		3,623,044,686	-	41,004,985	13,868,853,227
(B) Small Hydro Projects						
	149,638,641		9,136,618	-	-	158,775,259
Grand Total (A+B)	10,436,452,167		3,632,181,304	-	41,004,985	14,027,628,486



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs)	
	As at	
	31st March, 2006	31st March, 2005
SCHEDULE VII		
INTER UNIT BALANCES		
TOTAL	217,372,575	217,372,575
	<u>217,372,575</u>	<u>217,372,575</u>
SCHEDULE VIII		
STOCK, STORES AND SPARES		
Stock Stores & Spares (Included With Contractors)	54,919,844	68,295,386
TOTAL	54,919,844	68,295,386
	<u>54,919,844</u>	<u>68,295,386</u>
SCHEDULE IX		
SUNDRY DEBTORS		
More Than Six month old (Unsecured Considered Good)	1,801,745,183	1,813,122,976
Others (Unsecured Considered Good)	288,056,269	610,571,095
TOTAL	2,089,801,452	2,423,694,071
	<u>2,089,801,452</u>	<u>2,423,694,071</u>
SCHEDULE X		
CASH & BANK BALANCES		
Cash in Hand incl. PI & TI etc.	244,645	408,188
Balances with Schedule Bank in Current Account	187,427,377	483,707,216
Balances with Banks in FDR A/C	2,005,098,918	1,165,240,360
Cheques In Transit	340,023,021	16,505,789
TOTAL	2,532,793,961	1,665,861,553
	<u>2,532,793,961</u>	<u>1,665,861,553</u>



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs.)	
	As at 31st March, 2006	As at 31st March, 2005
SCHEDULE XI		
<u>LOANS AND ADVANCES</u>		
Amount Recoverable in cash or in Kind(Considered Good) (Includes Rs.5.59 Cr prior to 9-11-01)	337,707,676	284,991,775
GPF Trust -UJVNL	-	23,016,811
Advance for Income Tax	261,898,371	261,898,371
Advance FBT	1,205,020	-
Others(Considered Good) (Includes Rs.28.04 Cr prior to 9-11-01)	314,168,093	294,380,012
Interest Accrued on FDR's with Banks	37,635,637	41,766,072
TOTAL	952,614,797	906,053,041
SCHEDULE XII		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
UPSEB Period Liabilities	166,184,425	166,184,425
Sundry Creditors for Capital works	-	-
(a) Due to SSI	-	-
(b) Dues Other than SSI	21,933,163	7,041,407
Sundry Creditors for O&M works	21,933,163	7,041,407
(a) Due to SSI	-	-
(b) Dues Other than SSI	93,078,698	106,234,259
Other Liability (Includes Rs.30.71 Cr prior to 9-11-01)	93,078,698	106,234,259
Staff Related Liability	359,107,129	348,889,620
Gratuity Liability as per Actuarial Valuation	10,329,102	10,109,317
Provision for Expenses	10,775,563	-
Deposit for Electrification	37,832,316	49,483,381
Advance for PFR	1,616,465	1,610,693
CPA Amount Payable	20,475,000	20,775,000
Security Deposit from Consumer	-	1,587,745
Consumer Contribution for Capital Expenditure	963,501	863,760
Trust Related Liabilities-Lucknow	684,145	652,043
GPF Trust -UJVNL	25,110,933	25,110,933
Guarantee Fees and other Charges Payable to GOU	2,017,570	-
Cess & Royalty payable to GOU	79,582,417	112,838,215
Provision for taxation	147,012,568	307,654,268
Provision for Fringe Benefit Tax	45,335,307	18,214,746
Terminal Benefits Reserves Fund	1,967,644	-
Renovation & Mordernisation Fund	84,000,000	84,000,000
Interest Accrued but not due	781,653,703	824,922,039
	150,401,148	87,924,984
TOTAL	2,040,060,797	2,174,096,835
SCHEDULE XIII		
<u>MISCELLANEOUS EXPENDITURE</u>		
<u>To the extent not Written Off</u>		
Survey & Investigation	26,003,102	24,491,429
TOTAL	26,003,102	24,491,429



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
SCHEDULE XIV		
<u>Sale Of Power</u>		
Sale Of Power	2,659,054,785	2,335,850,153
TOTAL	2,659,054,785	2,335,850,153
 SCHEDULE XV		
<u>OTHER INCOME</u>		
Sale of Tender Forms	2,576,298	3,668,940
PFR Income	-	9,800,000
Miscellaneous income.	12,949,039	2,575,486
Revenue Grant for RLA Studies	4,722,881	-
Interest on Bank Deposit	48,021,580	58,841,549
Delay Payment Charges	205,831	-
Recoveries for Transport facility	201,481	380,298
Inspection/Guest House Receipts	15,220	10,950
Rent from Staff.	1,088,245	489,307
Rental from Contractors	19,407	67,468
Excess found on physical verification of stores	111,729	275,857
Penalty from Contractors & Suppliers	3,443,787	2,410,956
TOTAL	73,355,498	78,520,811



UT TARA KHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
SCHEDULE XVI		
REPAIRS & MAINTENANCE		
Repairs & Maintenance		
- Civil Work	100,963,042	247,533,826
- Plant & Machinery	165,857,167	167,094,756
- Others	6,505,998	3,489,159
Total	273,326,207	418,117,741

SCHEDULE XVII
EMPLOYEES REMUNERATION AND BENEFITS

Salaries, wages and allowances	414,657,597	390,221,108
Gratuity & Pension	59,437,177	87,473,730
Leave Encashment	21,160,593	24,299,239
Bonus	3,941,846	4,239,465
Medical Reimbursement	4,259,004	3,581,972
Interest paid to GPF Trust	36,357,640	35,155,776
Other Staff welfare expenses	6,763,717	6,956,985
Total	546,577,574	551,928,275



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
SCHEDULE XVIII		
OTHER ADMINISTRATION OVERHEAD		
Rent Rates Taxes	285,294	600,815
Insurance	552,026	11,302,903
Telephone & Trunk Calls	3,378,153	2,806,355
Postage & Stamps	283,407	498,830
Legal Charges	16,806,777	16,330,587
Auditor Remuneration	130,000	130,000
Technical & Other Consultancy Charges	8,711,162	5,104,972
PFR Exp	2,374,432	4,284,128
Freight Charges	81,400	75,368
Advertisement Of Tender	991,334	960,354
Conveyance expenses	24,184	473,743
Travelling Expenses	6,608,424	6,659,402
Vehicle Running Expenses	3,287,308	5,252,139
Reimbursement of Local outdoor Expenses	572,588	413,498
Licences & Registration Fees	127,356	328,605
Books & periodicals	208,805	202,622
Printing & Stationery	3,831,735	3,910,137
Advertisement Other	4,304,451	2,238,212
Electricity Charges	384,902	334,364
Entertainment	178,024	273,827
Miscellaneous Expenses	4,824,178	4,493,725
Incidental Stores Expenses	-	17,023
Recruitment & Training Expenses	1,990,803	1,254,084
Fees & Subscription	4,952,650	589,923
Security Expenses	2,517,003	1,389,919
Administrative Overhead of SHP	38,035,334	32,077,429
	105,441,730	102,002,964



UTTARAKHAND JAL VIDYUT NIGAM LTD

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
SCHEDULE XIX		
INTEREST AND OTHER CHARGES		
(A) Interest		
Interest on LIC Loan	68,681,052	61,875,857
Interest on State Govt. Loan	6,565,000	6,565,000
Interest on NABARD Loan	-	2,980,182
Rebate on LC	10,967,894	-
(B) Other Financial Charges		
	76,412	79,140
Total	86,290,358	71,500,179
SCHEDULE XX		
PRIOR PERIOD ADJUSTMENT		
PRIOR PERIOD EXPENSES		
Repairs & Maintenance	331,828	
Employee Cost	3,602,159	
Gratuity & Pension-Actuarial liability up to 31-3-2005	7,426,935	
Administrative & General Exp.	2,255,327	
	13,616,249	7,638,801
PRIOR PERIOD INCOME		
CPA Amount write back	1,587,745	
Excess Provision written Back	2,269,348	
	3,857,093	9,358,865
Total	9,759,156	(1,720,064)



UTTARAKHAND JAL VIDYUT NIGAM LTD (UJVNL)

SCHEDULE- XXI

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Accounting

- The financial Statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles using accrual method of accounting unless otherwise stated.

2 Fixed Assets

- (i) Fixed Assets are stated at historical cost of acquisition less depreciation. Cost of acquisition is inclusive of all taxes, duties and other direct expenses incurred up to the stage of commissioning of the assets.
- (ii) Financing cost directly identifiable to a particular asset is added to the cost of such asset.
- (iii) Fixed Asset acquired out of grant & subsidies stated at historical cost and depreciation on assets so acquired is charged against "Capital Reserve for fixed Assets acquired out of grant and subsidies"
- (iv) The transfer scheme between UPJVNL and UJVNL is yet to be finalized, therefore the fixed assets located in Uttarakhand have been booked in the accounts as per the figures of un-audited accounts of UPJVNL in pursuance to GOI order dated 05/11/2001.

3 Capital Work in Progress

Project under commissioning and other capital work in progress are carried at cost. Financing cost other than directly identifiable to a particular asset and direct revenue expenditure incurred during construction period on new projects is treated as expenditure during construction and is allocated to the relevant fixed assets at the time of capitalization.

4. Incidental Expenditure during Construction

- (i) The Indirect Expenditure being incurred on Large & Medium Hydro Projects during construction period at Divisions are accumulated till the completion of the projects and allocated to Fixed Assets on completion of the same.



- (ii) The indirect Expenditure on small Hydro Construction projects are allocated as below:-

Employee cost

- Employee cost of Division / Circle - is allocated between Projects under construction and Projects in generation related to that Division / Circle on the basis of manpower deployed.
- Employee cost of Projects in generation as allocated above is apportioned to different generating Projects in the ratio of their generating capacity.

Operation & Maintenance Cost

- Overhead Cost of SHP at HO is allocated @ 1% of total cost to each Projects under construction and balance under Projects in generation.
- Operation & Maintenance Cost of Division / Circle – allocated @ 2.5% of total cost to each Projects under construction and balance under Projects in generation related to that Division / Circle.
- Operation & Maintenance Cost of Projects in generation as allocated above is apportioned to different generating Projects in the ratio of their generating capacity.

5. Depreciation

- (i) Depreciation on Fixed Assets of Large, Medium Hydro Projects and Small Hydro Projects including transferred from erstwhile UPSEB has been charged as per rates notified by Central Government under the Electricity (Supply) Act, 1948 on Straight Line Method. Where no rates are prescribed under the Electricity (Supply) Act, 1948, the rates as prescribed under the Companies Act 1956 have been applied.
- (ii) No depreciation is charged on Fixed Assets of the damaged projects.
- (iii) Depreciation on fixed Assets acquired out of grant & subsidies is charged against "Capital Reserve for fixed Assets acquired out of grant and subsidies" as per rates notified by Central Government under the Electricity (Supply) Act, 1948 on straight line method.

6. Inventories

Inventories of Stores & Spares, Construction material and other consumables held for internal use are generally valued at cost.

7. Miscellaneous Expenditure.

- (i) Miscellaneous Expenditure includes expenses of Survey of new Schemes and preliminary expenses to the extent not written off.
- (ii) Expenses on survey of new schemes are allocated to the various Capital Assets of concerned viable Project.



- (iii) Expenses on survey of new schemes are written off and charged to revenue in case the scheme is declared unviable.

8. **Grants & Subsidies**

- (i) The Government grant/subsidies received for construction of Small Hydro Projects, Renovation, Modernization & Up-gradation of LHP/MHP and preparing of Pre Feasibility reports of new schemes are shown under the heading "Capital Reserve" and an amount equivalent to the depreciation on such running projects is charged against the capital reserve so created.
- (ii) Revenue Grant is recognized as income during the year in which the expenses funded by the grant are incurred

9. **Employees Retirement Benefits**

For Employees of erstwhile UPSEB on deputation / transferred / merged

- (i) Encashment of leave, Gratuity and Pension of employees retired before March, 2004 have been accounted for on Cash Basis.
- (ii) Government of Uttarakhand had taken over the liabilities for Gratuity & Pension w.e.f. March 2004 against payment of 19.08% of the Basic Salary & Dearness Allowance and same has been account for on accrual basis.

For other Employees

- (i) Gratuity in respect of employees concerned under Employees Provident Fund & Miscellaneous Provisions Act, 1952 have been accounted for on the basis Actuarial valuation. The said valuation is based on Projected Unit Credit Method.
- (ii) The provision for unfunded gratuity liability up to March 31st ,2005 amounting to Rs.74.26 lacs has been made by charging it through the prior year adjustment account.
- (iii) Encashment of leave is accounted for on cash basis.

10. **Revenue Recognition**

- (i) The sale of power from Nine Large Power Plants to Uttarakhand Power Corporation Limited (UPCL) is accounted for at the average tariff rates @ 37.87 paisa per unit in terms of order issued by UERC on 14-3-2007 and royalty @ 10 paisa per unit & Cess @ 33 paisa per unit in accordance with the settlement talks with UERC.
- (ii) The sale of power from two Medium Power Plants to UPCL is accounted for at the adhoc tariff rates @ 37 paisa per unit and royalty @ 10 paisa per unit & Cess @ 33 piasa per unit.
- (iii) The sale of power from Small Hydro Plants to UPCL is billed at the predetermined rate of Rs. 1.70 per unit up to 30th September,2005 and thereafter @ 38.69 paisa per unit as per UERC order on ARR of UPCL.



- (iv) The power sold to Himachal Pradesh State Electricity Board is accounted for @ 37 paisa per unit as per HPERC interim order dated 25-5-2005.
- (v) Direct supply of power to consumers excluding Irrigation staff posted at units' colony/ distribution area is billed at retail tariff rates of UPCL for distribution of power.
- (vi) The revenue recognition of the surcharge on delayed payment of electricity bills is being accounted for on cash basis.
- (vii) The value of waste and scrap is accounted for on actual realization basis.

11. **Borrowing Cost**

Borrowing costs attributable to the acquisition, construction / renovation, modernization and up gradation of fixed assets up to the date of commercial operation are capitalized as a part of cost of such assets. Other borrowing costs are recognized as expenses of the period in which they are incurred.

12. **Generation**

Own consumption of power on account of Streetlight, Utilities, Office premises, Clubs, Inspection Houses owned by Nigam is treated as Own consumption and is reduced from generation.

13. **Taxes On Income**

Current Tax is determined as the amount of tax payable in respect of Taxable Income for the period.

Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent accounting periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realized.



B. NOTES ON ACCOUNTS

1. Opening Balances as on 9/11/2001:

The company was incorporated on 12/2/01 by Uttarakhand Government for managing & undertaking hydropower projects in the State of Uttarakhand. Central Government vide its order dated 5/11/01 transferred all hydro power plants located in the State of Uttarakhand to Uttarakhand Jal Vidyut Nigam .The company took the financial & administrative control of the plants immediately with effect from 9-11-01, however Transfer Scheme for transfer of balances of assets & liabilities has not yet been finalised. In absence of any final transfer scheme, Nigam has derived its provisional opening balances, on the basis of information available with it, to complete its accounts and differences if any between provisional opening balances so incorporated and final opening balances as per final Scheme of Transfer will be accounted for in the year the Final Transfer Scheme is approved by the Government. The provisional opening balances incorporated in accounts as on 9-11-01 are given below: -

Sl.No	Particulars		Amount (in Rs.)
1	Fixed Assets & CWIP		
1.1	Gross Fixed Assets (LHP & HO)	6,29,22,95,700	
1.2	Gross Fixed Assets (SHP)	52,81,99,100	
1.3	Depreciation Reserve Fund	(-) 4,73,11,30,791	
1.4	Net Fixed Assets (1.1 +1.2-1.3)		2,08,93,64,009
1.5	Capital work in progress		3,82,58,37,136
1.6	Incidental Expenditure		16,37,43,291
2.	Current Assets		
2.1	Stock Stores & Spares	1,03,61,033	
2.2	Sundry Debtors	1,59,47,71,043	
2.3	Cash incl. PI&TI	7,07,622	
2.4	Bank Balances	2,73,44,679	
2.5	Loan & Advances	36,27,99,637	
2.	Total Current Assets	1,99,59,84,014	
	Less:		
3	Current Liabilities		
3.1	Liabilities of SHPs & HO	4,23,82,384	
3.2	Other Liabilities & Provisions	28,26,15,190	
3.3	Liability (UPPCL) A/c	2,45,29,069	
3.4	Deposit for Electrification	11,87,431	
3.5	Security Deposit from Consumers	4,92,612	
3.6	UPSEB period liabilities	18,86,21,071	
3.7	Consumer Contribution grant	5,02,811	
3	Total Current Liabilities	54,03,30,568	
4	Net Current Assets (2-3)		1,45,56,53,446
5	Inter Unit Balances		21,73,72,575
6	Misc. Exp. (Survey & Investigation)		1,77,57,618
	Total Assets		7,76,97,28,075

7	Liabilities		
7.1	Capital Reserve (subsidy)		77,15,18,648
7.2	Reconstruction Reserves (Diff. of Assets - Liabilities including Capital Reserves)		6,50,99,05,127
8.1	Secured Loan from LIC	40,31,84,800	
8.2	Overdue principal (LIC)	3,46,19,500	43,78,04,300
9	State Govt. Loan		5,05,00,000
	Total Liabilities		7,76,97,28,075

As per Central Government Order dated 5-11-01, all fixed Assets located in the state of Uttaranchal stand transferred to UJVNL. Since unit wise cost & depreciation details of fixed assets were not available in the records of erstwhile UPSEB, the aggregate fixed assets value (Original Cost & Cumulative Depreciation) as per the accounts of UPJVNL have been apportioned in the ratio of (2:1) of generation capacity transferred to UJVNL & UPJVNL. Wherever the Central Government Order is silent, the same have been divided in the ratio of capacity. However in case of Small Hydro Division, actual balances as appearing in books of accounts of the units transferred to UJVNL have been merged in books.

The difference between Assets & Liabilities likely to be transferred has been treated as Difference between assets & Liabilities (under the Transfer Scheme) and has been shown under Capital Reserve in the balance sheet.

Nigam received a letter No.562/1104-04(3)/20/2003 dated 12.04.2006 from under secretary Uttarakhand government providing draft provisional Balances of Assets and Liabilities proposed to be transferred to UJVNL. The figures as provided vide the said letter of Director (Finance), UPPCL have neither been audited nor details of various balances were provided. UJVNL collected Audited Balance Sheet for the F.Y. 2001-02 from UPJVNL which reflected balances of Assets and Liabilities transferred to UJVNL. In the absence of detail and supporting evidence of proposed balances of Assets and Liabilities as per Audited Account adjustment of such differences could not be incorporated.

2. Contingent Liabilities.

Sl.No.	Particulars	2005-06	2004-05
1	Claims lodged by Contractors/ Suppliers against Dept. of Irrigation (Construction Agency) not acknowledged by the Nigam.	Rs. 100.00 Crores	Rs. 100.00 Crores
2	Estimated value of contracts remaining to be executed on Capital Account and not provided for	Rs.57.28 Cr. (UJVNL) NA (ID)	Rs. 676.77 Crore.
3	Disputes with Employees (matter subjudice)	Nil	Nil
4.	Claim lodged pending in different Courts.	Rs.1.61 Crores	Rs.1.10 Crores
5.	LIC Loan	Rs.308.81 Crore	Rs. 308.81 Crore
	Interest @ 11% on LIC Loan (Not Accepted By the Management)	Rs.179.22 Crore	Rs. 131.75 Crore
6	Trade Tax Liability	Rs. 13.90 Lacs	Rs.13.90 Lacs
7	Income Tax Liability (Excluding Interest u/s 194)	Rs. 60.05 Crores	Rs. 60.05 Crores

	220(2) of IT Act)	Crores	
8.	Liability for Guarantee fees payable to GOU on delayed payments	Rs. 11.06 Crores	Rs.11.06 Crores

3. The balances of suppliers, Contractors, Government Departments etc under the Current Assets, Loans and Advances and Current Liabilities are subject to confirmation and reconciliation. In case of balances transferred from erstwhile UPSEB to UPJVNL in respect of staff advances, Sundry Creditors Account, Loans & Advances, Current Assets & Provisions, Fixed Assets and other loans and liabilities, the individual item wise details/ lists were not provided in the transfer scheme hence the same are not available with the Nigam.
4. In case of SHP, Liquidated damages recovered from contractors on account of delays etc, in execution of work as per agreed Schedule, have been for the time being kept under the head current liabilities pending final decision(s) by management in respect of time extension(s)/
5. Advances due from Directors of Nigam as at the end of the year was Nil (Previous Year Nil). Maximum balance due from Directors during the year was Nil (Previous Year Nil).
6. The debit balance of Rs.21.74 crores appearing against Inter Unit Accounts relates to the opening balances prior to 9-11-01, i.e. the date of transfer of hydro power units to UJVNL.
7. Utilization Statement of Grant & Subsidies

(Amount In lacs)						
S.No.	Particulars	Opening Balance as on 1-4-2005	Received During the year	Utilization	Refunded during the year	Closing Balance as on 31-3-2006
		A	B	D	E	F=(A+B-C-D-E)
1.	Opening Grant from UPJVNL	5139	--	--		5139
2	MNES Grant for Assi-Ganga I,II,III Project	189	--	137		52
3	PMGY Grant for Rural Electrification	18	--	18		--
4	APDP Grant for RMU	1140	--	714		426
5.	Grant/ Subsidies - PFR	189	40	179	7	43
	Total	6675	40	1048	7	5660



8. Un-secured Loans include Rs. 43.78 crores being 10% of the LIC loan of Rs. 437.80 crores taken by erstwhile UPSEB and transferred to Uttar Pradesh Jal Vidyut Nigan Ltd.(UPJVNL) by the Govt. of Uttar Pradesh vide its notification dated 25/1/2001. UPJVNL has proposed to transfer the said loan to UJVNL has been disputed by UJVNL as those were not project specific and hence liability of UJVNL can at best be limited to 10% as per Central Government Order dated 5-11-01. Subsequently, Central Government vide its order dated 2-9-2005 has order allocation of Rs. 352.59 Crore as total liability against HEP Project transferred to Uttarakhand state. The effective amount of Rs. 308.81 crore (Rs. 352.59 crore - Rs. 43.78 crore) and provisional interest of Rs.179.22 crore thereon have not been accounted for in the books of accounts, as the same is disputed.
9. Interest Payable on Un-secured Loans include Rs.26.51 crores being Interest payable to LIC on term loan, which UPJVNL had proposed to transfer to UJVNL, which has been disputed by UJVNL for the reasons already explained in note no. 8 above.
10. Loans & Advances (Others) include Rs. 26.51 crores being share of UJVNL receivable in Cash & Bank Balances of Head Office, UPJVNL as on 9-11-2001.
11. Interest has been provided on opening balances of Employees GPF Trust Liability as per books of accounts of GPF trust-UJVNL.
12. The Sale of power does not include the Capacity Charges, Deemed Generation Charges and Capacity Index Incentives amounting to Rs.6.67 Crores as the same is not admitted by UERC.
13. An amount of Rs. 4,32,68,336/- on account of upward revision of tariff of 9 LHP of UJVNL vide UERC order dated 14-3-2007 has been adjusted out of the accumulated balance of Renovation Modernization Fund according to the settlement between UJVNL and UERC. Balance of Rs.78,16,53,703/- has been credited to Profit & Loss Accounts in the financial year 2006-07 in view of facts that UERC has not allowed to make any truing up exercise till financial year 2006-07 in the above referred settlement talk.
14. Borrowing cost capitalized during the year under Capital work in Progress amounts to Rs.53,32,65,620/-.
15. Sobla project was partly washed out by flood on 8-6-2000 and loss incurred at the time of wash out of the projects had already been booked prior to 9-11-2001 i.e.(Before division of Assets and liability between UJVNL & UPJVNL) and amount shown in the balance Sheet is the residual value of Assets. Sobla project is not a going concern and no depreciation has been charged since it is under rehabilitation
16. Names and Relationships of the Related Parties:
 - i. **Subsidiary Companies:**
Nil
 - ii. **Associate Concerns / Trusts / Companies / Joint Venture:**
Nil
 - iii. **Key Management Personnel:**
 - a. Mr.Awadh Bihari Giri, C & MD
 - b. Mr.R. Misra, Director (Finance)
 - c. Mr.S.P.Singh, Director (Operations)
 - d. Mr.A.K.Bahadur, Director (Projects)
 - e.Mr.Ranjit Lal, Executive Director (Human Resource)



iv. Relative of Key Management Personnel:

Nil

17. Transactions with the related parties during the year:

Transaction with Related Parties	Subsidiary Companies	Associated Concern / Trust / Joint Venture	Key Management Personnel	Relative of Key Management personnel
Nil	Nil	Nil	Nil	Nil

18. Details of Deferred tax Assets and Liabilities are as under:-

(Amount in Crores)

Particulars	2005-06	2004-05
Deferred Tax Liabilities		
On Depreciation	Rs.29.02	Rs.27.49
Deferred Tax Assets		
Interest on LIC Loan	Rs.8.77	Rs.6.46
Terminal Benefits Reserve Fund	Rs.3.07	Rs.3.07
Net Deferred Tax Liabilities	Rs.17.18	Rs.17.96

19. Remuneration Paid/Payable to Statutory Auditor:-

	2005-06	2004-05
Audit Fees	Rs.75,000	Rs.75,000
Reimbursement of Expenses	Rs.55,000	Rs 55,000
Tax Audit Fees	Rs NIL	Rs.Nil



20. Information required as per para-3 and 4 of Part-II of Schedule-VI

Sl. No.	Particulars	2005-06 Current Year		2004-05 Previous Year	
1	Licensed Capacity	N.A		N.A	
2	Installed Capacity (In MW)	1013.70		1011.60	
3	Actual Generation (In MU)	3543.86		3161.77	
4	Sales				
	UPCL & HPSEB	3436.77 MU	Rs.262.08 Crore	3059.65 MU	Rs.237.07 Crore
	Others	--	Rs.3.82 Crore	--	Rs.4.91 Crore
5	Directors Remuneration CMD & Whole Time Directors	Rs. 28.35 Lakhs		Rs. 23.98 Lakhs	
6	CIF value of Imports	Nil		Nil	
7	Expenditure in Foreign Currency	Rs.1288.13 Lakhs		Rs.209.96 Lakhs	
8	Earnings in Foreign Currency	Nil		Nil	






21. Figures in brackets in the notes of accounts represent Previous Year's figures.
22. Previous Year's figures have been regrouped, re-casted /readjusted wherever necessary.
23. Schedules I to XXI are forming part of Annual Accounts.
24. Figures have been rounded off to the nearest multiple of rupees.



BALANCE SHEET ABSTRACT AND COMPANY' S GENERAL BUSINESS PROFILE

(In Rupees Million)

I	Registration Details	
	Registration No.	UR2001 SGC
	State Code	025866 U40101
	Balance Sheet date	31-March-06
II	Capital raised during the Year (Rs. In million)	
	Public Issue	Nil
	Right Issue	Nil
	Bonus Issue	Nil
	Private Placement	Nil
III	Position of Mobilization & Deployment of Funds (Rs. In millions)	
	Total Liabilities	20206
	Total Assets	20206
	Sources of Funds	
	Paid Up Capital	3701
	Reserves & Surplus	7779
	Secured Loan	Nil
	Unsecured Loan	8555
	Deferred Tax Liability	171
	Application of Funds	
	Net Fixed Assets including CWIP & Incidental Exp.	16371
	Net Current Assets	3809
	Misc. Expenses	26
IV	Performance of Company: (Rs. In millions)	
	Turnover	2732
	Total Expenditure	2409
	Profit / (Loss) before Tax	323
	Profit / (Loss) after Tax	301
	Earning per share (Rs)	Rs.119.50
	Dividend Rate	Per Share Nil
V	Generic Names of three Principal Products of Company	
	ITC Code	-
	Product Name	Electricity

				
(R.K. Jha) Co. Secretary	(C.P. Madan) Dy. GM (F&A-O&M)	(Dr. S.K. Agarwal) Director (Finance)	(R.P. Thapliyal) Managing Director	(Yogendra Prasad) Chairman

Place : Dehradun
Date : 12th August, 2008



As per our Audit Report
of even date attached.
For, RAG & ASSOCIATES
Chartered Accountants

UTTARAKHAND JAL VIDYUT NIGAM LIMITED


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2006

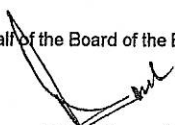
(Amount in Million)


PARTICULARS	2005-06	2004-05
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit as per Profit & Loss A/c	301.02	5.06
Add:-		
Depreciation	103.51	94.01
Total	404.53	99.07
Less:-		
Interest income	48.02	58.85
Operating profit before working capital Changes	356.51	40.22
Adjustment for		
Trade Receivable	333.89	196.38
Inventory	13.38	(30.93)
Loans & advances	(46.56)	(110.11)
Creditors & Other Liabilities	(141.86)	(1,053.99)
Net Cash from Operating activities	515.37	(958.41)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(80.89)	(314.59)
Interest Income	48.02	58.85
Incidental expenditure	19.50	20.83
Capital Work in Progress	(3,591.18)	(2,464.69)
Misc. Expenditure not written off	(1.51)	(2.59)
Net Cash used in Investing activities	(3,606.07)	(2,702.20)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Grant from Government	3.29	8.00
Proceeds from Long Term Borrowing	1,676.53	2,185.21
Proceeds from Share application Money	2,277.82	1,373.14
Net Cash Flow from Financing Activities	3,957.63	3566.35
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVLENT(A+B+C)	866.93	(94.26)
Opening Balance of Cash & Cash Equivalent	1665.86	1760.12
Closing Balance of Cash & Cash Equivalent	2532.79	1665.86

For and on behalf of the Board of Directors


 (R.K. Jha)
 Company Secretary


 (C.P. Madan)
 DyGM(F&A-O&M)


 (Dr. S.K. Agarwal)
 Director (Finance)



 (R.P. Thapliyal)
 Managing Director


 (Yogendra Prasad)
 Chairman

Dated : 12th August, 2008
Place : Dehradun



Date: 06/07/2009
Place: Dehradun

As per our Audit Report
of even date attached.
For, RAG & ASSOCIATES
Chartered Accountants

Raghvendera
(Partner)