



GUJARAT INDUSTRIES POWER COMPANY LTD.

28th Annual Report 2012-2013



4x125 MW SURAT LIGNITE POWER PLANT

Corporate Social Responsibility Initiatives



Medical Support to People in Remote Villages / Areas through Mobile Medical Unit, SLPP



Providing quality education in GIPCL Academy where more than 60 % students are from surrounding villages



Class room for Primary School at Village Tadkeshwar, Tal. Mandvi, Dist. Surat



English Language Classes at Village Baudhan, Tal. Mandvi, Dist. Surat



**TWENTY EIGHTH ANNUAL GENERAL MEETING
GUJARAT INDUSTRIES POWER COMPANY LIMITED**

DAY : SATURDAY, 21ST SEPTEMBER, 2013
TIME : 11.00 AM
PLACE : REGISTERED OFFICE:
P.O.: PETROCHEMICALS – 391 346,
DIST.: VADODARA.

Registered Office & Works

P.O.: Petrochemicals – 391 346,
Dist.: Vadodara, Gujarat.
(Tel.) (0265) 2232768, 2230420, 2230159.
(Fax) (0265) 2231207, 2230473.
Email: genbaroda@gipcl.com

**Surat Lignite Power Plant
(SLPP)**

At & Post: Nani Naroli, Taluka: Mangrol,
Dist.: Surat – 394 110, Gujarat.
(Tel.) (02629) 261063 to 261072.
(Fax) (02629) 261073 & 261074.
Email: genslpp@gipcl.com

Registrar & Transfer Agents

Link Intime India Private Limited
B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara – 390 020.
Email: vadodara@linkintime.com



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Board of Directors

Shri D J Pandian, IAS	Chairman
Prof. Shekhar Chaudhuri	Director
Dr. P K Das, IAS (Retd.)	Director
Prof. Kirankumar M. Joshi	Director
Shri M S Dagur, IAS	Director
Shri D C Jain	Director
Shri Raj Gopal, IAS	Director
Shri H R Brahmbhatt	Director
Shri L Chuaungo, IAS	Managing Director

Senior Executives

Shri P N Trivedi	Chief General Manager (Commercial)
CA S P Desai	Chief General Manager & Chief Finance Officer
Shri D K Roy	General Manager (SLPP)
Shri N K Purohit	General Manager (Mines - SLPP)
Shri N K Singh	Addl. General Manager (Projects-SLPP)
Shri V B Bhadola	Addl. General Manager - HR&A (Admin.)
Shri V N Patel	Addl. General Manager (O&M – SLPP)
Shri Y J Bhatt	Addl. General Manager (BO)
Shri S N Purohit	Addl. General Manager (O&M - Vadodara)
CA P J Sheth	Addl. General Manager (Finance)
Shri K S Munshi	Addl. General Manager (TS)
Shri A P Modi	Addl. General Manager (M&C)
Shri S H Purohit	Dy. General Manager - HR&A (HR)

Company Secretary & DGM (Legal)

CS A C Shah

Auditors

M/s. VCA & Associates, Chartered Accountants, Vadodara.

Cost Auditors

M/s. Kailash Sankhlecha & Asso., Cost Accountants, Vadodara. (FY 2012-13).
M/s. Y S Thakar & Co., Cost Accountants, Vadodara. (FY 2013-14).

Bankers

Vadodara Stations

Central Bank of India
Dena Bank
State Bank of India
Bank of Baroda
Oriental Bank of Commerce
IDBI Bank Ltd.

Surat Lignite Power Plant

Syndicate Bank
State Bank of India
Oriental Bank of Commerce
Indian Overseas Bank
Vijaya Bank
The Karur Vysya Bank Ltd.
Union Bank of India
United Bank of India
Dena Bank
Bank of Baroda
Central Bank of India
Kotak Mahindra Bank Ltd.



Gujarat Industries Power Company Limited

ATTENTION

1. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company shall remain closed from **Tuesday, the 3rd September, 2013, to Thursday, the 12th September, 2013 (both days inclusive).**
2. (a) Members holding shares in physical mode are advised to address all correspondence quoting their Ledger Folio Number (LF No.) and to immediately notify their change of address, change of Bank details, Deletion / Transmission of shares, Loss of share certificate etc., if any, to the Company or its Registrar and Transfer Agents (RTA) viz. Link Intime India Private Limited.
(b) **Members holding shares in demat mode (i.e. electronic mode) are advised to address all correspondence in respect of Change of Address, Change of Bank Details, Deletion / Transmission of shares, to their DP (Depository Participant) only by quoting their Client ID & DP ID No. immediately. The Company or its RTA cannot act on any such request received directly from the members holding shares in demat mode.**
3. Members may visit the Shareholders' Service page on the website of the Company www.gipcl.com to submit their queries, if any, or to download forms / format to get unclaimed dividend, for issue of duplicate share certificate, for nomination, for ECS mandate for registration of E-mail Address for "Go Green" initiatives etc.
4. Members holding shares in physical mode and holding more than one Share Certificate in the same name under different folios are requested to apply for consolidation of such folios into one folio and send relevant Share Certificates to the Company to make necessary endorsements.
5. Members are advised to hold Shares jointly to simplify the procedure of transmission in the event of death of any holder or avail the facility of nomination.
6. As per the SEBI Circulars dated May 20, 2009 and January 7, 2010, all transactions involving transfer and transmission of shares, deletion of name, of listed Companies held in physical mode, it is mandatory for the transferee(s) to furnish copy of Income Tax PAN card to the Company / RTA for registration of such transfer / transmission / Deletion of name request(s).
7. W.e.f. 26-06-2000, Equity Shares of the Company are compulsorily traded in dematerialized (demat) mode as mandated by the SEBI - ISIN INE162A01010. **Therefore, those members who hold shares in physical mode are advised to get their shares dematerialized (i.e. conversion of physical shares into electronic mode) at the earliest.**
Members may note that the Company's equity shares are available for dematerialization with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Ltd. (CDSL) Shareholders may approach nearest Depository Participant (DP) to open Demat Account.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least fifteen days before the date of the meeting so that the information required by the members may be made available at the meeting.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of name(s) will be entitled to vote.
10. Members attending the meeting are requested to bring with them the Attendance Slip and hand over the same at the entrance of the meeting hall, failing which admission to the meeting may not be permitted.
11. As a measure of economy, the Company does not distribute copies of Annual Report at the venue of Annual General Meeting. Therefore, members desirous of attending the Meeting are requested to bring along their copies.



FOR THE INFORMATION OF MEMBERS

Pursuant to the provisions of Section 205C of the Companies Act, 1956, Companies are required to transfer its unpaid/unclaimed dividend after the expiry of seven (7) years from the date from which they become due for payment to the special fund called "Investors Education and Protection Fund (Fund)". No claims will lie for the amounts so transferred. The Members may please note that the unpaid/unclaimed dividends of past years upto 2004-2005 have been transferred to the Central Government Account / Fund.

Members are requested to note that the dividends for FY 2005-06 to 2011-12 shall be due for transfer to "Fund" on the dates as shown in the Table:-

Particulars	FY	Due for Transfer To Fund
11th Dividend	2005-2006	September, 2013
Interim Dividend	2006-2007	September, 2014
12th Dividend	2006-2007	September, 2014
13th Dividend	2007-2008	September, 2015
14th Dividend	2008-2009	September, 2016
15th Dividend	2009-2010	September, 2017
16th Dividend	2010-2011	September, 2018
17th Dividend	2011-2012	September, 2019

Members are requested to lodge their claims for above mentioned past years dividends, if any, with the Company or to its R&T Agent immediately.

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has vide its Circulars No.17/2011 dated 21.04.2011 and No.18/2011 dated 29.04.2011 taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies by way of service of notice / documents including Annual Report by e-mail to its members. To support this green initiative of the Government in full measure, members holding shares in electronic mode

are requested to register their e-mail address with their Depository Participants. Members holding shares in physical mode may submit their e-mail address through post or submit the same online on the Shareholders' Service page of the Company's website www.gipcl.com. Form for registration of e-mail address is also annexed to this Annual Report together with Attendance Slip and Proxy Form.



Gujarat Industries Power Company Limited

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of Gujarat Industries Power Company Limited will be held on Saturday, the 21st day of September, 2013 at 11.00 am at the Registered Office of the Company at P.O.: Petrochemicals – 391 346, Dist.: Vadodara, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended on that date and the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Prof. K.M. Joshi, who retires by rotation at this meeting and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri M.S. Dagur, IAS, who retires by rotation at this meeting and being eligible offers himself for re-appointment.
4. To declare a dividend.
5. To appoint Statutory Auditors of the Company from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT M/s. VCA & Associates, Chartered Accountants, Vadodara, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration and reimbursement of service tax, travelling, lodging, boarding and other out of pocket expenses actually incurred by them, as may be recommended by the Audit Committee and approved by the Board of Directors of the Company in connection with the audit of Accounts of the Company for the year ending 31st March, 2014.”

**By Order of the Board
For Gujarat Industries Power Company Ltd.**

Sd/-
(CS A C Shah)
Company Secretary & DGM (Legal)

Place: Vadodara.

Date: 27th May, 2013.

NOTES:

- MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. **PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representative(s) to attend and vote at the Meeting.
- Relevancy of questions and the order of the speakers at the meeting will be decided by the Chairman.

ANNEXURE TO NOTICE OF THE 28TH ANNUAL GENERAL MEETING TO BE HELD ON SATURDAY, THE 21ST DAY OF SEPTEMBER, 2013.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956:

Item No.5

Pursuant to the provisions of Sections 224 and 224A of the Companies Act, 1956, shareholders of the Company shall be required to pass a Special Resolution at this Annual General Meeting (AGM) as set out at Item No.5 of the Notice to appoint Statutory Auditors to hold office from the conclusion of this Meeting until the conclusion of the next AGM, since more than 25% of the Subscribed Share Capital of the Company is held by the Government of Gujarat, Government Companies or Boards, Public Financial Institutions and Nationalized Banks.

None of the Directors of the Company is concerned or interested in the said Resolution.

Inspection of documents:

All documents referred to in this Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company between 9.30 am and 12.30 pm on any working day of the Company prior to the date of the Meeting.

**By Order of the Board
For Gujarat Industries Power Company Ltd.**

Sd/-
(CS A C Shah)
Company Secretary & DGM (Legal)

Place: Vadodara.

Date: 27th May, 2013.

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DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE ENSUING 28TH ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)

Name of Director	Prof. K.M. Joshi	Shri M.S. Dagur, IAS
Date of Birth	24.10.1956	15.07.1958
Date of Appointment	01.07.2006	09.08.2011
Qualifications	Commerce Graduate, MA (Economics) from The M. S. University of Baroda, Vadodara. Ph.D in Economics from Gujarat University.	MA (Political Science), from University of Rajasthan, Jaipur, M.B.A. from University of Birmingham, U.K. and I.A.S.
Nature of Expertise / Experience	Presently he is Professor of Business Economics, Faculty of Management Studies, the M. S. University of Baroda. He is a renowned academician with rich and varied experience of more than 30 years in academics and research work. He has written numerous research articles on the contemporary subjects and has completed various research projects. He has been a regular visiting faculty at renowned academic institutes and corporates across Gujarat.	He is Principal Secretary to Government of Gujarat, Narmada Water Resources, Water Supply & Kalpasar Dept. He is also holding charge as Managing Director of Gujarat Alkalies and Chemicals Ltd. (GACL), Vadodara since July, 2011. He has rich and varied experience of more than 26 years in various departments viz. Land Revenue Management & District Administration, Consumer Affairs, Finance Department, Sales Tax Department, Home Department etc. of the Government of Gujarat.
Names of other Companies in which Directorship is held	1. Madhya Gujarat Vij Company Ltd.	1. Gujarat Alkalies and Chemicals Ltd. 2. Bhavnagar Energy Company Ltd. 3. Gujarat Chemical Port Terminal Company Ltd. 4. Gujarat Guardian Limited.



Gujarat Industries Power Company Limited

DIRECTORS' REPORT

**To
The Members,**

Your Directors have pleasure to present the Twenty-Eighth Annual Report on the performance of your Company together with Audited Balance Sheet and Profit & Loss Account for the Financial Year ended 31st March, 2013 and the report of the Auditors thereon:

Financial Performance:

(₹ in Lacs)

	2012-13	2011-12
1. Net Sales	1,40,701	1,29,099
2. Other Receipts	2,329	1,493
3. Exceptional Income	6,015	0
4. Total Expenditure	87,353	87,673
5. Gross Profit: (1 + 2 + 3 - 4)	61,692	42,919
(before deducting any of the following)		
(a) Finance Cost	10,515	11,893
(b) Depreciation	15,823	16,869
(c) Provision for Deferred Tax	7,928	(502)
(d) Provision for Current Income Tax	7,067	2,822
(e) Tax adjustment of earlier years	(1,529)	1
6. Net Profit:	21,888	11,836
Add : Balance brought forward	7,181	12,240
from Previous Year		
TOTAL	29,069	24,076
7. Less: Appropriations:		
(i) General Reserve	7,500	5,000
(ii) Expansion Reserve	10,000	7,500
(iii) Proposed Dividend On Equity Shares (including Dividend Tax)	4,424	4,395
(iv) Carried to Balance Sheet	7,145	7,181
TOTAL	29,069	24,076

Dividend:

Your Directors are happy to recommend a Dividend of ₹ 2.50 per share on 15,12,51,188 Equity Shares of ₹ 10/- each fully paid up, for the year ended on 31st March, 2013. The total outgo on account of Dividend would be about ₹ 4,424.00 Lacs including Corporate Tax on Dividend. The Dividend, if approved by the shareholders at the ensuing 28th Annual General Meeting, shall be paid to all those Members, whose names appear on the Register of Members of the Company on the Books Closure Date i.e. on 3rd, September, 2013.

OPERATIONS:

Vadodara Station – I (145 MW):

During the year the Station generated 745.527 Million Units (MUs) at a Plant Load Factor (PLF) of 58.69% as against generation of 833.650 MUs at PLF of 65.45% during the preceding year. The Plant Availability Factor (PAF) was at 93.34% during the year under review as against 97.73% during the preceding year.

During the year under review, Combustion Inspection of Gas Turbines (GT)-1; Annual Inspection of Heat Recovery Steam Generator (HRSG)-1, 2 & 3 and major overhauling of Steam Turbine Generator (STG)-1 and Auxiliary were successfully completed during annual planned shut downs. Achieved improved Heat Rate by 30 Kcal / kWh.

Vadodara Station – II (165 MW):

During the year under review the generation was 377.130 MUs at a PLF of 26.09% as against generation of 668.739 MUs at a PLF of 46.14% in the preceding year. The PAF for the Station was higher at 94.26% for the year under review as against 91.65% during the preceding year.

During the year under review, GT-4 and Annual Inspection of HRSG-4; were successfully completed during annual planned shut downs.

Your Directors are happy to inform that during FY 2012-13 Vadodara Stations have earned Unscheduled Interchange (UI) gain of ₹ 122.79 Lacs.