

BALANCE SHEET AS AT 31ST MARCH, 2009

[Rupees in Lacs]

|   | Schedule | As at March 31, 2009 | As at<br>31/03/2008 |
|---|----------|----------------------|---------------------|
| <b>SOURCES OF FUNDS</b>                         |          |                      |                     |
| <b>Shareholders' Funds</b>                      |          |                      |                     |
| Share Capital                                   | 1        | 91 297.24            | 57 330.01           |
| Equity Pending Allotment                        | 2        | 36 956.60            | 1 43 168.94         |
| Reserves and Surplus                            | 3        | 1 53 661.18          | 47 933.57           |
|   |          | <b>2 81 915.02</b>   | <b>2 48 432.52</b>  |
| <b>Loan Funds</b>                               |          |                      |                     |
| Secured Loans                                   | 4        | 2 35 432.44          | 1 34 488.75         |
| Unsecured Loans                                 | 5        | 2 54 661.49          | 2 23 105.20         |
|   |          | <b>4 90 093.93</b>   | <b>3 57 593.95</b>  |
| <b>Total</b>                                    |          | <b>7 72 008.95</b>   | <b>6 06 026.47</b>  |
| <b>APPLICATION OF FUNDS</b>                     |          |                      |                     |
| <b>Fixed Assets</b>                             |          |                      |                     |
| Gross Block                                     | 6        | 7 89 545.95          | 7 43 612.42         |
| Less: Accumulated Depreciation                  |          | 2 67 426.23          | 2 31 468.37         |
| <b>Net Block</b>                                |          | <b>5 22 119.72</b>   | <b>5 12 144.05</b>  |
| Capital Work in Progress                        |          | 3 13 746.81          | 1 45 210.86         |
|   |          | <b>8 35 866.53</b>   | <b>6 57 354.91</b>  |
| <b>Investments</b>                              |          |                      |                     |
|   | 7        | 2 052.00             | 2 052.00            |
| <b>Current Assets, Loans and Advances</b>       |          |                      |                     |
| Inventories                                     | 8        | 39 940.05            | 34 154.90           |
| Sundry Debtors                                  | 9        | 1 17 381.99          | 62 930.49           |
| Cash and Bank Balances                          | 10       | 120.83               | 569.23              |
| Loans and Advances                              | 11       | 42 321.32            | 73 018.63           |
|   |          | <b>1 99 764.19</b>   | <b>1 70 673.25</b>  |
| <b>Less: Current Liabilities and Provisions</b> |          |                      |                     |
| Current Liabilities                             | 12       | 2 53 381.83          | 2 15 780.14         |
| Provisions                                      |          | 12 291.94            | 8 273.54            |
|   |          | <b>2 65 673.77</b>   | <b>2 24 053.68</b>  |
| <b>Net Current Assets</b>                       |          | <b>( 65 909.58)</b>  | <b>( 53 380.44)</b> |
| <b>Total</b>                                    |          | <b>7 72 008.95</b>   | <b>6 06 026.47</b>  |
| Significant Accounting Policies                 | 19       |                      |                     |
| Notes to the Financial Statements               | 20       | -                    | -                   |

Schedules referred to above and notes attached thereto form an integral part of Balance Sheet

As per attached report of even date

FOR G. K. CHOKSI & CO.

Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

SANDIP A. PARIKH

Partner

Mem. No. 40727

S. JAGADEESAN

Chairman

P. H. RANA

Managing Director

L. CHUAUNGO

Director

R.G. SHETH

Sr. Chief General Manager (F & A)

V. P. JANI

Company Secretary

Place: Ahmedabad

Date: 8th October, 2009

Place: Vadodara

Date: 8th October, 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

[Rupees in Lacs]

|   | Schedule | Year ended March 31, 2009 | Previous Year      |
|---|----------|---------------------------|--------------------|
| <b>INCOME</b>   |          |                           |                    |
| Sale of Electrical Energy   |          | 7 10 122.63               | 6 20 473.87        |
| Other Income  | 13       | 22 229.02                 | 12 913.64          |
|   |          | <b>7 32 351.65</b>        | <b>6 33 387.51</b> |
| <b>EXPENDITURE</b>  |          |                           |                    |
| Generation and Other cost   | 14       | 6 13 054.40               | 5 24 025.68        |
| Employees Cost  | 15       | 28 342.51                 | 36 789.60          |
| Administrative and Other Expenses   | 16       | 21 582.15                 | 7 422.05           |
|   |          | <b>6 62 979.06</b>        | <b>5 68 237.33</b> |
| <b>Profit before depreciation and interest</b>                              |          | <b>69 372.59</b>          | <b>65 150.18</b>   |
| Interest  | 17       | 27 859.07                 | 28 043.62          |
| Depreciation and impairment   |          | 33 371.68                 | 27 764.00          |
|   |          | <b>61 230.75</b>          | <b>55 807.62</b>   |
| <b>Profit before prior period adjustments</b>                               |          | <b>8 141.84</b>           | <b>9 342.55</b>    |
| Prior Period Adjustments  | 18       | ( 59.53)                  | 2 507.88           |
| <b>Profit before tax</b>  |          | <b>8 201.37</b>           | <b>6 834.67</b>    |
| <b>Provision for Taxation</b>   |          |                           |                    |
| Current   |          | 1 013.78                  | 785.00             |
| [Net of excess provision of earlier years<br>Rs. 11.29 lacs (P.Y. Rs. NIL)] |          |                           |                    |
| Wealth Tax  |          | 0.00                      | 0.06               |
| Fringe Benefit Tax  |          | 134.23                    | 125.49             |
|   |          | <b>1 148.01</b>           | <b>910.55</b>      |
| <b>Profit after tax</b>   |          | <b>7 053.36</b>           | <b>5 924.12</b>    |
| Balance brought forward from earlier year                                   |          | 40 978.17                 | 35 054.05          |
| <b>Balance carried to balance sheet</b>                                     |          | <b>48 031.53</b>          | <b>40 978.17</b>   |
| <b>Earnings Per Share - Basic</b>   |          | <b>0.77</b>               | <b>1.03</b>        |
| <b>- Diluted</b>  |          | <b>0.59</b>               | <b>0.88</b>        |
| Significant Accounting Policies   | 19       |                           |                    |
| Notes to the Financial Statements   | 20       |                           |                    |

Schedules referred to above and notes attached thereto form an integral part of Profit and Loss Account.

As per attached report of even date

FOR G. K. CHOKSI & CO.

Chartered Accountants

SANDIP A. PARIKH

Partner

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V. P. JANI

Company Secretary

Place: Ahmedabad

Date: 8th October, 2009

Place: Vadodara

Date: 8th October, 2009

**GUJARAT STATE ELECTRICITY CORPORATION LIMITED**



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009**

[Rupees in Lacs]

|  | Year ended<br>March 31, 2009 | Previous Year             |
|--|------------------------------|---------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                              |                           |
| Net Profit/(Loss) before Tax   | 8201.37                      | 6834.67                   |
| <i>Add/(Less) : Adjustments for</i>                                  |                              |                           |
| Profit on sale of Fixed Asset  | (1876.99)                    | (0.19)                    |
| Depreciation   | 33371.68                     | 27764.00                  |
| Interest and Guarantee Fees  | 27859.07                     | 28043.62                  |
| Interest/Dividend received   | (141.96)                     | (79.25)                   |
| Prior period adjustments related to Investing & Financing Activities | 1249.41                      | 1888.31                   |
| Operating Profit before Working Capital Changes                      | <u>68662.58</u>              | <u>64451.16</u>           |
| <i>Add/(Less) : Adjustments for working capital changes</i>          |                              |                           |
| Trade & Other Receivables  | (54241.41)                   | (35958.09)                |
| Inventories  | (5785.15)                    | 1620.83                   |
| Trade Payables and other liabilities                                 | 39845.48                     | 28326.54                  |
| Loans and Advances   | 31450.57                     | 13363.63                  |
| Cash Generated from operations                                       | <u>79932.07</u>              | 71804.07                  |
| Direct taxes paid (Net of refunds)                                   | <u>(952.13)</u>              | <u>(1708.81)</u>          |
| <b>Net cash generated from operations :</b>                          | <u><b>78979.94</b></u>       | <u><b>70095.26</b></u>    |
| <b>B. NET CASH FLOW FROM INVESTING ACTIVITIES</b>                    |                              |                           |
| Purchase of Fixed Assets (including interest cost)                   | (213716.92)                  | (104024.03)               |
| Proceeds from Sale of Fixed Asset                                    | 1948.36                      | 528.21                    |
| Interest/Dividend received   | 141.96                       | 79.25                     |
| Investment   | 0.00                         | 0.00                      |
| <b>Net cash used in investing activities :</b>                       | <u><b>(211626.60)</b></u>    | <u><b>(103416.57)</b></u> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                              |                           |
| (Repayment)/Proceeds from borrowings                                 | 132499.98                    | 44432.26                  |
| Increase / (Decrease) in Equity                                      | 26956.60                     | 10000.00                  |
| Capital Grant received from Government of Gujarat                    | 0.00                         | 3817.62                   |
| Interest and Guarantee Fees paid                                     | (27258.32)                   | (28945.04)                |
| <b>Net cash generated from financing activities :</b>                | <u><b>132198.26</b></u>      | <u><b>29304.84</b></u>    |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>          | <u><b>(448.40)</b></u>       | <u><b>(4016.47)</b></u>   |
| <b>CASH AND CASH EQUIVALENTS AS AT APRIL 1, 2008</b>                 | <u><b>569.23</b></u>         | <u><b>4585.69</b></u>     |
| <b>CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2009</b>                | <u><b>120.83</b></u>         | <u><b>569.23</b></u>      |

- Notes**
- Purchase of Fixed Assets includes the movement in Capital Work-in-progress.
  - Previous year figures have been regrouped, reclassified and reworked wherever necessary for comparative purpose.

As per attached report of even date

**FOR G. K. CHOKSI & CO.**  
Chartered Accountants

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**SANDIP A. PARIKH**  
Partner  
Mem. No. 40727

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