



GUJARAT INDUSTRIES POWER COMPANY LIMITED
P.O.: PETROCHEMICALS – 391 346, DISTRICT: VADODARA
PHONE NOS: 2232768 / 2232213 / 2230159, FAX NO: (0265) 2230473
Email : csacshah@gipcl.com Website : www.gipcl.com,
CIN – L99999GJ1985PLC007868

SEC:GIPCO_GIPCL:MERGER:2016

28th October, 2016.

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir,

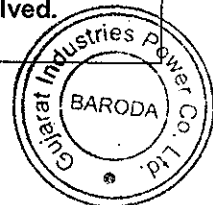
Ref.: Scrip Code: 517300.

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement in the nature of merger of GIPCL Projects and Consultancy Company Limited (GIPCO – CIN: U74999GJ2012PLC071761), the unlisted Transferor Company, with Gujarat Industries Power Company Limited (GIPCL- CIN L99999GJ1985PLC07868), listed Transferee Company.

The Board of Directors of the Transferee Company/GIPCL in its Board Meeting held on 26/08/2016 has approved the Draft Scheme of Arrangement in the nature of Merger of GIPCL Projects and Consultancy Company Limited (GIPCO – CIN: U74999GJ2012PLC071761), the unlisted Transferor Company with Gujarat Industries Power Company Limited (GIPCL- CIN L99999GJ1985PLC07868), listed Transferee Company.

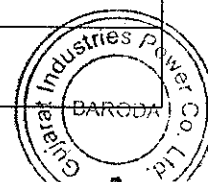
We herewith submit the following Documents for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the Scheme of Arrangement in the nature of Merger proposed to be filed under Sections 391 to 394 of the Companies Act, 1956, before Gujarat High Court for approval:

Sr. No.	Documents submitted along with Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Page Nos.
1.	Certified true copy of the resolution passed by the Board of Directors of the GIPCO (the Transferor Company) and GIPCL (the Transferee Company approving the Draft Scheme of Arrangement in the nature of Merger. Attached as Annexure – A(i) and A(ii) .	01 to 04
02	Certified copy of the draft Scheme of Arrangement in the nature of Merger proposed to be filed before the High Court. Attached as Annexure – B .	05 to 24
03	Valuation report from Independent Chartered Accountant as applicable as per Para I(A)(4) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.	Not Applicable as no issue or transfer of shares is involved.



04	Report from the Audit Committee of Directors of GIPCL (the listed Transferee Company) recommending the draft Scheme of Arrangement in the nature of Merger of GIPCO with GIPCL. Attached as Annexure – C .	25 & 26
05	Fairness opinion by Merchant Banker.	Not Applicable as no issue or transfer of shares is involved.
06	Shareholding pattern of the listed Transferee Company pre Merger as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Attached as Annexure – D .	27 to 28 There shall be no change in the Pre and Post Merger Shareholding Pattern of the listed Transferee Company as there is no issue or transfer of shares involved.
07	Audited Financials of the GIPCL (the listed Transferee Company) and GIPCO (the Transferor Company) for the FYs 2013-14, 2014-15 and 2015-16 (financials not being more than 6 months old). Attached as Annexure – E .	29 & 30
08	Quarterly Compliance Report on Corporate Governance as on 26/08/2016 as per Regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as per Annexure II. Attached as Annexure – F .	31 to 34
09	Complaint report as per Annexure III of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website).	Shall be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website.
10	Compliance report with the requirements specified in Part-A of Annexure I of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 as per Annexure IV. Attached as Annexure - G	35 & 36
11	If as per the company, approval from the shareholders through postal ballot and e-voting, as required under Para (I)(A)(9)(a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, is not applicable then as required under Para (I)(A)(9)(c) of said SEBI circular, submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non applicability of Sub Para 9 (a). Attached as Annexure – H . b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate. Attached as Annexure – A.	37 & 38
12	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of	BSE Limited

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	the resolution passed by the Board of Directors, in case BSE is DSE attached as Annexure – A.		
13	Brief details of the listed transferee Company and unlisted Transferor Company. Attached as Annexure – I.		39 & 40
14	Net worth certificate (excluding Revaluation Reserve) pre and post scheme for the Transferor and Transferee Companies. Attached as Annexure – J.		41 & 42
15	Details of Capital evolution of the listed transferee Company and Transferor unlisted companies attached as Annexure – K.		43 & 44
16	Confirmation by the Company Secretary as attached as Annexure – L.		45 & 46
17	Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc. as specified in Para (I)(A) (5)(a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, as per the format given in Annexure II of aforesaid SEBI circular. Attached as Annexure – M.		47 & 48
18	Annual Reports of GIPCL/the listed transferee company for FY 2015-16 together with Unaudited Financial Results of the First Quarter of FY 2016-17 ended on 30 th June, 2016 accompanied by the Limited Review Report of the Statutory Auditors of the Company thereon and Audited Financial Statements of GIPCO/the unlisted Transferor Company) for the FY 2015-16. Attached as Annexure – N(i) and N(ii).		N(i) - 49 to 114 N(ii) - 115 to 144
19	Oriental Bank of Commerce Demand Draft No. 481839 dated 14/09/2016 drawn in favor of 'BSE Limited', payable at Mumbai towards processing fee (non-refundable) for ₹.1,05,000/-. (Rupees One Lakh Five Thousand) – Copy attached as Annexure – O.		145 & 146
20	Name & Designation of the Contact Person Telephone Nos. Email ID	CS A C Shah, Company Secretary & DGM (Legal) 0265- 2230189 (M) 09909925803 csacshah@gipcl.com	

Kindly find this Application along with the Annexures in order and arrange to issue 'No Objection' Letter of your esteemed Exchange at the earliest.

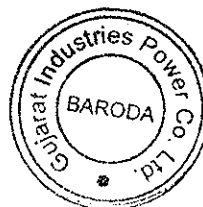
Thanking you,

Yours faithfully,

FOR GUJARAT INDUSTRIES POWER COMPANY LIMITED



CS A C Shah
Company Secretary & DGM (Legal)



Encl.: As above.



GIPCL Projects and Consultancy Company Limited

(A Wholly Owned Subsidiary of GIPCL)

2nd Floor, Corporate Office, GIPCL, P.O.: Petrochemical - 391 346,

Dist.: Vadodara, Gujarat.

Telephone :+91-265-2232768, Fax – 0265-2230473, E-mail: training@gipcl.com

CIN – U74999GJ2012PLC071761, Website – www.gipcl.com

EXTRACT OF THE MINUTES OF NINETEENTH MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON FRODAY, THE 26TH AUGUST, 2016 AT 1:00 PM AT THE CONFERENCE ROOM OF ENERGY & PETROCHEMICALS DEPT., BLOCK NO.5, 5TH FLOOR, NEW SACHIVALAYA, GANDHINAGAR.

- 102. To approve draft Scheme of Arrangement in the nature of Merger of GIPCL Projects & Consultancy Co. Ltd. (GIPCO) (CIN: U74999GJ2012PLC071761) with Gujarat Industries Power Co. Ltd. (GIPCL) CIN: L99999GJ1985PLC007868).**

The Directors considered the Agenda notes and after deliberations passed the following resolutions:

“RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (“Act”) if any (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of GIPCL Projects and Consultancy Company Limited (“The Company”) and subject to the requisite approval of the shareholders, Creditors, the High Court of Judicature at Ahmedabad, Gujarat and such other Government / Statutory Authorities, if and when required, consent of the Board of Directors (hereinafter referred to as the ‘Board’) be and is hereby accorded to the draft Scheme of Arrangement in nature of Merger (hereinafter referred to as the ‘Scheme’) between GIPCL Projects and Consultancy Company Limited - CIN: U74999GJ201200PLC071761 (the “Transferor Company”) and Gujarat Industries Power Company Limited - CIN: L99999GJ1985PLC007868 (the “Transferee Company”) in relation to consolidation and merger of the business and undertaking of the Transferor Company with the Transferee Company, as per the terms and conditions provided in detail in the draft Scheme, with effect from the Appointed Date, as placed before the Board.”

“FURTHER RESOLVED THAT Shri N K Purohit (DIN : 05341321), Shri N K Singh, (DIN: 07421455) and Shri S N Purohit (DIN: 07545882), Directors of the Company, be and are hereby jointly and severally authorized to do all the things, deeds, take actions, discuss, deliberate and decide all matters relating to and / or identical to the aforesaid Scheme, including but not limited to:

- i. Prepare and sign the Scheme, applications, petitions, affidavits, undertakings, Vakalatnamas, declarations, letters, notices, documents, papers and the like on behalf of the Company, in consultation with the Advocate appointed for the purpose of giving effect to the said Scheme.

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- ii. File and submit the Scheme, necessary petitions, affidavits, letters, Undertakings, documents, papers etc., for their 'in-principle' approval to the aforesaid Scheme, to High Court of Judicature at Ahmedabad, Gujarat, Office of the Registrar of Companies (RoC), Ahmedabad, Gujarat, National Company Law Tribunal (NCLT), Regional Director (RD) (Northern Western Region), Ministry of Corporate Affairs (MCA), Official Liquidator (OL) and / or any other authority as may be required, pursuant to the relevant provisions of applicable laws, rules, regulations, circulars, orders, notifications;
 - iii. Make such modifications / alterations / rectifications / changes in the Scheme as may be suggested, prescribed, expedient or necessary for satisfying the requirements or conditions imposed by the Gujarat High Court, Registrar of Companies, NCLT, Regional Director, Income Tax Authorities or other Government Authorities and / or any other authority;
 - iv. Withdraw the Scheme at any stage in case changes or modifications are required in the Scheme or the conditions imposed by the Court, and / or any other authority are not acceptable and if the Scheme cannot be implemented otherwise and to do all such acts, deeds and things considered appropriate in connection therewith or incidental thereto;
 - v. Settle any question or difficulty that may arise with regard to the implementation of the Scheme, and to give effect to the above resolution;
 - vi. Do all such acts, matters, deeds and things as may be considered necessary and expedient to obtain necessary orders from the Court; to do or perform such incidental; consequential and supplemental acts as are necessary or considered appropriate to implement the aforesaid Scheme."

CERTIFIED TRUE COPY
For Gujarat Industries Power Co. Ltd.

Place: Vadodara
Date: 14-09-2016




(Shri S. N. Purohit)
Director



GUJARAT INDUSTRIES POWER COMPANY LIMITED
P O PETROCHEMICALS – 391 346, DISTRICT VADODARA
PHONE NOS: 2232768 / 2232213 / 2230159, FAX NO: (0265) 2230473
Email : csacshah@gipcl.com Website : www.gipcl.com,
CIN – L99999GJ1985PLC007868

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EXTRACT OF MINUTES OF MINUTES OF 277TH MEETING OF BOARD OF DIRECTORS OF THE COMPANY HELD ON FRIDAY, THE 26TH AUGUST, 2016 AT 3.00 PM AT THE CONFERENCE ROOM OF ENERGY & PETROCHEMICALS DEPT., BLOCK NO. 5, 5TH FLOOR, NEW SACHIVALAYA, GANDHINAGAR.

4266. To approve draft Scheme of Arrangement in the nature of Merger of GIPCL Projects and Consultancy Co. Ltd. (GIPCO) (CIN: U74999GJ2012PLC071761) with Gujarat Industries Power Co. Ltd. (GIPCL) CIN: L99999GJ1985PLC007868).

“RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (“the Act”), if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 37(1) of SEBI Listing Regulations, 2015, the Memorandum and Articles of Association of Gujarat Industries Power Company Limited (‘The Company / GIPCL’) and as recommended by the Audit Committee of Directors and subject to the requisite approval of the Shareholders and Creditors, if required, further subject to approval of the Stock Exchanges, the High Court of Judicature at Ahmedabad, Gujarat, and such other Government / Statutory Authorities, if and when required, consent of the Board of Directors (hereinafter referred to as the ‘Board’) be and is hereby accorded to the draft Scheme of Arrangement in the nature of Merger (hereinafter referred to as the ‘Scheme’) between GIPCL Projects and Consultancy Company Limited - CIN: U74999GJ201200PLC071761 (the “Transferor Company”) and Gujarat Industries Power Company Limited - CIN: L99999GJ1985PLC007868 (the “Transferee Company”) in relation to consolidation and merger of the business and undertaking of the Transferor Company with the Transferee Company, as per the terms and conditions provided in detail in the draft Scheme, with effect from the Appointed Date, as placed before the Board for the purpose of identification.”

“FURTHER RESOLVED THAT “BSE Limited, Mumbai” be is hereby recognized as the designated Stock Exchange for the purpose of the aforesaid Scheme.”

“FURTHER RESOLVED THAT the Certificate issued by K C Mehta & Co. (FRN: 106237W), Chartered Accountants, Vadodara, pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015, regarding non applicability of Para 9 of said SEBI Circular pertaining to non applicability of requirement of voting by Shareholders by Postal Ballot and e-voting for the reasons stated therein and the Certificate stating that the accounting treatment contained in the said Scheme is in compliance with the SEBI Listing Regulations and all the applicable Accounting Standards notified under the Companies Act, placed before the Board be and the same are hereby noted and approved with authority to Managing Director or Company Secretary & DGM (Legal) of the Company to submit the same to the designated Stock Exchange.”




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"FURTHER RESOLVED THAT Smt. Sonal Mishra, IAS, Managing Director and / or CS A C Shah, Company Secretary & DGM (Legal) of the Company, be and are hereby jointly and severally authorized to do all the things, deeds, take actions, discuss, deliberate and decide all matters relating to and / or identical to the aforesaid Scheme, including but not limited to:

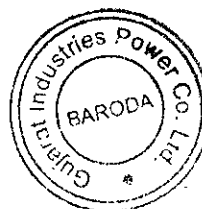
- i. Prepare and sign the Scheme, applications, petitions, affidavits, undertakings, Vakalatnamas, declarations, letters, notices, documents, papers and the like on behalf of the Company, in consultation with the Advocate appointed for the purpose of giving effect to the said Scheme;
- ii. File and submit the Scheme, necessary petitions, affidavits, letters, Undertakings, documents, papers etc., with BSE Limited, Mumbai (BSE), where the Company's Security viz. Equity Shares, is listed for their 'in-principle' approval to the aforesaid Scheme, to High Court of Judicature at Ahmedabad, Gujarat, Office of the Registrar of Companies (RoC), Ahmedabad, Gujarat, National Company Law Tribunal (NCLT), Regional Director (RD) (Northern Western Region), Ministry of Corporate Affairs (MCA), Official Liquidator (OL) and / or any other authority as may be required, pursuant to the relevant provisions of applicable laws, rules, regulations, circulars, orders, notifications;
- iii. Make such modifications / alterations / rectifications / changes in the Scheme as may be suggested, prescribed, expedient or necessary for satisfying the requirements or conditions imposed by the designated Stock Exchange viz. BSE, Gujarat High Court, Registrar of Companies, NCLT, Regional Director, Income Tax Authorities or other Government Authorities and / or any other authority;
- iv. Withdraw the Scheme at any stage in case changes or modifications are required in the Scheme or the conditions imposed by the Court, and / or any other authority are not acceptable and if the Scheme cannot be implemented otherwise and to do all such acts, deeds and things considered appropriate in connection therewith or incidental thereto;
- v. Settle any question or difficulty that may arise with regard to the implementation of the Scheme, and to give effect to the above resolution;
- vi. Do all such acts, matters, deeds and things as may be considered necessary and expedient to obtain necessary orders from the Court; to do or perform such incidental; consequential and supplemental acts as are necessary or considered appropriate to implement the aforesaid Scheme."

CERTIFIED TRUE COPY
For Gujarat Industries Power Co. Ltd.



Place: Vadodara
Date: 14-09-2016

(CS A C Shah)
Company Secretary & DGM (Legal)



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SCHEME OF ARRANGEMENT IN THE NATURE OF MERGER
(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

OF



**GIPCL PROJECTS AND CONSULTANCY COMPANY
LIMITED**

(A Wholly Owned Subsidiary of GIPCL)

2nd Floor, Corporate Office, GIPCL, P.O. Petrochemicals - 391 346,
Dist. Vadodara, Gujarat.

Telephone : +91-265-2232768, Fax - 0265-2230473, E-mail: training@gipcl.com
Website - www.gipcl.com, CIN - U74999GJ2012PLC071761

(Transferor Company)

WITH



GUJARAT INDUSTRIES POWER COMPANY LIMITED

Regd. Office : P.O. Petrochemicals - 391 346, Dist. Vadodara (Gujarat)

Tel. No. 0265 -2230159, 2232768, 2232213, Fax-No. 0265 2230473

E-mail: csacshah@gipcl.com Website: www.gipcl.com

CIN: L99999GJ1985PLC007868

(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

CERTIFIED TRUE COPY

For GUJARAT INDUSTRIES POWER CO. LTD.

A handwritten signature in dark ink, appearing to read 'A.C. Shah'.

A.C. SHAH

Company Secretary & DGM (Legal)

A handwritten signature in dark ink, appearing to read 'A.C. Shah'.



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1. PREAMBLE:

This Scheme of Merger provides for the merger of GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED (CIN:U74999GJ2012PLC071761) with GUJARAT INDUSTRIES POWER COMPANY LIMITED (CIN: L99999GJ1985PLC007868) pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modification(s) or re-enactment(s) thereof). This Scheme also provides for various other matters consequential or otherwise integrally connected herewith

2. DEFINITIONS:

In this Scheme, unless repugnant to or inconsistent with the subject or context thereof, the following expressions shall have the following meanings:

- 2.1.1. "Act" or "the Act" means the Companies Act, 1956 as amended and the Companies Act, 2013 upon their notification (including any statutory modification(s) or re-enactment(s) thereof), for the time being in force.
- 2.1.2. "Appointed Date" means 1st April 2016 or such other date as may be decided by the High Court.
- 2.1.3. "Board of Directors" or "Board" means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 2.1.4. "Effective Date" shall have the meaning ascribed to it in Clause 18.2 hereof. Any references in this Scheme to the date of "coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.
- 2.1.5. "Governmental Authority" means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction.
- 2.1.6. "High Court" means the High Court of Gujarat at Ahmedabad in relation to the Transferor and Transferee Company and shall, if applicable, include the Tribunal.

[Signature]



2.1.7 "Scheme" or "the Scheme" or "this Scheme" means the Scheme of Arrangement in the nature of Merger of the Transferor Company with the Transferee Company, as contained herein, or as sanctioned by the High Court, with alterations/ modifications, if any

2.1.8. "Tribunal" means the National Company Law Tribunal.

2.1.9. "Transferor Company" shall mean GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED.

2.1.10 "Transferee Company" shall mean GUJARAT INDUSTRIES POWER COMPANY LIMITED.

2.1.11. "Undertaking of the Transferor Company" shall mean the entire business and the whole of the undertaking of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstanding, liabilities, duties and obligations, if any, as on the Effective Date including, but not in any way limited to, the following:

A All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title,

[Signature]



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interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- B All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations;
- C Entitlements, including tenancy rights, held by the Transferor Company or which may accrue or become due to it as on the Appointed Date or may become so due or entitled to thereafter;
- D All intellectual property rights, records, files, papers, computer programmes, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company' business activities and operations;
- E Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund or credit of any tax, duty, cess or of any excess payment;
- F. Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, deferment of sales tax, etc. under the Income-tax Act, 1961, and the Cenvat / Modvat credit balances under the Central

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Excise Act, 1944, Customs Act, 1962 or any other or like benefits under the said acts or under and in accordance with any law or act;

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- G. All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized;

Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the Merger and the Transferee Company shall not be obliged to create any further or additional security therefore after the Merger has become effective;

- H. All other obligations of whatsoever kind, including liabilities in respect of the employees of the Transferor Companies with regard to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of voluntary retirement or retrenchment;

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

3. GENERAL:

3.1. Description of the Companies:

- 3.1.1. GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED ("Transferor Company") is a limited company incorporated on 30th Day of August, 2012 under the Act. The Transferor Company has its registered office at 2nd Floor, Corporate Office, GIPCL, P.O. Petrochemical – 391346, Dist. Vadodara, Gujarat. It is presently engaged in the business of providing consultancy and /or services to new or existing projects, plants, facilities in all areas/fields and kinds of Designing, Engineering, and/or Management. The Transferor Company is a Wholly-owned subsidiary of the Transferee Company
- 3.1.2. GUJARAT INDUSTRIES POWER COMPANY LIMITED ("Transferee Company") is a public listed limited company incorporated on 1st Day of



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June, 1985 under the Act and having its registered office at P.O. Petrochemicals - 391346, Dist. Vadodara, State - Gujarat. Transferee Company is engaged in the business of acquiring from Gujarat Electricity Board License under Indian Electricity Act, 1910, to take over and work the concessions conferred upon Gujarat Electricity Board for existing facilities and proposed future expansion for and at Utran power Station and/or any other Power Stations, to generate, receive, purchase, develop, use, sell, supply, distribute and accumulate electric power at Utran Power Station and/or any other Power Stations, site or sites that may be contemplated by the said licence and such other allied activities since inception. The shares of the Transferee Company are listed on BSE Ltd. and National Stock Exchange of India Ltd.

3.2 Objects and Reasons:

- 3.2.1 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Company and the Transferee Company, the said Companies now propose by way of this Scheme to merge the Transferor Company into and with the Transferee Company in accordance with the terms hereof.
- 3.2.2 In the circumstances and in the business interests of the Transferor Company and the Transferee Company and synergistic linkages that exist between them, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and on the terms and conditions stated in this Scheme.
- 3.2.3 The Merger will enable appropriate consolidation of the activities of the Transferor Company and the Transferee Company with more efficient utilization of their resources, greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters. The same will result, inter alia, from advantages of integration of the operations of the said companies, including better resource management and reduction of working capital requirements which will be facilitated by the Merger. The Merger will enable the business of the merged Transferee Company to be carried on more conveniently and advantageously. The Scheme is proposed accordingly and will have beneficial results for the said Companies, their shareholders, employees and all concerned.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Board of Directors of Transferee Company have considered and proposed the Merger of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the



stakeholders of said companies. Accordingly, the Board of Directors of both Transferor Company and Transferee Company have formulated this Scheme for the transfer and vesting of the Undertaking of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 391 to Section 394 and other relevant provisions of the Act.

4 SHARE CAPITAL:

4.1 The share capital structure of the Transferor Company as per the last audited accounts for the period ended on 31st March, 2016 is as under:

Particulars	Amount in Rupees
Authorized Share Capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000/-
Issued, Subscribed and Paid Up Share Capital	
2,50,000 Equity Shares of Rs. 10/- each fully paid up	25,00,000/-

There has been no change in the capital structure of the Transferor Company subsequent to 31st March, 2016. The entire issued, subscribed and paid-up capital of the Transferor Company is held by the Transferee Company along with its nominee shareholders.

4.2 The share capital structure of the Transferee Company as per the last audited accounts for the year ended on 31st March, 2016 is as under:

Particulars	Amount in Rupees
Authorized Share Capital	
32,50,00,000 Equity Shares of Rs. 10/- each	325,00,00,000/-
61,00,000 Cumulative Redeemable Preference Shares (with dividend not exceeding 15% p.a.) of Rs.100/- each	61,00,00,000/-
TOTAL	386,00,00,000/-
Issued, Subscribed and Paid Up Equity Share Capital	
15,12,51,188 Equity Shares of Rs. 10/- each fully paid up	151,25,11,880/-

There has been no change in the capital structure of the Transferor Company subsequent to 31st March, 2016.



5 TRANSFER AND VESTING OF THE UNDERTAKING:

5.1 Transfer of Assets

5.1.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company as defined herein, save as provided in sub-clauses 5.1.1.1 and 5.1.1.2 below, shall, under the provisions of Sections 391 to 394 of the Act, and pursuant to the orders of the High Court, without any further act or deed or matter or thing to be made, done or executed but subject to the changes affecting the same as on the Effective Date, shall stand transferred to and vested in the Transferee Company as a going concern so as to become the undertaking and property of the Transferee Company from the Appointed Date. Provided that the movable assets of the Transferor Company shall vest in the Transferee Company in the manner laid down hereunder:

5.1.1.1 All the tangible movable assets of the Transferor Company, including plant and machinery, furniture and fixtures, cash on hand, etc., shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the title and property therein shall pass to the Transferee Company on such delivery alongwith other assets & liabilities.

5.1.1.2 In respect of movable assets other than those specified in sub-clause 5.1.1.1 above, including sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits with Government, bodies, customers etc., the following modus operandi shall be followed:

The Transferee Company shall give notice in such form as it may deem fit and proper to each party, debtors or depositors, as the case may be, that pursuant to orders of the High Court, sanctioning the Scheme, the said debts, loans, advances, etc., be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realise the same stands extinguished. The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the orders of the High Court, sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan, advance or make good the same or hold the same to its account and that the rights of the Transferee Company to recover or realize the same are in substitution of the rights of the Transferor Company.

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5.2 Transfer of Liabilities

Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company, shall, pursuant to the orders of the High Court, made under Section 394 of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in and assumed by the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which, such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause 5.

6 CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all memorandum of understanding, contracts, schemes, assurances, licenses, including the Export Oriented Unit registration, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto. The Transferee Company shall, if so required or becomes necessary, upon the coming into effect of this Scheme enter into and/ or issue and/or execute deeds, writings or confirmations to give effect to the provisions in this Clause 6.

7 LEGAL PROCEEDINGS:

If any suit, appeal, or other proceedings of whatever nature (hereinafter called "the proceedings") by or against the Transferor Company be pending as on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted or enforced by or against the Transferor Company, if the Scheme had not been made.



8 EMPLOYEES OF TRANSFEROR COMPANY:Upon this Scheme coming into effect:

- 8.1 On the Scheme becoming effective, all permanent employees on the payroll of the Transferor Company on the Effective Date shall be deemed to have become employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date;
- 8.2 In the case of employees who are "Workmen" under the Industrial Disputes Act, 1947, the offer of transfer of services to them will be subject to the conditions enumerated in the proviso to Section 25 FF of the Industrial Disputes Act, 1947;
- 8.3 The accumulated balances standing to the credit of the transferred employees' provident fund and /or gratuity fund and/or superannuation fund and /or any other retirement fund shall be transferred and credited to the corresponding statutory and / or exempted retirement fund of the Transferee Company subject to approval of the concerned authorities; and
- 8.4 For the purpose of sub-clause 8.3 above, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever including the administration or operation of such funds according to the terms provided in the respective trust deeds governing such funds. It is the aim and the intent of this Scheme that all rights, duties, powers and responsibilities respectively of the Transferor Company in relation to such funds shall become the rights, duties, powers and responsibilities of the Transferee Company.

9 DATE WHEN THE SCHEME COMES INTO OPERATION:

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court, shall have legal effect and force from the Appointed Date but shall be operative from the Effective Date.

10 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE:

- 10.1 With effect from the Appointed Date and up to and including the Effective Date, the following provisions shall be in force:

- 10.1.1 The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and been in possession of and shall hold and be in possession of all the Undertaking of



the Transferor Company for and on account of and in trust for the Transferee Company.

10.1.2 All the profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be, including for the purpose of taxation.

10.1.3 All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of its business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

10.1.4 The Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorised by the board of directors of the Transferee Company, as the case may be, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with its fixed assets or any part thereof, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the Transferor Company.

10.1.5 The Transferor Company and/ or the Transferee Company, as the case may be, shall not, without the prior consent in writing of any of persons authorised by the board of directors of the Transferor Company or the Transferee Company, as the case may be, make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation



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10.1.6 The Transferor Company shall not, without the prior consent in writing of any of persons authorised by the board of directors of the Transferee Company, undertake (i) any material decision in relation to its business and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in the ordinary course of business) (iii) any new business, or discontinue any existing business or change the installed capacity of facilities.

10.1.7 The Transferor Company shall not vary the terms and conditions of employment of any of its employees, except in the ordinary course of business or without the prior consent of the board of directors of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.

10.1.8 The Transferee Company shall be entitled to depute its employees and/or representatives to the office(s)/factory site(s) of the Transferor Company to ensure compliance with the provisions of Clauses 10.1.1 to 10.1.7.

11 CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY:

11.1 The entire issued, subscribed and paid-up share capital of the Transferor Company is or will be held by the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the share capital i.e. authorized share capital, issued, subscribed and paid up share capital of the Transferor Company shall stand cancelled

11.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/ or the shares / depository receipts in electronic form representing the shares held by the Transferee Company and/ or its other nominee members in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company or its other nominee members.

12 DIVIDENDS, PROFITS, BONUS/RIGHTS SHARES:

12.1 Dividends (interim and/or final) in respect of the period commencing from the Appointed Date until the Effective Date may be declared or paid by the Transferor Company with the prior consent of the Transferee Company

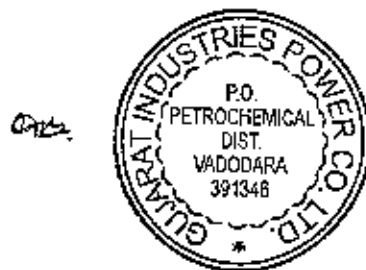
12.2 It is clarified, however, that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any



dividend which shall be entirely at the discretion of the Boards of Directors of the Transferor Company and Transferee Company and subject to the provisions of the Act.

13 TAX TREATMENT, CREDITS, REFUNDS AND ADJUSTMENTS:

- 13.1 This Scheme has been drawn up to comply with the conditions specified under section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme, except to the extent required to give effect to the Scheme.
- 13.2 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company
- 13.3 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Merger of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 13.4 Any tax liabilities under the Income Tax Act, 1961, service tax laws, excise duty laws, custom duty law, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company
- 13.5 Any refund, under the Income Tax Act, 1961, service tax laws, excise duty laws, custom duty law, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Transferor Company consequent to the assessment made on Transferor Company (including any refund for which no credit is taken in the accounts of



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the Transferor Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.

- 13.6 The tax payments (including, without limitation income tax, service tax, excise duty, custom duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 13.7 Further, any tax deducted at source by Transferor Company/ Transferee Company on transactions with the Transferee Company/ Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 13.8 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 13.9 Upon the coming into effect of this Scheme and subject to the provisions of Section 72A of the Income Tax Act, 1961, the accumulated and unabsorbed tax losses and the allowance for unabsorbed depreciation as per return of income filed / assessment made in case of the Transferor Company upto the Appointed Date shall be deemed to be the loss or unabsorbed depreciation of the Transferee Company
- 13.10 Upon the coming into effect of this Scheme, the loss brought forward and unabsorbed depreciation as per books of account as on Appointed Date of Transferor Company would be deemed to be loss brought forward and unabsorbed depreciation of the Transferee Company as per books of accounts of the Transferee Company.
- 13.11 Upon the coming into effect of this Scheme, the Transferee Company shall be entitled to carry forward, avail of or set off any credits for minimum alternate tax (whether recognised in the books of Transferor company or not) upto the Appointed Date to which the Transferor Company is entitled to in terms of provisions of Income tax Act, 1961.
- 13.12 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation income tax, minimum alternate tax,



tax deducted at source, wealth tax, service tax, excise duty, custom duty, central sales tax, applicable state value added tax, customs duty drawback, etc.) to which the Transferor Company is entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.

- 13.13 Upon the coming into effect of this scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.
- 13.14 Upon the Scheme becoming operative, the Transferee Company is expressly permitted to revise its financial statements, corporate income tax, TDS/TCS, service tax, excise duty, custom duty, VAT, entry tax, professional tax or any other returns, statements or documents, upon the scheme being effective, and where necessary to give effect to the scheme, even if the prescribed time limits for filing or revising such returns have lapsed. The transferee company is expressly permitted to amend, if required, its TDS/TCS or any other statutory certificates and shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to its income or transactions entered into by it with effect from the Appointed Date.

14 ACCOUNTING TREATMENT:

- 14.1 Upon the coming into effect of this Scheme and on and from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required, the Transferee Company shall account for the Merger in its books as under:
- 14.1.1 Merger of the Transferor Company with the Transferee Company shall be accounted in accordance with the Pooling of Interest method of Indian Accounting Standard - 14 as notified under the Act.
- 14.1.2 All assets & liabilities, including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as they appear in the financial statement of the Transferor Company.
- 14.1.3 Amount of share capital of the Transferor Company and the value recorded as investment in the books of the Transferee Company shall be adjusted against each other and difference, if any, shall be debited to general reserve account if there is a deficit or credited to capital reserve account of the Transferee Company if there is a surplus, as the case may be.



14.1.4 All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company, shall be cancelled and there shall be no obligation/outstanding in that behalf.

14.1.5 In case of any differences in accounting policy between the Transferee Company and the Transferor Company, the impact of the same till the Appointed Date will be quantified and recorded in accordance with the applicable Accounting Standards notified under the Act to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

15 DISSOLUTION OF THE TRANSFEROR COMPANY:

15.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

15.2 On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies, Gujarat. The Transferee Company shall make necessary filings in this regard.

16 APPLICATIONS/PETITIONS TO THE HIGH COURT AND APPROVALS:

16.1 The Transferor Company shall, with all reasonable dispatch, make and file all applications and petitions under Sections 391 to 394 and other applicable provisions of the Act before the High Court, under whose jurisdiction the registered office of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law. The Transferee Company shall be exempted from following the procedure under section 391 to 394 as the Transferor Company is a wholly owned subsidiary of the Transferee Company.

16.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

17 MODIFICATIONS/AMENDMENTS TO THE SCHEME:

17.1 The Transferor Company and the Transferee Company, through their respective Boards of Directors or such other person or persons, as the respective Board of



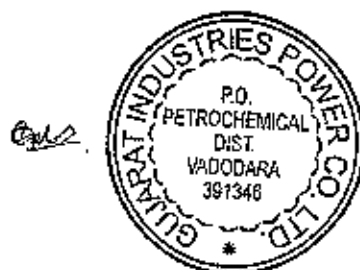
Directors may authorize, including any committee or sub-committee thereof may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations which the High Court and any other competent authority may deem fit to suggest/impose/direct and effect any other modification or amendment which the High Court and any other competent authority may consider necessary or desirable and give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Company or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. However, it is clarified that no modifications or amendments to the Scheme will be carried out without approaching the High Court.

- 17.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

18 SCHEME CONDITIONAL ON APPROVALS/SANCTIONS:

18.1 The Scheme is conditional upon and subject to:

- 18.1.1 the sanction or approval of all persons or authorities concerned being obtained and granted in respect of any of the matters provided for or relating to the Scheme for which such sanction or approval is required;
- 18.1.2 the approval of the Scheme by the requisite majority of each class of the respective members and creditors of the Transferor Company and the Transferee Company as may be directed by the High Court, on the applications made for directions under Section 391 of the Act for calling meetings and necessary resolutions being passed under the Act for the purpose;



18.1.3 Applicant being the 100% holding company is eligible to seek exemption from convening the meeting through postal ballot and e-voting of the equity shareholders and to avail the exemption under clause 9 (a) of Securities and Exchange Board of India Circular No.CIR/CFD/CMD/16/2015 dated 30th November, 2015 in the present Scheme as there is merger proposed of wholly owned subsidiary with its holding company and necessary undertaking certified by the auditor stating the reasons for non-applicability of clause 9 (a) and certified copy of Board of Director's resolution approving the aforesaid Auditor's Certificate shall be tendered as required under clause 9 (a) of the said SEBI Circular. Otherwise as per clause 9(a) of Securities and Exchange Board of India Circular No. No.CIR/CFD/CMD/16/2015 dated 30th November, 2015, it is incumbent upon the Transferee Company to convene and hold the meeting through postal ballot and e-voting option to its shareholders if the Transferee is not a holding company of the transferor company and in such eventuality the meetings as required as per the circular of SEBI, the transferee company is required to seek permission to convene and hold the meeting through postal ballot and e-voting option to the shareholders.

18.1.4 the sanction of the Scheme by the High Court, under Sections 391 and 394 of the Act and necessary Order or Orders under Section 394 of the Act being obtained;

18.1.5 the certified copies of the Orders of the High Court sanctioning this Scheme being filed with the appropriate Registrar of Companies; and

18.1.6 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

18.2 The last of the following dates shall be the "Effective Date" for the purpose of this Scheme:

18.2.1 the last of the consents, approvals, permissions, resolutions and orders as mentioned in Clause 18.1 shall be obtained or passed; or

18.2.2 all necessary certified copies of Orders of the High Court under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

19 EFFECT OF NON RECEIPT OF APPROVALS/SANCTIONS:

19.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause 18 not being obtained and/or complied with and/or satisfied



and/or the Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid and the Scheme is rendered become null and void, or it stands revoked, cancelled and be of no effect then no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed

19.2 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors is of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/ or the Transferee Company.

19.3 If any part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

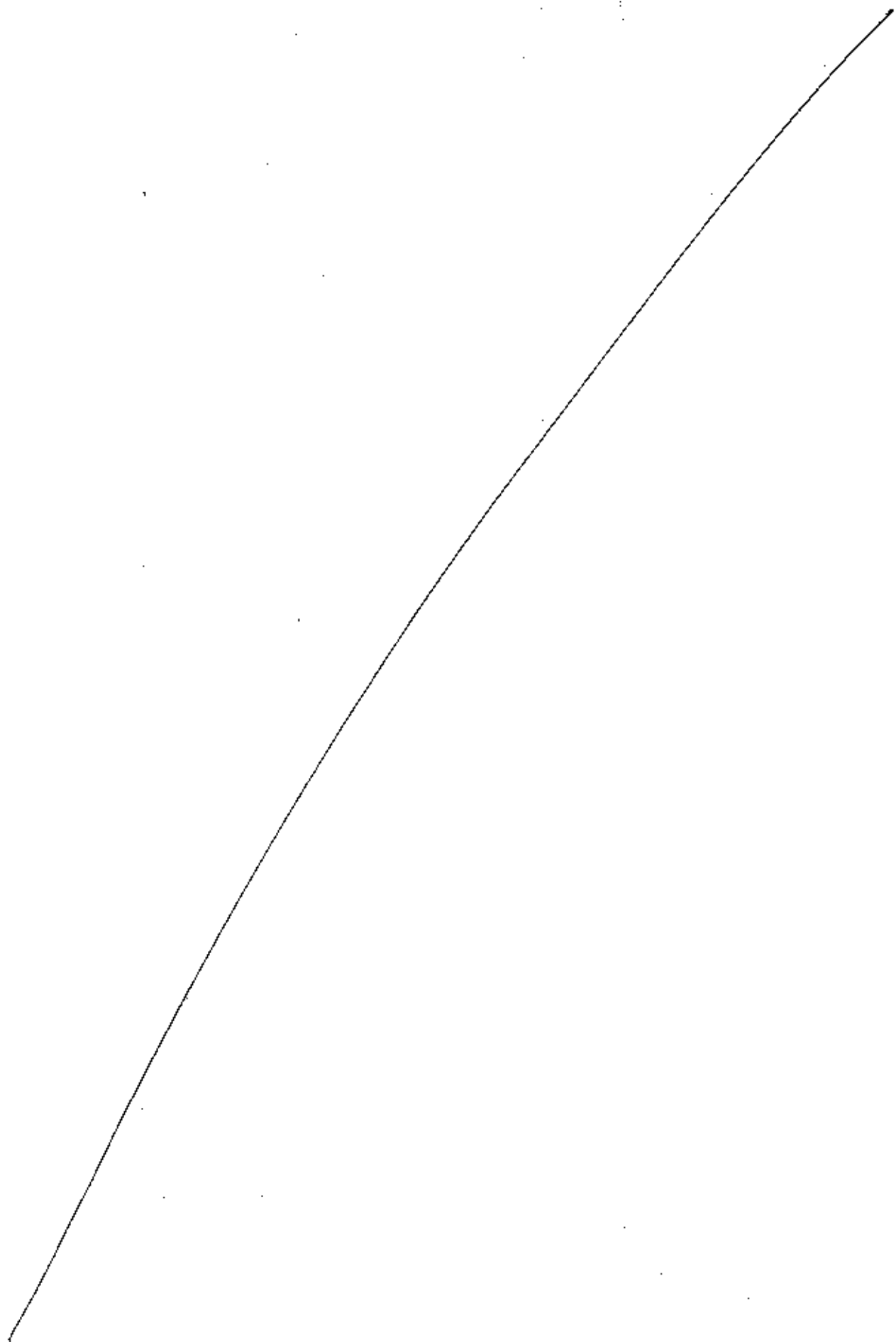
20 COSTS AND EXPENSES:

All costs, charges and expenses of the Transferor Company and of the Transferee Company in relation to or in connection with the Scheme shall be borne by the Transferor Company and the Transferee Company respectively.

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GUJARAT INDUSTRIES POWER COMPANY LIMITED
P.O.: PETROCHEMICALS – 391 346, DISTRICT: VADODARA
PHONE NOS: 2232768 / 2232213 / 2230159, FAX NO: (0265) 2230473
Email : csacshah@gipcl.com Website : www.gipcl.com,
CIN – L99999GJ1985PLC007868

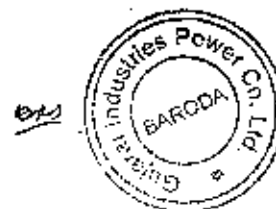
Report of the Audit Committee of Directors of Gujarat Industries Power Company Limited (the listed Transferee Company) CIN:L99999GJ1985PLC007868 recommending the Draft Scheme of Arrangement in the nature of Merger of GIPCL Projects and Consultancy Company Limited (the unlisted Transferor Company) CIN:U74999GJ2012PLC071761 with Gujarat Industries Power Company Limited.

The Audit Committee was informed about the proposal to merge GIPCL Projects and Consultancy Company Limited (the Transferor Company) CIN: U74999GJ2012PLC071761 with Gujarat Industries Power Company Limited (the Transferee Company) CIN: L99999GJ1985PLC007868 and the draft Scheme of Arrangement in the nature of Merger was placed before the Audit Committee at its Meeting held on 26/08/2016.

The Committee perused the Draft Scheme and noted that GIPCL Projects and Consultancy Company Limited, the Transferor Company is a wholly owned subsidiary of the Transferee Company. The Committee, inter alia, noted following features of the draft Scheme of Merger:

- Appointed Date for the merger of GIPCL Projects and Consultancy Company Limited (the Transferor Company) CIN: U74999GJ2012PLC071761 with Gujarat Industries Power Company Limited (the Transferee Company) CIN:L99999GJ1985PLC007868 to be 1st April, 2016;
- Inter-company investments and balances, if any, will stand cancelled as a result of merger;
- All the assets, liabilities, employees, etc., if any, of GIPCL Projects and Consultancy Company Limited (the Transferee Company), as on the Appointed date will become the assets, liabilities, employees, etc. of Gujarat Industries Power Company Limited.

The Committee was also informed that as per the requirement of SEBI Circular No. CIR/ CFD/ 16/ 2015 dated November 30, 2015 listed companies are required to place before its Audit Committee, the valuation report obtained from an Independent Chartered Accountant and the Audit Committee shall furnish a report recommending draft Scheme, taking into consideration, the valuation report. The said SEBI Circular was placed before the Committee.



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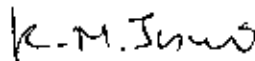
The Committee noted that Gujarat Industries Power Company Limited (the Transferee Company) and its Nominees are the only shareholders of GIPCL Projects and Consultancy Company Limited (the Transferor Company) and the entire issued, subscribed and paid up equity share capital of the Transferor Company shall stand cancelled and extinguished as a result of the said Merger.

Further, as the Transferee Company is not required to issue shares to any person in consideration of and consequent upon the Scheme of Merger and the paid up share capital of the Transferor Company shall stand extinguished, the requirement of obtaining Valuation Report from an Independent Chartered Accountant and placing the same before the Audit Committee is not applicable, in the case of Transferee Company/GIPCL.

Recommendations of the Audit Committee:-

After perusal of the rationale of the said Scheme of Merger and noting that the said Scheme will result in consolidation of the business in one entity and achieve better operational and administrative efficiency by harnessing and optimizing the synergies of both the Companies and that it would be in the best interests of both the Companies and their respective Shareholders, the Audit Committee considered, noted and recommended the said draft Scheme of Arrangement in the nature of Merger of GIPCL Projects and Consultancy Company Limited, (CIN:U74999GJ2012PLC071761), the Transferor Company, with Gujarat Industries Power Company Limited (CIN:L99999GJ1985PLC007868), the Transferee Company, inter-alia, taking into consideration other reports and papers placed before the Committee, for the approval of the Board of Directors of Gujarat Industries Power Company Limited (the Transferee Company).

For Gujarat Industries Power Company Limited


Dr. K M Joshi
(DIN:00501563)
Chairman of Audit Committee

Date: 26/08/2016. 
Place:Vadodara.



GUJARAT INDUSTRIES POWER COMPANY LIMITED (LISTED TRANSFEREE COMPANY)

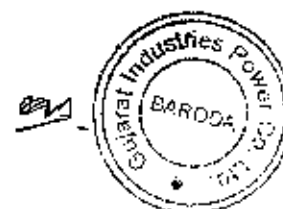
Statement Showing Shareholding Pattern as on 26/08/2016

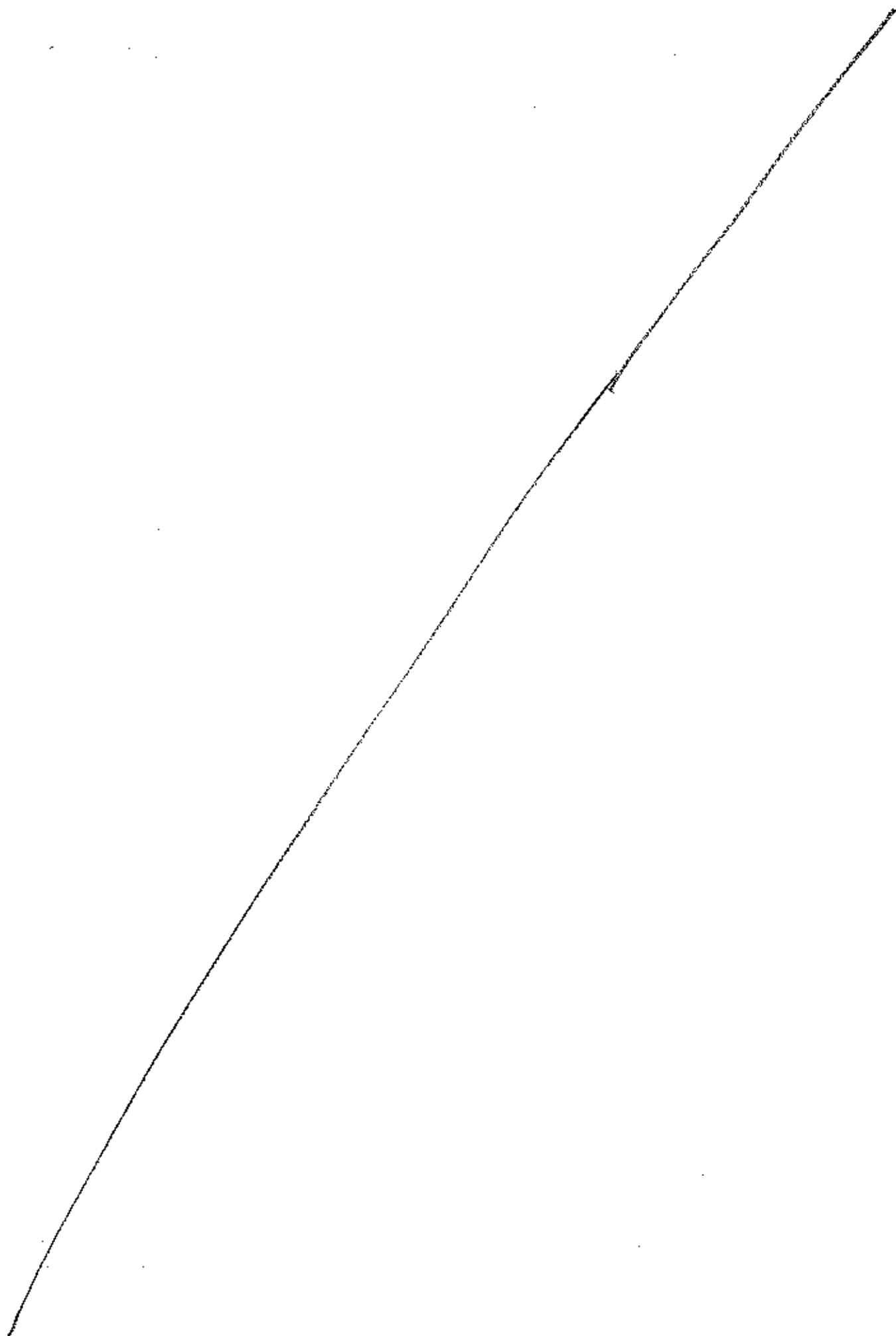
ANNEXURE D

Category code (I)	Category of Shareholder (II)	Number of Shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	PRE MERGER AS ON 26/08/2016			
					Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX)=(VIII)/(IV)*100
(A)	Promoter and Promoter Group²							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	0	0	0	0.00	0.00	0	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	5	88040261	84236161	58.21	58.21	0	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total(A)(1)	5	88040261	84236161	58.21	58.21	0	0.00
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
b	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
c	Institutions	0	0	0	0.00	0.00	0	0.00
d	Any Others(Specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	5	88040261	84236161	58.21	58.21	0	0
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI	19	8850048	8844648	5.85	5.85	0	0.00
(b)	Financial Institutions/ Banks	7	26219	22819	0.02	0.02	0	0.00
(c)	Central Government/ State Government(s)	6	11554308	11525973	7.64	7.64	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	6	14045366	14045366	9.29	9.29	0	0.00
(f)	Foreign Institutional Investors	24	5127292	5127292	3.39	3.39	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Qualified Foreign Investors	0	0	0	0.00	0.00	0	0.00
(i)	Any Other (specify)	1	2708	2708	0.00	0.00	0	0.00
	Sub-Total (B)(1)	63	39605939	39568806	28.19	28.18	0	0
B 2	Non-Institutions							
(a)	Bodies Corporate	492	5491093	5485443	3.63	3.63	0	0.00
(b)	Individuals							
i	Individual shareholders holding nominal share capital up to Rs 1 lakh	54953	12479234	11034987	8.25	8.25	0	0.00
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	93	3534042	3534042	2.34	2.34	0	0.00
(c)	Qualified Foreign Investors	0	0	0	0.00	0.00	0.00	0.00
(ci)	Foreign Portfolio Investor - Corp	0	0	0	0.00	0.00	0.00	0.00
(d)	Any Other (specify)					0.00		
i	Clearing Member	186	421824	421824	0.28	0.28	0	0.00
ii	Non resident Indians (Repatriable)	336	301682	301682	0.20	0.20	0	0.00
iii	Non resident Indians (Non - repatriable)	195	141698	141698	0.09	0.09	0	0.00
iv	Trust	3	8400	8400	0.01	0.01	0	0.00
v	Hindu Undivided Family	1065	1227015	1227015	0.81	0.81	0	0.00
	Sub-Total (B)(2)	57324	23604968	22155081	15.61	15.61	0	0
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	67387	63210927	61723897	41.79	41.79	0.00	0.00
	TOTAL (A)+(B)	57392	151251188	145960058	100.00	100.00	0.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0.00	0.00
1	Promoter and Promoter Group	0	0	0	0.00	0.00	0.00	0.00
2	Public	0	0	0	0.00	0.00	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	57392	151251188	145960058	100	100.00	0.00	0.00

Note:

There shall be no change in the pre and post merger shareholding pattern of the listed Transferee Company as there is no transfer or issue of shares involved in proposed Scheme of Arrangement in the nature of Merger.





ANNEXURE-E

The Audited Financial Details and Capital Evolution of the Transferee Company for the previous three financial years as per the Audited Statement of Accounts:

Name of the Transferee Company: **GUJARAT INDUSTRIES POWER COMPANY LIMITED.**

(Rs. in Lakhs)

	As per last Audited Financial Year ended on 31 st March, 2016	1 year prior to the last Audited Financial Year ended on 31 st March, 2015	2 years prior to the last Audited Financial Year ended on 31 st March, 2014
	2015-16	2014-15	2013-14
Paid up Equity Share	15,125.12	15125.12	15125.12
Reserves and surplus	1,82,453.14	168526.54	160451.69
Carry forward losses	0.00	0.00	0.00
Net Worth	1,97,578.26	183651.66	175576.81
Miscellaneous Expenditure	0.00	106.36	106.36
Secured Loans	47,499.47	60,643.58	70,030.32
Unsecured Loans	0.00	0.00	1520.00
Fixed Assets	186543.09	188867.44	199056.85
Income from Operations	135188.36	121465.69	137667.60
Total Income	138705.42	125787.74	140750.04
Total Expenditure	113737.03	*100844.93	115013.97
Profit before Tax	24968.39	24942.81	25736.07
Profit after Tax	18841.34	12630.73	18587.80
Cash profit	30179.17	24889.27	34393.89
EPS	12.46	8.35	12.29
Book value	130.67	121.42	116.08

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (where it is due) accompanied mandatorily by the Limited Review Report of the auditor.



QAM

The Audited Financial details and Capital Evolution of the Transferor Company for the previous three financial years as per the Audited Statement of Accounts:

Name of the Transferor Company: **GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED.**

(Rs. in Lakhs)

	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2015-16	2014-15	2013-14
Paid up Equity Share Capital	25.00	25.00	25.00
Reserves and surplus	11.39	9.03	4.51
Carry forward losses	0.00	0.00	0.00
Net Worth	36.39	34.03	29.15
Miscellaneous Expenditure	0.00	0.00	0.00
Secured Loans	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	0.00
Fixed Assets	0.00	0.00	0.00
Income from Operations	0.00	3.75	16.30
Total Income	3.29	9.71	18.52
Total Expenditure	0.64	3.05	6.25
Profit before Tax	2.65	6.66	12.27
Profit after Tax	2.36	4.52	9.88
Cash profit	2.36	4.52	9.88
EPS	0.94	1.81	3.95
Book value	14.56	13.61	11.66

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (where it is due) accompanied mandatorily by the Limited Review Report of the auditor.



ANNEXURE F

Name of the Company: GUJARAT INDUSTRIES POWER COMPANY LIMITED
BSE Scrip Code: 517300

I. Composition of Board of Directors as on 26 th August, 2016								
Title (Mr. / Ms)	Name of the Director	PAN & DIN	Category (Chairperson /Executive/Non-Executive/independent/nominee) &	Date of Appointment in the current term /cessation	Tenure (months)	No. of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit / Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr.	Sujit Gulati, IAS	ABWPG2305D00177274	Chairman, Non-Executive	20-07-2016	01	04		
Prof.	Shekhar Chaudhuri	ABMPC8938J00052904	Independent Non-Executive	19-09-2015	20	02	03	-
Dr.	Kirankumar Manharlal Joshi	ABCPJ3974F00501563	Independent Non-Executive	19-09-2015	20	01	01	01
Ms.	Shahmeena Syed Afzal Hussain, IAS	AAYPH0945H03584560	Nominee Non-Executive	20-09-2014	NA	01	-	-
Mr.	Sanjeev Kumar, IAS	AHGPK7053C03600655	Nominee Non-Executive	15-11-2014	NA	02	-	-
Dr.	Ajay Narottam Shah	AAPPS2553M01141239	Independent Non-Executive	19-09-2015	11	02	-	-
Mr.	Satyanarayan Banwarilal Dangayach	AAQPD7228M01572754	Independent Non-Executive	19-09-2015	11	03	-	-
Dr.	Babulal Ambaram Prajapati	ACEPP0582G01431661	Independent Non-Executive	19-09-2015	11	01	01	-
Mr.	Narendra Nath Misra	AAAPM0327Q00575501	Independent Non-Executive	13-10-2015	10	01	-	-
Mr.	Ashok Kumar	AAJPA3315J07317803	Nominee Non-Executive	20-10-2015	NA	01	01	-
Mr.	Prem Kumar Gera, IAS	AATPG0400D05323992	Nominee Non-Executive	01-03-2016	NA	02	02	-
Mr.	CS Vishvesh Vyomesh Vachharajani	AAUPV3594Q00091677	Nominee Non-Executive	28-03-2016	NA	01	-	-



Smt. Sonal Mishra, IAS	AFIPM0003J 03461909	Executive Director – Non Independent.	27-04-2015	NA	02	01	-
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*PAN number of any director would not be displayed on the website of Stock Exchange

*Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen

*to be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.

II. Composition of Committees		
Name of Committee	Name of Committee members	Category (Chairperson/Executive/Non-Executive/independent/Nominee) \$
Audit Committee	Dr. K M Joshi	Chairperson/Non-Executive/Independent
	Prof. Shekhar Chaudhuri	Non-Executive/Independent
	Shri Ashok Kumar	Non-Executive/Non-Independent/Nominee
	Dr. B A Prajapati	Non-Executive/Independent
Nomination & Remuneration Committee	Dr. K M Joshi	Chairperson/Non-Executive/Independent
	Smt. Shahmeena Husain, IAS	Non-Executive/Non-Independent/Nominee
	Dr. B A Prajapati	Non-Executive/Independent
Stakeholders Relationship Committee	Dr. K M Joshi	Non-Executive/Independent
	Smt. Sonal Mishra	Executive/ Non-Independent

*Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen .

III. Meeting of Board of Directors			
Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive (in number of days)	
27 th May, 2016	26 th August, 2016	90	
IV. Meeting of Committees			
Date(s) of meeting of the Committee in the relevant quarter	Whether requirement of Quorum met (details)	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days*
Audit Committee 26 th August, 2016	Yes	Audit Committee 27 th May 2016	90
Stakeholder's Relationship Committee 26 th August, 2016	Yes	Stakeholder's Relationship Committee 04 th April, 2016	143

*This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional

V. Related Party Transactions	
Subject	Compliance status (Yes/No/NA) refer note below
Whether prior approval of audit committee obtained	Yes
Whether shareholder approval obtained for material RPT	Yes



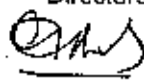
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	Yes
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Note:

- 1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.
- 2 If status is "No" details of non-compliance may be given here.

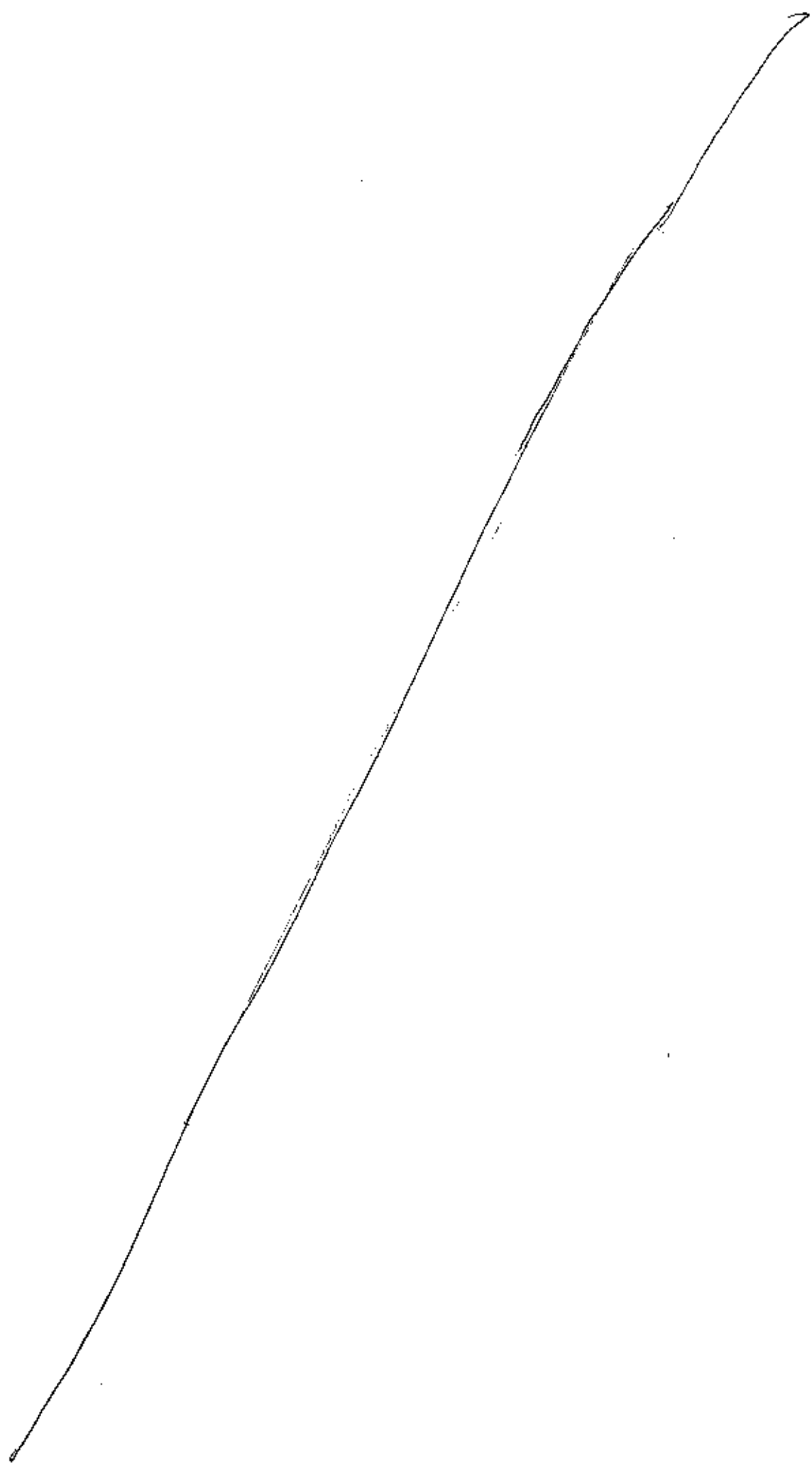
VI. Affirmations

1. The composition of Board of Directors is in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The composition of the following Committees is in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - a. Audit Committee
 - b. Nomination & remuneration committee
 - c. Stakeholders relationship committee
 - d. Risk management committee (Not applicable)
3. The Committee Members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
4. The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. This report and/or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here:


 CS A C Shah
 Company Secretary & DGM (Legal)
 & Compliance Officer.



Note: Information at Table I and II above need to be necessarily given in 1st quarter of each financial year. However if there is no change of information in subsequent quarter(s) of that financial year, this information may not be given by Listed entity and instead a statement "same as previous quarter" may be given.



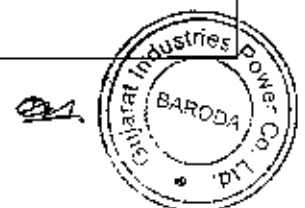
ANNEXURE G

Compliance Report with the requirements specified in Part-A of Annexure I of SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015.

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Arrangement in the nature of merger of GIPCL Projects and Consultancy Company Limited (GIPCO) (CIN: U74999GJ2012PLC071761), the unlisted Transferor Company with Gujarat Industries Power Company Limited (GIPCL)(CIN: L99999GJ1985PLC007868) the listed Transferee Company).

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015	Whether Complied or not & How
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	BSE Limited
Compliance as per Part A, Annexure I to the Circular		
2.	Documents to be submitted:	
2.a	Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	Enclosed at Annexure B.
2.b	Valuation Report from Independent Chartered Accountant	Not Applicable since there is no change in the Shareholding Pattern of the Transferee Company pre and post merger.
2.c	Report from the Audit Committee recommending the Draft Scheme	Enclosed at Annexure C.
2.d	Fairness opinion by merchant banker	Not applicable since the requirement of Valuation Report is not applicable.
2.e	Pre and post merger shareholding pattern of unlisted company	Enclosed at Annexure D.
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	Audited Financials/Annual Reports of GIPCO / Transferor Company (unlisted wholly owned subsidiary of GIPCL/Transferee Company) are enclosed at Annexure E.
2.g	Compliance with Regulation 17 to 27 of Listing Regulations	Enclosed at Annexure F.



2.h	Complaints Report	Will be submitted in the prescribed format as per Annexure III of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferor entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956 or Section 230 to 234 of the Companies Act, 2013	Not applicable. Since no shares are proposed to be issued. Entire equity share capital of the unlisted Transferor Company / GIPCO will stand extinguished post Merger.
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	Not applicable as no issue or transfer of shares is involved. Please refer Sr. No. 2 (b) and 3 here above.
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	Not applicable as no issue or transfer of shares is involved. Please refer Sr. No. 2 (b) and 3 here above.
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	There are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in Gujarat Industries Power Company Limited (Transferee Company) at any future date.
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	Not applicable as no issue or transfer of shares is involved. Please refer Sr. No. 2 (b) and 3 here above.

FOR GUJARAT INDUSTRIES POWER COMPANY LIMITED

Date: 28-10-2016.




CS A C Shah
Company Secretary & DGM (Legal)

To,
The Board of Directors
Gujarat Industries Power Company Limited
P.O. Petrochemicals
Vadodara.

CERTIFICATE BY THE STATUTORY AUDITORS OF GUJARAT INDUSTRIES POWER COMPANY LIMITED

We, the statutory auditors of Gujarat Industries Power Company Limited and GIPCL Project and Consultancy Company Limited have examined the draft scheme of arrangement between Gujarat Industries Power Company Limited, the listed entity, hereinafter referred to as "The Company" ("Transferee Company") and GIPCL Project and Consultancy Company Limited ("Transferor Company") and respective shareholders under Section 391 read with Section 394 and other relevant provisions of the Companies Act, 1956 and provisions of Section 230 to 240 of the Companies Act, 2013 (yet to be notified) ("the Proposed Scheme").

On the basis of the information and explanations given to us, we certify the attached undertaking issued by Gujarat Industries Power Company Limited on non-applicability of the conditions prescribed in Paragraph 9 of Annexure 1 of Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, issued by the Securities Exchange Board of India ("SEBI") for the reasons stated below:

1. The Scheme does not envisage any issue of shares by the Company to the shareholders of Transferor Company and hence there is no allotment of any additional shares to Promoter/Promoter Group, Related Parties of Promoter/Promoter Group, Associates of Promoter/Promoter Group/Subsidiary/(s) of Promoter/Promoter Group of the listed entity.
2. The Scheme involves only the Company and its wholly owned subsidiary. Para 9 (a) (ii) deals with cases wherein as a result of the relationship between the other entity and the Promoters/Promoters Group of the Company there may be a benefit or loss to the Promoter or loss to the Promoters/Promoters Group. There is no direct relationship between the Promoter/Promoter Group of the Company and the Transferor Company and the relationship is only through the Company. Hence Para 9(a)(ii) shall not apply.
3. The Company, has not acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders who may be Promoter/Promoter Group, Related Parties of Promoter/Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/Promoter Group.

Auditor's Responsibility

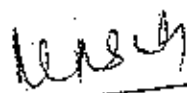
We conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificate for special purposes' issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit test in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements,



accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion. Further our examination did not extend to any aspects of legal or proprietary nature covered in the aforesaid arrangement/scheme other than the matters referred to in the said certificate.

This certificate is issued at the request of the Management of the Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange and Bombay Stock Exchange and should not be used for any other purpose without our prior written permission.

For, K C Mehta & Co.
Chartered Accountants
Firm Registration No.: 106237W



Neela Shah
Partner
Membership Number: 045027
Place: Vadodara
Date: 14.09.2016



ANNEXURE I

Brief particulars of the Transferee Company and Transferor companies:

Particulars	Transferee Company	Transferor Company
Name of the Company	Gujarat Industries Power Company Limited (GIPCL) (Listed Company)	GIPCL Projects and Consultancy Company Limited (GIPCO) (Unlisted Company)
Date of Incorporation & details of name changes, if any.	1 st June 1985.	30 th August, 2012.
Registered Office.	P.O Petrochemicals – 391346, Dist.: Vadodara, Gujarat, India.	2 nd Floor, GIPCL Corporate Building, P.O Petrochemicals-391 346, Dist.: Vadodara, Gujarat, India.
Brief particulars of the Scheme	Scheme of Arrangement in the nature of merger of GIPCO (unlisted Transferor Company) with GIPCL (listed Transferee Company).	
Rationale for the Scheme	To achieve administrative and operational efficiency.	
Date of resolution passed by the Board of Directors of the Company approving the Draft Scheme.	26-08-2016	26-08-2016
Date of meeting of the Audit Committee in which the Draft Scheme has been approved.	26-08-2016	NA
Appointed Date.	1 st April, 2016.	1 st April, 2016.
Name of Exchanges where securities of the Company are listed.	BSE Ltd. National Stock Exchange of India Limited	Unlisted
Nature of Business	Power Generation	Consultancy Services.
Paid up Equity Share Capital before the scheme (Rs. in Lakhs)	Rs. 15125.12	Rs. 25.00
No. of shares to be issued	NIL	NIL
Cancellation of shares on account of cross holding, if any	NIL	2,50,000 Equity Shares of Rs.10/- each fully paid up aggregating to Rs.25.00 Lakhs shall stand cancelled post merger.
Paid up Equity Share Capital after the scheme (Rs. in Lakhs)	Rs. 15125.12	NIL
Net Worth (Rs. in Lakhs)		
Pre	Rs. 1,97,578.26	Rs. 36.39
Post	Rs. 1,97,578.26	NIL
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	NOT APPLICABLE. No issue of fresh shares under the proposed scheme is involved as the Unlisted Transferor Company is wholly owned Subsidiary of	



	the Listed Transferee Company.			
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	NOT APPLICABLE		NOT APPLICABLE	
Fair value per share Rs.	NOT APPLICABLE		NOT APPLICABLE	
Exchange ratio	NOT APPLICABLE			
Name of Merchant Banker giving fairness opinion	NOT APPLICABLE			
Shareholding pattern	Pre-Merger		Pre-Merger	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	88040261	58.21	2500000	100
Public	63210927	41.79	NA	NA
Custodian	0	0	NA	NA
TOTAL	151251188	100	2500000	100
No. of shareholders (As on 26/08/2016)	57392		7	
	Post Merger		Post Merger	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	88040261	58.21	NIL	NIL
Public	63210927	41.79	NIL	NIL
Custodian	0	0	NIL	NIL
TOTAL	151251188	100	NIL	NIL
Names of the Promoters	Gujarat Urja Vikas Nigam Ltd. Gujarat Alkalies and Chemicals Ltd. Gujarat State Fertilizers and Chemicals Limited Petrofils Co-operative Ltd.		Gujarat Industries Power Company Limited	
Names of Directors	Shri Sujit Gulati, IAS, Chairman Prof. Shekhar Chaudhuri Dr. K M Joshi Shri P K Gera, IAS Smt. Shahmeena Husain, IAS Shri Sanjeev Kumar, IAS Dr. Ajay N. Shah Shri S.B. Dangayach Prof. B.A. Prajapati Shri N.N. Mishra Shri Ashok Kumar CS VV Vachharajani Smt. Sonal Mishra IAS		Shri N K Purohit Shri N K Singh Shri S N Purohit	
Details regarding change in management control if any	Post Merger, there is no change in the management control of the Transferee Listed Company			

FOR GUJARAT INDUSTRIES POWER COMPANY LIMITED

Date: 28-10-2016



[Signature]
CS A C Shah
Company Secretary & DGM (Legal)

ANNEXURE J

GUJARAT INDUSTRIES POWER COMPANY LIMITED
P.O.: PETROCHEMICALS – 391 346, DISTRICT: VADODARA
PHONE NOS: 2232768 / 2232213 / 2230159, FAX NO: (0265) 2230473
Email : csacshah@gipcl.com Website : www.gipcl.com,
CIN – L99999GJ1985PLC007868

SEC:GIPCO_GIPCL:MERGER:2016

28th October, 2016.

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Ref: Proposed Scheme of Arrangement in the nature of merger of GIPCL Projects and Consultancy Company Limited (GIPCO – CIN: U74999GJ2012PLC071761), the unlisted Transferor Company with Gujarat Industries Power Company Limited (GIPCL- CIN L99999GJ1985PLC07868), listed Transferee Company.

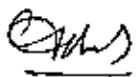
Scrip Code: 517300.

Sub: Net worth Certificate.

We hereby certify that the Net worth of GIPCL Projects and Consultancy Company Limited (GIPCO – CIN: U74999GJ2012PLC071761), the unlisted Transferor Company and Gujarat Industries Power Company Limited (GIPCL-CIN L99999GJ1985PLC07868), listed Transferee Company as on 31st March, 2016:

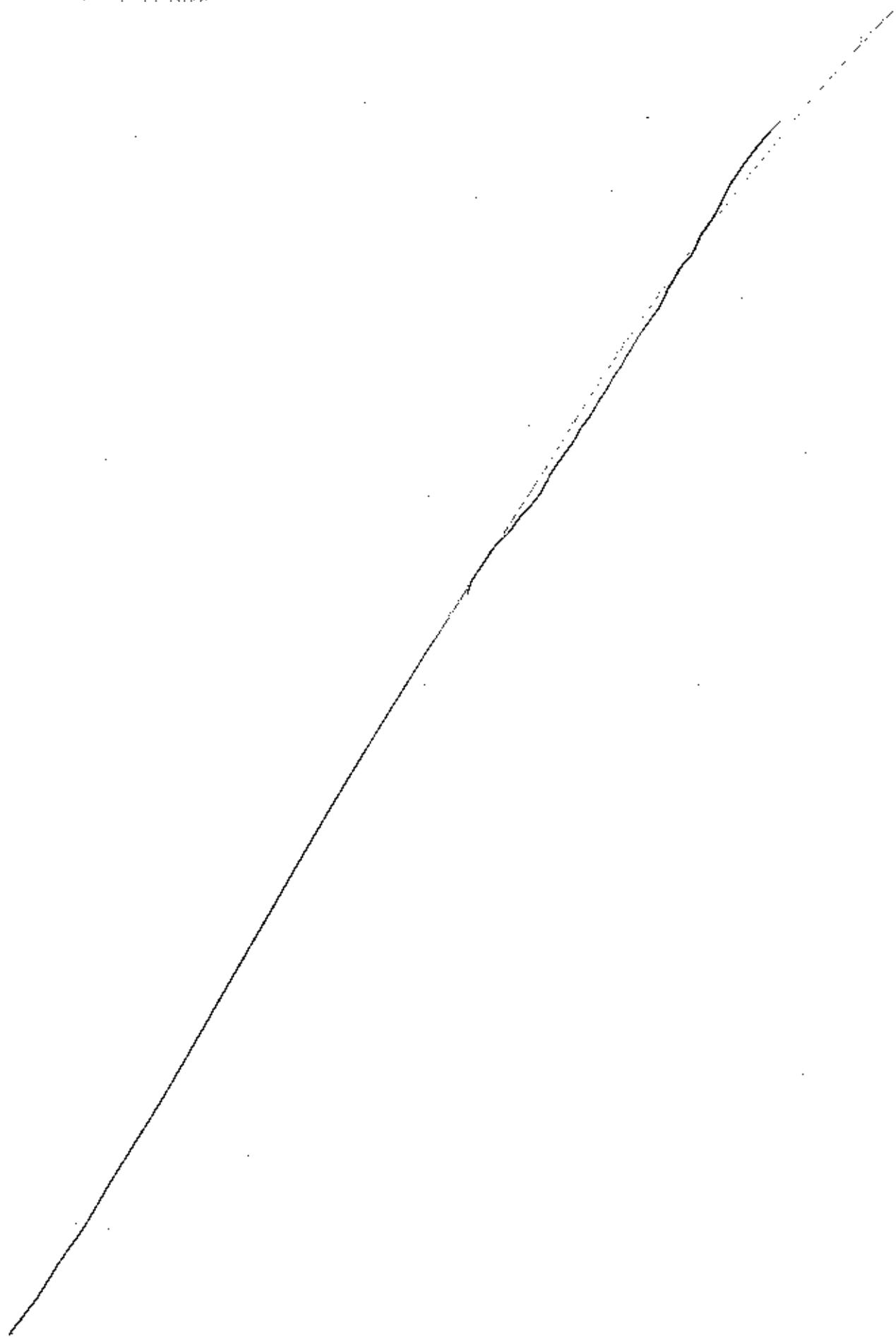
	Net Worth (Rs. in Lakhs)	
	Gujarat Industries Power Company Limited (The listed Transferee Company)	GIPCL Projects And Consultancy Company Limited (The unlisted Transferor Company)
Pre Merger	1,97,578.26	36.39
Post Merger	1,97,578.26	NIL

FOR GUJARAT INDUSTRIES POWER COMPANY LIMITED


CS A C Shah
Company Secretary & DGM (Legal)



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ANNEXURE K**Details of Capital evolution**

Gujarat Industries Power Company Limited (CIN: L99999GJ1985PLC007868) ("Transferee Company"):

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
01-06-1985	7	10.00	Subscriber to the Memorandum.	7	Listed
27-02-1987	3,44,078	10.00	Preferential Issue.	3,44,085	Listed
30-03-1989	93,48,333	10.00	Preferential Issue.	96,92,418	Listed
27-02-1991	96,67,734	10.00	Preferential Issue.	1,93,60,152	Listed
22-03-1991	11,00,000	10.00	Preferential Issue.	2,04,60,152	Listed
31-05-1991	5,44,000	10.00	Preferential Issue.	2,10,04,152	Listed
21-03-1992	49,24,183	10.00	Preferential Issue.	2,59,28,335	Listed
11-09-1992	1,30,41,900	10.00	IPO	3,89,70,235	Listed
30-10-1992	38,71,700	10.00	Preferential Issue.	4,28,41,935	Listed
27-10-1993	67,47,900	10.00	Preferential Issue.	4,95,89,835	Listed
28-02-1994	3,80,400	10.00	Preferential Issue.	4,99,70,235	Listed
15-10-1996	2,49,80,118	25.00	Rights Issue	7,49,50,353	Listed
22-03-1999	3,58,59,659	27.05	Preferential Issue	11,08,10,012	Listed
28-10-2005	4,04,41,176	68.00	FPO	15,12,51,188	Listed

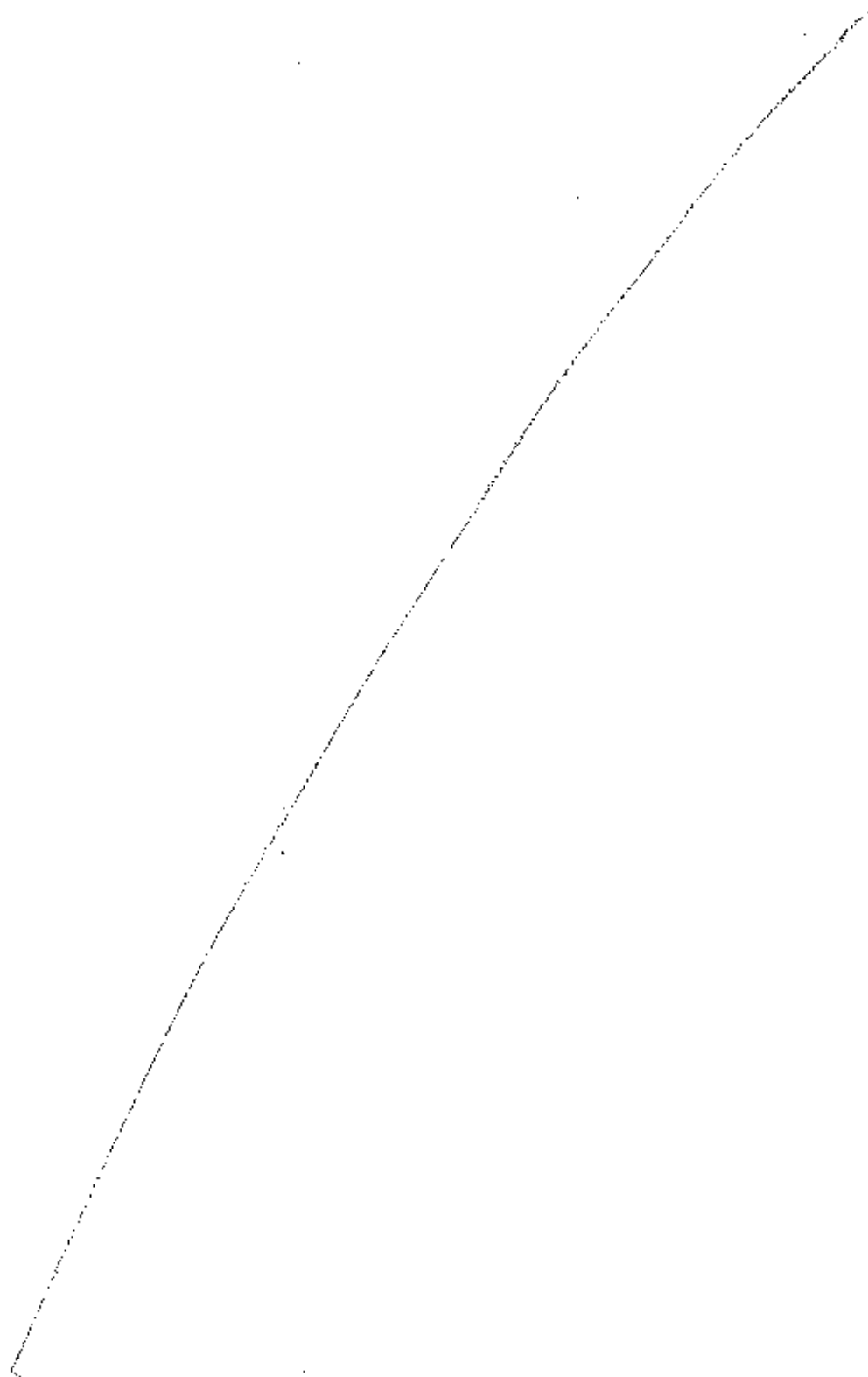
GIPCL Projects and Consultancy Co. Ltd. (CIN: U74999GJ2012PLC071761) ("Transferor Company"):

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
11-08-2012	25,00,000	10.00	Subscriber to the Memorandum.	25,00,000	Not – Listed (A wholly owned Subsidiary of GIPCL)



44

44



ANNEXURE L

GUJARAT INDUSTRIES POWER COMPANY LIMITED
 P.O.: PETROCHEMICALS – 391 346, DISTRICT: VADODARA
 PHONE NOS: 2232768 / 2232213 / 2230159, FAX NO: (0265) 2230473
 Email: csacshah@gipcl.com Website : www.gipcl.com,
 CIN – L99999GJ1985PLC007868

SEC:GIPCO_GIPCL:MERGER:2016

28th October, 2016.

To,
 The General Manager,
 Department of Corporate Services,
 BSE Limited,
 P.J. Towers, Dalal Street,
 Mumbai – 400 001.

Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Arrangement in the nature of Merger of GIPCL Projects and Consultancy Company Limited (GIPCO)(CIN:U74999GJ2012PLC071761), the unlisted Transferor Company with Gujarat Industries Power Company Limited(GIPCL) (CIN:L99999GJ1985PLC07868), the listed Transferee Company.

In connection with the above application, we hereby confirm that:

- a) The proposed Scheme of Arrangement in the nature of Merger to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, regulations and guidelines made under these Acts, and the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 or the requirements of BSE Limited.
- b) The requirement of forwarding the Explanatory Statement to the Shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, disclosing the pre and post-arrangement (expected) Capital Structure and Shareholding Pattern and the "fairness opinion" obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for GIPCL and GIPCO (the unlisted Transferor Company) is not applicable as there shall be no change in the Shareholding Pattern of GIPCL, the listed transferee Company post Merger since there is no swap ratio or issue of shares to the shareholders of unlisted Transferor Company/GIPCO involved.
- c) The Company shall submit the Complaint Report as per Annexure III in due course as required;
- d) The draft Scheme of Arrangement in nature of Merger together with all documents mentioned in Para I(A)(7)(a) of SEBI Circular



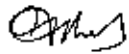
CIR/CFD/CMD/16/2015 dated November 30, 2015, has been disseminated on company's website as per Website link given hereunder:

<http://www.gipcl.com/downloads>

- e) The Company shall disclose the observation letter, if any, or the No Objection Letter of the Stock Exchange on its website within 24 hours of receiving the same.
- f) The Company shall not be required to obtain shareholders' approval by way of a special resolution passed through postal ballot / e-voting as the provisions of Para (9) (a) are not applicable.
- g) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- h) The Share Capital of GIPCO, the unlisted Transferor Company shall stand extinguished as mentioned in the Draft Scheme of Arrangement in the nature of Merger.

Kindly find the above in order.

For Gujarat Industries Power Company Limited



CS A C Shah
Company Secretary & DGM (Legal)



Encl.: As above.

To,
The Board of Directors,
Gujarat Industries Power Company Limited,
P.O.: Petrochemicals - 391346,
Dist.: Vadodara, Gujarat, India.

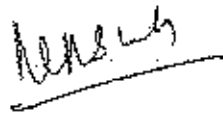
We, the statutory auditors of Gujarat Industries Power Company Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 14 of the Draft Scheme of Arrangements between Gujarat Industries Power Company Limited and GIPCL Projects Consultancy Company Limited in terms of the provisions of Section 391 read with Section 394 of the Companies Act, 1956 and provisions of Section 230 to 240 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

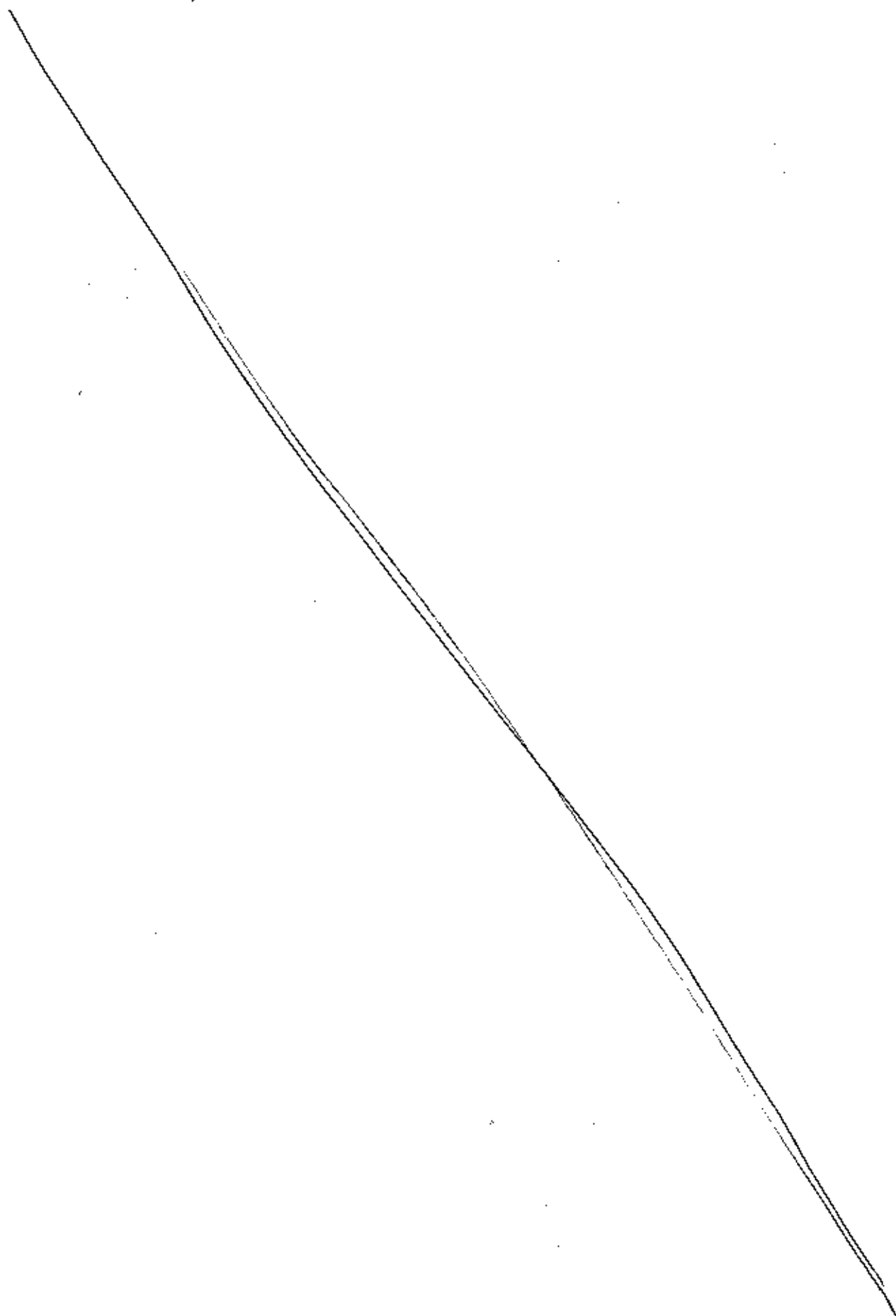
This Certificate is issued at the request of the Management of the Gujarat Industries Power Company Limited, Vadodara, pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the Bombay Stock Exchange and The National Stock Exchange of India Ltd. This Certificate should not be used for any other purpose without our prior written consent.

For, K C Mehta & Co.
Chartered Accountants
Firm Registration No.: 106237W


Neela Shah
Partner
Membership Number: 045027
Place: Vadodara
Date: 14.09.2016



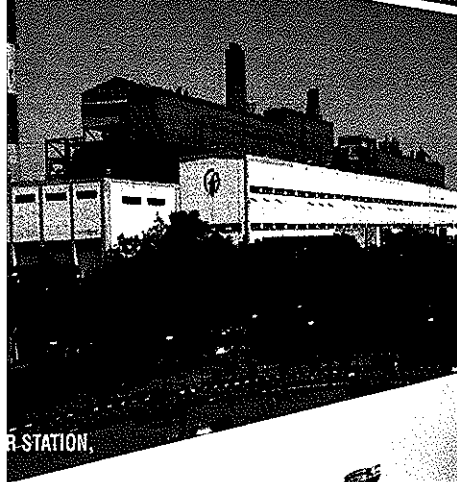
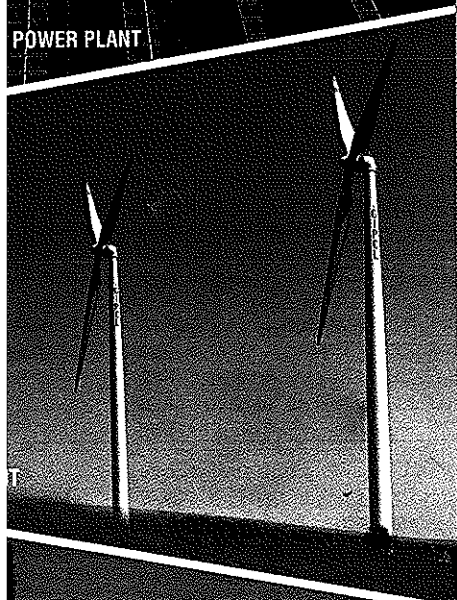
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31ST

ANNEXURE N(i)
PAGE NOS. 49 TO 114
ANNUAL REPORT 2015-16

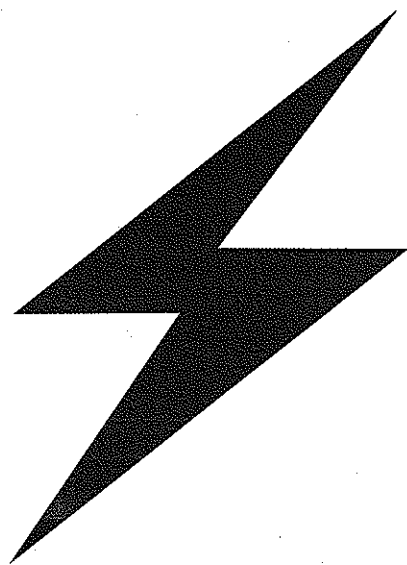
POWER PLANT



R STATION,



R STATION,



CERTIFIED TRUE COPY
For GUJARAT INDUSTRIES POWER CO. LTD.

A.C. SHAH

A.C. SHAH

Company Secretary & DGM (Legal)



GUJARAT INDUSTRIES POWER COMPANY LIMITED

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**31st ANNUAL GENERAL MEETING**

DAY & DATE: FRIDAY, 23RD SEPTEMBER, 2016
TIME : 11:00 AM
PLACE : REGISTERED OFFICE:
 P.O.: PETROCHEMICALS - 391 346,
 DIST.: VADODARA, GUJARAT

Registered Office : P.O.: Petrochemicals - 391 346,
 & Works Dist.: Vadodara, Gujarat.
 (Tel.) (0265) 2232768, 2230420, 2230159.
 (Fax) (0265) 2231207, 2230473.
 Email: genbaroda@gipcl.com
 Website : www.gipcl.com
 CIN:L99999GJ1985PLC007868

Surat Lignite Power Plant : 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

Bankers:**Vadodara Plant**

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.

Auditors : K.C. Mehta & Co.,
 Chartered Accountants, Vadodara.
 (FRN : 106237W)

Cost Auditors : Y S Thakar & Co.,
 Cost Accountants, Vadodara.
 (FRN : 000318)

Secretarial Auditors: Devesh Vimal & Co., Practising Company
 Secretaries, Vadodara.
 (CoP No. : 2306)

BOARD OF DIRECTORS

Shri Sujit Gulati, IAS	Chairman (from 20-07-2016)
Shri L Chuaungo, IAS	Chairman (upto 27-06-2016)
Prof. Shekhar Chaudhuri	Director
Dr. P K Das, IAS (Retd.)	Director (upto 26-07-2016)
Dr. K M Joshi	Director
Shri H R Brahmabhatt	Director (upto 31-12-2015)
Smt. Padma Betai	Director (upto 03-10-2015)
Shri P K Gera, IAS	Director (from 01-03-2016)
Smt. Shahmeena Husain, IAS	Director
Shri A M Tiwari, IAS	Director (upto 21-02-2016)
Shri Sanjeev Kumar, IAS	Director
Dr. Ajay N. Shah	Director
Shri S B Dangayach	Director
Prof. B A Prajapati	Director
Shri N N Misra	Director (from 13-10-2015)
Shri Ashok Kumar	Director (from 20-10-2015)
Shri V D Nanavaty	Director (from 11-02-2016 to 27-03-2016)
CS V V Vachhrajani	Director (from 28-03-2016)
Smt. Sonal Mishra, IAS	Managing Director (from 27-04-2015)

Company Secretary & DGM (Legal)

CS A C Shah

SENIOR EXECUTIVES

Shri N K Purohit	General Manager (Mines - SLPP)
Shri N K Singh	Addl. General Manager (SLPP)
Shri V B Bhadola	Addl. General Manager (Administration)
Shri S N Purohit	Addl. General Manager (BO)
Shri P J Sheth	Addl. General Manager (Finance)
Shri K S Munshi	Addl. General Manager (TS)
Shri C M Patel	Addl. General Manager (Operations-SLPP)

CERTIFIED TRUE COPY
 For GUJARAT INDUSTRIES POWER CO. LTD.


A.C. SHAH

Company Secretary & DGM (Legal)



Gujarat Industries Power Company Limited

ATTENTION

1. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, 20th August, 2016 to Thursday, 25th August, 2016 (both days inclusive).**
2. The Companies Act, 2013 and the Listing Regulations requires a listed Company to provide E-voting facility to its shareholders, in respect of all resolutions to be passed at General Meetings.
3. (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, etc. immediately to their DP (Depository Participant) only by quoting their Client ID & DP ID No. The Company or its RTA cannot act on any such request received directly from the Members holding shares in Demat mode.**
4. 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 NECS mandate, for registration of E-mail Address for "Go Green" initiatives etc.
5. 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.
6. 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.
7. The new Nomination Form No. SH-13 (to register Nominee), Form SH-14 (to change / cancel the Nominee) and Form SH-4 (Share Transfer Form) as prescribed under the Companies Act, 2013 are available on the website of the Company viz. www.gipcl.com.
8. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, companies are required to transfer its unpaid / unclaimed dividend after 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 up to FY 2007-2008 have been transferred to the Central Government Account / Fund.
9. 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.

Members are requested to note that the dividends for FY 2008-09 to 2014-15 shall be due for transfer to "Fund" on the dates as given below:

Particulars	FY	Due for Transfer To Fund
14th Dividend	2008-2009	September, 2016
15th Dividend	2009-2010	September, 2017
16th Dividend	2010-2011	September, 2018
17th Dividend	2011-2012	September, 2019
18th Dividend	2012-2013	September, 2020
19th Dividend	2013-2014	September, 2021
20th Dividend	2014-2015	September, 2022

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.


Gujarat Industries Power Company Limited

Registered Office : P.O.: Petrochemicals – 391 346, Dist.: Vadodara, Gujarat (India). (Tel.) (0265) 2232768, (Fax) (0265) 2230473. Email: genbaroda@gipcl.com Website : www.gipcl.com CIN:L99999GJ1985PLC007868

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Thirty First (31st) Annual General Meeting of the Members of Gujarat Industries Power Company Limited will be held on **Friday, the 23rd day of September, 2016 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 consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri Sanjeev Kumar, IAS (DIN: 03600655), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Smt. Shahmeena Husain, IAS (DIN: 03584560), who retires by rotation and being eligible, offers herself for re-appointment.
5. **To ratify appointment of Statutory Auditors:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), including any statutory modification(s) or re-enactment(s) thereof, including Rules, Circulars, Notifications issued there under and for the time being in force, the appointment of K C Mehta & Co., Chartered Accountants, Vadodara, (Registration No. FRN 106237W), as Statutory Auditors of the Company as approved by the Members at the 30th Annual General Meeting (AGM) of the Company, for a period of five years i.e. from conclusion of the 30th AGM until conclusion of the 35th AGM of the Company, be and is hereby ratified for a period of one year i.e. FY 2016-17, being second year of their Appointment, and that the Board of Directors of the Company, be and is hereby authorised to fix such remuneration as may be determined in consultation with the Auditors, plus applicable Service Tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL BUSINESS:

6. **To approve the terms of remuneration payable to Smt. Sonal Mishra, IAS, (DIN: 03461909), Managing Director:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT further to appointment of Smt. Sonal Mishra, IAS (DIN: 03461909) as the Managing Director of the Company vice Shri L Chuaungo, IAS (DIN: 00032867) with effect from 27th April, 2015 as per the Government of Gujarat (GoG), General Administration Department (GAD) Notification No.: AIS/35.2015/10/G dated 23rd April, 2015 and as approved by the Board of Directors and by the Members at the 30th Annual General Meeting, approval of Members be and is hereby accorded to the terms of remuneration, payable to Smt. Sonal Mishra, IAS, as mentioned in the Resolution No.: GIP-13-2015-2312-K dated 12th April, 2016 issued by Energy and Petrochemicals Department

(EPD), GoG, set out in the Explanatory Statement attached to this Notice and such remuneration as may be conveyed by the GoG and approved by the Board of Directors of the Company, from time to time, provided however that the period of appointment and the total remuneration payable by the Company to the Managing Director shall not exceed the limits prescribed under the Companies Act, 2013.”

“RESOLVED FURTHER THAT the remuneration as above payable to Smt. Sonal Mishra, IAS (DIN: 03461909), from time to time, shall be paid as minimum remuneration to the Managing Director even in the event of absence or inadequacy of profits in any year during her tenure as Managing Director, subject to the ceiling prescribed under sections 2(78) and 197 and Schedule V to the Companies Act, 2013.”

7. **To appoint Shri N N Misra (DIN: 00575501), as an Independent Director of the Company:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 161 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (the Rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Articles 86 and 98 of the Articles of Association of the Company, Shri Narendra Nath Misra (DIN: 00575501), Director of the Company, who holds office up to the date of this Annual General Meeting (AGM) and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member pursuant to Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from this 31st AGM till the 36th AGM of the Company and that he shall not be liable to retire by rotation.”

8. **To appoint Shri P K Gera, IAS (DIN: 05323992), Nominee of Gujarat Alkalies & Chemicals Ltd. (GACL), as Director of the Company:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 161 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (the Rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Article 93 of the Articles of Association of the Company, Shri P K Gera, IAS (DIN: 05323992), Director of the Company, Nominee of Gujarat Alkalies & Chemicals Ltd., who holds office up to the date of this Annual General Meeting (AGM) and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member pursuant to Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Nominee Director of the Company and that he shall be liable to retire by rotation.”



Gujarat Industries Power Company Limited

9. To appoint CS V V Vachhrajani (DIN: 00091677), Nominee of Gujarat State Fertilizers and Chemicals Ltd. (GSFC), as Director of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 161 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (the Rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Article 93 of the Articles of Association of the Company, CS V V Vachhrajani (DIN: 00091677), Director of the Company, nominated by Gujarat State Fertilizers and Chemicals Ltd., who holds office up to the date of this Annual General Meeting (AGM) and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member pursuant to Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Nominee Director of the Company and that he shall be liable to retire by rotation."

10. To appoint Shri Sujit Gulati, IAS (DIN: 00177274), Nominee of Govt. of Gujarat, as Director of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 161 and

other applicable provisions, if any, of the Companies Act, 2016, Companies (Appointment and Qualification of Directors) Rules, 2014, Articles 88 and 94 of the Articles of Association of the Company, Government of Gujarat (GoG), Energy & Petrochemicals Dept.'s (EPD) Resolution No. GIP-1299-4541-K dated 19th July, 2016, Shri Sujit Gulati IAS (DIN: 00177274), who holds office of Director up to the date of this Annual General Meeting and being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member pursuant to Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company and that he shall not be liable to retire by rotation."

11. To approve material Transactions with Related Parties:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members be and is hereby accorded to the following material Related Party Transactions (RPTs), entered into in the ordinary course of business at arms' length price, for the Financial Year 2015-16, as recommended and approved by the Audit Committee and the Board of Directors in their respective Meetings held on 27-05-2016:

Sr.	Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director(s)	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Date of approval at the meeting of the Audit / Board	Amount of contract or arrangement FY 2015-16 (Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(7)	
1	(i) Memorandum of Understanding (MoU) dated May 3, 1989 for Sale of Power from 145 MW Power Station. (ii) Power Purchase Agreement (PPA) dated August 1, 1996 for 165 MW Power Station. (iii) Power Purchase Agreement (PPA) dated April 15, 1997 for 250 MW Surat Lignite Power Plant (SLPP-I). (iv) Power Purchase Agreement (PPA) dated October 1, 2009 and August 13, 2013 for 250 MW Surat Lignite Power Plant (SLPP-II). (v) Power Purchase Agreement (PPA) dated Dec 18, 2010 for 5MW Solar Power Plant. (vi) PPAs dated 28-04-2015 and 27-01-2016 for 15 MW Wind Power Plant.	Gujarat Urja Vikas Nigam Limited (GUVNL)	1. Shri L. Chuaungo, IAS. 2. Smt. Shahmeena Husain, IAS. 3. Shri Sanjeev Kumar, IAS.	Promoter	Sale of Electricity	27/05/2016	1,06,471.51
2	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat State Fertilizers & Chemicals Ltd. (GSFC)	1. Shri H R Brahmabhatt 2. Shri V D Nanavaty 3. CS V V Vachhrajani	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	17,486.03
3	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat Alkalies & Chemicals Ltd. (GACL)	1. Shri A.M. Tiwari, IAS. 2. Shri P K Gera, IAS.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	15,429.77



"RESOLVED FURTHER THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members be and is hereby, accorded to the following material Related Party Transactions (RPTs) to be entered into, in the ordinary course of business at arms' length price, for the Financial Year 2016-17, as recommended and approved by the Audit Committee and the Board of Directors in their respective Meetings held on 27-05-2016:

Sr.	Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director(s)	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Date of approval at the meeting of the Audit / Board	Amount of contract or arrangement FY 2016-17 (Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(7)	
1	(i) Memorandum of Understanding (MoU) dated May 3, 1989 for Sale of Power from 145 MW Power Station. (ii) Power Purchase Agreement (PPA) dated August 1, 1996 for 165 MW Power Station. (iii) Power Purchase Agreement (PPA) dated April 15, 1997 for 250 MW Surat Lignite Power Plant (SLPP-I). (iv) Power Purchase Agreement (PPA) dated October 1, 2009 (13-08-2013) for 250 MW Surat Lignite Power Plant (SLPP-II). (v) Power Purchase Agreement (PPA) dated Dec 18, 2010 for 5MW Solar Power Plant. (vi) PPAs dated 28-04-2015 and 27-01-2016 for 15 MW Wind Power Plant. (vii) 97.4 MW Wind Power Projects (PPAs yet to be executed).	Gujarat Urja Vikas Nigam Limited (GUVNL)	1. Shri Sujit Gulati, IAS. 2. Shri L. Chuaungo, IAS. 3. Smt. Shahmeena Husain, IAS. 4. Shri Sanjeev Kumar, IAS.	Promoter	Sale of Electricity	27/05/2016	1,25,000.00
2	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat State Fertilizers & Chemicals Ltd. (GSFC)	CS V V Vachhrajani.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	22,500.00
3	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat Alkalies & Chemicals Ltd. (GACL)	Shri P K Gera, IAS.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	20,000.00

12. To ratify remuneration payable to Cost Auditors for the financial year 2016-17

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.1,00,000/- (Rupees One Lakh) plus applicable Service Tax, reimbursement of reasonable out of pocket expenses and Rs.15,000/- (Rupees Fifteen Thousand) for conversion of data from Cost Sheet to ExBRL format for FY 2016-17, payable to Y S Thakar & Associates (Registration No. 000318), Vadodara, Cost Auditors of the Company, as fixed and approved by the Board of Directors of the Company, to conduct audit of the Cost records of the Company for the Financial year ending on March 31, 2017, be and the same is hereby ratified."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be required, proper or expedient to give effect to this resolution."

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

**(CS A C Shah)
Company Secretary
& DGM (Legal)**

Place: Vadodara.
Date: 30th July, 2016.

Registered Office:
P.O.: Petrochemicals – 391 346,
Dist.: Vadodara. Gujarat.
CIN – L99999GJ1985PLC007868



Gujarat Industries Power Company Limited

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. A person can act as a Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total Share Capital of the Company. A Member holding more than ten per cent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder. **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 Shareholders to speak at the Meeting will be decided by the Chairman.

Voting through electronic means:

The Company is pleased to offer remote e-Voting (e-Voting from a place other than the venue of the Annual General Meeting) facility as an alternative mode of voting, which will enable the Members to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) (including any statutory modification or re-enactment thereof for the time being in force). Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-Voting. The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the 31st Annual General Meeting (AGM). Persons who are Members of the Company, holding shares either in physical mode or in dematerialized mode as on Friday, 16th September, 2016 (i.e. the Cut-off date) will be eligible to vote by electronic means or in the AGM.

Members attending the meeting, who have not cast their votes through remote e-Voting, shall be eligible to exercise their voting rights at the Meeting. Members, who have already cast their votes through remote e-Voting may attend the Meeting but shall not be entitled to cast their vote again at the venue of the 31st AGM.

The instructions for e-Voting are as under:

SECTION A - E-VOTING PROCESS -

The instructions for shareholders voting electronically are as under:

- The remote e-Voting period begins on Tuesday, 20th September, 2016 at 9.00 am and ends on Thursday, 22nd September, 2016 at 5.00 pm. The e-Voting module shall be disabled by CDSL for voting upon expiry of the e-Voting period on Thursday, 22nd September, 2016 at 5.00 pm.
- Shareholders should log on to the e-Voting website www.evotingindia.com (ONLY MEMBERS CAN VOTE ON REMOTE E-VOTING).
- Click on Shareholders.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Mode should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat mode and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

For Members holding shares in Demat Mode and Physical Mode	
PAN	Enter your ten (10) digit alpha-numeric *PAN issued by Income Tax Dept. (Applicable to Shareholders) <ul style="list-style-type: none"> Members who have not updated their Income Tax PAN with the Company / Depository Participant are requested to use the sequence number which is printed on e-Voting Instruction Slip indicated in the Income Tax PAN column.
Date of Birth (DOB)	Enter the DoB as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the said details are not recorded with the Depository or the Company please enter the User ID / Folio number in the Dividend Bank details fields as mentioned in instruction No. (iv) above.

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical mode will then directly reach the Company selection screen. However, Members holding shares in demat mode will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical mode, the details can be used only for e-Voting on the resolutions contained in this Notice.
- Click on the EVSN (No.: 160715001) for Gujarat Industries Power Company Limited (GIPCL) on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat Shareholder has forgotten the password then Enter the User ID and the image verification code and click on 'Forgot Password' & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile App m-Voting available for android based mobiles. The m-Voting App can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile App while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians.**
 - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be submitted by email to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details a corporate user should be created using the admin login and password. The Corporate user would be able to link the account(s) for which they wish to vote on.
 - d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their votes.
 - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

SECTION B - OTHER E-VOTING INSTRUCTIONS:

- i. The voting rights of shareholders shall be in proportion to their shares in the Paid up Equity Share Capital of the Company.
- ii. A copy of this Notice has been placed on websites of the Company and of CDSL.
- iii. The Company has appointed CS Vijay L Vyas, Practicing Company Secretary (Membership No. FCS 1602), as the Scrutinizer for conducting the remote e-Voting and voting process through ballot / polling at the 31st AGM in a fair and transparent manner. This E-Voting is optional. In terms of the requirements of the Act and the relevant Rules there under, the Company has fixed Friday, 16-09-2016 as the "Cut-off date". The remote E-Voting / voting rights of the Members shall be reckoned on the Equity Shares held by them as on the Cut-off date.
- iv. The Scrutinizer shall immediately after the conclusion of voting at the 31st AGM, first count the votes cast at the Meeting and thereafter unblock the votes casted through remote E-Voting in the

presence of at least two (2) witness not in the employment of the Company and make, not later than forty eight (48) hours of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The Chairman or the person authorized by him in writing shall declare the result of the voting forthwith, in the format prescribed under regulation 44(3) of the SEBI (LODR) Regulations, 2015.

- v. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gipcl.com, Notice Board of the Company at Registered Office and on the website of CDSL <https://www.evotingindia.com> within two (2) days of passing of the resolutions at the 31st AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed, which shall place it on their website thereafter. The resolutions shall be deemed to have been passed on the date of the 31st AGM subject to receipt of sufficient votes.
- vi. The Company will submit the voting Results in the format specified, with the Stock Exchanges where the Shares of the Company are listed, within forty eight (48) hours of the conclusion of the 31st AGM.
- vii. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

Contact Details:

Company : Gujarat Industries Power Company Limited
 Regd. Office: P.O.: Petrochemicals – 391 346,
 District: Vadodara, Gujarat, India.
 CIN: L99999GJ1985PLC007868
 E-mail ID: investors@gipcl.com

Registrar and Transfer Agent: Link Intime India Pvt. Ltd.
 B-102-103, Shangrila Complex,
 Near Radhakrishna Char Rasta,
 Opp. HDFC Bank, Akota, Vadodara – 390 020.
 Phone: +91-265-2356573/ 2356794
 Fax: +91-0265-2356791
 E-mail: vadodara@linkintime.co.in

E-Voting Agency: Central Depository Services (India) Ltd.
 E-mail ID: helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No.:6

The Members at the 30th Annual General Meeting (AGM) held on 19th September, 2015 have approved the appointment of Smt. Sonal Mishra, IAS (DIN: 02986260) as Managing Director of the Company with effect from 27/04/2015, vice Shri L Chuaungo (DIN: 00032867), IAS for a period of Five years and had authorized the Board of Directors to consider and agree to the terms as to remuneration, including any revision therein, from time to time, as may be communicated by the Govt. of Gujarat (GoG), during her tenure as Managing Director of the Company.



Gujarat Industries Power Company Limited

Energy & Petrochemicals Department (EPD), GoG, vide Resolution No. GIP-13-2015-2312-K dated 12th April, 2016, has prescribed the terms as to remuneration, payable to Smt. Sonal Mishra (DIN: 02986260) as Managing Director of the Company, as follows:

1. Period of Deputation:

Smt. Sonal Mishra, IAS (RR:GUJ:1997) is deputed as Managing Director of Gujarat Industries Power Co. Ltd. (GIPCL), Vadodara for a initial period of two years with effect from 27.04.2015 (the date on which she has taken charge as Managing Director of GIPCL).

2. Pay:

During the period of deputation, Smt. Sonal Mishra, IAS will be eligible to draw her pay in scale / Grade of Rs.37,400 – Rs.67,000/- (Grade Pay Rs.10,000/-) by virtue of equation of the post of Managing Director of Gujarat Industries Power Co. Ltd. (GIPCL), Vadodara, with the IAS cadre post of Secretary to Government vide State Government Resolution GAD No.:AIS/30.2015/eq-311197/G dated 30.04.2015.

3. Dearness Allowance:

Smt. Sonal Mishra, IAS will be eligible to draw Dearness Allowance at such rate as the State Government may prescribe from time to time.

4. City Compensatory Allowance:

Smt. Sonal Mishra, IAS will be eligible to draw City Compensatory Allowance as per the rules applicable to the AIS Officer working in connection with the affairs of the State.

5. House Rent Allowance:

Smt. Sonal Mishra, IAS would be required to pay 10% of the pay plus DA / DP & CCA or the prescribed license fee for similar class of accommodation in the State Government, whichever is lower.

6. Transfer T.A./Joining Time:

Smt. Sonal Mishra, IAS will be entitled to Transfer TA and joining time both on joining the post of deputation and on reversion under the rules of GIPCL to which she is deputed and which shall not be inferior to the relevant provisions of the AIS Rules. The expenditure on this account will be borne by GIPCL.

7. T.A. and D.A. for journey on duty:

Smt. Sonal Mishra, IAS will be paid Travelling Allowance and Daily Allowance by GIPCL under the Rules of GIPCL for the journey undertaken by her in connection with the official work of GIPCL. While undertaking foreign visits by her, the instructions contained in GAD Circular No.: AIS/1099/1720/G dated 17th April, 1999, as amended from time to time will be applicable for the purpose of drawl of per diem and in other matters.

8. Medical Facilities:

GIPCL shall afford to Smt. Sonal Mishra, IAS, medical service facilities as per the Rules of GIPCL but the same shall not be inferior to those admissible to an All India Service Officer of her rank and seniority under the All India Services (Medical Attendance) Rules, 1954.

9. Leave and Pension:

During the period of deputation, Smt. Sonal Mishra, IAS will continue to be governed by the All India Service (Leave) Rules, 1955 and All India Services (DCRB) Rules, 1958. The entire expenditure in respect of leave taken during and at the end of deputation shall be borne by GIPCL.

10. Provident Fund:

During the period of foreign services, Smt. Sonal Mishra, IAS will continue to subscribe to the All India Services (Provident Fund) Scheme / Contributory Provident Fund Scheme to which she was subscribing at the time of proceeding on Foreign Service in accordance with the rules of such Fund / Scheme.

11. Conduct, Discipline and Appeal Rules:

During the period of Foreign Service, Smt. Sonal Mishra, IAS shall continue to be governed by the All India Services (Conduct) Rules, 1968 and the All India Services (Discipline & Appeal) Rules, 1969.

12. Leave Travel Concession:

GIPCL shall allow Leave Travel Concession to Smt. Sonal Mishra, IAS as admissible to her under the All India Services (LTC) Rules, 1975. The whole expenditure in this regard will be borne by GIPCL.

13. Disability Leave:

GIPCL will be liable to pay leave emoluments in respect of disability leave, if any, granted to Smt. Sonal Mishra, IAS on account of any disability incurred in and through Foreign Service even though such disability manifests itself after termination of the Foreign Service. The relevant AIS rules will be applicable in such cases.

14. Leave Salary / Pension Contributions:

Smt. Sonal Mishra, IAS shall not be permitted to join the Pension Scheme of GIPCL under any circumstances. The entire expenditure in respect of pension and leave salary contributions for the period of deputation shall be borne by GIPCL failing which by Smt. Sonal Mishra, IAS herself.

GIPCL will pay to the Government, the leave salary and pension contribution at the rates in force from time to time in accordance with the orders issued by the President under F.R. 116. The payment of these contributions must be paid annually within 15 days from the end of each financial year or at the end of Foreign Services, if the deputation expires before the end of financial year. Delayed payment will attract liability of payment of interest in the terms of instructions contained in the Ministry of Finance's Notification No. F.1(1)/E.III/83 dated 10th August, 1983, as amended from time to time. Pending intimation of the rates of leave salary and pension contributions by the Accountant General, Gujarat, Rajkot / Ahmedabad, GIPCL shall pay Leave Salary and Pension Contribution provisionally at the prescribed rates.

15. Group Insurance:

Smt. Sonal Mishra, IAS will be governed by the All India Services (Group Insurance) Rules, 1981. The amount deducted from her salary as per the prescribed rates as subscription towards the Central Government Employees Group Insurance Scheme, 1980 shall be remitted to the Accountant General, Gujarat, Rajkot / Ahmedabad by GIPCL. If at any time, the recovery of subscription falls in arrears, the same shall be recovered with interest admissible under the Scheme on the accretions to the Saving Fund.

16. Residuary Matters:

In all matters relating to conditions of service and benefits / facilities and perquisites in GIPCL not covered by items 1 to 15 above, Smt. Sonal Mishra, IAS shall be governed by the provisions of AIS (Conditions of Services Residuary Matters) Rules, 1960.



The above mentioned terms and conditions would be applicable till Smt. Sonal Mishra, IAS remains on deputation with GIPCL, On reversion from deputation, She will be governed by the relevant rules laid down for All India Service Officers.

Your Directors recommend for approval of Terms of the remuneration payable to Smt. Sonal Mishra, IAS as Managing Director of the Company, as proposed in the Resolution at Item No.6 as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel except Smt. Sonal Mishra, IAS, is in any way interested or concerned in the said Resolution.

Item No.: 7.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the Act), the Board of Directors of the Company has appointed Shri N N Misra, (DIN: 00575501) as Independent and Additional Director. He holds the office of Director up to this Annual General Meeting.

The Company has received requisite Notice pursuant to the provisions of Section 160 of the Act, from a Member of the Company proposing his appointment as Independent Director of the Company for a period of five consecutive years, not liable to retire by rotation.

Shri N N Misra (DIN: 00575501) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given consent to act as Director of the Company.

The Company has also received declaration from Shri N N Misra (DIN: 00575501) that he meets with the criteria of independence as prescribed under Section 149 (6) of the Act.

In the opinion of the Board of Directors of the Company, Shri N N Misra, (DIN: 00575501) fulfills the conditions for appointment as Independent Director as specified in the Act and the Rules made there under.

Keeping in view his vast and rich experience and knowledge in the Power Sector, it will be in the interest of the Company that Shri N N Misra, (DIN: 00575501) is appointed as Independent Director of the Company.

This Statement may also be regarded as a disclosure under Regulation 17 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

Brief resume of Shri N N Misra, (DIN: 00575501):

Shri N. N. Misra (DIN: 00575501), graduated in Electrical Engineering with Honours from Regional Engineering College, Rourkela, (now known as NIT, Rourkela) in the year 1977. He was a member of NTPC Board as Director (Operations) for four years looking after more than 43000 MW of Coal and Gas based Plants of NTPC. Shri Misra represented NTPC as Part-time Director in a number of Joint Ventures and Subsidiaries of NTPC.

Shri Misra joined NTPC in 1977 as Executive Trainee (2nd Batch). He has 37 years of experience working with NTPC, out of which 28 years were in the Design Department. He has a rich and varied experience having worked as Executive Director of National Capital Region, Executive Director looking after Corporate Contracts & Materials, Executive Director looking after Human Resources and lastly as Executive Director looking after Operation Services, before joining the Board of NTPC.

He was actively associated with Bureau of Indian Standards (BIS). Shri Misra represented India in CIGRE (International Council on Large Electric System) for High voltage equipment and has contributed in many Study committees and Working groups of CIGRE. He was involved in selecting and successfully implementing the first 765KV sub-station of India at Sipat. He has attended advanced Management programs at ICPE, Slovenia; Stanford University, USA and Harvard Business School, USA.

Currently he is a Director on the Board of Directors of:

Coastal Gujarat Power Ltd.
Maithon Power Ltd.
Jaypee Powergrid Ltd.
Gujarat State Electricity Corporation Ltd.

Your Directors recommend for approval of appointment of Shri N N Misra (DIN: 00575501) as Independent Director of the Company, as proposed in the Resolution at Item No. 7 of this Notice.

None of the Directors except Shri N N Misra, is in any way interested or concerned in the said Resolution.

Item No.: 8.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors of the Company has appointed Shri P K Gera, IAS (DIN: 05323992) as Director, Nominee of Gujarat Alkalies & Chemicals Ltd. He holds the office of Director up to this Annual General Meeting.

The Company has received requisite Notice pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act), from a Member proposing appointment of Shri P K Gera, IAS (DIN: 05323992) as Nominee Director of the Company, liable to retire by rotation.

Shri P K Gera, IAS (DIN: 05323992) is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given his consent to act as Director.

Brief resume of Shri P K Gera, IAS (DIN: 05323992):

Shri P K Gera, IAS (DIN: 05323992) has done B.Sc. (Elec.Engg.) (Hons.), M.Sc., M.Phil. He has also done Post Graduation in Economics. He is a senior IAS Officer of 1985 - batch having experience of more than thirty (30) years in the Central and State Government holding various positions in Land Revenue Management, Rural Development, District Administration, Agriculture, Finance, Training, Personnel & General Administration, Textiles, etc. His recent postings under Government of India and Government of Gujarat include:

1. Registrar and Joint Secretary, Central Information Commission, New Delhi.
2. Director General, Sardar Patel Institute of Public Administration (SPIPA) & Ex.Officio, Secretariat, Government of Gujarat (Administrative Reforms and Training), Gandhinagar, Gujarat.
3. Resident Commissioner, Government of Gujarat, New Delhi.
4. Joint Director, Lal Bahadur Shastri National Academy of Administration (LBSNAA).
5. Director General, National Institute of Fashion Technology, New Delhi.
6. Managing Director, Gujarat Mineral Development Corporation Ltd. (GMDC).

Currently he is a Director on the Board of Directors of:

Gujarat Alkalies and Chemicals Limited
GACL – NALCO Alkalies & Chemicals Pvt. Ltd.
Gujarat Guardian Limited

Your Directors recommend for approval of appointment of Shri P K Gera, IAS (DIN: 05323992) as Nominee Director of the Company, as proposed in the Resolution at Item No. 8 of this Notice.

None of the Directors except Shri P K Gera, IAS, is in any way interested or concerned in the said Resolution.

Item No.: 9.

Pursuant to the provisions of Section 161 of the Companies Act, 2013,



Gujarat Industries Power Company Limited

the Board of Directors of the Company has appointed CS V V Vachhrajani (DIN: 00091677) as Nominee Director. He holds the office of Director up to this AGM.

The Company has received requisite Notice pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act), from a Member proposing his appointment as Nominee Director, liable to retire by rotation.

CS V V Vachhrajani (DIN: 00091677) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Brief resume of CS V V Vachhrajani (DIN: 00091677):

CS V V Vachhrajani (DIN: 00091677) is a Commerce and Law Graduate and Fellow Member of Institute of Company Secretaries of India (ICSI). He is member of Institute of Chartered Secretaries and Administrators (ACIS), United Kingdom (UK).

He is having experience of more than 26 years in the field of Company Secretarial, Board Governance, Investor Relations, Legal, Corporate Communication and Industrial Relations.

Presently, he is Company Secretary and Vice President (Legal) in Gujarat State Fertilizers and Chemicals Ltd. (GSFC).

Directorship in other companies: Nil.

Your Directors recommend for approval of appointment of CS V V Vachhrajani (DIN: 00091677) as Nominee Director of the Company, as proposed in the Resolution at Item No. 9 of this Notice.

None of the Directors except CS V V Vachhrajani, is in any way interested or concerned in the said Resolution.

Item No.10.

Pursuant to the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2016, Companies (Appointment and Qualification of Directors) Rules, 2014, Article 88 and Article 94 of the Articles of Association of the Company, Government of Gujarat (GoG), Energy & Petrochemicals Dept.'s (EPD) GR No.GIP-1299-4541-K dated 19th July, 2016, the Board of Directors appointed Shri Sujit Gulati, IAS (DIN: 00177274), Addl. Chief Secretary, Energy and Petrochemicals Dept., Govt. of Gujarat (GoG), as Additional Director and Chairman of the Company vice Shri L Chuaungo, IAS (DIN: 00032867), not liable to retire by rotation. He holds the office of Director up to this AGM.

The Company has received requisite Notice pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act), from a Member proposing his appointment as Director, not liable to retire by rotation.

Shri Sujit Gulati, IAS (DIN: 00177274) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given the consent to act as Director.

Brief resume of Shri Sujit Gulati, IAS (DIN: 00177274):

Shri Sujit Gulati (DIN: 00177274), IAS, is Mechanical Engineer and Indian Administrative Officer of Gujarat cadre since 1985. He is having varied and rich experience and has served as Joint Secretary and Financial Adviser, Govt. of India (GoI). He held key positions in various Departments / Ministries of the GoG. He served as a Director of:

1. Digjam Limited;
2. National Textile Corporation Limited;
3. Gujarat Mineral Development Corporation Limited;
4. Coal India Limited;
5. Bharat Aluminum Company Limited;

6. Hindustan Zinc Limited;
7. Gujarat Chemicals Port Terminal Company Limited;
8. Hindustan Copper Limited; and
9. Part-time Official Director of National Aluminium Co. Limited.

Presently, he is Additional Chief Secretary to Govt. of Gujarat, Energy and Petrochemicals Dept (EPD).

Currently he is Director on the Board of Directors of the following Companies :

1. Gujarat Urja Vikas Nigam Limited
2. Paschim Gujarat Vij Company Limited
3. Gujarat State Electricity Corporation Limited
4. Gujarat Power Corporation Limited
5. Gujarat State Petroleum Corporation Limited
6. Gujarat State Petronet Limited
7. Gujarat State Fertilizers & Chemicals Limited
8. Gujarat Gas Limited
9. GSPC LNG Limited

Your Directors recommend for approval of appointment of Shri Sujit Gulati, IAS (DIN: 00177274) as Director of the Company, as proposed in the Resolution at Item No. 10 of this Notice.

None of the Directors except Shri Sujit Gulati, IAS (DIN: 00177274), is in any way interested or concerned in the said Resolution.

Item No. 11.

Consequent upon the enactment of the Companies Act, 2013 (the Act) and the Rules made there under, there have been wide spread changes in the entire gamut of corporate functions and compliance requirements.

One such compliance requirement pursuant to Section 188 of the Act pertains to Related Party Transactions (RPTs) where the net of coverage criteria has been widened to a great extent.

In terms of above, the Board of Directors of the Company has approved a Policy on 'Related Party Transactions' (RPTs).

The said Policy requires that the Company shall not enter into any contract or arrangement with a 'Related Party' without approval of the Audit Committee of Directors (the Audit Committee).

The Companies (Meetings of the Board and its' Power) Rules, 2014 read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require that the Company shall not enter into a contract or arrangement with any Related Party, inter alia, for sell, purchase or supply of any goods or material directly or through appointment of agents, exceeding 10% of Annual Consolidated Turnover of the Company as per the last Audited Financial Statements of the Company, without approval of the Members of the Company by a Special Resolution.

Accordingly, considering Turnover of the Company for FY 2015-16 of Rs.1,34,576.22 Lakhs and the value of transactions with Related Parties viz. Gujarat Urja Vikas Nigam Ltd. (GUVNL), Gujarat State Fertilizers & Chemicals Ltd. (GSFC) and Gujarat Alkalies & Chemicals Ltd. (GACL) Promoters of the Company, valued at Rs.1,06,471.51 Lakhs, Rs.17,486.03 Lakhs and Rs.15,429.77 Lakhs respectively, in the ordinary course of business at arms' length price, during the Financial year 2015-16, which are exceeding the prescribed limit of 10% of the Annual Consolidated Turnover of the Company as per the last Audited Financial Statements of the Company (Regulation 23 of the SEBI (LODR) Regulations, 2015), the following transactions with RPTs being material in nature, are placed for approval of the Members, as recommended by the Audit Committee and the Board of Directors of the Company:



Sr.	Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director(s)	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Date of approval at the meeting of the Audit / Board	Amount of contract or arrangement FY 2015-16 (Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(7)	
1	(i) Memorandum of Understanding (MoU) dated May 3, 1989 for Sale of Power from 145 MW Power Station. (ii) Power Purchase Agreement (PPA) dated August 1, 1996 for 165 MW Power Station. (iii) Power Purchase Agreement (PPA) dated April 15, 1997 for 250 MW Surat Lignite Power Plant (SLPP-I). (iv) Power Purchase Agreement (PPA) dated October 1, 2009 and August 13, 2013 for 250 MW Surat Lignite Power Plant (SLPP-II). (v) Power Purchase Agreement (PPA) dated Dec 18, 2010 for 5MW Solar Power Plant. (vi) PPAs dated 28-04-2015 and 27-01-2016 for 15 MW Wind Power Plant.	Gujarat Urja Vikas Nigam Limited (GUVNL)	1. Shri L. Chuaungo, IAS. 2. Smt. Shahmeena Husain, IAS. 3. Shri Sanjeev Kumar, IAS.	Promoter	Sale of Electricity	27/05/2016	1,06,471.51
2	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat State Fertilizers & Chemicals Ltd. (GSFC)	1. Shri H R Brahmbhatt 2. Shri V D Nanavaty 3. CS V V Vachhrajani	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	17,486.03
3	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat Alkalies & Chemicals Ltd. (GACL)	1. Shri A.M. Tiwari, IAS. 2. Shri P K Gera, IAS.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	15,429.77

Further as recommended by the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company is required for the following material transactions with Related Parties, in the ordinary course of business at arms' length price, which are likely to exceed the prescribed limit of 10% of the Annual Consolidated Turnover of the Company during the FY 2016-17:

Sr.	Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director(s)	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Date of approval at the meeting of the Audit / Board	Amount of contract or arrangement FY 2016-17 (Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(7)	
1	(i) Memorandum of Understanding (MoU) dated May 3, 1989 for sales of Power from 145 MW Power Station. (ii) Power Purchase Agreement (PPA) dated August 1, 1996 for 165 MW Power Station. (iii) Power Purchase Agreement (PPA) dated April 15, 1997 for 250 MW Surat Lignite Power Plant (SLPP-I). (iv) Power Purchase Agreement (PPA) dated October 1, 2009 (13-08-2013) for 250 MW Surat Lignite Power Plant (SLPP-II). (v) 5MW Solar PPA dated Dec 18, 2010. (vi) PPAs dated 28-04-2015 and 27-01-2016 for 15 MW Wind Power Plant. (vii) 97.4 MW Wind Power Projects (PPAs yet to be executed).	Gujarat Urja Vikas Nigam Limited (GUVNL)	1. Shri Sujit Gulati, IAS. 2. Shri L. Chuaungo, IAS. 3. Smt. Shahmeena Husain, IAS. 4. Shri Sanjeev Kumar, IAS.	Promoter	Sale of Electricity	27/05/2016	1,25,000.00
2	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat State Fertilizers & Chemicals Ltd. (GSFC)	CS V V Vachhrajani.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	22,500.00
3	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat Alkalies & Chemicals Ltd. (GACL)	Shri P K Gera, IAS.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	20,000.00



Gujarat Industries Power Company Limited

Your Directors recommend, for your approval, the Resolution at Item No. 11 of this Notice.

Shri Sujit Gulati, IAS, Smt. Shahmeena Husain, IAS and Shri Sanjeev Kumar, IAS being Directors of GUVNL, Shri P K Gera, IAS being Managing Director of GACL and CS V V Vachhrajani, being employee of GSFC, representing the Promoters of GIPCL, be deemed to be interested or concerned in the said Resolution.

None of the Directors except above mentioned Directors are in any way interested or concerned in the said Resolution.

Item No. 12:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Y S Thakar & Associates (Registration No. 000318), Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2017.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹.1,00,000/- (Rupees One Lakh) plus applicable Service Tax, reimbursement of reasonable out of pocket expenses and Rs.15,000/- (Rupees Fifteen Thousand) for conversion of data from Cost Sheet to ExBRL format for the FY 2016-17, payable to the Cost Auditor is to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 12 of this Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on 31st March, 2017.

None of the Directors / Key Managerial Personnel of the Company / their relative is in any way, concerned or interested, financially or otherwise, 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 all working days of the Company prior to the date of the Meeting.

By Order of the Board
For Gujarat Industries Power Co.Ltd.
(CS A C Shah)
Company Secretary
& DGM (Legal)

Place: Vadodara.

Date: 30th July, 2016.

Registered Office:

P.O.: Petrochemicals – 391 346,

Dist.: Vadodara. Gujarat.

CIN – L99999GJ1985PLC007868

DETAILS OF DIRECTORS SEEKING APPOINTMENT, AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015:

Name of Director	Shri Sanjeev Kumar, IAS	Smt. Shahmeena Husain, IAS
DIN	03600655	03584560
Date of Birth	24.08.1970	06.03.1972
Date of Appointment	15.11.2014	20.09.2014
Qualifications	B. Tech. (Civil) Engineering Graduate and IAS.	M.Sc with Zoology and IAS.
Nature of Expertise / Experience	Holds degree of B. Tech. (Civil) Engineering Graduate from Indian Institute of Technology, Kharagpur. He is an IAS Officer having rich experience and wide exposure. Presently, he is Secretary to Government of Gujarat, Finance Department (Expenditure).	Held various position in Government of Gujarat. At present she is Director (Administration) of Gujarat Urja Vikas Nigam Limited and Chairperson in two group Companies of GUVNL.
Names of other Companies in which Directorship is held	1. GSPC LNG Limited 2. GSPC Pipavav Power Company Limited 3. Gujarat Urja Vikas Nigam Limited 4. Gujarat Energy Transmission Corporation Ltd. 5. Gujarat Gas Limited. 6. Gujarat Water Infrastructure Ltd. 7. Bhavnagar Energy Company Ltd. 8. Gujarat State Police Housing Corporation Ltd.	1. Gujarat Urja Vikas Nigam Limited 2. Gujarat State Electricity Corporation Limited 3. Gujarat Energy Transmission Corporation Limited 4. Uttar Gujarat Vij Company Limited 5. Madhya Gujarat Vij Company Limited 6. Dakshin Gujarat Vij Company Limited 7. Paschim Gujarat Vij Company Limited 8. Mahaguj Collieries Limited. 9. Gujarat Industrial Development Corporation.
Name of the Private Companies in which, Directorship held thro' relatives	NIL	NA
Membership / Chairmanship of Committee(s)	NIL	Smt. Shahmeena Husain, IAS is a member of Nomination and Remuneration Committee.
No. of Shares held	NIL	NIL



BOARD'S REPORT

To
The Members,

Your Directors have pleasure to present the Thirty First Annual Report on the performance of your Company together with Audited Balance Sheet and Profit & Loss Account for the Financial Year ended 31st March, 2016 and the report of the Auditors thereon:

Financial Performance:

	₹ in Lakhs)	
	2015-16	2014-15
Net Sales	134,576	1,20,906
Other Receipts	4,129	4,882
Total Expenditure	96,326	79,191
Gross Profit : (1 + 2-3)	42,379	46,597
(before deducting any of the following)		
(a) Finance Cost	6,180	7,800
(b) Depreciation	11,231	12,003
(c) Provision for Deferred Tax	1,092	5,783
(d) Provision for Current Income Tax (including MAT credit entitlement)	5,320	6,333
(e) Tax adjustment of earlier years	(285)	196
(f) Exceptional Item	0	1,851
Net Profit:	18,841	12,631
Add : Balance brought forward from Previous Year	4,384	8,809
TOTAL	23,225	21,440
Less: Appropriations :		
(i) General Reserve	6,000	7,500
(ii) Expansion Reserve	6,000	5,000
(iii) Proposed Dividend On Equity Shares (including Dividend Tax)	4,915	4,556
(iv) Carried to Balance Sheet	6,310	4,384
TOTAL	23,225	21,440

Dividend:

Your Directors are happy to recommend a Dividend of ₹. 2.70 (Rupees Two and Paise Seventy) per share on 15,12,51,188 Equity Shares of ₹.10/- each fully paid up, for the year ended on 31st March, 2016. The total outgo on account of Dividend would be about ₹.4,915.14 Lakhs including applicable Corporate Tax on Dividend. The Dividend, if approved by the shareholders at the ensuing 31st 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 Saturday, the 20th August, 2016.

OPERATIONS:

Vadodara Stations:

Station – I (145 MW):

During the year under review, the Station generated 719.485 Million Units (MUs) at a Plant Load Factor (PLF) of 56.49% as against generation of 679.893 MUs at PLF of 53.53% during the preceding year. The Plant Availability Factor (PAF) was at 96.71% during the year under review as against 95.84% during the preceding year.

Planned shutdown for Combustion Inspection of GT#1, Annual Maintenance of all the three Heat Recovery Steam Generators (HRSGs), Hot Gas Path Inspection (HGPI) of GT # 2 and Major Inspection of GT # 3 HRSG was carried out during the year. In-house modification of Inverted Guide Vein (IGV) was successfully carried out in GT# 3.

Station – II (165 MW):

During the year under review, the generation was 235.478 Million Units (MUs) at a Plant Load Factor (PLF) of 16.25% as against generation of 38.253 MUs at a PLF of 2.65% in the preceding year. The Plant Availability Factor (PAF) for the Station was 96.65% for the year under review as against 95.18% during the preceding year.

Annual Maintenance of HRSG was carried out during the year.

Your Directors are also glad to inform that owing to cumulative consistent efforts to operate Plant auxiliaries at Optimum Level and energy conservation measures vis-à-vis Reduced PLF of Station-I & II, have made it possible to maintain the auxiliary consumption at 2.5% for the year under reference, which is less than the normative level of 3%.

It is also heartening to note that despite the aging factor of the main Plant equipments, the operating parameters i.e. output and heat rate have been maintained due to proactive operation and maintenance practices and vigilant monitoring of the performance. The improved PAF for Station I & II for the year under review is the testimony of our commitment.

PLF was low mainly due to prolonged backing down by State Load Dispatch Centre (SLDC).

Second Phase, e-Bid RLNG allocated from GAIL under Gol's Scheme with support of Power Supply Development Fund (PSDF) helped attain 25% PLF within six (6) Months w.e.f. October, 2015 to March, 2016 accomplished with Plant operation at optimum load resulting in to lower specific energy consumption.

Continuous efforts are made to maintain optimum available supply of gas for the Stations at Vadodara. Currently, out of total gas requirements of 1.55 to 1.60 MMSCMD for Vadodara Stations, 0.91 MMSCMD gas including R-LNG is tied up with GAIL (India) Ltd. (GAIL) and RIL-NIKO on long term basis. The remaining quantity is tied up with GAIL, Gujarat State Petroleum Corporation Ltd (GSPCL), and BPCL for supply of Spot gas on "as and when required" basis.



Gujarat Industries Power Company Limited

Long term agreement has been signed with Hettich India Pvt. Ltd., Vadodara, for sharing the available spare capacity of Demineralized (DM) Water. Long term agreement has been signed with Ishedu (Division of Jayant Agro Limited) for sharing the available spare capacity of infrastructure of Joint Water Supply Scheme (JWSS) of GIPCL and GACL. Services like Third Party Water Sample Analysis facilities on chargeable basis are also provided to interested parties.

During the year under review, implementation of various energy conservation jobs as well as new initiatives have been undertaken. Major energy conservation and efficiency improvement measures by way of modification in various auxiliary equipments and redefining operational parameters have been successfully implemented as elaborated in the **Annexure 'C'** annexed to this Report.

Safety Performance:

The health and safety of all the employees is prime concern of the Company. Your Directors are happy to inform that your Company is making sincere and committed efforts to maintain the safety of Plant equipment and creating a safe and healthy work environment for the employees. The Company has been spending sufficient amount for the health and safety related activities. Constant efforts are made to maintain accident free operations at all the locations. Your Company has adopted a comprehensive Health and Safety policy under the Integrated Management System (IMS). Vadodara Plant successfully completed accident free operations for the entire year under review i.e. FY 2015-16.

Surat Lignite Power Plant (SLPP):

Phase-I (2 x 125 MW Units 1 & 2):

During the year under review, Phase-I generated 1643.210 Million Units (MUs) at a Plant Load Factor (PLF) of 74.83% as against 1424.954 MUs at a PLF of 65.07 % during the previous year i.e. FY 2014-15. Plant Availability Factor was 89.03% as against 70.55% during the previous year. Low grid demand resulted into loss in PLF by 10.57% in the year under review against 0.76% during the previous year i.e. FY 2014-15.

Commercial availability was at 83.74% as against 64.09% during the previous year.

Phase II (2 x 125 MW Units 3 & 4):

During the year under review, Phase-II generated 1440.694 MUs at a PLF of 65.61% as against 1841.638 MUs at a PLF of 84.09% during the previous year. Plant Availability Factor was 75.88% as against 89.17% during the previous year. Low grid demand resulted into loss in PLF by 9.39% in the year under review against 1.49% during the previous year i.e. FY 2014-15. Commercial availability was at 75.17% as against 85.70% during the previous year.

During the year under review, the Unit - 3 (125 MW) tripped on 17.08.2015 due to a technical snag in the Generator Transformer. M/s. BHEL, OEM, after carrying out all required

tests at the Site and repairs at OEM Works at Jhansi, restored the Generator Transformer, and the Unit was synchronized with the Grid on 1st December, 2015. Your Company is adequately insured against materials damage and business interruption losses.

Constant endeavors are being made to improve the overall performance of the Station, including technology improvement and modifications. The required maintenance program for the upkeep of the Units was undertaken during the year under review.

Your Directors are happy to inform that the SLPP Station has received Golden Jubilee Award (2014-2015) for Outstanding performance in Energy conservation from The Southern Gujarat Chamber of Commerce and Industry, Surat.

Mining:

Your Directors are happy to inform that performance of Mining Division remained good during the year under review. Total requirement of lignite was met from our captive Vastan Lignite Mine and Mangrol - Valia Lignite Mine. To meet the demand of all the four Units, sufficient quantity of Lignite has been stocked for operations during monsoon.

Your Directors are proud to inform that the Valia and Vastan Mines of your Company have bagged first/second prizes under different categories viz. Mine Illumination and Electrical Installation; Mine Working and General Safety; Health, First Aid and Vocational Training; etc at the Gujarat Lignite Mines Safety Week 2015-16 celebrated under the aegis of Director General of Mines Safety.

5 MW PV based Solar Power Plant:

During the year under review, 5 MW PV based Solar Power Plant at SLPP generated 7.73 MUs with 17.61% PLF as against 8.02 MUs with PLF of 18.31% during the previous year.

Environmental Protection:

The Company recognizes Environment Management as an integral function of the operation. Towards this end, the Company has adopted appropriate technology for control of pollutants at source.

Vadodara Plant:

Your Directors are pleased to inform that the initiative taken by your company in 2012 for providing water as well as oil testing analysis services to interested parties on chargeable basis as a part of diversification of activities and optimization of use of available infrastructure and resources for increasing revenues has received encouraging response.

Your Company has also imposed total ban on using thermocol and plastic below 40 micron size packing material for all incoming goods. Disposal of e-waste generated has been arranged through Central Pollution Control Board (CPCB) registered vendors.

Surat Lignite Power Plant (SLPP):

Your Company planted 500 nos. of saplings (more than 90% survival rate) in the plant premises for better green coverage.



Expansion Plans:

51 MW Wind Power Projects:

The Company had issued two Letters of Intent (Lols), both dated 01.09.2014 on Leitwind Shriram Manufacturing Ltd. (LSML), Chennai on EPC turnkey basis for setting up Wind based Power Projects of 27 MW (18 x 1.5 MW) at Village Kotadapitha and 24 MW (16 x 1.5 MW) at Village Jambarwada, Taluka Babra, Dist.: Amreli, Gujarat respectively. Eight (08) Wind Turbine Generators (WTGs) of 1.5 MW each have been commissioned at Kotadapitha site. Erection and commissioning of the remaining WTGs is in progress. Power Purchase Agreements (PPA) for 15 MW have been entered in to with GUVNL. Due to inordinate delay in Project execution by LSML it has been decided by your Directors to terminate the Lol for 24 MW (16 x 1.5 MW) Jambarwada Site.

97.4 MW Wind Power Projects:

Your Directors are pleased to inform that your Company had invited offers through International Competitive Bidding (ICB) route for setting up an up to 250 MW Wind Power Projects on turnkey Engineering, Procurement, Construction (EPC) basis. After techno-commercial evaluation of the Bids, the Company has placed separate Letters of Intent (Lols) for installation of Wind Energy Farm Projects as follows:

- Lol dated 31.12.2015 on Inox Wind Ltd., Noida, for 26 MW (13 X 2 MW) Wind Power Project at Village Rojmal, Dist. Amreli, Gujarat, on turnkey EPC basis with Operation and Maintenance Contract (O&M) to be completed by December, 2016; and
- Lol dated 12.02.2016 on Suzlon Energy Ltd., New Delhi, for 71.4 MW (34 x 2.1 MW) at three different locations in Gujarat, on turnkey EPC basis including O & M Contract, to be completed by April, 2017.

The EPC Contractors have commenced civil works at the Sites. All other mobilization activities are in full swing at the above Sites and presently activities of both the Projects are progressing quite satisfactorily as per schedule.

2 x 1 MW Distributed Solar Power cum Agriculture Pilot Projects:

Your Directors are glad to inform that your Company participated in the State Government sponsored Scheme and successfully commissioned two, grid connected Distributed Solar Power Pilot Projects of, 1 MW each at Village Amrol, Dist.: Anand in Central Gujarat region on 28.04.2016 and at Village: Vastan, Taluka: Mangrol, Dist.: Surat in South Gujarat on 03.05.2016 respectively. The Amrol Power Plant is first of its kind to implement the innovative idea of direct connectivity in 11 KV network.

Further, these two power Plants are developed on Research & Development basis with novel concept of cultivation of agriculture crops under the Solar Panels by reusing water used to clean the Solar Panels and drip irrigation facility. Research on agricultural crops cultivation and monitoring till harvesting of the

crops is being done in collaboration with expert guidance of Anand Agricultural University and Navsari Agricultural University for Amrol and Vastan Plants respectively.

2 x 40 MW Solar Power Projects at Gujarat Solar Park, Charanka:

Your Directors are pleased to inform that your Company has emerged as successful Bidder in the e-reverse auction for 2 x 40 MW Solar Power Projects at Gujarat Solar Park, Village Charanka, Dist. Patan, Gujarat under the National Solar Mission, Phase II, Batch IV on EPC basis. The Projects are scheduled to commission by July, 2017.

Empanelment as Channel Partner by the Ministry of New and Renewable Energy (MNRE), Government of India (GoI):

Your Directors also feel proud to inform that your Company has been empanelled by the MNRE, GoI, as Channel partner under the Grid Connected Rooftop and Small Power Plants Programme.

Accreditation for Integrated Management System (IMS) under ISO certifications:

Your Directors are pleased to inform that during the year under review your Company has successfully maintained standard guidelines for IMS covering ISO:9001:2008, ISO:14001:2004 and OHSAS 18001:2007 certification for Quality Management System (QMS), Environment Management System (EMS) and Occupational Health and Safety Assessment Series (OHSAS) and ISO 50001:2011 for Energy Management System (EnMS) Certification for its Power Stations at Vadodara and SLPP. Your company is one of the first group of Power Plants to have implemented and obtained ISO 50001:2011 Certification. Surveillance Audit for all the standards have been successfully conducted and accredited by TUV India Ltd. in May, 2016.

Subsidiary:

During the year under review, the Company's wholly owned subsidiary GIPCL Projects and Consultancy Company Limited (GIPCO) has been struggling to perform for the consecutive fourth year in the highly competitive service sector.

With a view to achieve administrative and operational convenience your Directors have decided to merge GIPCO with GIPCL. The services offered / provided by GIPCO will be continued through respective verticals of GIPCL.

Public Deposits:

During the year 2015-16, your Company has not accepted / renewed any Fixed Deposit. As at the date of this Report, there is No Deposit either unpaid / unclaimed or due for transfer to Investors' Education and Protection Fund (IEPF).

Particulars of loans, guarantees or investments:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

Listing Agreement Compliance:

Equity Shares of your Company are listed on Bombay Stock



Gujarat Industries Power Company Limited

Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) and their Listing Fees for the FY 2016-17 have been paid and the conditions of the Listing Agreement have been complied with. Pursuant to the exit Order issued by Securities & Exchange Board of India (SEBI) the shares of your Company are delisted on Vadodara Stock Exchange Limited w.e.f. 09th November, 2015.

Insurance:

The properties and the insurable interest of the Company are adequately insured. The Company has also taken necessary insurance cover as required under the Public Liability Insurance Act, 1991.

Corporate Social Responsibility (CSR) Initiatives:

As part of its CSR initiatives, the Company has undertaken projects in the areas of Health, Education, Livelihood, Development of Village Infrastructure, Land loser focused intervention, Sanitation, etc. These projects are in accordance with Schedule VII to the Companies Act, 2013.

Report on CSR activities is annexed to this Report as **Annexure 'A'**.

Energy Conservation and Technology Absorption:

The measures taken by your Company towards energy conservation and Technology Absorption are given in the **Annexure 'C'** to this Report.

Related Party Transactions:

All Related Party Transactions entered during the year under review were on arm's length basis and in ordinary course of business. There were no materially significant Transactions made by the Company with Promoters, Directors or Key Managerial Personnel or other designated persons which may have potential conflict with the interests of the Company. During the year under review, the Company has done transactions of sale of electricity to Gujarat Urja Vikas Nigam Ltd. (GUVNL), Gujarat Alkalies & Chemicals Ltd. (GACL) and Gujarat State Fertilizers and Chemicals Ltd. (GSFC), Promoters of the Company. Your Directors recommend for your approval the said transactions entered into with GUVNL, GACL and GSFC as stated in Resolution at Sr. No.11 of the Notice of 31st Annual General Meeting (AGM).

All related party transactions are placed before the Audit Committee as also the Board for approval. Omnibus approval of the Audit Committee has been obtained for transactions which are of repetitive nature.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure 2** to this Report.

The Policy on Related Party Transactions (RPTs) is uploaded on the website of the Company and can be accessed on the following link: <http://www.gipcl.com/pages/corporate-policies>.

None of the Directors has pecuniary relationships or transactions vis-à-vis the Company.

Vigil Mechanism or Whistle Blower Policy:

The Company has a Vigil Policy / Whistle Blower Policy to deal

with instance of fraud and mismanagement, if any. The said Policy is explained in the Corporate Governance Report and also posted on the website of the Company at following link : <http://www.gipcl.com/pages/corporate-policies>.

Directors' Responsibility Statement:

The Board of Directors of the Company confirms:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- that the selected accounting policies were applied consistently and Directors made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Annual Accounts have been prepared on a going concern basis;
- internal financial controls to be followed by the company have been laid down and that such internal financial controls are adequate and operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance:

Your Company has been following good Corporate Governance practices and has complied with the requirements of the Listing Regulations. A detailed report on Corporate Governance along with Certificate dated 26th May, 2016 issued by CS Niraj Trivedi, Practicing Company Secretary, Vadodara is annexed forming part of this Report.

Management Discussion and Analysis:

A report on Management Discussion and Analysis dealing with Business Operations and Performance, Research and Development, Expansion Project, Safety and Environment, Human Resource Development, Corporate Social Responsibility etc. is annexed forming part of this Report.

Risk Management:

The Report on Risk Management and Risk Minimization is reviewed by the Board on quarterly basis.

Directors:

Government of Gujarat (GoG) vide Notification dated 07.04.2015 nominated Shri L Chuaungo, IAS (DIN:00032867) as Chairman of your Company vice Shri D J Pandian, IAS.

Thereafter, upon his transfer as Principal Secretary, Labour and



Employment Dept., vide GoG Notification dated 27/06/2016, Shri L Chuaungo, IAS, has resigned as Director of the Company w.e.f. 27.06.2016.

GOG vide Notification dated 19/07/2016, has nominated Shri Sujit Gulati, IAS, (DIN: 00177274) Additional Chief Secretary, Energy & Petrochemicals Dept. (EPD), GoG, as Chairman of your Company vice Shri L Chuaungo, IAS. The Board of Directors has appointed Shri Sujit Gulati, IAS, (DIN: 00177274) as Additional Director and Chairman of the Company w.e.f. 20.07.2016. Shri Sujit Gulati, IAS (DIN: 00177274) holds office of Director up to the date of the ensuing 31st AGM of the Company.

Your Directors recommend for your approval Resolution at Sr. No. 10 of the Notice dated 30.07.2016 of the 31st AGM for appointment of Shri Sujit Gulati, IAS, as Director of the Company.

The Board places on record its sincere appreciation for the leadership, valuable guidance and support extended by Shri L Chuaungo, IAS during his tenure as Managing Director and as Chairman of the Company.

Shri Ashok Kumar (DIN:07317803) was nominated by IDBI Bank Ltd. as its Nominee Director vice Smt. Padma Betai (DIN: 00937921).

The Board places on record its sincere appreciation for the valuable guidance and support extended by Smt. Padma Betai, during her tenure as Director of the Company.

GACL nominated Shri P K Gera, IAS (DIN: 05323992) as Director vice Shri A M Tiwari, IAS (DIN: 02986260) w.e.f. 01.03.2016.

The Board places on record its sincere appreciation for the valuable guidance and support extended by Shri A M Tiwari, during his tenure as Director of the Company.

GSFC nominated Shri V D Nanavaty (DIN: 07431075) as Nominee Director vice Shri H R Brahmbhatt (DIN: 06360175) w.e.f. 21.01.2016. Further, on 28.03.2016, GSFC nominated CS V V Vachhrajani (DIN: 00091677) as its Nominee Director vice Shri V D Nanavaty.

The Board places on record its appreciation for the valuable guidance and support extended by Shri H R Brahmbhatt and Shri V D Nanavaty, during their tenure as Directors of the Company.

Dr. P K Das, IAS (Retd.) (DIN: 00501499) has resigned as Director of the Company w.e.f. 26.07.2016.

The Board places on record its appreciation for the valuable guidance and support extended by Dr. P K Das, IAS (Retd.), during his tenure as Director of the Company.

Your Directors recommend for your approval resolutions at Sr. No.08 and 09 of the Notice dated 30.07.2016 of the 31st AGM regarding appointment of Shri P K Gera, IAS (DIN: 05323992) and CS V V Vachhrajani (DIN: 00091677) as Directors of the Company, liable to retire by rotation.

Shri Sanjeev Kumar, IAS (DIN:03600655) and Smt. Shahmeena

Husain, IAS, (DIN:03584560) Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Your Directors recommend for your approval resolutions at Sr. No. 3 and 4 of the Notice dated 30.07.2016 of the 31st AGM regarding reappointment of Shri Sanjeev Kumar, IAS (DIN: 03600655) and Smt. Shahmeena Husain, IAS, (DIN: 03584560) as Directors, liable to retire by rotation.

The Directors of the Company appointed Shri N N Misra (DIN: 00575501) as Additional Director and Independent Director of the Company w.e.f.12.10.2015. Shri N N Misra shall hold office up to the date of the ensuing 31st AGM.

The Company has received Declaration of Independence from Shri N N Misra (DIN: 00575501) as required under Section 149(6) of the Companies Act, 2013.

Your Directors recommend for your approval resolution at Sr. No. 07 of the Notice dated 30.07.2016 of 31st AGM regarding appointment of Shri N N Misra (DIN:00575501) as Independent Director, to hold office for period of five consecutive years, not liable to retire by rotation.

Policy on Directors' Appointment and Remuneration:

The Company has formulated and adopted a Policy on Directors' Appointment and Remuneration and the same is accessible on the website of the Company: www.gipcl.com.

Performance Evaluation of Board, Committees and Directors:

Pursuant to the provisions of Section 178(2) of the Companies Act, 2013, your Company has constituted a Nomination & Remuneration (NR) Committee of Directors to evaluate the performance of Directors on the Board.

Appraisal of each Director of the Company is based on the broad criteria mentioned below as required under the provisions of the clause (p) of subsection (3) of Section 134 of the Companies Act, 2013.

1. Knowledge of the Job Profile;
2. Various Directions provided in the best interest of the Company on key issues; review of compliance management;
3. Achievement of Targets budget v/s actual and reasons for deviations; contribution towards new projects;
4. Detailed analysis of internal control functions;
5. Thorough compliance with the Code of conduct;

The NR Committee shall evaluate the performance of each member of the Board of Directors with reference of the authority under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Companies Act, 2013 and as per the evaluation criteria mentioned above.

Evaluation of Independent Directors shall be carried out by the entire Board in the same manner as it is done for other Directors of the Company except the Director being evaluated.



Gujarat Industries Power Company Limited

Based on the performance evaluation of each and every Director and the Chairman of the Company, the Committee shall provide the ratings based on each criterion.

Evaluation of Executive Director of the Company is done by the entire Board except the Director being evaluated. The meeting for the purpose of evaluation of performance of Board Members is held at least once in a year and the Company has disclosed the criteria laid down by the Nomination and Remuneration Committee for performance evaluation on its website for the reference and also in the Annual Report of the Company.

Particulars of Employees:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is not applicable as no Employee was paid remuneration during the year in excess of ₹.1.02 Crores when employed throughout the year and ₹.8.50 Lakhs per month when employed for a part of the year. Further, there was no employee holding 2% or more of the equity shares of the Company during 2015-16.

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during 3:30 p.m. to 5:30 p.m. on all working days of the Company up to the date of the ensuing 31st AGM. None of such employees is a relative of any Director of the Company.

None of such employees hold [by themselves or along with their spouse and dependent children(s)] more than two percent of the equity shares of the Company.

Auditors:

Internal:

Vijay Tewar & Company, Chartered Accountants, Vadodara, has been appointed as Internal Auditors of the Company for the Financial Year 2015-16. The Audit Committee of Directors periodically reviews the reports of Internal Auditors.

Statutory:

The Members at their 30th Annual General Meeting (AGM) have appointed K C Mehta & Co., Chartered Accountants, Vadodara,

as Statutory Auditors of the Company, for a period of five consecutive financial years i.e. from FY 2015-16 to FY 2019-20. Pursuant to the provisions of Section 139 of the Companies Act, 2013, appointment of Statutory Auditors has to be ratified by the Members at every AGM. Accordingly, resolution at Sr. No. 5 of the Notice dated 30.07.2016 of 31st AGM is recommended for approval of the Members for ratification of the appointment of Statutory Auditors, for FY2016-17.

Cost:

The Board of Directors has appointed Y S Thakar & Co., Vadodara, as Cost Auditor of the Company for the Financial Year 2016-17. Resolution at Sr. No.12 of the Notice of the 31st AGM is recommended for ratification of the Members, for the remuneration payable to Cost Auditors for FY 2016-17.

Secretarial:

Devesh Vimal & Co., Practicing Company Secretaries, Vadodara have been appointed as Secretarial Auditor of the Company for the year 2015-16. Report of Devesh Vimal & Co. for the Financial Year 2015-16 ended on 31st March, 2016 in the prescribed Form-MR 3 is annexed to this Report as **Annexure 'B'**.

Extract of Annual Return:

The details forming part of the extract of the Annual Return in prescribed Form MGT 9 is annexed to this Report as **Annexure 'D'**.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgements:

The Board of Directors places on record its gratitude and appreciation to the Government of India, Government of Gujarat, Financial Institutions, Banks, Insurance companies, Business Associates, Promoters, Shareholders and Employees of the Company for their valuable support and faith reposed by them in the Company.

For and On behalf of the Board

Date: 22nd August, 2016.

Place: Gandhinagar.

Sujit Gulati, IAS

Chairman

(DIN:00177274)



ANNEXURE 'A' TO BOARD'S REPORT

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes and the CSR Policy is stated herein below:
Major Corporate Social Responsibility (CSR) initiatives by your Company revolve around building community infrastructure, focus on women empowerment and their role in development. Interventions include Education, Community Health, Livelihood Development and Rural Infrastructure Development like roads, culverts in surrounding villages. Your Company is also co-sponsoring a Mid-day meal Scheme at Vadodara where more than 50,000 children of Government schools are provided hygienic food.
The CSR Policy is accessible on the following link of the website of the Company : [http://www.gipcl.com/pages/](http://www.gipcl.com/pages/corporate-policies)
2. Composition of the CSR Committee as on 31st March, 2016:
Smt. Sonal Mishra, IAS, Chairperson
Dr. P K Das, IAS (Retd.)- Independent Director
Smt. Shahmeena Husain, IAS.
3. Average net profit of the Company before tax for last three financial years:
Average net profit before tax: Rs. 27289.00 Lacs
4. Prescribed CSR Expenditure (two percent of the amount as at Sr. No. 3 above):
The Company is required to spend Rs.546.00 Lacs towards CSR.
5. Details of CSR spend for the financial year:
 - a. Total amount spent for the financial year: Rs.667.67 Lacs.
 - b. Amount unspent, if any: Not Applicable
 - c. Manner in which the amount spent during the financial year 2015-16 is detailed below:

Sr.	Project/ activity identified	Sector in which project is covered	Program Location/ Area	Amount of Outlay (Budget)	Amount spent on the projects under - Direct expenditure and Overheads	Cumulative expenditure upto reporting period	Amount spent Direct or through implementing agency
1.	Drinking Water, Sanitation, Support to CHC, Mobile Medical Unit, Medical Camps, Modern Diagnostic Centre	Health	Vadodara	16.49	Direct- 8.24 Overheads - Nil	8.24	8.24
			SLPP	447.65	Direct-456.94 Overheads - Nil	456.94	456.94
2.	Infrastructure Support, Resource & Empowerment, Education Activities	Education	Vadodara	25.21	Direct-11.27 Overheads - Nil	11.27	11.27
			SLPP	20.11	Direct-19.88 Overheads - Nil	19.88	19.88
3.	Self Help Groups, Skill enhancement Training	Livelihood	SLPP	17.54	Direct-17.45 Overheads - Nil	17.45	17.45
4.	Roads, Culverts & Bridges Infrastructures	Village Infrastructure Development	Vadodara	3.00	Direct-3.00 Overheads - Nil	3.00	3.00
			SLPP	84.71	Direct-82.33 Overheads - Nil	82.33	82.33
5.	Maintenance & Protection, Nursery & Vermicompost	Resource Centre for Training	SLPP	5.19	Direct-5.48 Overheads - Nil	5.48	5.48
6.	-	Publication	SLPP	0.07	Direct-0.07 Overheads - Nil	0.07	0.07
7.	-	Contingency	Vadodara	0.00	Direct-4.93 Overheads - Nil	4.93	4.93
			SLPP	10.00	Direct-4.46 Overheads - Nil	4.46	4.46
		Sub-Total	Vadodara	44.70	Direct-27.44 Overheads - Nil	27.44	27.44
			SLPP	585.27	Direct-586.61 Overheads - Nil	586.61	586.61
		Total		629.97		614.05	614.05
8.	Administrative & Capital	Administrative Expenses	SLPP	54.96	Direct-Nil Overheads - 53.62	53.62	53.62
		Grand Total		684.93		667.67	

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:
'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy of the Company, is in compliance with CSR Objectives and Policy of the Company'.

Sonal Mishra, IAS
Managing Director and Chairperson of CSR Committee
(DIN:03461909)



Gujarat Industries Power Company Limited

CSR POLICY

(approved by the Board of Directors on 5th May, 2014)

CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)

Gujarat Industries Power Company Limited is committed to the cause of socioeconomic development of people, particularly those whose sources of livelihood is affected by our business. We are committed to taking up projects and activities that aim at raising their Human Development Index including but not limited to projects or programmes listed out in the Schedule VII to the Companies Act 2013 as amended. It shall remain our endeavor to involve them as stakeholders by following participatory approach through which we will address their concerns, priorities, needs and aspirations. We shall remain conscious of our obligations as a responsible corporate entity to the cause of society at large by taking up activities that contribute to – promotion of social harmony, increasing opportunities to socially and economically disadvantaged sections of society, and to mitigation of environmental degradation.

ANNEXURE 'B' TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GUJARAT INDUSTRIES POWER COMPANY LIMITED
P. O. Petrochemicals-391 346,
Dist. Vadodara, Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the GUJARAT INDUSTRIES POWER COMPANY LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, **on test check basis, we further report that** the Company has complied with the following laws applicable specifically to the Company:
 1. The Electricity Act, 2003;
 2. The Mines Act, 1952;
 3. The Mines and Minerals (Development and Regulation) Act, 1957;
 4. The Land Acquisition Act, 1894 (The Right to Fair Compensation and Transparency Rehabilitation and Resettlement) Act, 1986;
 5. The Environment (Protection) Act, 1986;
 6. The Air (Prevention And Control of Pollution) Act, 1981;
 7. The Water (Prevention and Control of Pollution) Act, 1974;
 8. The Hazardous Wastes (Management and Handling) Rules, 1989;
 9. Indian Boiler Regulations Act, 1950.



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd., Vadodara Stock Exchange Ltd. and National Stock Exchange of India Ltd.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period:

- (a) The Company has not issued any securities during the period under review and accordingly
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the audit period.
- (b) The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable during the audit period.
- (c) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India mandatorily applicable during the audit period were complied with.
- (d) The Company has complied with the SEBI (Prohibition of Insider Trading) Regulations, 2015 enacted in repealment of the SEBI (Prohibition of Insider Trading) Regulations, 1992.
- (e) Designation of Ms. Sonal Mishra, IAS appears in the signatory details on MCA portal as 'Additional Director' instead of 'Managing Director'. Moreover, name of Mr. S.P. Desai, CFO of the Company also does not appear in the signatory details in the MCA portal.

However, the Company has informed us that they have already filed requisite forms in the regard and it may be attributed to transitory phase of upgradation of MCA portal.

- (f) In view of exit order of Vadodara Stock Exchange Limited as a Stock Exchange by SEBI vide order no. WTM/RKA/MRD/144 /2015 dtd. 9th November, 2015, the Company stands delisted from Vadodara Stock Exchange Limited.

For Devesh Vimal & Co.
Practising Company Secretaries

CS Devesh A. Pathak
Partner

FCS No.4559 CP No.: 2306

Date: 27th May, 2016

Place: Vadodara

This report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report.

Annexure to Secretarial Audit Report

27th May, 2016

To,
The Members,
GUJARAT INDUSTRIES POWER COMPANY LIMITED
P. O. Petrochemicals-391 346,
Dist. Vadodara, Gujarat

Ref: Secretarial Audit Report dated 27th May, 2016 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices we followed provided reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose;
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings of events etc.;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis; and
6. Draft Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Vimal & Co.
Practising Company Secretaries

CS Devesh A. Pathak
Partner

FCS No. 4559 CP No.:2306



ANNEXURE 'C' TO BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy :

Energy Conservation measures taken, additional investments and proposals, if any, being implemented for reduction of consumption of energy and impact of the measures for reduction of energy consumption and consequent impact on the cost of production.

Several energy conservation measures are taken at Vadodara and SLPP during the year under review. Some of the measures which have significant results are indicated below:

At Vadodara:

- Major job of renovation/replacement job of insulation carried out on LP drum expansion bellow and HP super heater bellow of HRSG#4 which enhanced the thermal efficiency.
- Variable frequency drive in oil mist eliminator of GT#1 and GT#3 resulted into annual electrical energy saving of 43210 KWh.
- Revamping of lighting circuit with smart lighting distribution panel to avoid continuous high energy lighting in 132 KV switchyard of stage #2 resulted in to annual electrical energy saving of 23160 KWh.
- Relocation of EPABX to Plant control room resulted into saving of 7000 kWh (use of one 1.5 window AC was avoided.)
- As a part of continuous efforts towards energy conservation, 70 Watts HPSV lamps were replaced by 23 Watts CFL at HRSG-4 and HPBFP area in station#2. This resulted in to annual electrical energy savings of 15638 KWh.
- As per our prudent practices of energy conservation, 20 Nos of existing 70W HPSV fixtures were replaced by 23W CFL fixtures at JWSS complex. This resulted in to annual electrical energy savings of 269 KWh.

At SLPP:

- Modification was carried out in Unit-4 to utilize Primary air in ash cooler instead of separate ash cooler blower air. This has helped to reduce running hours of ash cooler blower in Ph-II. Due to this, 5.216 Lacs kWh electrical energy could be saved per annum.
- Bypass line in Unit-4 CCW pumps was provided which has resulted into saving of electricity by 7.26 Lacs kWh per annum.
- As proposed in the previous year, conventional cooling tower fan blades assembly of Phase-II cooling tower was replaced with aerodynamically designed energy efficient fan blades assembly. This has helped to conserve 1.00 Lac kWh electrical energy during the year.
- Vacuum pump cooler inspection & cleaning in Unit 3 & 4 helped to improve condenser vacuum which resulted in to increase in plant generation by 78.76 Lacs kwh per annum.
- In Phase-I units, provision for remote On / Off operation from control room was made for one Cooling Tower fan. This has helped to stop Cooling Tower fan during unplanned partial loading like backing down by SLDC, outage of equipment, etc. for prolonged period. Due to this, CT fans running hours could be minimized and saving of total 0.267 Lac kWh electrical energy per annum is achieved.
- In Ph-1 & 2 boilers, energy efficient surface insulation was applied to improve boiler efficiency. This has helped to reduce Lignite consumption by 5315 MT per annum.

- By close supervision and monitoring, short circuit of inlet & outlet feed water was identified and timely attended in feed water heater-6 of Unit-2. This has helped to improve feed water outlet temperature to Boiler by 10 Deg. C which helped to improve unit heat rate by 39 kCal/kwh.
- Replacement of Unit 2 Pressure Reducing De-superheating Station (PRDS) 10% line spray control valve (TCV 4249) by modified design control valve. This has helped to reduce consumption of steam by appr. 8 t/hr which has helped to reduce Lignite consumption by 10381 MT per annum.
- Running hours of auxiliaries in Ash Handling plant was optimized due to which 5.09 Lacs kWh electricity could be saved.
- In instrument air system, pneumatic positioners were replaced with smart positioners. This has helped to reduce consumption of instrument air and resulted into saving of 0.132 Lac kWh electrical energy per annum.

Energy Conservation Proposals:

At Vadodara:

- Additional one new small capacity Condenser Cooling Water Pump in Station I to cater condenser cooling water requirement of condenser of STG in parallel with existing 355 KW CW pump for low loading of Station-1 is proposed. This will help to conserve 610781 KWh electrical energy per annum
- Service water for domestic use in plant, administration buildings, canteen is used from Filter water which is used for DM water production. The cost of filtered water is 21/m3. For activities like washing utensils and in toilets filter water is not used. Borewell water can be used for this purpose. Saving of 1800m3/annum filtered water will be saved. Saving of 37800 Rs/Annum.

At SLPP:

- Use of aerodynamically designed energy efficient cooling tower fan blades (4 Nos.) in Phase-2. Saving of 4.00 Lacs kWh electrical energy per annum is expected.
- Attending Air Pre Heater (APH) and flue gas leakages in Units 1,2,3 & 4. This would result in load reduction of ID fans and expected annual saving is 13.6 Lacs kWh electrical energy.
- Use of Primary air in ash cooler instead of blower air in U-3. This will result in reduction of running hours of ash cooler blower. Expected saving of electricity is 5.216 Lacs kWh per annum.
- In Phase-I units, provision for remote On / Off operation from control room will be made for five Cooling Tower fans. This will help to stop CT fans during unplanned partial loading like backing down by SLDC, outage of equipment, etc. for prolonged period. Due to this, CT fans running hours will be minimized and saving of total 1.337 Lac kWh electrical energy per annum is expected.
- In Ph-1 & 2 boilers, energy efficient surface insulation will be applied in remaining area to improve boiler efficiency further. This would help to reduce Lignite consumption by 2950 MT per annum.
- In instrument air system, 10 nos. pneumatic positioners will be replaced with smart positioners. This will help to reduce consumption of instrument air and saving of 0.132 Lac kWh electrical energy per annum is expected.



- In U-1, 2, 3 & 4, condenser tubes cleaning will be carried out which will help to conserve 110.3 Lacs kWh electrical energy per annum.

The information required to be disclosed in **Form A** of the Annexure is not applicable since the Company is not covered within the List of Industries specified in the Schedule thereto.

B. Technology Absorption :

RESEARCH & DEVELOPMENT (R & D)

1. **Specific Area in which R&D carried out by the Company :** NIL
2. **Benefits derived as a result of the above R&D:** N.A.
3. **Future plan of action:** NIL
4. **Expenditure on R & D:** NIL
 - (a) Capital
 - (b) Recurring

C. Foreign Exchange Earnings and Outgo:

During the year there was no earning in Foreign Exchange. Foreign Exchange, outgo during the year was to the tune of ₹.10.37 Lakhs (₹.11.79 Lakhs during preceding year).

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

At Vadodara:

1. Power Transducers of accuracy class 0.5 installed & commissioned for monitoring energy consumption of Low Tension Auxiliaries & Lighting Transformers.
2. In Station-I, existing old, Human Machine Interface of Steam Turbine Governing System was replaced / upgraded by State of the Art latest S+ Platform software of ABB make.

At SLPP:

1. Up gradation of Unit-2 Pro Control DCS system by BHEL maxDNA system.
2. Modification to utilize Primary air in ash cooler instead of air from separate ash cooler blower in Unit-4.
3. Installation of Plough Diverter on Belt conveyor BCN-7C and BCN -7D for feeding Lignite to Unit-3 bunkers.
4. "ENCON" make energy efficient blades with Addax Rexnord make light weight composite metal shaft was installed in one cooling tower cell in Phase-II.
5. Replacement of Unit 2 Pressure Reducing De-superheating Station (PRDS) 10% line spray control valve (TCV 4249) by modified design control valve.
6. M/s. Copes Vulcan make valves (FD-44 & FD-45) in APRDS system in Unit 3 were replaced with M/s. MIL make valves having revised specifications and robust construction.
7. Development of indigenous 3-phase, 415 V AC motor in place of 1-phase, 110V imported motor for PA fan Lube oil pumps (4 Nos) of unit-2.
8. Erections of fire spray systems for JNTs & LHS area Buildings.
9. Erection of spray system for all lignite conveyor galleries.
10. Erection of additional water monitors for External Lignite Handling System lignite stock pile & in plant lignite stock piles.
11. Installation of flow diverter in lignite conveyors of Ph-I units.
12. Installation of SS pipe over Boiler back pass hanger tubes instead of SS shield.

13. Installation of 8 mm fins plate instead of 6 mm between Combustor water wall tubes.
14. Installation of modified Primary Air nozzles cap for combustor.
15. Switching on & off of one cooling tower fan is done through new technological GPS based SMS system.
16. Installation of Numerical Feeder protection relays in 6.6 kV Unit Auxiliary Transformer Incomers, Station Transformer incomers, All TIE feeders between Unit & Station Switchgear in Phase-I.
17. Installation of additional tripping coil with Trip Circuit Supervision relay in four nos. 6.6 kV breakers (PA fan - 2A, PA fan - 2B, BFP - 2B & BFP - 2C) in Unit-2.
18. Installation of additional tripping coil with Trip Circuit Supervision relay in Twelve nos. 6.6 kV breakers (UAT Incomers, PA Fans & BFPs) in Unit-3 & Unit-4.
19. Replacement of aluminum bus bar with copper bus bar in 40 nos. critical feeders in 415V Siemens switchgears in phase-I.
20. Conversion of Phase-II Reversible Shuttle Belt Feeder to Reversible Belt Feeder through structural modification.
21. Replacement of gear coupling by suitable flexible coupling in Phase-II belt conveyors BCN-7C & 7D.
22. Change in control logic for tripping of lime mill D in case mill gets overfed.
23. Change of loading pattern of Phase-I Instrument Air compressor from three steps (0-50-100%) to two steps (0-100%).
24. Up gradation of max DNA Software version from max DNA 4.2 to 4.5 in Performance/Event PC of Unit-3 & 4.
25. Design and installation of external position feedback transmitter in BFP-3A and 4A.
26. Installation of wireless communication system in External lignite Handling System Stacker Reclaimer for interlock and protection of Stacker Reclaimer.
27. Installation of Automatic Dust suppression spray system at apron feeder unloading station.
28. Installation of 12 Nos. smart positioners for the pneumatic Control valves.
29. Installation of UPVC (Unplasticized polyvinyl chloride) CORZAN Grade Pipe against MSRL (Mild steel rubber lined) pipe for transferring DM water from DM Plant to Boiler.
30. Installation of five numbers additional small PLCs at inverter room of 5 MW Solar Plant and transferring data to SCADA Panel through Ethernet (TCP/IP) protocol.
31. Reuse of storm water drainage water and canteen waste water after proper treatment.
32. Set up of food waste decompose system at plant for treatment of daily generated food waste and converting the same in to manure.
33. Development of in-house nursery in which developing various plants from existing available plants and planting seeds of seasonable flower.



Gujarat Industries Power Company Limited

2. Benefits derived as a result of the above efforts:

At Vadodara:

1. Better Monitoring & Energy Management System resulted in to access to all control room executives to monitor energy consumption of Low Tension auxiliaries of Station I made it easy to take corrective actions.
2. Better trending of operating parameters & its archive during normal as well in emergency condition made easy for control room executive to make root cause analysis.

At SLPP:

1. maxDNA DCS system is with advanced technology and have all required diagnostic features. Availability of the spares and service support is ensured by OEM for next 25 years. The same system is also supplied by BHEL for Phase-II units (Unit-3 & 4) as a part of EPC Project, hence no additional spare inventory is to be maintained for this system.
2. This has helped in energy saving by stopping of ash cooler blower.
3. This has helped to reduce system interruption and auxiliary power consumption and has helped to improve system capacity utilization.
4. This has helped to conserve about 18.15 kW electrical energy per hour. CT fan runs with consistently less vibrations which ensures improved availability of the fan with drastic reduction in maintenance work. Availability of CT fans helps in maintaining desired condenser vacuum which is an important parameter to ensure better plant efficiency.
5. After installation of new control valve, controlling of PRDS header parameters became smoother and operation flexibility & reliability has been improved.
6. After erection & commissioning of M/s. MIL make valves, controlling of PRDS Header parameters became smoother and operation flexibility & reliability at part load has been increased.
7. This has helped to improve reliability of lube oil system and reduce tripping of the equipment.
8. Additional fire spray system provided in fire prone Building of Lignite Handling System area is helpful to arrest fire promptly and to ensure safety of personnel as well as equipments.
9. Isolating valve of each spray header is provided outside at each gallery. In case of fire any person can open the valve of respective spray header without entering in to gallery.
10. In plant stock pile stores 25,000 MT of lignite & ELHS stock piles stores 65,000 MT of lignite. In order to mitigate fire, extra 24 nos. water monitor provided at ELHS stock pile & 16 nos. at in plant stock pile. This arrangement facilitates quenching of fire and arresting the dust nuisance in stock pile.
11. This has helped to reduce jamming problem of lignite conveyors.
12. This has helped to minimize possibility of erosion of tube at interface of two shields and subsequent tube leakages.
13. This has helped to minimize bed ash leakages through fins due to erosion and reduce probability of tube leakages.
14. This has helped to reduce erosion problem in the combustor nozzles.
15. This will save energy during partial loading of unit.
16. It has got many advantages over old electromagnetic relays like fast in operation, continuous self diagnostic, availability of fault data for post fault analysis, reduced the number of relays (quantity) in operation etc.
17. This has increased redundancy of breaker tripping circuit and will protect the equipment.
18. This has increased redundancy of breaker tripping circuit and will protect the equipment.
19. This will reduce the flash over in switchgear and unit tripping / plant emergency.
20. This has resulted into immediate and smooth changeover between two lignite feeding streams. This has also helped to improve system availability, reduce system down time and spillage of lignite near receiving point.
21. This has helped to reduce failure of coupling and system vibrations.
22. This has resulted into uninterrupted operation of lime mill. Also, due to this, problem of motor overloading and heating of fluid coupling is eliminated.
23. This will help in reduction of spare part consumption of loading unloading valves and will be useful in energy saving.
24. This has helped to improve storage and retrieval performance of events with better format of storing events. It has improved synchronization facility between two redundant Event collectors. Simultaneous monitoring of both event collectors has become possible.
25. This has helped in reduction of spare consumption of scoop controller worth Rs. 6.00 Lakhs approximately.
26. Installation of wireless system is helpful in increasing availability and consistency of ELHS Stacker Reclaimer thereby minimizing generation loss and saving in huge cost of Control Cable Reeling Drum (CCRD).
27. The spray system operates in auto when apron feeder is under running condition and dumper unloading is sensed by photo sensors. Modification is useful in dust suppression and thereby maintains healthy environment and housekeeping.
28. This helped to reduce consumption of compressed air and subsequent energy consumption.
29. Replacement of rubber lined MSRL pipeline is time consuming as compared to UPVC material. Also, UPVC material is non corrosive and hence offers longer life.
30. After implementation of new scheme, string monitoring data are now available at SCADA system.
31. This has helped to reduce consumption of raw water.
32. The manure so produced is being utilized for development & maintenance of horticulture, green belt, etc. in power plant, colony, mines and solar plant.
33. This has helped to reduce developing cost of the plants and improve beautification at low cost.

3. Imported Technology.

No New Technology was imported during the year under review.



ANNEXURE 'D' TO BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS	
CIN	L99999GJ1985PLC007868
Registration Date	1 st June, 1985
Name of the Company	GUJARAT INDUSTRIES POWER COMPANY LTD.
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	P.O. Petrochemicals – 391 346, Dist.: Vadodara. Tele No.: 0265-2232768 Email: genbaroda@gipcl.com
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited B/102- 103, Shangrila Complex, First Floor, Near Radhakrishna Char Rasta , Opp. HDFC Bank Akota, Vadodara – 390 020. Email: vadodara@linkintime.com
II. PRINCIPAL BUSINESS OF THE COMPANY	Generation of Electricity.

III. DETAILS OF HOLDING / SUBSIDIARY / ASSOCIATE COMPANY

Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
GIPCL Projects and Consultancy Company Ltd. 2 nd Floor, GIPCL Corporate Building, P.O. Petrochemicals – 391 346, Dist.: Vadodara.	U74999GJ2012PLC076161	Subsidiary	100.00	2(87)
Bhavnagar Energy Company Ltd. 3 rd Floor, Block No. 8, Udyog Bhavan, Gandhinagar.	U40102GJ2007SGC051396	Associate	26 %	2(6)



Gujarat Industries Power Company Limited

V. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i. Category wise Shareholding									
Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual	0	0	0	0	0	0	0	0	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt.	0	0	0	0	0	0	0	0	0
Bodies Corporate	84236161	3804100	88040261	58.21	84236161	3804100	88040261	58.21	0
Banks / FIs	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	84236161	3804100	88040261	58.21	84236161	3804100	88040261	58.21	0
(2) Foreign									
NRIs- Individual	0	0	0	0	0	0	0	0	0
Others- Individual	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Banks / FIs	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	84236161	3804100	88040261	58.21	84236161	3804100	88040261	58.21	0
B. Public Shareholding									
(1) Institutions									
Mutual Funds / UTI	9999020	5400	10004420	6.61	9026322	5400	9031722	5.9699	0.64
Banks / FI	35434	3400	38834	0.03	20263	3400	23663	0.015	0.015
Central Govt./State Govt.	8143888	3725333	11869221	7.85	7828973	3725333	11554306	7.6392	0.210
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	15290132	0	15290132	10.11	14537174	0	14537174	9.6113	0.499
FIs/Foreign Portfolio Investors	4041990	0	4041990	2.67	5059497	0	5059497	3.3451	0.67
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	37510464	3734133	41244597	27.27	41531726	3734133	45265859	29.927	2.657



Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies Corporate									
Indian	4100428	5750	4106178	2.71	5415966	5750	5421716	3.584	0.87
Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
Individual Shareholders holding nominal share capital upto ₹ 1 lakh / upto ₹ 2 lakh vide SEBI Circular effective from 1.12.2015.	12326445	1503748	13830193	9.14	11828751	1456847	13285598	8.7838	0.3562
Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh / upto ₹ 2 lakh vide SEBI Circular effective from 1.12.2015.	3151501	0	3151501	2.08	2564475	0	2564475	1.6955	0.345
Others (specify)	0	0	0	0	0	0	0	0	0
Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
Other Foreign Nationals	0	0	0	0	0	0	0	0	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
NRI / OCBs	643286	0	643286	0.33	444319	0	444319	0.2937	0.0363
Clearing Members / Clearing House	144944	0	144944	0.10	133044	0	133044	0.0880	0.012
Trusts	9150	0	9150	0.01	11533	0	11533	0.0076	0.002
Limited Liability Partnership	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	0	0	0	0	1143880	0	1143880	0.76	0
Qualified Foreign Investor	81078	0	81078	0.05	0	0	0	0	-
Sub-Total (B)(2)	20456832	1509498	21966330	14.52	16482471	1462597	17945068	11.864	2.655
Total Public Shareholding(B) = (B)(1) + (B)(2)	57967296	5243631	63210927	41.79	58014197	5196730	63210927	41.79	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A + B + C)	142203457	9047731	151251188	100	142250358	9000830	151251188	100	0



Gujarat Industries Power Company Limited

ii. Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares held	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares held of the Company	% of total shares to total shares	% of Shares Pledged/encumbered	
Gujarat Urja Vikas Nigam Limited	38384397	25.38	0.00	38384397	25.38	0.00	0.00
Gujarat Alkalies & Chemicals Ltd.	23088980	15.27	0.00	23088980	15.27	0.00	0.00
Gujarat State Fertilizers and Chemicals Ltd.	22362784	14.79	0.00	22362784	14.79	0.00	0.00
Petrofils Co-operative Limited	3804100	2.52	0.00	3804100	2.52	0.00	0.00
Liquidator Petrofils Co-operative Limited	400000	0.26	0.00	400000	0.26	0.00	0.00
Total	88040261	58.21	0.00	88040261	58.21	0.00	0.00

iii. Change in Promoters' Shareholding (Please specify if there is no change). There is no Change in Promoter's Shareholding

iv. Shareholding Pattern of Top 10 Shareholders(Other than Promoters)

Sr.	Name	No. of Shares held & (%)
1.	ICICI Prudential Life Insurance Company Ltd.	6625466 (4.38)
2.	Life Insurance Corporation of India	5258204 (3.47)
3.	Gujarat Power Corporation of India	4977491 (3.29)
4.	Gujarat State Petroleum Corporation Ltd.	3697000 (2.44)
5.	ICICI Lombard Insurance Company Ltd.	3500000 (2.31)
6.	ICICI Prudential Balanced Fund	2951698 (1.95)
7.	ICICI Prudential Value Fund Series 1	2662149 (1.76)
8.	Gujarat State Electricity Corporation Ltd.	2205882 (1.46)
9.	Government of Singapore – E	2100000 (1.38)
10.	Comgest Growth PLC A/c Comgest Growth India	1785101 (1.18)

v. Shareholding of Directors and Key Managerial Personnel

Sr.	Name of Director /Key Managerial Personnel	No. of Shares held
1.	Shri L Chuaungo, IAS	Nil
2.	Prof. Shekhar Chaudhuri	Nil
3.	Dr. K M Joshi	Nil
4.	Dr. P K Das, IAS (Retd.)	Nil
5.	Smt. Shahmeena Husain, IAS	Nil
6.	Shri Sanjeev Kumar, IAS	Nil
7.	Dr. Ajay N Shah	Nil
8.	Shri S B Dangayach	Nil
9.	Dr. B A Prajapati	Nil
10.	Shri N N Misra	Nil
11.	Shri Ashok Kumar	Nil
12.	Shri P K Gera, IAS	Nil
13.	CS V V Vachhrajani	Nil
14.	Smt. Sonal Mishra, IAS	Nil
Key Managerial Personnel		
1.	CA S P Desai	200
2.	CS A C Shah	Nil

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
(i) Indebtedness at the beginning of the financial year	60643.58	NIL	NIL	60643.58
(ii) Change in Indebtedness during the financial year	13144.11	NIL	NIL	13144.11
(iii) Net Change	(13144.11)	NIL	NIL	(13144.11)
Total (i-ii)	47499.47	NIL	NIL	47499.47

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director**

Particulars of remuneration	Amount (₹ in Lakhs)
Shri L Chuaungo, IAS (from 01.04.2015 to 26.04.2015)	
Salary (including arrears of Special Pay for holding Additional Charge from 5.10.2004 to 17.04.2015).	2.45
Value of perquisites	-
Total	2.45
Smt. Sonal Mishra, IAS (from 27.04.2015 to 31.03.2016)	
Salary	16.72
Value of perquisites	2.84
Total	19.56

B. Remuneration to other Directors:

Name	Sitting Fees paid per meeting (in ₹)		
	Board Meetings	Committee Meetings	Total
Shri L Chuaungo, IAS*, Chairman (from 27.04.2015 onwards)	60000/-	10000/-	70000/-
Prof. Shekhar Chaudhuri	40000/-	20000/-	60000/-
Dr. K M Joshi	70000/-	150000/-	220000/-
Dr. P K Das, IAS (Retd.)	60000/-	210000/-	270000/-
Shri H R Brahmhatt (upto 01.01.2016)	60000/-	30000/-	90000/-
Smt. Padma Betai** (IDBI Nominee Director) (upto 03.10.2015)	20000/-	10000/-	30000/-
Smt. Shahmeena Husain, IAS*	60000/-	50000/-	110000/-
Shri A M Tiwari, IAS* (upto 21.02.2016)	40000/-	10000/-	50000/-
Shri Sanjeev Kumar, IAS*	30000/-	-	30000/-
Dr. Ajay N Shah	10000/-	10000/-	20000/-
Shri S B Dangayach	60000/-	50000/-	110000/-
Dr. B A Prajapati	70000/-	10000/-	80000/-
Shri N N Misra (from 13.10.2015)	30000/-	20000/-	50000/-
Shri Ashok Kumar** (IDBI Nominee Director) (from 20.10.2015)	20000/-	20000/-	40000/-
Shri V D Nanavaty (from 21.02.2016 to 27.03.2016)	10000/-	-	10000/-
Total	640000/-	600000/-	1240000/-

* Fees Deposited in Govt. Treasury. ** Fees Deposited with IDBI Bank Ltd.

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	CA S P Desai, Chief General Manager & Chief Finance Officer	Mr. A C Shah, Company Secretary & DGM (Legal)	Total Amount
TOTAL	Salary & Allowances	25.14	19.31	44.45

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL.

(Amount in ₹)

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
N.A.	N.A.	N.A.	NIL	N.A.	N.A.



Gujarat Industries Power Company Limited

ANNEXURE 2

Form No. AOC-2 (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis : **NIL**
 - (a) Name(s) of the related party and nature of relationship: **N.A.**
 - (b) Nature of contracts/arrangements/transactions: **N.A.**
 - (c) Duration of the contracts / arrangements/transactions: **N.A.**
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
 - (e) Justification for entering into such contracts or arrangements or transactions – **N.A.**
 - (f) Date(s) of approval by the Board: **N.A.**
 - (g) Amount paid as advances, if any: **N.A.**
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **N.A.**
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship : **As per Table below**
 - (b) Nature of contracts/arrangements/transactions : **As per Table below**
 - (c) Date(s) of approval by the Board, if any : **As per Table below**

Sr.	Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director(s)	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Date of approval at the meeting of the Audit / Board	Amount of contract or arrangement FY 2015-16 (Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(7)	
1	(i) Memorandum of Understanding (MoU) dated May 3, 1989 for Sale of Power from 145 MW Power Station. (ii) Power Purchase Agreement (PPA) dated August 1, 1996 for 165 MW Power Station. (iii) Power Purchase Agreement (PPA) dated April 15, 1997 for 250 MW Surat Lignite Power Plant (SLPP-I). (iv) Power Purchase Agreement (PPA) dated October 1, 2009 and August 13, 2013 for 250 MW Surat Lignite Power Plant (SLPP-II). (v) Power Purchase Agreement (PPA) dated Dec 18, 2010 for 5MW Solar Power Plant. (vi) PPAs dated 28-04-2015 and 27-01-2016 for 15 MW Wind Power Plant.	Gujarat Urja Vikas Nigam Limited (GUVNL)	1. Shri L. Chuaungo, IAS. 2. Smt. Shahmeena Husain, IAS 3. Shri Sanjeev Kumar, IAS	Promoter	Sale of Electricity	27/05/2016	1,06,471.51
2	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat State Fertilizers & Chemicals Ltd. (GSFC)	1. Shri H R Brahmbhatt 2. Shri V D Nanavaty 3. CS V V Vachhrajani	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	17,486.03
3	Memorandum of Understanding (MoU) dated May 3, 1989.	Gujarat Alkalies & Chemicals Ltd. (GACL)	1. Shri A.M. Tiwari, IAS. 2. Shri P K Gera, IAS.	Promoter	Sale of Electricity, Water Charges & Chemicals	27/05/2016	15,429.77

- (d) Duration of the contracts / arrangements/transactions : **Long Term**
- (e) Salient terms of the contracts or arrangements or transactions including the value, if any: **Sale of Electrical Energy.**
- (f) Amount paid as advances, if any: **NIL**

Note: Form shall be signed by the persons who have signed the Board's report.

Date: 22nd August, 2016
Place: Gandhinagar.

For and On behalf of the Board
Sujit Gulati, IAS
Chairman
(DIN:00177274)



MANAGEMENT DISCUSSION AND ANALYSIS 2015-16

Your Company jointly promoted by Gujarat Electricity Board (GEB) [now Gujarat Urja Vikas Nigam Ltd. (GUVNL)], Gujarat Alkalies and Chemicals Ltd. (GACL), Gujarat State Fertilizers and Chemicals Ltd. (GSFC), and Petrofils Co-operative Ltd. (PCL) to cater to their captive power requirements has completed thirty one years on 1st June, 2016, since its establishment in the year 1985.

It is a matter of pride that your Company, which began as the first group captive power plant in the country, has transformed into a dynamic Independent Power Producer (IPP) with total installed generation capacity of 829 MW and two Wind Power Projects of 51 MW and 97.4 MW under implementation.

SECTOR OVERVIEW

Power Generation in India: [Source: Central Electricity Authority (CEA)]

The total power generation in the country during FY 2015-16 was 1107.385 Billion Units (BUs) upto 31st March, 2016 (Previous Year 1048.672 BU) as against the target of 1137.500 BUs for the year, about 97.35% of the target for the year. The annual growth in the energy generation during the year has been 5.60% over same period last year i.e. FY 2014-15.

The installed generation capacity in the country, as on 31st March, 2016 was 2,98,059 MW. Coal, with more than 60% share, is still the primary source of fuel for power generation in India.

Installed Generation Capacity (As on 31/03/2016)

All India	Thermal				Nuclear	Hydro (Renewable)	RES@ (MNRE)	Grand Total
	Coal	Gas	Diesel	Total				
MW*	185173	24509	993	210675	5780	42783	38821	298059
%	62.12	8.22	0.33	70.67	1.93	14.35	13.02	100.00

* Figures are rounded off to nearest digit.

Electricity - Capacity Addition and Generation

Target Vs. Achievement (2015-16):

The Indian power sector has historically been characterized by demand-supply gap which has been increasing over the years. The National Electricity Plan (NEP) 2007, has projected total capacity addition of 88537 MW, for the 12th Plan (Year: 2012-17) as under:

	Thermal			Hydro	Nuclear	Total
	Coal / Lignite	Gas/LNG	Total			
MW	69800	2540	72340	10897	5300	88537
%	78.84	2.87	81.71	12.31	5.99	100

[Source: Central Electricity Authority (CEA)]

The Generation Capacity Addition Target / Achievement for FY 2015-16 was as follows:

(a) Generation Capacity Addition / Achievement:(As on 31-03-2016)

Type/Sector	Target Addition(in MW)			Total	Achievement	
	Central	State	Private		(in MW)	%
Thermal*	14878	13922	43540	72340	80179	110.83
Hydro	6004	1608	3285	10897	3811	34.97
Nuclear	5300	0	0	5300	1000	18.86
Total*	26182	15530	46825	88537	84990	95.99

*Figures are rounded off to nearest digit.



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(b) Electricity Generation Target Vs. Achievement for FY 2015-16:

	Hydro	Thermal	Nuclear	Bhutan (Import)	Total
Target (MU)*	128000	966700	38000	4800	1137500
Achievement up to March, 2016 (MU)*	121341	943407	37392	5244	1107385
%	94.80	97.59	98.40	109.27	97.35

*Figures are rounded off to nearest digit.

[Source: Central Electricity Authority (CEA)]

Thermal Plant Load Factor (PLF):

The average All India Thermal PLF (%) was lower at 62.19% for FY 2015-16 as compared to 64.26% during FY 2014-15. This was mainly on account of coal / Natural Gas shortages, transmission constraints, delay in stabilization of newly commissioned units etc.

Fuel Availability for Power Generation:

Availability and quality of coal and availability of gas for power sector continued to be a critical issue for thermal generation growth.

Coal:

With about 185173 MW i.e. 62.12% of the installed capacity of 298059 MW as on 31st March, 2016 contributed by coal based Power Plants, coal remains a key fuel for power generation.

As per the Report of the Working Group on Power-12th Plan (2012-17), Coal-based generation is expected to continue to be the predominant source of electricity during the 12th plan period and beyond. Out of the total capacity addition of 88,537 MW envisaged during the 12th plan, coal/lignite-based capacity addition is expected to be about 69,800 MW (78.84%). Hydro, Nuclear and Gas/LNG based generation is expected to constitute about 10,897 MW (12.31%), 5,300 MW (5.99%) and 2540 MW (2.87%). Thus, estimated coal requirement would be 842 MT at the end of 12th Plan and 1040 MT at the end of 13th Plan. [Source: Central Electricity Authority (CEA)]

As against the estimated coal requirement of 842 MT by the end of 12th Plan (Year 2016-17), the coal availability shall be 550 MT, thus a shortfall of 292 MT. The Power Utilities are expected to resort to import of around 155 MT of coal to meet the shortage in coal supply.

Gas:

Owing to the problem of reducing availability of Natural Gas from the domestic gas fields and also due to increasing cost of Imported R-LNG, the gas based generation had a negative growth of 7.74% during FY 2014-15 corresponding to the same period last year. The shortfall in supply to power sector is due to decline in production of gas from the domestic gas fields especially from KG-D6 gas field.

Gas available from KG basin has been allocated to existing projects only and Power sector has been given third priority in gas allocation after Fertilizer and LPG Sectors.

The Ministry of Power (MoP) has recommended that Power sector be given the highest priority as far as domestic gas allocation is concerned in view of power shortage in the country.

Power Sector – Policy Developments:

As per Central Electricity Regulatory Commission's (CERC's) FY 09-14 Tariff Norms & Regulations, the base rate of Return on Equity (RoE) was raised from 14% (post-tax) to 15.5% to be grossed up with normal tax rate as applicable to the concerned utility in order to make the sector more attractive to developers. Also, there is an additional 0.5% RoE if a project is commissioned within given timelines. [Regulation 15 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009- Appendix II.]

Incentives are linked to plant availability factor instead of PLF for thermal power plants.

Mega Power Project Policy

Policy guidelines for setting up mega power projects were revised in FY 2010 to smoothen the procedures. A thermal power project of capacity 1000 MW or more is eligible to gain benefits of this Policy. As per the recent amendment mandatory condition of inter-state sale of power for getting mega power project status has been removed. Also, mega power projects can sell power outside the long



term Power Purchase Agreement (PPA) in accordance with the National Electricity Policy (NEP), 2005 and Tariff policy, 2006. For projects having requisite power tied up through tariff based competitive bidding, it is no longer required to procure the equipments for the project through International Competitive Bidding (ICB).

Restructured – Accelerated Power Development & Reforms Programme (R-APDRP)

The APDRP launched in the 10th Plan was continued in the 11th Plan, modified and renamed as R-APDRP, with the main objective of bringing about actual, demonstrable reduction in Aggregate Technical & Commercial (AT&C) losses, thus improving the quality and reliability of power supply. Establishment of reliable and automated systems for sustained collection of accurate base line data, and the adoption of Information Technology in the areas of energy accounting will be essential before taking up the regular distribution strengthening projects.

Apart from this, certain initiatives viz. the introduction of open access, formulation of guidelines for Competitive Bidding of tariff, setting up of and enhancing the powers of Central and State Regulatory Commissions, restructuring and unbundling of State Electricity Boards (SEBs) into separate generation, transmission and distribution entities, and facilitation of trading of surplus capacity have attracted more players to this Sector.

Integrated Power Development Scheme

The MoP, GoI vide Office Memorandum No. 26/1/2014-APDRP dated 3/12/2014 implemented the Integrated Power Development Scheme (IPDS) for providing financial assistance under the said Scheme to all Discoms including private sector Discoms and State Power Departments, with the following components :

- (i) Strengthening of sub-transmission and distribution networks in the urban areas;
- (ii) Metering of distribution transformers/feeders/consumers in the urban areas; and
- (iii) IT enablement of distribution sector and strengthening of distribution network for completion of targets laid down under R-APDRP for 12th and 13th Plans by carrying forward the approved outlay for R-APDRP to IPDS.

Renewable Energy

Considering the ever increasing electricity demand and inadequate availability of fuel, there is a dire need to tap various new sources of energy including renewable energy. Further, growing awareness with regard to benefits of clean energy have also prompted renewed focus on renewable energy by all the stakeholders in the energy ecosystem.

Taking into consideration the growing threat of climate change, the need to develop domestic supply options to the maximum extent and the need to diversify energy sources, renewable energy sources remain important to India's energy Sector.

Renewable Energy accounted for 13.02%, i.e. 38,821.51 MW, of the total installed capacity up to FY 2014-15. **[Source: Central Electricity Authority (CEA)].**

As per the Ministry of New and Renewable Energy (MNRE), GoI statistics, against a target of 4460 MW of Grid Interactive Power for 2015-16, the Total Deployment in 2015-16 was 7052 MW of which Wind power accounted for about 48.42%, Solar power accounted for about 42.81%, Small Hydro power accounted for about 3.09%, Power from Bagasse based Cogeneration accounted for about 5.67%, Biomass power and Waste to Power etc. accounted for the remaining capacity addition. **[Source: Website of MNRE]**

With fuel shortage becoming a reality in the last couple of years, it is imperative for India to have a focused strategy for renewable energy. The Government has already started acting on this agenda. Some of the significant steps taken recently are Policy envisaging that all states should mandatorily meet Renewable Purchase Obligations (RPO) of 5 per cent of total generation which goes up by 1 per cent with every passing year till FY2020 to reach a level of 15 per cent. Launch of Jawaharlal Nehru National Solar Mission (JNNSM), which aims to ensure that solar energy technologies in the country achieve grid parity by 2022. It has plans for deployment of 20 GW of solar power by 2022. Imposition of Green Energy Cess of R.50/- per tonne for all domestic and imported coal based projects. The funds raised will be utilized to drive development in the renewable energy sector.

CERC also issued new guidelines for tariff determination for all renewable energy sources to give further impetus to the development of this sector. A new scheme on Generation Based Incentive (GBI) was introduced for the wind power projects and a similar scheme is under development for the solar power projects as well.

With increasing focus on environment related issues, power projects, employing clean and environment-friendly technology (hydroelectric and other renewable energy sources) can also earn carbon credits, which are traded extensively in the international market; thus providing an additional source of revenue.

OPPORTUNITIES AND CONCERNS

Opportunities:

With the increase in the per capita income levels there will be substantial increase in the per capita electricity demand. The National Electricity Policy (NEP) 2005 aimed at providing a per capita electricity availability of 1000 kWh by FY 2012; against this target, the provisional per capita electricity consumption was 957 kWh for FY 2013-14. **[Source: Central Electricity Authority (CEA)].**

Based on the Load Generation Balance Report for 2016-17 of CEA, the anticipated power supply position of the Country during 2016-17 is presented in the table below:



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Power Supply Position in the Country during 2016-17

Particulars	Energy (MU)	Peak (MW)
Requirement.	1214642	165253
Availability.	1227895	169503
Surplus(+)/Shortage(-).	13252	4250
% Surplus(+)/Shortage(-).	1.1	2.6

[Source: Load Generation Balance Report 2015-16 of CEA]

The Electricity Generation Target fixed by Ministry of Power (MoP) for FY 2016-17 is as follows:

Electricity Generation Target for FY 2016-17:

	Hydro	Thermal	Nuclear (Import)	Bhutan	Total
Target (MU)*	134000	999000	40000	5000	1178000

[Source: Central Electricity Authority (CEA)]

In order to provide cheaper power to consumers, large size power projects are being developed at different locations by various project developers.

Your Company is in the process of implementing a 51 MW Wind based Power Projects at Village Kotdapitha and Jamarvada respectively of Taluka Babra, Dist.: Amreli. Your Company has also issued Letter of Intent (LOIs) for installation of 97.4 MW Wind Farm Project at various locations in Gujarat. Further, your Company has successfully bagged 2 x 40 MW Solar Power Projects at Gujarat Solar Park at Charanka, Dist.: Patan under the National Solar Mission.

India is endowed with huge renewable sources for energy. Both technology routes for conversion of solar radiation into heat and electricity, Solar Thermal and Solar Photovoltaic (PV), can effectively be harnessed providing huge scalability for solar power in India. With the increased focus on Research and Development for reducing the costs of setting up solar power projects and the tariffs being offered for solar power, the sector provides bright opportunities.

Key risks and Concerns:

Power sector is a highly capital intensive industry with long gestation periods before commencement of revenue streams (construction/commissioning periods of 4-5 years) and an even longer operating period (over 25 years). Since most of the projects have such a long time frame, there are some inherent risks in both the internal and external environment.

The macroeconomic factors like the growth of the economy, interest rates, as well as the political and economic environment have a significant effect on the business environment and the sector as a whole.

The graduation from the regulated regime to a competitive scenario has made developers conscious of the costs incurred (both capital and operating costs) and delays in equipment delivery schedules due to inadequate manufacturing capacity in the country.

New policies have boosted the security of utilities' revenue directly impacting both their willingness and ability to pay for the power purchased. Over the long term, unless Aggregate Technical and Commercial (AT&C) losses are reduced, the ability of state utilities to meet their obligations will be of grave concern.

Considering the proposed capacity addition and the capital intensive nature of power projects, high level of debt financing will be required. The company, sector and group level exposures of various banks and

insurance companies need to be increased in order to adequately fund the proposed capacity addition.

Your Company is dependent on the domestic market for its business and revenues. The Company's power generating facilities are located in Gujarat and entire revenue of the Company are derived from the domestic market. These factors may potentially expose the Company to risks of a significant nature to the state of economy. Adverse changes in the Government policies or regulations, the taxes levied by the central or state Governments or removal of tax concessions, exemptions or incentives, or claims by tax authorities may affect the financial condition and operational results of the Company.

Generation of Power at the Company's Power Stations can be adversely affected due to various factors including non-availability of lignite/fuel, grid disturbances and load management in the grid. Your Company has entered into Agreements with gas suppliers for adequate supply of fuel for its gas-based Power Stations at Vadodara Plant. However, the dwindling supplies from domestic gas fields at present and increasing price of imported R-LNG shall have a considerable impact on the generation at Vadodara Plant. To remain unaffected by the grid disturbances, your Company has developed systems to isolate its Power Stations from the grid. To mitigate the concerns, external environment is monitored and internal environment is managed on a continuous basis.

REVIEW OF COMPANY'S BUSINESS:

The Company currently has a combined installed capacity of 829 MW at its locations at Vadodara Plant and Surat Lignite Power Plant (SLPP) including 5 MW PV based Solar Power Plant at SLPP, 2 x 1 MW distributed Solar Power Plants at Amrol and Vastan and 12 MW Wind Power Plant at Kotadapitha, Dist.: Amreli.

MANAGEMENT CONTROL, INTERNAL CONTROL AND INTERNAL AUDIT SYSTEMS:

Your Company has put in place internal control systems and processes commensurate with its size and scale of operations. An Enterprise Resource Planning System developed by SAP has been implemented. This System has control processes designed to take care of various audit requirements. In addition, the Company has an Internal Audit and review by external independent firm of Chartered Accountants and pre-audit of payments by internal team of Accountants/Agencies which oversees the implementation and adherence to various systems and processes and preparation of Financial Statements as per Generally Accepted Principles and Practices. The internal control measures such as defining various levels of the authority through delegation of powers, well laid down procurement procedures, checks and balances in the financial system to safeguard the assets, budgetary controls and variance analysis are in place.

The procurement and operational maintenance activities are planned well in advance to avoid any possible risk of late delivery of materials/inputs, delay in attending to maintenance needs etc. Your Company stores and maintains all the relevant data and information as a back-up, to avoid any possible risk of loss of any important business data.

A qualified and independent Audit Committee of Directors periodically reviews the internal audit reports.

FINANCIAL REVIEW:

ON STAND ALONE BASIS:

The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India and applicable mandatory Accounting Standards notified under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rule, 2014 have been followed in preparation of



these financial statements, except in so far as the said provisions are inconsistent with the provision of the Electricity Act, 2003.

Your Company's total income for the year ended 31st March, 2016 was ₹.138705 Lacs as compared to ₹.125788 Lacs in the previous year. The total income includes earnings from sale of electricity energy of ₹.134576 Lacs as compared to ₹.120906 Lacs recorded in the previous year.

Your Company has earned ₹.2272.87 Lacs as interest on deposits by parking surplus funds as a result of prudent management of working capital.(P.Y. ₹.3033.02. Lacs).

The fuel cost has increased from ₹.57,537 Lacs to ₹.73,321 Lacs. The increase in expenditure was due to higher generation and price in case of gas based power plants. In case of lignite based power plants same was higher due to use of imported coal and increase in lignite and allied fuel prices.

Finance cost has decreased from ₹.7800 Lacs to ₹.6180 Lacs due to reduction of interest on term loan consequent to scheduled repayment.

The Profit before tax was ₹.24,968 Lacs as compared to ₹.24,943 Lacs in the previous year.

The Corporate Tax Liability for the year under Minimum Alternate Tax provisions of the Act was ₹.5320.00 Lacs as compared to ₹.6363.00 Lacs in the previous year.

The net profit of ₹.18,841 Lacs has been arrived at after taking into account the provisions for current Income Tax (Minimum Alternate Tax, ₹.5,320 Lacs, Deferred Tax liability of ₹.1092 Lacs and Tax adjustment of earlier years ₹.(285) Lacs.

During the year, Gross Block has increased from ₹.382580 Lacs to ₹.391,224 Lacs. The increase was mainly in the Buildings, Plant & Machinery and Office Equipments.

Your Company has further invested ₹. 2500 Lacs during the year in to the Equity Share Capital of M/s Bhavnagar Energy Company Limited (BECL), an Associate, taking the total investment to ₹. 20,608 Lacs as on 31st March, 2016.

The long term advance includes ₹. 16887 Lacs as secured advance towards the various solar and wind projects under progress.

The total dividend payout (proposed) for the year @ ₹.2.70 per Equity Share is ₹.4915 Lacs (P.Y. ₹.4555 Lacs) including Corporate Tax on Dividend.

As on 31st March, 2016, the net worth of the Company stood at ₹.197578 Lacs as against ₹.183546 Lacs as at the end of previous financial year ended on 31st March, 2015.

CONSOLIDATED FINANCIAL RESULTS:

The Consolidated Financial Results are prepared after incorporating financial results of GIPCL Projects and Consultancy Company Limited (GIPCO), 100% subsidiary of GIPCL and Bhavnagar Energy Company Limited (BECL), an Associate as per applicable accounting standards of Indian GAAP.

SUBSIDIARY COMPANY:

Your Company has incorporated a 100% wholly owned Subsidiary under the name and style of "GIPCL Projects And Consultancy Company Limited" in 2012. The total income of the Subsidiary Company for the F.Y. 2015-16 was ₹. 3.29 Lacs as compared to ₹. 9.71 Lacs in the previous period.

The profit after tax was ₹.2.36 Lacs as against ₹.4.52 Lacs during the previous period.

ASSOCIATE COMPANY:

Your company has invested ₹. 20,608 Lacs in the Equity Share capital of BECL with share holding of 26.57%. The last audited Balance Sheet available for consolidation is of 31.03.2015. Considering the net worth

of BECL as on that date our value of investment works out to ₹. 20408 Lacs. Share in loss on consolidation of ₹.31 Lacs and loss of earlier ₹. 71 Lacs was adjusted in Profit and Loss A/c and Reserve & Surplus respectively.

BECL is under project implementation stage and yet to start its commercial operations.

HUMAN RESOURCE & INDUSTRIAL RELATIONS:

Humans are considered as one of the most critical resources in the business which can be continuously smoothened to maximize the effectiveness of the Organization. Human resources build the Enterprise and a sense of belonging inculcates the spirit of dedication and loyalty amongst them towards strengthening the Company's sustainable growth. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing their contribution to the Company.

The strength of your Company lies in its team of highly competent and highly motivated personnel. This has made it possible for your Company to make significant improvements and progress in all areas of activities. During the year 2015-2016, the Company maintained its high standards of Safety. Your Directors place on record their sincere appreciation for the unstinting efforts and contribution put in by the employees of the Company.

The Company continued in its endeavor to impart appropriate and relevant training to its employees to upgrade skill to meet the challenges that are ahead and to enhance their performance. The Company has also taken up an exercise on career growth and planning by identifying potentials and training needs of employees by engaging professionals in the field.

The industrial relations remained cordial throughout the year at Vadodara and SLPP Plants.

CORPORATE SOCIAL RESPONSIBILITY AND WELFARE:

Being a conscientious corporate body, your Company has been actively involved in the socio-economic development and welfare of the people living around the Power Plants at Vadodara and SLPP through Society for Village Development in Petrochemicals Area (SVADES) and Urja Foundation at Vadodara and through Company promoted NGO - Development Efforts for Rural Economy and People (DEEP) at SLPP.

Major Corporate Social Responsibility (CSR) initiatives by your Company revolve around building community infrastructure and their empowerment. Focus on women issues and their role in development. Interventions include Education, Community Health, Livelihood Development and Rural Infrastructure Development like roads, culverts, check dams, water tanks, Panchayat house, Co-operative Society building, drainage, environment conservation and up-gradation in surrounding villages.

A special focused project namely Integrated Development in Mineral Bearing Villages (IDMBV) aims at poverty alleviation, strengthening Health & Education efforts of the Government and addressing livelihood issues by way of self employment related training and opportunities have been implemented.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis forming part of the Board's Report, describing the objectives, projections, estimates, expectation and predictions of the Company may be "Forward Looking" statements within the meaning of applicable security regulations and laws. These statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.



Gujarat Industries Power Company Limited

CORPORATE GOVERNANCE REPORT

The detailed Report on Corporate Governance in the format prescribed by SEBI pursuant to Listing Regulations as amended, is set out below:

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Philosophy:

At GIPCL, the Corporate Governance is aimed primarily to present the management with tools essential for the business practices required for legal and ethical conduct and fair financial reporting in tune with committed corporate response based on transparency, accountability and integrity. It stems from the management's mindset and involves necessarily a creative, generative and positive thinking attitude adding value to various stakeholders which are served as end customers of the Company.

2. BOARD OF DIRECTORS:

(1) Composition of the Board:

The Board of Directors comprises of total Fourteen (14) Directors as on 31st March, 2016, out of which seven (07) i.e. 50% are Independent Directors and other seven (07) i.e. 50% are Non Independent Directors. Managing Director is an Executive and Non Independent Director, all other Directors are Non Executive Directors.

(2) Brief Resume of Directors:

a) Reappointment of Directors retiring by rotation:

The resume of Smt. Shahmeena Husain, IAS (DIN:03584560) and Shri Sanjeev Kumar, IAS (DIN:03600655) are given in the Explanatory Statement annexed to the Notice convening the 31st Annual General Meeting (AGM) of the Company, forming part of this Annual Report.

b) Regularisation of appointment of Independent Directors:

The resume of Shri N N Misra (DIN:00575501) is given in the Explanatory Statement annexed to the Notice convening the 31st AGM of the Company, forming part of this Annual Report.

Declaration by Independent directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(3) Number of Board Meetings held and Dates thereof:

During the year 2015-16, Seven (07) Board Meetings were held viz.

Quarter	Date(s) of Meeting
1 st Quarter - From April to June, 2015.	30 th April and 22 nd May, 2015
2 nd Quarter - From July to September, 2015.	14 th August and 19 th September, 2015
3 rd Quarter - From October to December, 2015.	03 rd November, 2015 and 31 st December 2015
4 th Quarter - From January to March, 2016.	11 th February, 2016



(4) **Attendance of Directors at the Board Meetings, last AGM and their Directorships and Committee Memberships in other Companies:**

Name	No. of Board Meetings attended	Attendance at last AGM held on 19.09.2015	Directorships in other Companies	Audit Committee and Securities Transactions and Stakeholders' Relationship Committee	
				Membership	Chairmanship
Shri L Chuaungo, IAS Chairman. (from 07.04.2015)	06	YES	09	-	-
Prof. Shekhar Chaudhuri	04	YES	02	02	-
Dr. K M Joshi	07	YES	01	-	-
Dr. P K Das, IAS (Retd.)	06	YES	02	-	-
Shri H R Brahmbhatt (upto 01.01.2016)	06	YES	-	-	-
Smt. Padma Betai (upto 03.10.2015)	02	NO	-	-	-
Smt. Shahmeena Husain, IAS	06	NO	09	-	-
Shri A M Tiwari, IAS (upto 21.02.2016)	04	NA	-	-	-
Shri Sanjeev Kumar, IAS	03	NO	08	-	-
Dr. Ajay N Shah	01	NA	04	01	01
Shri S B Dangayach	06	YES	08	-	-
Dr. B A Prajapati	07	YES	02	02	-
Shri N N Misra (from 13.10.2015)	03	NA	04	03	-
Shri Ashok Kumar (from 20.10.2015)	02	NA	-	01	-
Shri V D Nanavaty (from 11.02.2016 to 27.03.2016)	01	NA	-	-	-
Shri P K Gera, IAS (from 01.03.2016)	-	NA	03	02	-
CS V V Vachhrajani (from 28.03.2016)	-	NA	-	-	-
Smt. Sonal Mishra, IAS Managing Director (from 27.04.2015)	07	YES	01	-	-

- The shareholding of Directors and their relatives as on 31st March, 2016 was NIL.
- None of the Directors are interrelated.
- In accordance with Clause 49 of the earlier Listing Agreement and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, Membership / Chairmanships of only Audit and Securities Transactions and Stakeholders' Relationship Committees in all public limited companies have been considered.
- The details of familiarization program imparted to the Independent Directors of the Company are available on the website of Company on the following link: www.gipcl.com/downloads/details-of-familiarisation-programmes.

(5) **Board Agenda and Minutes of Proceedings of Board Meetings:**

The Agenda and Notes on agenda along with enclosures are circulated to Directors in advance. All material information is incorporated in the Agenda Notes and where it is not practicable to circulate documents, it is tabled before the Board with specific mention of same in the Agenda. Additional and supplementary items on the Agenda are permitted in special circumstances with the permission of Chairman.

The Company Secretary records minutes of proceedings of each Board Meeting. In terms of Secretarial Standards (SS-1), draft Minutes are circulated to Directors for their suggestions/comments before submitting to the Chairman for finalisation and also for confirmation after it is finalized and approved by the Chairman. The minutes are entered in the Minutes Book within thirty (30) days from the conclusion of the Meeting.



Gujarat Industries Power Company Limited

3. GENERAL BODY MEETINGS:

The details as to the date, time and venue of the last three Annual General Meetings (AGM) of the Company held, are as under:

DATE AND NO. OF AGM	TIME	VENUE OF AGMs	SPECIAL RESOLUTION(s) PASSED AT AGMs
21.09.2013 28 th AGM.	11:00 A.M.	Registered Office of the Company at P.O.: Petrochemicals-391 346, District: Vadodara.	None
20.09.2014 29 th AGM.	11:00 A.M.		1. Powers to create Security u/s 180(1)(a) of the Companies Act, 2013, on the assets of the Company; 2. Powers to borrow u/s 180(1)(c) of the Companies Act, 2013; and 3. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
19.09.2015 30 th AGM.	11:00 A.M.		1. To grant approval for material transactions with related Parties (RPTs) pursuant to the provisions of Section 188 of the Companies Act, 2013 (the Act) and Clause 49 of the Listing Agreement. 2. Appointment of following Independent Directors for a period of five years: a) Prof. Shekhar Chaudhuri (DIN:00052904); b) Prof. K M Joshi (DIN:00501563); and c) Dr. P K Das, IAS (Retd.) (DIN:00501499)

Postal Ballot:

During last year, the Company has not passed any Special Resolution by Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of Special Resolution by Postal Ballot.

4. BOARD COMMITTEES :

(i) The Board of Directors of the Company has constituted following Committees:

- (A) Audit Committee.
- (B) Stakeholders' Relationship (SRC) Committee.
- (C) Nomination and Remuneration (NR) Committee.
- (D) Corporate Social Responsibility(CSR) Committee

The Company Secretary acts as Secretary to all the above Committees of Directors.

(ii) Committee Meeting Minutes :

Minutes of all Committee Meetings are prepared by the Company Secretary, circulated to the Members as per the requirements of Secretarial Standards and approved by the Chairperson of the Committee/Meeting.

(A) Audit Committee :

(a) Composition

As at 31.3.2016, the Audit Committee comprised of four (04) Non Executive Directors viz.:
Dr. P K Das, IAS (Retd.), Independent, Non Executive Director, Chairman of the Committee;
Prof. Shekhar Chaudhuri, Independent, Non Executive Director;
Dr. K M Joshi, Independent, Non Executive Director; and
Shri Ashok Kumar, Nominee, Non Executive Director.

(b) Terms of Reference

The terms of reference of Audit Committee are commensurate with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and the provisions of Section 177 of the Companies Act, 2013. It includes review and recommendation for approval to the Board, quarterly and annual unaudited / audited financial results, adequacy of internal control system and procedures, appointment of Statutory Auditors, Cost Auditors and Internal Auditors, Related Party Transactions (RPTs), Revenue and Capital Budgets, Cost Audit Report, reports and performance of Internal Auditors and action taken by respective Departments on the matters reported by Internal Auditors etc.

**(c) Meetings and Attendance**

During the year 2015-16, four (04) Meetings of Audit Committee were held viz.:

22.05.2015	14.08.2015	03.11.2015	11.02.2016
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Details of Attendance:

Name	No. of Meetings attended
Dr. P K Das, IAS (Retd.)	04
Prof. Shekhar Chaudhuri	02
Dr. K M Joshi	04
Smt. Padma Betai (upto 03.10.2015)	01
Shri Ashok Kumar (from 20.10.2015)	02

(B) Stakeholders' Relationship Committee:**(a) Composition**

As at 31.3.2016, the Stakeholders' Relationship Committee comprised of three (03) Directors viz.: Dr. P K Das, IAS (Retd.), Independent, Non Executive Director, Chairman of the Committee; Prof. K M Joshi; Independent, Non Executive Director; and Smt. Sonal Mishra, IAS, Managing Director.

(b) Terms of Reference

The Committee considers and approves all Securities related transactions and also looks into redressal of investors' complaints, reviews the system and procedure of redressal and recommends measures to strengthen the same in line with statutory framework of applicable laws.

The Board has designated CS A C Shah, Company Secretary & DGM (Legal) as the Compliance Officer. His contact details are as follows:

Gujarat Industries Power Company Ltd.
P.O. Petrochemicals - 391 346,
Dist. Vadodara.
Ph No.:0265-2230159 Fax No: 0265-2230473
Email: investors@gipcl.com
Website : www.gipcl.com

(c) Meetings and Attendance

During the year 2015-16, four (04) Meetings of Audit Committee were held viz.:

22.05.2015	14.08.2015	03.11.2015	11.02.2016
------------	------------	------------	------------

Details of Attendance:

Name	No. of Meetings attended
Dr. P K Das, IAS (Retd.)	04
Dr. K M Joshi	04
Shri H R Brahmbhatt (upto 01.01.2016)	03
Smt. Sonal Mishra, IAS	04

To facilitate timely approval/registration of securities related transactions up to 1000 Equity shares, powers have been delegated to a Sub-Committee comprising of Managing Director, Chief General Manager & Chief Finance Officer and Company Secretary & DGM (Legal), which meets at least once in a fortnight to process and approve all types of Securities related transactions.

(d) Details of Shareholders' Complaints - Received, Solved and Pending:

During 2015-16, three (03) Complaints have been received and all of them have already been attended and resolved to the satisfaction of shareholders. No Shareholders' Complaint(s) and share transfer request(s) are pending as on 31st March, 2016.



Gujarat Industries Power Company Limited

(C) Nomination and Remuneration Committee:

(a) Composition and Meetings

As at 31st March, 2016, the Committee comprised of four (04) Directors viz.:

Dr. P K Das, IAS (Retd.), Non Executive and Independent Director and Chairman of the Committee
Prof. K M Joshi, Non Executive and Independent Director;
Smt. Shahmeena Husain, IAS, Non Executive Director; and
Smt. Sonal Mishra, IAS, Executive Director.

(b) Terms of Reference

- To consider and approve appointments and promotion of Senior executives and to make recommendations to the Board regarding Personnel and HR matters and policies.
- To consider and approve appointment, remuneration and evaluation of performance of Directors.

(c) Meetings and Attendance

During 2015-16, six (06) meetings of the Committee were held viz.:

30.04.2015	22.05.2015	14.08.2015	03.11.2015	11.02.2016	28.03.2016
------------	------------	------------	------------	------------	------------

Details of Attendance

Name	No. of Meetings attended
Dr. P K Das, IAS (Retd.)	06
Dr. K M Joshi	06
Smt. Shahmeena Husain, IAS	05
Smt. Sonal Mishra, IAS	06

(d) Performance Evaluation Criteria for Independent Directors.

The Board of Directors of the Company has laid down following criteria for performance evaluation of Independent Directors:

- Knowledge of the Job Profile;
- Various Directions provided in the best interest of the Company on key issues; review of compliance management;
- Achievement of Targets, Budget v/s Actual and reasons for deviations; contribution towards new projects;
- Detailed analysis of internal control function;
- Compliance with the Code of Conduct;

The said Performance Evaluation of Independent Directors is done by the entire Board of Directors, excluding the Director being evaluated.

(D) Corporate Social Responsibility (CSR) Committee:

(a) Composition

As at 31st March, 2016, the CSR Committee comprised of three (03) Directors viz.:

Smt. Sonal Mishra, IAS, Managing Director and Chairperson of the Committee;
Dr. P K Das, IAS (Retd.), Independent, Non Executive Director; and
Shri S B Dangayach, Independent, Non Executive Director.

(b) Terms of Reference

To design, review and recommend for approval of the Board of Directors, CSR Policy for socio economic development of people, particularly in the areas where GIPCL's facilities are located by taking up projects and activities that aim at raising their Human Development Index including but not limited to projects or programs listed out in the Schedule VII to the Companies Act 2013 as amended. To involve all the stakeholders by following participatory approach to address their concerns, priorities, needs and aspirations and take up activities that contribute to – promotion of social harmony, increasing opportunities for socially and economically challenged sections of the society, and to mitigate environmental degradation.

(c) Meetings and Attendance

During the year 2015-16, four (04) Meetings of CSR Committee were held viz.:

22.05.2015	14.08.2015	03.11.2015	11.02.2016
------------	------------	------------	------------

Details of Attendance

Name	No. of Meetings attended
Smt. Sonal Mishra, IAS	04
Dr. P K Das, IAS (Retd.)	04
Shri S B Dangayach	03



Remuneration Policy

The Company has formulated a Remuneration Policy for its Directors and the same is available on the following link on its website: <http://www.gipcl.com/pages/corporate-policies>. The criteria for making payments to Non-executive Directors of the Company is posted on the following link on the Company's website: <http://www.gipcl.com/pages/corporate-policies>.

Details of Remuneration paid to Directors:

Executive Director:

Smt. Sonal Mishra, IAS was appointed as Managing Director of the Company vice Shri L Chuaungo, IAS, w.e.f. 27th April, 2015, for a period of five (05) years or till further communication from the Government of Gujarat (GoG), whichever is earlier.

Remuneration paid to Managing Director during 2015-16:

Particulars	Amount (In ₹)
Shri L Chuaungo, IAS (from 01.04.2015 to 26.04.2015)	
Salary (including arrears of Special Pay for holding Additional Charge from 5.10.2004 to 17.04.2015).	2.45
Value of perquisites	-
Total	2.45
Smt. Sonal Mishra, IAS (from 27.04.2015 to 31.03.2016)	
Salary	16.72
Value of perquisites	2.84
Total	19.56

Non Executive Directors:

Name	Relationship with other Directors	Business relationship with the Company, if any	Sitting Fees paid per meeting (in ₹)		
			For Board Meetings	For Committee Meetings	Total
Shri L Chuaungo, IAS*	No	No	60000/-	10000/-	70000/-
Prof. Shekhar Chaudhuri	No	No	40000/-	20000/-	60000/-
Dr. K M Joshi	No	No	70000/-	150000/-	220000/-
Dr. P K Das, IAS (Retd.)	No	No	60000/-	210000/-	270000/-
Shri H R Brahmabhatt (upto 01.01.2016)	No	No	60000/-	30000/-	90000/-
Smt. Padma Betai, ** Nominee - IDBI Bank Ltd. (upto 03.10.2015)	No	Banker / Lender	20000/-	10000/-	30000/-
Smt. Shahmeena Husain, IAS*	No	No	60000/-	50000/-	110000/-
Shri A M Tiwari, IAS* (upto 21.02.2016)	No	No	40000/-	10000/-	50000/-
Shri Sanjeev Kumar, IAS*	No	No	30000/-	-	30000/-
Dr. Ajay N Shah	No	No	10000/-	10000/-	20000/-
Shri S B Dangayach	No	No	60000/-	50000/-	110000/-
Dr. B A Prajapati	No	No	70000/-	10000/-	80000/-
Shri N N Misra (from 13.10.2015)	No	No	30000/-	20000/-	50000/-
Shri Ashok Kumar** Nominee - IDBI Bank Ltd. (from 20.10.2015)	No	No	20000/-	20000/-	40000/-
Shri V D Nanavaty (from 21.02.2016 to 27.03.2016)	No	No	10000/-	-	10000/-
Total			640000/-	600000/-	1240000/-

* Fees Deposited in Govt. Treasury. ** Fees Deposited with IDBI Bank Ltd.



Gujarat Industries Power Company Limited

5. DISCLOSURES:

- The Company does not have any materially significant related party transactions i.e. transactions material in nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. Transactions with related parties are set out in the Note No. 29 of the Standalone Financial Statements, forming part of this Annual Report.
- The 'Policy on Related Party Transactions (RPT)' and 'Policy Statement on Material Subsidiary' is accessible on the following link of Company's website <http://www.gipcl.com/pages/corporate-policies>.
- Senior Executives of the Company have to disclose on Annual basis to the Board of Directors about any material and commercial transaction, where they have personal interest that may have a potential conflict with the interest of the Company at large. No such transaction has taken place during 2015-16.
- The Company has complied with the requirements of regulatory authorities on capital markets viz. SEBI, Stock Exchanges, MCA and no penalties or strictures have been imposed against the Company during last three years.
- All the mandatory requirements under Listing Regulations, including compliances with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been complied with.
- The Company has a Whistle Blower Policy and Vigil Mechanism in place and the same is accessible on the following link of its website <http://www.gipcl.com/pages/corporate-policies>. No person has been denied access to the Audit Committee during the year under review. In respect of adoption of other non-mandatory requirements, the Company will review its implementation at appropriate time.
- Disclosure pursuant to applicable Listing Regulations in respect of unclaimed shares in demat mode lying in a separate Demat suspense account:

Particulars	Shareholders (Nos.)	Outstanding Shares (Nos.)
At the beginning of the FY2015-16	21	2708
Add: No. of Shares credited during FY2015-16.	Nil	Nil
Total	21	2708
Less: No. of Shareholders who approached and to whom shares were transferred during the year.	Nil	Nil
At the end of the FY2015-16	21	2708

Quarterly Compliance Report:

The Company has submitted Corporate Governance Compliance Report in the prescribed format within prescribed time limit for each Quarter during 2015-16 to the Stock Exchanges where the equity shares of the Company are listed viz. BSE and NSE as follows:

Quarter ended on	Date of submission to BSE	Date of submission to NSE
30th June, 2015.	11/07/2015	10/07/2015
30th September, 2015.	14/10/2015	14/10/2015
31st December, 2015.	15/01/2016	15/01/2016
31st March, 2016.	13/04/2016	14/04/2016

Code of Conduct:

The Board of Directors of the Company has adopted 'Code of Conduct' including duties of Independent Directors for its members and senior executives of the Company. The said Code of Conduct has been placed on the website of the Company accessible on the following link: <http://www.gipcl.com/pages/code-of-conduct>.

Directors and senior executives have affirmed compliance with the 'Code of Conduct' during the financial year 2015-16. A declaration by Managing Director to this effect is attached to and forming part of this Report.

**Insider Trading:**

The Company has in place 'Code for Prevention of Insider Trading' on the lines prescribed by the SEBI (Prohibition of Insider Trading) Regulations, 2015. It is applicable to all Directors and designated employees of the Company. Trading Window would remain closed for them during the period when price sensitive information is unpublished. The Window closure period for the said purpose is ten trading days before the date of Board Meeting and two trading days after the Board Meeting.

Company Secretary has been designated as Compliance Officer for the purpose.

Risk Management:

The Company has laid down system and procedure of regular monitoring of various kinds of risks that are inherent to the nature of its business and operations. Regular reporting on quarterly basis is done to the Board of Directors on Risk assessment and steps taken to mitigate/minimize the same.

Accounting Treatment Related Disclosure:

The Company has followed uniform accounting practices and has adhered to all the applicable accounting standards under the Companies Act, 2013 in the preparation of its Annual Financial Statements.

CEO and CFO Certification:

Pursuant to the Listing Regulations, Chief Executive Officer (CEO) and Chief Finance Officer (CFO) have issued Certificate which is annexed to and forms part of this Report.

6. MEANS OF COMMUNICATION:

Apart from furnishing the copies of the Unaudited Quarterly & Half Yearly Results and Audited Annual Results to all the Stock Exchanges where the shares of the Company are listed, the Company publishes the results in one English Newspaper and one Vernacular language newspaper. The Financial Results and Shareholding Pattern of the Company are posted on the BSE Listing Centre and NEAPS portals regularly.

Unaudited/Audited Financial Results, Pattern of Shareholding, details of Directors, latest full Annual Report and other information pertaining to the Company are also available on the Company's website www.gipcl.com. The Company also sends Annual Report to each shareholder at the address registered with the Company/Depositories. As a part of green governance, the Company has started sending Annual Report and other correspondence by e-mail to those shareholders who have furnished e-mail address to their DPs or to the Company.

Financial Results of the Company were published as follows:

Period FY 2015-16	Date of Approval by Board	Date of publication	Newspapers
Q1 UFR*	14/08/2015	15/08/2015	Business Standard (All editions) edition Loksatta-Vadodara (Gujarati) edition
Q2 UFR*	03/11/2015	04/11/2015	
Q3 UFR*	11/02/2016	12/02/2016	
Full year AFR**	27/05/2016	28/05/2016	

* UFR - Unaudited Financial Results ** AFR- Audited Financial Results

Corporate Announcements, if any released during the year, which are materially significant in nature, are also displayed on the company's website on the following link: <http://www.gipcl.com/news-and-updates> immediately on release of the same.

No presentations were made to institutional investors or to analysts.

Subsidiary Company:

The Company has promoted a wholly owned non material unlisted Indian subsidiary Company viz. GIPCL Projects and Consultancy Company Ltd. (GIPCO) incorporated on 30th August, 2012 having CIN U74999GJ2012PLC071761. GIPCO has obtained Certificate to Commence Business on 8th October, 2012. The said company has already commenced commercial activity. The minutes of subsidiary company are placed before the Company's Board of Directors regularly.



Gujarat Industries Power Company Limited

7. GENERAL INFORMATION TO SHAREHOLDERS:

Financial Year of the Company	1 st April to 31 st March
Power Plant Locations	
145 MW Station I and 165 MW Station II	P. O. : Petrochemicals - 391 346, District Vadodara.
500 MW Surat Lignite Power Plant and 5 MW PV based Solar Power Plant	At & P.O. Village Nani Naroli, Taluka Mangrol, District Surat – 394 110.
1 MW Distributed Solar Power Plants	1. Village Amrol, District Anand – 388 510. 2. Village Vastan, Taluka Mangrol, District Surat-394 110.
12 MW Wind Power Project	Village Kotadapitha, Taluka Babra, District Amreli.
Listing on Stock Exchanges with Scrip Code / Symbol and confirmation of Listing Fees paid for FY 2016-17.	1. BSE Ltd. Scrip Code : 517300. Sir Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. 2. National Stock Exchange of India Ltd.(NSE) Scrip Symbol : GIPCL- EQ Exchange Plaza, 5 th floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051. Listing Fees for FY 2016-17 has been paid to BSE and NSE on 11/04/2016.
Books Closure Dates	From Saturday, the 20 th , August, 2016 to Thursday, the 25 th August, 2016 (both days inclusive).
Day, Date, Time and Venue of 31 st Annual General Meeting (AGM)	The 31 st AGM of the Company will be held on Friday, the 23 rd September, 2016 at 11:00 AM at the Registered Office of the Company at P.O.: Petrochemicals – 391 346, Dist.: Vadodara.
Corporate Identification Number (CIN)	L99999GJ1985PLC007868
ISIN No. allotted by NSDL and CDSL to Equity Shares	INE162A01010
Time taken for processing of share transfer request and dispatch thereof	Within 15 days
Time taken for processing of dematerialization requests	Within 15 days
Dividend Payment date	Dividend shall be paid, subject to approval of the Shareholders, on or before 27-09-2016.
Name and Address of Compliance Officer of the Company	CS A C Shah Company Secretary & DGM (Legal) P.O.: Petrochemicals - 391 346, Dist.: Vadodara. Fax No:0265-2230473 E-mail: investors@gipcl.com
Name and Address of Registrars and Transfer Agents (R & T Agents) of the Company for the communication for securities related transactions by shareholders holding shares in physical mode.	Link Intime India Pvt. Ltd. B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 015. Ph. Nos.(0265) 2356573/2366794 Fax Nos.(0265) 2356791 E-mail:vadodara@linkintime.co.in
No. of Employees	590

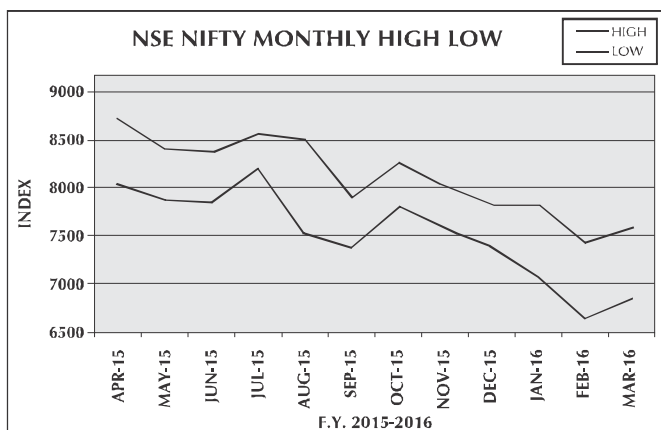
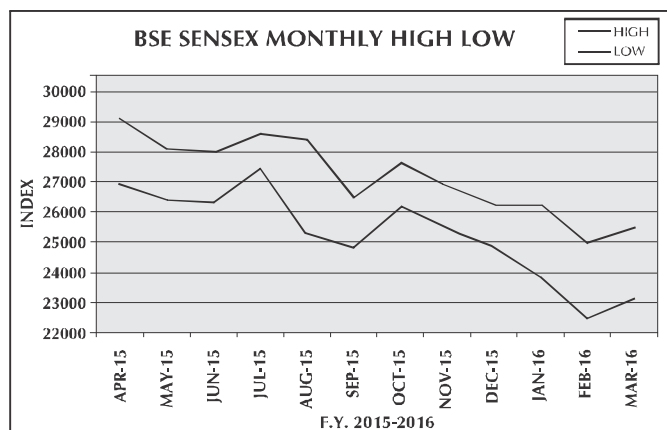
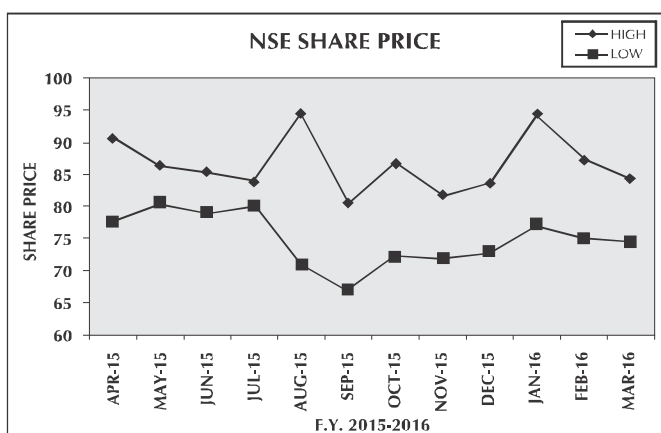
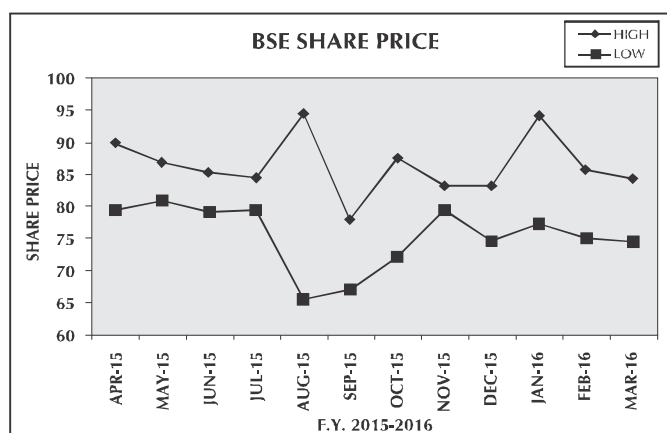


8. DATA OF SHARE PRICE ON BSE AND NSE:

Monthly High and Low Market price of the Company's Equity shares traded on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during April 2015 to March 2016 are:

Month	BSE		NSE	
	High	Low	High	Low
APRIL 2015	89.90	79.50	90.70	78.00
MAY 2015	86.85	81.00	86.45	80.65
JUNE 2015	85.15	79.20	85.45	79.05
JULY 2015	84.50	79.50	83.95	80.10
AUGUST 2015	94.40	65.50	94.50	71.00
SEPTEMBER 2015	77.95	67.00	80.70	66.85
OCTOBER 2015	87.65	72.15	86.80	72.50
NOVEMBER 2015	83.30	73.00	81.90	71.85
DECEMBER 2015	83.30	74.60	83.75	72.90
JANUARY 2016	94.00	77.10	94.50	77.10
FEBRUARY 2016	85.85	75.10	87.35	74.90
MARCH 2016	84.20	74.40	84.45	74.70

Graphical presentations of Monthly High / Low Share prices on BSE and NSE and Monthly High/Low movement of BSE Sensex and NSE- Nifty during the period from April 2015 to March 2016:





Gujarat Industries Power Company Limited

Share Transfer System:

To ensure expeditious and timely approval and registration of securities related transactions up to 1000 Equity Shares, powers have been delegated to a Sub-Committee of Senior Officials of the Company under the Chairpersonship of Managing Director. For requests of more than 1000 shares and issue of duplicate share certificates in lieu of lost ones are considered and approved by Stakeholders' Relationship Committee of Directors. Duly transferred share certificates are normally returned within a period of fifteen (15) days from the date of receipt of the same, provided all the required documents and attachments are in order.

Pattern of Shareholding as on 31st March, 2016:

Category	No. of Shares held	(%) to Share Capital
Promoters	88040261	58.21
Central/State Govt. Bodies Corporate	16973314	11.22
Institutional Investors	23592559	15.60
Foreign Institutional Investors/ NRI	5503816	3.64
Indian Public	17141238	11.33
GRAND TOTAL	151251188	100.00

Distribution of Shareholding as on 31st March, 2016:

Category (No. of Shares)	No. of Shareholders	% of Total No. of Shareholders	No. of Shares	% of Total No. of Shareholders
From To				
Upto 5000 Shares	58610	99.4300	12949982	8.5619
5001 – 10000	160	0.2714	1182717	0.7820
10001 – 20000	69	0.1171	965783	0.6385
20001 – 30000	28	0.0475	710117	0.4695
30001 – 40000	18	0.0305	650939	0.4304
40001 – 50000	6	0.0102	274441	0.1814
50001 – 100000	17	0.0288	1290813	0.8534
100001 and above	38	0.0645	133226396	88.0829
TOTAL	58946	100	151251188	100

Summary of Shareholders and Shares held in Physical and Demat mode as on 31st March, 2016:

Particulars	Physical	Demat NSDL	Demat CDSL	Total
Total Shareholders(Nos.)	12493	33552	12901	58946
Percentage to Total Shareholders (%)	21.19	56.92	21.89	100
Total shares(Nos.)	9000830	135113526	7136832	151251188
Percentage to Total Share Capital (%)	5.95	89.33	4.72	100

The Company's equity shares are available for trading on BSE & NSE through the depository system of NSDL and CDSL. The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year 2015-16.



CEO AND CFO CERTIFICATION

We, Smt. Sonal Mishra, IAS, Managing Director and S.P. Desai, Chief General Manager & Chief Finance Officer, responsible for the finance function certify that:

- a) We have reviewed the financial statements and Cash Flow Statement for the year ended 31st March, 2016 and to the best of our knowledge and belief:
 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated, where ever applicable, to the Auditors and the Audit Committee of :
 - i) significant changes, if any, in internal control over financial reporting during the year under reference;
 - ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) instances, during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date :26/05/2016.

Place: Vadodara.

For Gujarat Industries Power Company Limited
CA S P Desai **Smt. Sonal Mishra, IAS**
Chief General Manager **Managing Director**
& Chief Finance Officer **(DIN: 03461909)**

Declaration regarding Compliance of Code of Conduct by Directors and Senior Management Personnel of the Company

This is to certify that the Members of the Board and Senior Management have furnished affirmation that they have complied with the Code of Conduct for the financial year 2015-16.

Date: 26/05/2016.

Place: Vadodara.

For Gujarat Industries Power Company Ltd.
Smt. Sonal Mishra, IAS
Managing Director
(DIN:03461909)

CERTIFICATE ON CORPORATE GOVERNANCE

To,
 The Members,
GUJARAT INDUSTRIES POWER COMPANY LIMITED.
 Vadodara.

We have examined the compliance of the conditions of Corporate Governance by M/s. Gujarat Industries Power Company Limited, for the financial year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange for the period from 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as referred to in Regulation 15 (2) of the Listing Regulation for the period from 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

We state that as per the records maintained, no investor complaint/grievances against the Company are pending for a period exceeding one month before Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Vadodara.

Date: 25th July, 2016.

Niraj Trivedi
 Company Secretary
 CP. No. 3123



Gujarat Industries Power Company Limited

INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF
GUJARAT INDUSTRIES POWER COMPANY LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Gujarat Industries Power Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to

the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 29.2 to the financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company.- Refer Note No. 9 to the financial statements.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Place: Gandhinagar
Date: 27th May, 2016

Vishal P. Doshi
Partner
Membership No. 101533



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditor's Report to the members of **Gujarat Industries Power Company Limited** ("the Company") for the year ended 31st March, 2016, we report that:

- i. (a) In our opinion the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. As explained to us, the inventories, were physically verified during the year by the management at reasonable intervals, and as explained to us, no material discrepancies were noticed during the physical verification.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the provisions of clause (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, no loan or guarantee or security is given as per provision of section 185 and 186 of the Act. However, the Company has complied with the provisions of Section 186 of the Act to the extent applicable in respect of Investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, the provisions of clause (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the order of the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31st March 2016 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed dues in respect of value added tax, duty of customs, Service tax and duty of excise which have not been deposited. The following are the particulars of income tax, as at 31st March, 2016 which have not been deposited on account of dispute:

Nature of Dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	1.51	A.Y. 2006-07	Income Tax Appellate Tribunal
	0.02	A.Y. 2012-13	Commissioner of Income Tax of Appeals, Baroda

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company does not have any loans or borrowings from any financial institution, government or debenture holders.
- ix. In our opinion, the Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans during the year and therefore, the provisions of clause (ix) of the Order are not applicable to the Company.
- x. In our opinion and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to information and explanations given to us, the Company is not a Nidhi company and therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause (xiv) of the Order, are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W

Place: Gandhinagar
Date: 27th May, 2016

Vishal P. Doshi
Partner
Membership No. 101533



Gujarat Industries Power Company Limited

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of **Gujarat Industries Power Company Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W

Place: Gandhinagar
Date: 27th May, 2016

Vishal P. Doshi
Partner
Membership No. 101533

**BALANCE SHEET AS AT 31ST MARCH, 2016**

		(₹ in Lacs)	
Particulars	Note No.	AS AT 31-03-2016	AS AT 31-03-2015
I. EQUITY & LIABILITIES			
Shareholders' Funds :			
Share Capital	1	15,125.12	15,125.12
Reserves and Surplus	2	182,453.14	168,526.94
Govt. Grant for Capital Asset	29.5	1,000.00	0.00
Non-current Liabilities :			
Long-term borrowings	3	32,658.56	43,170.64
Deferred tax liabilities (Net)	4	21,095.21	20,003.07
Other long term liabilities	5	4,492.62	2,744.34
Long-term provisions	6	3,357.29	2,964.82
Current Liabilities :			
Short-term borrowings	7	4,328.83	6,960.86
Trade payables :	8		
Due to Micro and Small Enterprises		83.92	94.53
Due to others		10,235.31	8,663.87
Other current liabilities	9	25,725.82	26,924.39
Short-term provisions	10	5,196.93	4,985.58
TOTAL		305,752.75	300,164.16
II. ASSETS			
Non - Current Assets :			
Fixed Assets :			
Tangible Assets	11	186,221.06	188,573.39
Intangible Assets	11	322.03	453.31
Capital Work in Progress		3,471.48	4,123.81
Mines Development Expenditure (To be amortised)	12	4,653.20	5,756.56
Non-current Investments	13	23,213.68	20,713.68
Long-term loans and advances	14	17,789.18	7,780.98
Other non-current assets	15	3,557.31	1,811.55
Current Assets :			
Inventories	16	15,069.62	14,786.08
Trade Receivables	17	26,550.21	12,843.99
Cash and Bank Balances	18	19,299.38	36,557.94
Short-term loans and advances	19	5,274.89	5,386.75
Other current assets	20	330.71	1,376.12
TOTAL		305,752.75	300,164.16
Significant Accounting Policies	28		
Notes to the financial statements	29		

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants**Sonal Mishra**
Managing Director
DIN no. 03461909**L. Chuaungo**
Chairman
DIN no. 00032867**Vishal P Doshi**
Partner
Membership No. 101533**S. P. Desai**
CGM & CFO**A.C.Shah**
Company SecretaryPlace : Gandhinagar
Date : 27th May, 2016Place : Gandhinagar
Date : 27th May, 2016



Gujarat Industries Power Company Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

Particulars	Note No.	For the Year ended 31-03-2016	For the Year ended 31-03-2015
REVENUE :			
Revenue from Operations	21	135,186.36	121,465.69
Other Income	22	3,519.06	4,322.05
TOTAL REVENUE		138,705.42	125,787.74
EXPENSES :			
Cost of Material Consumed	23	73,321.10	57,536.75
Generation Expenses	24	12,336.23	11,294.72
Employee Benefits Expense	25	6,873.16	6,742.63
Finance Cost	26	6,179.98	7,800.27
Depreciation	11	11,231.47	12,003.27
Expenses Amortised	29.18	106.36	255.27
CSR Expenses	29.13	667.68	423.62
Other expenses	27	3,021.05	2,937.66
TOTAL EXPENSES		113,737.03	98,994.19
Profit before exceptional item and tax		24,968.39	26,793.55
Exceptional Items	29.3	0.00	1,850.74
Profit Before Tax		24,968.39	24,942.81
Tax Expenses			
Current Tax		5,320.00	6,363.00
Less : MAT credit entitlement		0.00	134.00
Net Current Tax		5,320.00	6,229.00
Wealth Tax		0.00	103.81
Deferred Tax		1,092.14	5,782.73
Tax adjustment for earlier years		(285.09)	196.54
Profit For the Period		18,841.34	12,630.73
Earning Per Share (In Rupees)			
Basic and Diluted	29.14	12.46	8.35
Significant Accounting Policies	28		
Notes to the financial statements	29		

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants

Vishal P Doshi
Partner
Membership No. 101533

Place : Gandhinagar
Date : 27th May, 2016

Sonal Mishra
Managing Director
DIN no. 03461909

S. P. Desai
CGM & CFO

Place : Gandhinagar
Date : 27th May, 2016

L. Chuaungo
Chairman
DIN no. 00032867

A.C.Shah
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

(₹ in Lacs)

Sr. No.	Particulars	For the Year ended 31-03-2016	For the Year ended 31-03-2015
A	Cash Flow from Operating Activities :		
	Net Profit before Taxes and Extraordinary items	24,968.39	24,942.81
	Adjustment for :		
	Depreciation	11,231.47	12,003.27
	Amortisation of share issue expenses	106.36	255.27
	Amortisation of Mines Development Expenditure	1,103.36	903.84
	Finance costs	6,179.98	7,800.27
	Loss on sale / write off of assets	0.94	20.00
	Interest Income	(2,385.68)	(3,447.49)
	Dividend	(54.98)	(44.13)
		16,181.45	17,491.03
	Operating Profit before Working Capital Changes	41,149.84	42,433.84
	Adjustment for :		
	Trade Receivables	(13,706.22)	9,419.25
	Inventories	(283.54)	(2,774.96)
	Loans and Advances	560.36	(933.82)
	Other Assets	(1,745.76)	(1,732.34)
	Trade payables	3,309.11	2,087.71
	Other current liabilities and provisions	(895.73)	(4,009.12)
		(12,761.78)	2,056.72
	Cash Generated from Operations	28,388.06	44,490.56
	Payment of Direct Taxes	(5,193.19)	(4,030.74)
	Net Cash Flow from Operating Activities (TOTAL - A)	23,194.87	40,459.82
B	Cash Flow from Investing Activities :		
	Purchase/Adj. of Fixed Assets including capital advance and Capital Work in Progress	(18,595.09)	(10,310.45)
	Purchase of Investments	(2,500.00)	(4,718.00)
	Sale of Fixed Assets	50.66	2.06
	Interest Received	3,324.73	2,578.03
	Dividend Received	54.98	44.13
	Net Cash Flow from Investing Activities (TOTAL - B)	(17,664.72)	(12,404.23)



Gujarat Industries Power Company Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

Sr. No.	Particulars	For the Year ended 31-03-2016	For the Year ended 31-03-2015
C	Cash Flow from Financing Activities :		
	Repayment of long-term borrowings	(10,512.08)	(10,512.08)
	Net increase / (decrease) in working capital borrowings	(2,632.03)	1,125.34
	Repayment of other short-term borrowings	0.00	(1,520.00)
	Govt. Grant for Capital Assets	1,000.00	0.00
	Finance Cost Paid	(6,188.35)	(7,834.45)
	Dividend on Equity Paid	(3,682.05)	(3,660.44)
	Tax on Dividend Paid	(774.20)	(642.63)
	Net Cash Flow from Financing Activities (TOTAL - C)	(22,788.71)	(23,044.26)
	Net Increase In Cash and Cash Equivalents (TOTAL - A+B+C)	(17,258.56)	5,011.33
	Opening Cash and Cash Equivalents	36,557.94	31,546.61
	Closing Cash and Cash Equivalents	19,299.38	36,557.94
Notes:	1. The Cash flow statement has been prepared by the indirect method as set out in the Accounting Standard-3 on "Cash Flow Statements".		
	2. Cash and Cash equivalents includes :		
	- Cash on hand	2.50	1.87
	- Cheques on hand	1,000.00	-
	- Balance with Banks :		
	- Current Accounts	10.49	3.29
	- Deposit Accounts	17,828.64	36,192.03
	- Earmarked Bank Balance	457.75	360.75
	TOTAL	19,299.38	36,557.94

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants

Vishal P Doshi
Partner
Membership No. 101533

Place : Gandhinagar
Date : 27th May, 2016

Sonal Mishra
Managing Director
DIN no. 03461909

S. P. Desai
CGM & CFO

Place : Gandhinagar
Date : 27th May, 2016

L. Chuaungo
Chairman
DIN no. 00032867

A.C.Shah
Company Secretary

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT**

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 1 - SHARE CAPITAL		
Authorised		
32,50,00,000 Equity Shares of ₹ 10/-each	32,500.00	32,500.00
61,00,000 Cumulative Redeemable Preference Shares (With dividend not exceeding 15% p.a.) of Rs. 100/- each.	6,100.00	6,100.00
TOTAL	38,600.00	38,600.00
Issued, subscribed and paid up		
15,12,51,188 Equity Shares of Rs.10/-each fully paid	15,125.12	15,125.12
TOTAL	15,125.12	15,125.12

NOTE NO. 1(a)

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

Particulars	No. of shares	Amount (₹ In Lacs)
As at 1st April, 2014	15,12,51,188	15,125.12
Additions/(Reductions)	0	0.00
As at 31st March, 2015	15,12,51,188	15,125.12
As at 1st April, 2015	15,12,51,188	15,125.12
Additions/(Reductions)	0	0.00
As at 31st March, 2016	15,12,51,188	15,125.12

NOTE NO. 1(b)

List of share holders holding more than 5% shares

Name of Share Holders	2015-16		2014-15	
	No. of shares	Percentage(%)	No. of shares	Percentage(%)
Gujarat Urja Vikas Nigam Ltd.	3,83,84,397	25.38	3,83,84,397	25.38
Gujarat Alkalies & Chemicals Ltd.	2,30,88,980	15.27	2,30,88,980	15.27
Gujarat State Fertilizers & Company Ltd.	2,23,62,784	14.79	2,23,62,784	14.79

NOTE NO. 1(C)**Right, preferences and restrictions attached to Equity shares :**

For all matters submitted to vote 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 one vote in respect of each share held. 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.



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 2 - RESERVES AND SURPLUS		
Capital Redemption Reserve		
As per last Balance Sheet	3,455.88	3,455.88
Expansion Reserve		
As per last Balance Sheet	66,000.00	61,000.00
Add : Transferred from Statement of Profit and Loss	6,000.00	5,000.00
	72,000.00	66,000.00
Securities Premium Account		
As per last Balance Sheet	33,316.97	33,316.97
General Reserve		
As per last Balance Sheet	61,370.00	53,870.00
Add : Transferred from Statement of Profit and Loss	6,000.00	7,500.00
	67,370.00	61,370.00
SURPLUS		
As per last Balance Sheet	4,384.09	8,808.84
Add : Profit available for appropriation	18,841.34	12,630.73
Amount available for appropriation	23,225.43	21,439.57
Less : Appropriations :		
Transfer to Expansion Reserve	6,000.00	5,000.00
Transfer to General Reserve	6,000.00	7,500.00
Proposed Dividend (Rs. 2.7 per share) (PY Rs.2.5 per share)	4,083.78	3,781.28
Corporate Dividend Tax	831.36	774.20
	6,310.29	4,384.09
TOTAL	182,453.14	168,526.94
All above reserves except capital redemption reserve are free reserves.		

NOTE NO. 3 - LONG TERM BORROWINGS

Secured Loans :

Term Loan from Banks	32,658.56	43,170.64
TOTAL	32,658.56	43,170.64

NOTE NO. 3(a)

The Term Loans from Banks are secured by way of first mortgage and charge created/ to be created, ranking pari passu, on all immovable properties i.e. fixed assets, both present and future, pertaining to the Company's Plants (Phase II - Unit 3 and 4) at Surat. Further, the Term Loan from Banks are secured by a first charge by way of hypothecation of all the movable (save and except Book Debts) including tangible movable machinery, spares ,tools and accessories, both present and future, ranking pari passu, subject to prior charge created/to be created on current assets and receivables in favour of Company's Bankers for working capital arrangement, pertaining to the Company's Plants (Phase II - Unit 3 and 4) at Surat.



NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

NOTE NO. 3(b)

Term Loans from Banks consists of the following:

(₹ in Lacs)

Name of Banks	Outstanding Loan Amount 31.03.2016	Current Maturities of Loan	Outstanding Loan Amount 31.03.2015	Current Maturities of Loan in PY
Central Bank of India	4,000.00	1,000.00	5,000.00	1,000.00
State Bank of India	2,125.00	500.00	2,625.00	500.00
Bank of Baroda	4,250.00	1,000.00	5,250.00	1,000.00
Oriental Bank of Commerce	8,000.00	2,000.00	10,000.00	2,000.00
Union Bank of India	8,500.00	2,000.00	10,500.00	2,000.00
IDBI Bank Ltd.	5,670.64	1,512.08	7,182.72	1,512.08
State Bank of Bikaner & Jaipur	2,125.00	500.00	2,625.00	500.00
Canara Bank	4,000.00	1,000.00	5,000.00	1,000.00
Karur Vysya Bank Ltd.	4,500.00	1,000.00	5,500.00	1,000.00
	43,170.64	10,512.08	53,682.72	10,512.08

The terms of repayment of the above loans are as follows:

Name Of Banks	No of quarterly Instalments outstanding after 31.03.2016	Amount of Instalments per quarter (Rs. in Lacs)	Rate of Interest	Date of Maturity
Central Bank of India	16	250.00	9.70%	31/03/2020
State Bank of India	17	125.00	10.05%	30/06/2020
Bank of Baroda	17	250.00	9.90%	30/06/2020
Oriental Bank of Commerce	16	500.00	9.95%	31/03/2020
Union Bank of India	17	500.00	9.90%	30/06/2020
IDBI Bank Ltd.	15	378.02	10.25%	31/12/2019
State Bank of Bikaner & Jaipur	17	125.00	10.20%	30/06/2020
Canara Bank	16	250.00	10.05%	31/03/2020
Karur Vysya Bank Ltd.	18	250.00	10.40%	30/09/2020

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 4 - DEFERRED TAX LAIBILITIES (Net)		
Deferred Tax Liabilities :		
Depreciation	21,686.53	20,537.00
Others	620.55	553.91
TOTAL (A)	22,307.08	21,090.91
Deferred Tax Assets :		
Items u/s 43 B	1,211.87	1,087.84
TOTAL (B)	1,211.87	1,087.84
Net Deferred Tax Liabilities	TOTAL (A - B)	21,095.21
		20,003.07

NOTE NO. 5 - OTHER LONG TERM LIABILITIES

Trade Payable	891.70	1,048.06
Others	85.93	91.46
Mine Closure Fund	3,514.99	1,604.82
TOTAL	4,492.62	2,744.34



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 6 - LONG TERM PROVISIONS		
Employee Benefits	3,357.29	2,964.82
TOTAL	3,357.29	2,964.82

NOTE NO. 7 - SHORT- TERM BORROWINGS :

Secured Loans :

Working Capital Loans from Banks

	4,328.83	6,960.86
TOTAL	4,328.83	6,960.86

NOTE NO. 7(A)

The Consortium of banks have sanctioned Fund Based and Non - Fund Based Working Capital facilities for Company's Plants at Baroda and Surat. These facilities are secured by a first charge by way of hypothecation in favour of Banks on the company's current assets and receivables, both present and future, ranking pari passu inter se, the members of the consortium relating to the respective Plants.

NOTE NO. 8 - TRADE PAYABLE

Based on the information available with the company, the balance due to Micro and Small Enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is Rs.83.92 Lacs (Previous Year Rs.94.53 Lacs). Payment made to suppliers beyond the due date during the year was Rs. Nil (P.Y. Rs. Nil). No interest during the year has been paid to Micro and Small Enterprises on delayed payments. Further, interest accrued and remaining unpaid at the year end Rs.Nil (P.Y. Rs. Nil)

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 9 - OTHER CURRENT LIABILITIES		
Current Maturities of long term debts	10,512.08	10,512.08
Interest Accrued but not due on borrowings	24.40	31.14
Advance from customers	13.15	25.88
Unclaimed Dividends*	457.17	357.94
Unclaimed Interest on Debentures/Deposits*	0.57	2.20
Security Deposits	1,328.35	1,287.18
Other Payable	691.04	530.47
Project Creditors	12,399.34	13,976.58
Statutory Dues	299.72	200.92
TOTAL	25,725.82	26,924.39

* Amount due and outstanding to be credited to Investor Education and Protection Fund (IEPF) Rs. Nil. (P.Y. Rs. Nil)

Pursuant to the provisions of Section 126 of the Companies Act, 2013, and the Rules made there under, as amended, the amounts in respect of cases, where registration of transfer of Securities is pending are kept in a separate Bank Account, Rs. 309.27 Lacs (P.Y. Rs. 212.94 Lacs).

NOTE NO. 10 - SHORT TERM PROVISIONS

Employee Benefits	266.64	265.41
Current Tax (Net of Advance)	15.15	164.69
Proposed Dividend	4,083.78	3,781.28
Corporate Dividend Tax	831.36	774.20
TOTAL	5,196.93	4,985.58



NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

Note No. 11 - FIXED ASSETS

ASSETS	TANGIBLE ASSETS						INTANGIBLE ASSETS				TOTAL		
	Freehold Land	Leasehold Land	Building	Plant and Machinery	Capital Spares	Furniture and Fixture	Office Equipments	Vehicles	Total	Computer Software		Technical Know-How Fees	
Gross Block													
Balance as at 01 April 2014	18,097.21	603.85	43,956.77	307,610.87	7,062.17	548.15	2,022.32	110.49	380,011.83	517.48	105.34	622.82	380,634.65
Additions during the year	313.74	159.26	728.56	353.51	-	11.25	162.16	-	1,728.48	300.23	-	300.23	2,028.71
Deductions during the year	(30.75)	-	(3.12)	(31.94)	-	-	(18.01)	-	(83.82)	-	-	-	(83.82)
Balance as at 31 March 2015	18,380.20	763.11	44,682.21	307,932.44	7,062.17	559.40	2,166.47	110.49	381,656.49	817.71	105.34	923.05	382,579.54
Additions during the year	-	41.90	147.87	8,289.96	240.15	8.66	69.37	-	8,797.91	1.55	-	1.55	8,799.46
Deductions during the year	(49.66)	-	-	-	-	-	(100.47)	(4.67)	(154.80)	-	-	-	(154.80)
Balance as at 31 March 2016	18,330.54	805.01	44,830.08	316,222.40	7,302.32	568.06	2,135.37	105.82	390,299.60	819.26	105.34	924.60	391,224.20
Impairment													
Balance as at 01 April 2014	-	-	-	507.95	-	-	-	-	507.95	-	-	-	507.95
Addition / Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2015	-	-	-	507.95	-	-	-	-	507.95	-	-	-	507.95
Addition / Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment as at 31 March 2016	-	-	-	507.95	-	-	-	-	507.95	-	-	-	507.95
Accumulated Depreciation													
Balance as at 01 April 2014	-	136.43	11,560.71	162,029.00	5,768.95	278.48	851.18	71.49	180,696.24	268.27	105.34	373.61	181,069.85
Depreciation during the year	-	6.10	1,619.69	9,801.33	313.57	22.17	138.82	5.46	11,907.14	96.13	-	96.13	12,003.27
Depreciation on assets written off during the year	-	-	(0.73)	(10.80)	-	0.38	(17.09)	0.01	(28.23)	-	-	-	(28.23)
Balance as at 31 March 2015	-	142.53	13,179.67	171,819.53	6,082.52	301.03	972.91	76.96	192,575.15	364.40	105.34	469.74	193,044.89
Depreciation during the year	-	18.23	1,679.43	8,920.52	285.05	23.14	167.59	4.68	11,098.64	132.83	-	132.83	11,231.47
Depreciation on assets written off during the year	-	-	-	-	-	0.02	(99.55)	(3.67)	(103.20)	-	-	-	(103.20)
Balance as at 31 March 2016	-	160.76	14,859.10	180,740.05	6,367.57	324.19	1,040.95	77.97	203,570.59	497.23	105.34	602.57	204,173.16
Net Block as at 31 March 2015	18,380.20	620.58	31,502.54	135,604.96	979.65	258.37	1,193.56	33.53	188,573.39	453.31	-	453.31	189,026.70
Net Block as at 31 March 2016	18,330.54	644.25	29,970.98	134,974.40	934.75	243.87	1,094.42	27.85	186,221.06	322.03	-	322.03	186,543.09

Notes:

- Leasehold land is obtained as a permitted transferee as per agreement with GIDC/ IPCL.
- The conveyance of title for 1.04 hectares of free hold land of value Rs. 15.54 Lacs (previous year 1.04 hectares of value Rs. 15.54 Lacs) in favour of the Company are awaiting completion of legal formalities.
- Land includes 26.48 hectares of value Rs. 384.31 Lacs (Previous Year 27.63 hectares of value Rs. 397.38 Lacs), the process of possession and conveyance of title in favour of the Company are awaiting of legal formalities.
- The Government of Gujarat vide its various orders have granted mining lease for lignite for 30 years from respective dates covering the area of 3565 hectares. The said lease provides to use all lignite excavated from the above area for captive use in existing / proposed power plants of the company. The said areas include 80 hectares of land for lime stone also.



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 12 - MINES DEVELOPMENT EXPENDITURE (To be amortised)		
Initial Development Expenses	4,653.20	5,756.56
TOTAL	4,653.20	5,756.56
NOTE NO. 13 - NON -CURRENT INVESTMENTS (Trade - unless otherwise specified) Investments in Equity Instruments		
QUOTED		
11,03,360 Equity Shares of Gujarat Alkalies and Chemicals Limited of Rs. 10/- each (Fully paid)	551.68	551.68
1,06,578 Equity Shares of Gujarat Gas Limited of Rs. 10 each (Fully paid) (Shares received upon merger with GSPC Gas company as per amalgamation scheme dated 02.06.2015 in a ratio of 81 shares against 76 shares of GSPC Gas Company)	10.00	0.00
UNQUOTED		
With Subsidiary		
2,50,000 Equity Shares of GIPCL Project & Consultancy Company Limited of Rs. 10 each (Fully paid)	25.00	25.00
With Associates		
20,60,80,000 Equity Shares of Bhavanagar Energy Company Limited of Rs. 10 each (Fully paid) (Previous year 18,10,80,000 shares) *	20,608.00	18,108.00
With Others		
97,18,181 Equity Shares of Gujarat State Energy Generation Limited of Rs. 10 each (Fully paid)	1,019.00	1,019.00
0 Equity Shares of GSPC Gas Company Limited of Rs. 10 each (Fully paid) (P.Y . 1,00,000 shares)	0.00	10.00
1,00,00,000 Equity Shares of GSPC LNG Limited of Rs. 10 each (Fully paid)	1,000.00	1,000.00
TOTAL	23,213.68	20,713.68
Aggregate cost of Quoted Investments	561.68	551.68
Market value of Quoted Investments	2,415.51	1,764.27
Aggregate cost of Unquoted Investments	22,652.00	20,162.00
* Refer Note No. 29.6		
NOTE NO. 14 - LONG TERM LOANS & ADVANCES		
Secured (Considered good)		
Loan to Employees	0.36	0.83
Capital Advance	17,529.13	7,019.18
Unsecured (Considered good)		
Capital Advance	31.83	93.82
Security Deposits	148.89	146.47
Other loans & Advances	78.97	520.68
TOTAL	17,789.18	7,780.98

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT**

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 15 - OTHER NON CURRENT ASSETS		
Unsecured (Considered good)		
Escrow Account (Mines Closure)*	3408.54	1662.78
Others	148.77	148.77
TOTAL	3557.31	1811.55
*Refer Note No. 29.4		
NOTE NO. 16 - INVENTORIES		
Raw Materials (Fuel)	4175.37	3940.86
Stores and Spares	10894.25	10845.22
TOTAL	15069.62	14786.08
NOTE NO. 17 - TRADE RECEIVABLES		
Unsecured (Considered good)		
Overdue for a period more than Six months	0.00	0.00
Not due/overdue for a period less than Six months	26,550.21	12,843.99
TOTAL	26,550.21	12,843.99
NOTE NO. 18 - CASH & BANK BALANCES		
Cash and Cash Equivalents		
Cash on hand	2.50	1.87
Cheques on hand*	1,000.00	0.00
Balances with Banks:		
In current account	10.49	3.29
In deposit account	17,828.64	36,192.03
Other bank balances		
Earmarked bank balances	457.75	360.75
TOTAL	19,299.38	36,557.94
*Refer Note no 29.5		
NOTE NO. 19 - SHORT TERM LOANS AND ADVANCES		
Secured (Considered good)		
Loan to Employees	0.40	1.30
Unsecured (Considered good)		
Loans & Advances to related Parties	6.11	3.87
Other loans & Advances	1,665.44	2,039.57
Advance for Investment	37.50	0.00
Deposit with Govt. Authorities	704.62	489.93
Advance Tax (Net of provision)	2,860.82	2,852.08
MAT Credit Entitlement :		
Opening Balance	0.00	1,000.00
Add : Addition during the year	0.00	134.00
	0.00	1,134.00
Less : MAT credit utilised	0.00	1,134.00
Closing Balance	0.00	0.00
TOTAL	5,274.89	5,386.75



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 20 - OTHER CURRENT ASSETS		
Unamortised expenses	0.00	106.36
Interest Accrued	330.71	1,269.76
TOTAL	330.71	1,376.12
	For the Year ended 31-03-2016	For the Year ended 31-03-2015
NOTE NO. 21 - REVENUE FROM OPERATIONS		
Sale of Electrical Energy	134,576.22	120,905.87
Sale of services (Consultancy)	11.48	37.07
Other operating Revenues	607.03	529.90
Excise Duty	(8.37)	(7.15)
TOTAL	135,186.36	121,465.69
NOTE NO. 22 - OTHER INCOME		
Interest on Deposits	2,272.87	3,033.02
Other Interest	112.81	414.47
Dividend	54.98	44.13
Insurance Claims	902.20	717.00
Liquidated Damages	2.53	35.53
Miscellaneous	173.67	77.90
TOTAL	3,519.06	4,322.05
NOTE NO. 23 - COST OF MATERIAL CONSUMED		
Consumption of :		
Gas	39,800.47	33,782.58
Lignite	33,956.07	27,163.26
Lime Stone	1,795.08	2,631.14
Furnace oil	636.06	1,381.07
Coal	6,330.41	840.52
Lignite Extraction Expenses *	25,612.77	20,187.79
Inter Division transfer	(34,809.76)	(28,449.61)
TOTAL	73,321.10	57,536.75
* Refer Note No 29.4		

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT**

(₹ in Lacs)

	For the Year ended 31-03-2016	For the Year ended 31-03-2015
NOTE NO. 24 - GENERATION EXPENSES		
Consumption of Stores and Spares	4,098.15	4,399.23
Water Charges	1,470.37	1,356.44
Electricity Charges	1,072.06	1,039.35
Insurance	957.08	528.01
Operation Expenses	2,831.27	2,578.37
Repairs and Maintenance to Plant and Machinery	1,907.30	1,393.32
TOTAL	12,336.23	11,294.72
NOTE NO. 25 - EMPLOYEES BENEFIT EXPENSES		
Salary and Wages	4,631.84	4,236.69
Contribution to Provident, Pension and Superannuation Fund	402.14	381.84
Welfare Expenses and Other Benefits	1,839.18	2,124.10
TOTAL	6,873.16	6,742.63
The wage settlement process/negotiations for company's non-executive employees is in the final stage of negotiations and conclusion. Upon final settlement, the liability towards wage settlement arrears for company's non-executive employees will arise for the FY 2013-14 , FY 2014-15 and FY 2015-16. The estimated liability of Rs.170.51 lacs for wage settlement arrears for FY2015-16 has been provided. The provision for wage settlement arrears for the past years (i.e. FY 2013-14 and FY 2014-15 which is estimated to be about Rs. 350 Lacs) shall be made upon final settlement.		
NOTE NO. 26 - FINANCE COST		
Interest Cost	5,193.72	6,818.64
Bank Charges and Commission	119.71	123.33
Cash Rebate on Sales	866.55	858.30
TOTAL	6,179.98	7,800.27
NOTE NO. 27 - OTHER EXPENSES		
Repairs and Maintenance :		
Buildings	640.71	666.32
Others	117.04	184.77
Rent	4.13	1.55
Rates and Taxes	257.14	236.93
Communication Expenses	59.75	67.19
Travelling & Conveyance Expenses	298.42	360.82
Legal, Professional and Consultancy Fees	148.08	93.61
Miscellaneous Expenses*	1,495.78	1,326.47
(* None of the items individually account for more than Rs. 100,000 or 1% of revenue whichever is higher)		
TOTAL	3,021.05	2,937.66



NOTE NO. 28: 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 in India. The applicable mandatory Accounting Standards notified under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rule, 2014 have been followed in preparation of these financial statements, except in so far as the said provisions are inconsistent with the provision of the Electricity Act, 2003.

2. USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

3. FIXED ASSETS

- Tangible Assets are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Direct costs are capitalized until the asset are ready for use and include financial cost relating to any borrowing attributable to acquisition.
- Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.
- Capital Spares which can be used only in connection with an item of tangible assets and whose use is not of regular nature are capitalized at cost.
- Works under erection/installation /execution (including such work pertaining to a new project) are shown as Capital Work in Progress.

4. AMORTISATION OF MINES DEVELOPMENT EXPENDITURE

Mines Development Expenditure comprises of initial expenditure for lignite mines and removal of overburden. Such expenditure is amortized as per the provisions of Fuel Price Mechanism agreed by the Company with the Buyer. Such amortization is based either on quantity of Lignite actually extracted during the year or period based fixed amortization on a yearly basis as per the respective provisions of the Fuel Price Agreement referred above. However, the Amortization method, in case of any mine, once agreed under the Fuel Price Mechanism, is consistently applied over the life of mine.

5. DEPRECIATION AND AMORTIZATION

- Depreciation on all fixed assets (except those listed below) is provided on straight line method as per rates and methodology notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014
- Computer software is amortized on straight-line basis over a period of five years.
- Leasehold land is amortized over the period of lease on straight-line basis.
- Capital Spares are depreciated over the useful life of such spares but not exceeding the remaining useful life of related tangible asset.

6. IMPAIRMENT OF ASSETS

The company assesses at each Balance Sheet date 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 Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

7. INVESTEMENTS

Investments are either classified as current or long term based on the management contention at the time of purchase. Long term investments are shown at cost. However, when there is decline, other than temporary in the value of long term investment, the carrying amount is reduced to recognize the decline. Current investments are stated at lower of cost or market value.

**8. INVENTORIES**

Inventories are valued at lower of cost or net realizable value as under:

Inventories	Cost Formula
a. Raw Materials - Fuel (other than Lignite)	Weighted Average Cost
b. Lignite	Absorption costing. Cost Includes Extraction Cost, Mining overheads including amortized cost as per 4 above.
c. Stores and Spares	Weighted Average Cost

9. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions during the year are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognized in the Statement of Profit and Loss.

10. TAXES ON INCOME

- Provision for Current Tax is made on the basis of estimated tax payable for the year as per the applicable provisions of the Income Tax Act, 1961.
- Deferred tax assets and liabilities are recognized on timing differences, being the differences between taxable incomes and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets, other than on unabsorbed depreciation and carried forward losses, are recognised only if there is reasonable certainty that they will be realised in the future. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Deferred Tax assets are reviewed at each balance sheet date for their realisability.
- MAT credit is recognized 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. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

11. EMPLOYEE BENEFITS**a. Post-employment benefits****i) Defined Contribution plan**

The company's contribution to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

ii) Defined Benefit plan

The liabilities towards defined benefit schemes are determined using the Projected Unit Credit method. Actuarial valuations under the Projected Unit Credit method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation.

b. 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, incentives, etc.,

c. Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date.



Gujarat Industries Power Company Limited

12. REVENUE RECOGNITION

- a. Revenue from sale of goods is recognized when no significant uncertainty as to the measurability or ultimate collection exists.
- b. Revenue from sale of services is recognized on issuance of bills as per terms & conditions of the contract.
- c. Interest on investment is booked on a time proportion basis taking into account the amounts invested and the rate of interest.
- d. Dividend income is recognized when the right to receive payment is established.
- e. Claims lodged with insurance company in respect of risk insured are accounted on admittance basis.
- f. Delayed payment charges under Power Purchase Agreements are recognized, on grounds of prudence, as and when recovered.
- g. Other income is recognized on accrual basis except when realization of such income is uncertain.
- h. Deviation Settlement Mechanism (DSM) charges receivable/payable is accounted as and when notified by State Load Dispatch Center (SLDC)
- i. Liquidated damages/penalties deducted from suppliers / contractors are recognized as income or credited to the cost of assets at the time of final settlement. Till such time, they are shown under liabilities.

13. BORROWING COST

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

14. LEASE

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss.

15. GOVERNMENT GRANT

Government and other grants received relating to depreciable fixed assets are taken to capital grants and recognised as 'Deferred Income' in the Statement of Profit & Loss by allocating income over the period in which the depreciation is charged.

16. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed.

**NOTE NO. 29 : NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
1 Commitments :		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	71,893.94	25,884.02
b. The Company has committed to invest in the Equity Share Capital of Bhavnagar Energy Company Limited (BECL) (CIN: U40102GJ2007SGC051396), as and when required, to the tune of Rs.22,000 Lacs (P.Y. 22,000 Lacs). Out of this, Rs. 20,608 Lacs (P.Y. Rs.18,108 Lacs) has been paid. The Company has also committed to contribute towards Sub Debt financing to the tune of Rs.2,000 Lacs (P.Y. Rs.2000 Lacs). In addition to the above, the Company has committed to contribute towards cost overrun in future, if any, which will be partly by way of contribution towards Equity and partly towards Sub Debt financing.	3,392.00	5,892.00
c. The Company has committed to invest in the Equity Share Capital of International Stone Research Centre (ISRC), as and when required.	Nil	37.50
2. Contingent Liabilities not provided for :		
a. Claims against company pending before court (includes certain claims where the amount cannot be ascertained) :-		
By vendors against contractual obligations	2,930.42	2,927.92
By Ex-employee against recovery of notice period	1.02	1.02
b. Demand for Water Reservation Charges and interest thereon from Narmada Water Resources and Water Supply Department relating to Surat Lignite Power Plant is contested and not acknowledged as debt since at the relevant time project was under implementation and regular drawl of water was not made.	768.63	775.13
c. Bills of Exchange discounted with Banks in respect of Sales Invoices.	33,500.00	37,700.00
d. In respect of following cases of land acquisition, various claims are pending against the Company. Depending upon the final compensation amount that may be determined by the Competent Court, the cost of land may change requiring appropriate adjustment then:-		
- Leasehold land of 165 MW Baroda	213.51	Amount not ascertainable
- Freehold land at Surat Lignite Power Stations	1,808.41	1,361.12
e. Partial amount of demand from department of Geology & Mining, Surat for Interest on delayed Royalty Payment on lignite for the period from April 04 to March 07, which is contested.	Nil	24.09
f. Income Tax Demand contested in Appeal.	2,652.73	2,651.40
g. Demand of Property Tax under discussion with Grampanchayat, Nani Naroli, Dist.Surat.	110.23	94.80
h. Liability likely to arise on account of transportation charges for gas which is under dispute.	448.50	448.50
i. The company has been recovering the corporate action on the share holding of Petrofils Cooperative Ltd. A portion of the said shareholding is under dispute at High Court of Gujarat. Subject to its final outcome, the company may be directed by the Honorable Court to make a payment towards the portion of such recovery.	Amount not ascertainable	Amount not ascertainable
j. Cases pending at the High Court of Gujarat for regularization of contract workmen.	Amount not ascertainable	Amount not ascertainable



Gujarat Industries Power Company Limited

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
K The "Pay for if not taken liability " is demanded by M/s GAIL on account of R-LNG Contract which the Company has entered in to with M/s GAIL to partially meet with its Fuel (Gas) requirement. The contractual liability demanded by M/s GAIL is for the calendar year 2014.	Nil	4,981.00
The Interest claimed by M/s GAIL in respect of one time settlement of the above referred claim.	134.00	Nil
I Claims and disputes raised by Mines Developer and Operator Contractor of Vastan South Pit on account of change in stripping ratio and diesel price escalation.	9,829.38	7,464.75
3. Exceptional items in the previous year consists of cost of major repairs and replacement amounting to Rs. 1850.74 Lacs, due to a technical snag in the Stator Winding of the Generator, Unit -1 (125MW) of Surat Lignite Power Plant (SLPP).		
4. Ministry of Coal, New Delhi, Guideline No. 55011-01-2009-CPAM Dated 7 th January 2013, required opening of Tripartite Escrow Account(s) with Banks for estimated Mines Closure Expenditure. During the year Rs.1,745.76 Lacs (PY Rs. 1,659.25 lacs) have been deposited in these accounts and an amount of Rs.1,735.85 Lacs (PY Rs.1,284.56 Lacs) has been considered as Mines Closure Expenses in lignite extraction expenses.		
5. Cheques on hand amounting to Rs 1000 Lacs consists of grant received from Government of Gujarat, as an assistance to set up grid connected 1 MW Distributed Solar Power Pilot Projects on Agriculture, Gauchar or Wasteland each at Central Gujarat and South Gujarat region.		
The company has successfully commissioned both the plants, one at Village Amrol District Anand and one at village Vastan District Surat in the month of April, 2016.		
6. During the year, the company has made additional investment to the tune of Rs. 2,500 Lacs in its associate Bhavnagar Energy Company Ltd. (BECL). The percentage of shareholding is as under:		
Particulars	2015-16	2014-15
No. of Equity Shares (F.V.Rs.10/- each, issued at par)	2,060.8 Lacs	1,810.80 Lacs
Percentage (%) of Shareholding	26.57%	25.58%
7. C.I.F. Value of Imports		(₹ in Lacs)
	2015-16	2014-15
Spares and Components	10.37	11.79
8. Stores and Spares Consumed		(₹ in Lacs)
	2015-16	2014-15
	Value	Value
	% to total Consumption	% to total Consumption
Imported	17.31	12.88
	0.42	0.29
Indigenous	4,081.20	4,386.35
	99.58	99.71
TOTAL	4,098.51	4,399.23
	100.00	100.00
9. Raw Material Consumed		(₹ in Lacs)
	2015-16	2014-15
	Value	Value
	% to total Consumption	% to total Consumption
Imported	Nil	Nil
	0.00	0.00
Indigenous	47,708.33	37,348.96
	100.00	100.00
TOTAL	47,708.33	37,348.96
	100.00	100.00



10. Payment to Auditors:

(₹ in Lacs)

	2015-16	2014-15
a. Statutory Auditors (Fees excluding service tax)		
Statutory Audit Fees	9.10	8.50
Taxation Matters	2.47	1.50
Company Law Matters	0.10	0.00
Other Services	0.39	0.42
Reimbursement of Travelling & Other Expenses	0.45	0.86
TOTAL	*12.51	11.28
b. Cost Auditors (Fees excluding service tax)		
Statutory Audit Fees	1.00	0.90
Other Services	0.43	0.38
TOTAL	1.43	1.28

* Includes amount paid to previous auditors of Rs. 2.88 Lacs.

11. The Company has only one reportable business segment namely 'Power Generation' under AS 17.

12. Related Party Disclosures

a. Disclosure with respect to Accounting Standard (AS 18) on Related Parties:

Name of Related Parties	Nature of Relationship
Gujarat Urja Vikas Nigam Ltd	Entity having Significant Influence
GIPCL Projects and Consultancy Company Ltd.	Subsidiary Company
Bhavnagar Energy Corporation Limited	Associate Company
L Chuaungo	Key Management Personnel (KMP) till 26.04.2015
Sonal Mishra	Key Management Personnel (KMP) w.e.f. 27.04.2015
Development Efforts for Rural Economy and People (DEEP) – NGO promoted by the Company	Enterprise over which KMP is having Significant Influence
Urja Foundation - Welfare Trust formed by the Company.	Enterprise over which KMP is having Significant Influence

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

(₹ in Lacs)

Nature of Transaction	Entity having Significant Influence	Subsidiary Company	Associate Company	KMP	Enterprise over which KMP is having Significant Influence	Total
Transactions during the year						
Sale of Electricity Energy (Net of Adjustment)	1,01,843.42 (90,432.17)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,01,843.42 (90,432.17)
Gujarat Urja Vikas Nigam Ltd	1,01,843.42 (90,432.17)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,01,843.42 (90,432.17)
Bill Discounting Charges Recovered	2,535.70 (3,724.60)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,535.70 (3,724.60)
Gujarat Urja Vikas Nigam Ltd	2,535.70 (3,724.60)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,535.70 (3,724.60)
Rebate on Sales	866.55 (858.30)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	866.55 (858.30)



Gujarat Industries Power Company Limited

(₹ in Lacs)

Nature of Transaction	Entity having Significant Influence	Subsidiary Company	Associate Company	KMP	Enterprise over which KMP is having Significant Influence	Total
Gujarat Urja Vikas Nigam Ltd (858.30)	866.55 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (858.30)	866.55
Dividend Paid (959.61)	959.61 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (959.61)	959.61
Gujarat Urja Vikas Nigam Ltd	959.61 (959.61)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	959.61 (959.61)
Interest Paid	64.78 (280.17)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	64.78 (280.17)
Gujarat Urja Vikas Nigam Ltd	64.78 (280.17)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	64.78 (280.17)
Remuneration	Nil (Nil)	Nil (Nil)	Nil (Nil)	19.17 (Nil)	Nil (Nil)	19.17 (Nil)
Smt. Sonal Mishra	Nil (Nil)	Nil (Nil)	Nil (Nil)	16.72 (Nil)	Nil (Nil)	16.72 (Nil)
Shri L Chuaungo	Nil (Nil)	Nil (Nil)	Nil (Nil)	2.45 (Nil)	Nil (Nil)	2.45 (Nil)
Perquisites	Nil (Nil)	Nil (Nil)	Nil (Nil)	2.84 (2.60)	Nil (Nil)	2.84 (2.60)
Smt. Sonal Mishra	Nil (Nil)	Nil (Nil)	Nil (Nil)	2.84 (Nil)	Nil (Nil)	2.84 (Nil)
Shri L Chuaungo	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (2.60)	Nil (Nil)	Nil (2.60)
Facility charges	Nil (Nil)	Nil (1.76)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (1.76)
GIPCL Projects and Consultancy Company Ltd.	Nil (Nil)	Nil (1.76)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (1.76)
Expenses Recovered	Nil (Nil)	0.03 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.03 (Nil)
GIPCL Projects and Consultancy Company Ltd.	Nil (Nil)	0.03 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.03 (Nil)
Payment Made On Behalf of subsidiary	Nil (Nil)	1.97 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1.97 (Nil)
GIPCL Projects and Consultancy Company Ltd.	Nil (Nil)	1.97 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1.97 (Nil)
Contribution Towards Equity	Nil (Nil)	Nil (Nil)	2,500.00 (4,718.00)	Nil (Nil)	Nil (Nil)	2,500.00 (4,718)
Bhavnagar Energy Corporation Limited	Nil (Nil)	Nil (Nil)	2,500.00 (4,718.00)	Nil (Nil)	Nil (Nil)	2,500.00 (4,718)
Consultancy Services	Nil (Nil)	Nil (Nil)	8.59 (32.29)	Nil (Nil)	Nil (Nil)	8.59 (32.29)
Bhavnagar Energy Corporation Limited	Nil (Nil)	Nil (Nil)	8.59 (32.29)	Nil (Nil)	Nil (Nil)	8.59 (32.29)
Contribution Towards CSR Activities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	637.78 (340.51)	637.78 (340.51)



(₹ in Lacs)

Nature of Transaction	Entity having Significant Influence	Subsidiary Company	Associate Company	KMP	Enterprise over which KMP is having Significant Influence	Total
Development Efforts for Rural Economy and People (DEEP) – NGO promoted by the company	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	637.38 (340.51)	637.38 (340.51)
Balance as on 31st March						
Receivable	23,832.24 (10,023.24)	6.11 (4.11)	Nil (4.65)	Nil (Nil)	Nil (Nil)	23,838.35 (10,032.00)
Gujarat Urja Vikas Nigam Ltd	23,832.24 (10,023.24)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	23,832.24 (10,023.24)
GIPCL Projects and Consultancy Company Ltd.	Nil (Nil)	6.11 (4.11)	Nil (Nil)	Nil (Nil)	Nil (Nil)	6.11 (4.11)
Bhavnagar Energy Corporation Limited	Nil (Nil)	Nil (Nil)	Nil (4.65)	Nil (Nil)	Nil (Nil)	Nil (4.65)

Previous years figures are in brackets

13. CSR expenditure for the year : (₹ in Lacs)

Particulars	2015-16		2014-15	
A Gross Amount Required to be spent * Recasted	586.49		*517.56	
B Amount spent				
	In Cash	Total	In Cash	Total
Construction/acquisition of any Asset	0	0	0	0
On purposes other than (i) above	667.68	667.68	423.62	423.62
TOTAL	667.68	667.68	423.62	423.62
Amount over/(under) spent	81.19		(84.94)	

14. In accordance with Accounting Standard 20 – 'Earnings Per Share', the Basic and Diluted Earning Per Share (EPS) has been calculated as under : (₹ in Lacs)

Particulars	2015-16	2014-15
Net Profit after Tax before prior period adjustment	18,841.34	12,630.73
Net Profit after Tax after prior period adjustment	18,841.34	12,630.73
Weighted Average number of Equity Shares outstanding (Nos.)	151251188	151251188
Basic and Diluted Earning Per Share of Rs. 10/- each (Rs.)	12.46	8.35

15. Post Employment Benefits:

Defined Contribution Plan

The Company makes contributions towards provident fund, pension scheme and Superannuation Fund to Defined Contribution retirement benefit plan for qualifying employees.

The provident fund plan is operated by the Gujarat Industries Power Company Ltd. Provident Fund Trust (the Trust). Eligible employees receive benefits from the said trust which is a defined contribution plan. Under the plan, the Company is required to contribute a specified percentage of employee's salary to the retirement benefit plan to fund the benefits. The Company has recognised **Rs. 278.03 lacs** (P.Y. Rs. 275.99 lacs) for Provident Fund contributions and **Rs.82.03 lacs** (P.Y. Rs.64.43 Lacs) for Pension Scheme in the Statement of Profit and Loss.



Gujarat Industries Power Company Limited

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the government. The company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The superannuation fund plan is operated by Life Insurance Corporation of India (LIC) under its scheme of superannuation. The eligible employees receive benefit under the said scheme from LIC. Under the plan, the Company is required to contribute a specified percentage of employee's basic salary to the retirement benefit plan to fund the benefits. The Company has recognised **Rs. 42.08 lacs** (P.Y. Rs. 41.45 lacs) for Superannuation Fund contributions in the Statement of Profit and Loss.

Defined Benefit Plan

The Company recognises the liability towards the gratuity at each Balance Sheet date. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is also recognised in the same manner as gratuity.

Under Post retirement medical benefits, the company would reimburse a certain amount towards the mediclaim policy premium (subject to ceiling limits) to its employees. Such payment is not dependent upon the future salary increases, inflation and medical costs trend and therefore the impact of increase / decrease in medical cost trends is not required to be ascertained.

(₹ in Lacs)

	Gratuity (Non Funded)		Post Retirement Medical Benefit Plan (Non Funded)	
	2015-16	2014-15	2015-16	2014-15
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit obligation				
Present Value of Defined Benefit obligation at beginning of the year	1,617.16	1,287.94	86.89	79.05
Current Service Cost	113.34	106.31	35.31	7.84
Interest Cost	129.21	119.91	Nil	Nil
Actuarial (gain)/loss	51.51	177.42	Nil	Nil
Benefits paid	(100.69)	(74.42)	Nil	Nil
Present Value of Defined Benefit obligation at year end	1,810.53	1,617.16	122.20	86.89
II. Reconciliation of fair value of assets and obligation				
Fair value of Plan Assets as at the beginning of the year	Nil	Nil	Nil	Nil
Present Value of Defined Benefit obligation as at the end of the year	1,810.53	1,617.16	122.20	86.89
Liabilities recognized in Balance Sheet	1,810.53	1,617.16	122.20	86.89
III. Expense recognized during the year				
Current Service Cost	113.34	106.31	35.31	7.84
Interest Cost	129.21	119.91	-	-
Actuarial (gain)/loss	51.51	177.42	-	-
Expected return on plan assets	Nil	Nil	Nil	Nil
Total Expenses/(Gain) recognized in Profit and loss account	294.06	403.64	122.20	86.89
IV. Actuarial assumptions				
Mortality Table (Indian Assured Lives Mortality)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8.04%	7.99%	8.04%	7.99%
Rate of escalation in salary (per annum)	6.00%	6.00%	NA	NA

**V. Amounts for the current and previous periods - Gratuity (Non Funded)**

(₹ in Lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation	1,810.53	1,617.16	1,287.94	1,166.76	937.99
Experience loss(gain) on plan liabilities	58.72	17.05	120.54	80.57	111.98

VI. Amounts for the current and previous periods - Post Retirement Medical Benefit Plan (Non Funded)

(Rs. in lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation	122.20	86.89	79.05	77.07	52.99
Experience loss(gain) on plan liabilities	NA	NA	NA	NA	NA

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

16. The value of realization of Assets other than Fixed Assets and Non Current Investments in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
17. The balances of Trade Receivables and Trade Payables are subject to adjustments, if any, on reconciliation / settlement.
18. During the year, one- fifth of Share issue expenses amounting to **Rs. 106.36 Lacs** (PY Rs. 255.27 Lacs) have been amortised on a prorata basis.
19. The Financial statement for the year 2014-15 were audited and certified by another independent firm of Chartered accountant. Previous year figures have been taken from such audited accounts and have been reclassified and regrouped wherever necessary to confirm to current year's classification.

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants

Vishal P Doshi
Partner
Membership No. 101533

Place : Gandhinagar
Date : 27th May, 2016

Sonal Mishra
Managing Director
DIN no. 03461909

S. P. Desai
CGM & CFO

Place : Gandhinagar
Date : 27th May, 2016

L. Chuaungo
Chairman
DIN no. 00032867

A.C.Shah
Company Secretary



Gujarat Industries Power Company Limited

INDEPENDENT AUDITORS' REPORT

To the Members of Gujarat Industries Power Company Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Gujarat Industries Power Company Limited** ("the Holding Company") and its subsidiary (the Holding company and its subsidiary together referred to as "the Group") and its associate, comprising of the consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The consolidated financial statements include the Group's share of net loss of ₹ 30.95 lacs for the year ended 31st March, 2015 as considered in the consolidated financial statements, in respect of its associate, whose financial statements have not been audited by us.

The above financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and its subsidiary and reports of the statutory auditor of an associate incorporated in India, none of the Directors of the Group companies and its associate company incorporated in India, is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the Group and its associate - Refer Note No. 29.2 to the consolidated financial statements;
- ii. The consolidated financial statements do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary

company and its associate company - Refer Note No. 9 to the consolidated financial statements.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533

Place: Gandhinagar
Date: 27th May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Gujarat Industries Power Company Limited** ("the Holding Company") and its subsidiary company as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533

Place: Gandhinagar
Date: 27th May, 2016



Gujarat Industries Power Company Limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

		(₹ in Lacs)	
Particulars	Note No.	AS AT 31-03-2016	AS AT 31-03-2015
I. EQUITY & LIABILITIES			
Shareholders' Funds :			
Share Capital	1	15,125.12	15,125.12
Reserves and Surplus	2	182,362.05	168,534.97
Govt. Grant for Capital Asset	29.8	1,000.00	0.00
Non-current Liabilities :			
Long-term borrowings	3	32,658.56	43,170.64
Deferred tax liabilities (Net)	4	21,095.21	20,003.07
Other long term liabilities	5	4,492.62	2,744.34
Long-term provisions	6	3,357.29	2,964.82
Current Liabilities :			
Short-term borrowings	7	4,328.83	6,960.86
Trade payables	8		
Due to Micro and Small Enterprises		83.92	94.53
Due to others		10,235.31	8,663.87
Other current liabilities	9	25,725.79	26,924.61
Short-term provisions	10	5,197.07	4,987.14
TOTAL		305,661.77	300,173.97
II. ASSETS			
Non - Current Assets :			
Fixed Assets :			
Tangible Assets	11	186,221.06	188,573.39
Intangible Assets	11	322.03	453.31
Capital Work in Progress		3,471.48	4,123.81
Mines Development Expenditure (To be amortised)	12	4,653.20	5,756.56
Non-current Investments	13	23,086.17	20,687.68
Long-term loans and advances	14	17,789.18	7,780.98
Other non-current assets	15	3,557.31	1,811.55
Current Assets :			
Inventories	16	15,069.62	14,786.08
Trade Receivables	17	26,550.21	12,844.02
Cash and Bank Balances	18	19,341.05	36,596.52
Short-term loans and advances	19	5,268.78	5,382.64
Other current assets	20	331.68	1,377.43
TOTAL		305,661.77	300,173.97
Significant Accounting Policies	28		
Notes to the financial statements	29		

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants

Vishal P Doshi
Partner
Membership No. 101533

Place : Gandhinagar
Date : 27th May, 2016

Sonal Mishra
Managing Director
DIN no. 03461909

S. P. Desai
CGM & CFO

Place : Gandhinagar
Date : 27th May, 2016

L. Chuaungo
Chairman
DIN no. 00032867

A.C.Shah
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

(₹ in Lacs)

Particulars	Note No.	For the Year ended 31-03-2016	For the Year ended 31-03-2015
REVENUE :			
Revenue from Operations	21	135,186.36	121,472.22
Other Income	22	3,522.35	4,323.63
TOTAL REVENUE		138,708.71	125,795.85
EXPENSES :			
Cost of Material Consumed	23	73,321.10	57,536.75
Generation Expenses	24	12,336.23	11,294.72
Employee Benefits Expense	25	6,873.16	6,742.63
Finance Cost	26	6,179.98	7,800.27
Depreciation	11	11,231.47	12,003.27
Expenses Amortised		106.36	255.27
CSR Expenses		667.68	423.62
Other expenses	27	3,021.66	2,939.11
TOTAL EXPENSES		113,737.64	98,995.64
Profit before exceptional item and tax		24,971.07	26,800.21
Exceptional Items	29.5	0.00	1,850.74
Profit before Tax		24,971.07	24,949.47
Tax Expenses			
Current Tax		5,320.50	6,365.15
Less : MAT credit entitlement		0.00	134.00
Net Current Tax		5,320.50	6,231.15
Wealth Tax		0.00	103.81
Deferred Tax		1,092.14	5,782.73
Tax adjustment for earlier years		(285.30)	196.53
Profit For the Period before share of Associates		18,843.73	12,635.25
Profit /(Loss) of Associate on consolidation		(30.95)	(1.00)
Profit For the Period after share of Associates		18,812.78	12,634.25
Earning Per Share (In Rupees)			
Basic & Diluted	29.11	12.44	8.35
Significant Accounting Policies	28		
Notes to the financial statements	29		

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants**Vishal P Doshi**
Partner
Membership No. 101533Place : Gandhinagar
Date : 27th May, 2016**Sonal Mishra**
Managing Director
DIN no. 03461909**S. P. Desai**
CGM & CFOPlace : Gandhinagar
Date : 27th May, 2016**L. Chuaungo**
Chairman
DIN no. 00032867**A.C.Shah**
Company Secretary



Gujarat Industries Power Company Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (₹ in Lacs)

Sr. No.	Particulars	For the Year ended 31-03-2016	For the Year ended 31-03-2015
A	Cash Flow from Operating Activities :		
	Net Profit before Taxes and Extraordinary items	24,971.07	24,948.47
	Adjustment for :		
	Depreciation	11,231.47	12,003.27
	Amortisation of share issue expenses	106.36	255.27
	Amortisation of Mines Development Expenditure	1,103.36	903.84
	Finance costs	6,179.98	7,800.27
	Loss on sale / write off of assets	0.94	20.00
	Interest Income	(2,388.97)	(3,450.67)
	Dividend	(54.98)	(44.13)
		16,178.16	17,487.85
	Operating Profit Before Working Capital Changes	41,149.23	42,436.32
	Adjustment for :		
	Trade Receivables	(13,706.19)	9,419.47
	Inventories	(283.54)	(2,774.96)
	Loans and Advances	562.36	(3,842.87)
	Other Assets	(1,745.76)	(2,240.28)
	Trade payables	3,309.11	446.89
	Other current liabilities and provisions	(895.98)	(2,368.28)
		(12,760.00)	(1,360.03)
	Cash Generated from Operations	28,389.23	41,076.29
	Payment of Direct Taxes	(5,194.90)	(6,884.08)
	Net Cash Flow from Operating Activities (TOTAL - A)	23,194.33	34,192.21
B	Cash Flow from Investing Activities :		
	Purchase/Adj. of Fixed Assets including capital advance and Capital Work in Progress	(18,595.09)	(10,310.85)
	Purchase of Investments	(2,500.00)	(4,717.00)
	Sale of Fixed Assets	50.66	2.06
	Interest Received	3,328.36	2,580.63
	Dividend Received	54.98	44.13
	Net Cash Flow from Investing Activities (TOTAL - B)	(17,661.09)	(12,401.03)



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

Sr. No.	Particulars	For the Year ended 31-03-2016	For the Year ended 31-03-2015
C	Cash Flow from Financing Activities :		
	Repayment of long-term borrowings	(10,512.08)	(10,512.08)
	Net increase / (decrease) in working capital borrowings	(2,632.03)	1,125.34
	Repayment of other short-term borrowings	0.00	(1,520.00)
	Govt. Grant for Capital Assets	1,000.00	0.00
	Finance Cost Paid	(6,188.35)	(7,834.45)
	Dividend on Equity Paid	(3,682.05)	(3,660.44)
	Tax on Dividend Paid	(774.20)	(642.63)
	Net Cash Flow from Financing Activities (TOTAL - C)	(22,788.71)	(23,044.26)
	Net Increase In Cash and Cash Equivalents (TOTAL - A+B+C)	(17,255.47)	(1,253.08)
	Opening Cash and Cash Equivalents	36,596.52	31,578.47
	Closing Cash and Cash Equivalents	19,341.05	36,596.52
Notes:	1. The Cash flow statement has been prepared by the indirect method as set out in the Accounting Standard-3 on "Cash Flow Statements".		
	2. Cash and Cash equivalents includes :		
	- Cash on hand	2.50	1.87
	- Cheques on hand	1,000.00	0.00
	- Balance with Banks :		
	Current Accounts	11.92	3.52
	Deposit Accounts	17,868.88	36,230.38
	- Earmarked Bank Balance	457.75	360.75
	TOTAL	19,341.05	36,596.52

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants

Vishal P Doshi
Partner
Membership No. 101533

Place : Gandhinagar
Date : 27th May, 2016

Sonal Mishra
Managing Director
DIN no. 03461909

S. P. Desai
CGM & CFO

Place : Gandhinagar
Date : 27th May, 2016

L. Chuaungo
Chairman
DIN no. 00032867

A.C.Shah
Company Secretary



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 1 - SHARE CAPITAL		
Authorised		
32,50,00,000 Equity Shares of ₹ 10/-each	32,500.00	32,500.00
50,00,000 Equity Shares of ₹ 10/-each	500.00	500.00
61,00,000 Cumulative Redeemable Preference Shares (With dividend not exceeding 15% p.a.) of Rs. 100/- each.	6,100.00	6,100.00
TOTAL	39,100.00	39,100.00
Issued, subscribed and paid up		
15,12,51,188 Equity Shares of Rs.10/-each fully paid	15,125.12	15,125.12
TOTAL	15,125.12	15,125.12

NOTE NO. 1(a)

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

Particulars	No. of shares	Amount (₹ in Lacs)
As at 1st April, 2014	15,12,51,188	15,125.12
Additions/(Reductions)	0	0.00
As at 31st March, 2015	15,12,51,188	15,125.12
As at 1st April, 2015	15,12,51,188	15,125.12
Additions/(Reductions)	0	0.00
As at 31st March, 2016	15,12,51,188	15,125.12

NOTE NO. 1(b)

List of share holders holding more than 5% shares

Name of Share Holders	2015-16		2014-15	
	No. of shares	Percentage(%)	No. of shares	Percentage(%)
Gujarat Urja Vikas Nigam Ltd.	3,83,84,397	25.38	3,83,84,397	25.38
Gujarat Alkalies & Chemicals Ltd.	2,30,88,980	15.27	2,30,88,980	15.27
Gujarat State Fertilizers & Company Ltd.	2,23,62,784	14.79	2,23,62,784	14.79

NOTE NO. 1(C)

Right, preferences and restrictions attached to Equity shares :

For all matters submitted to vote 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 one vote in respect of each share held. 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.



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 2 - RESERVES AND SURPLUS		
Capital Redemption Reserve		
As per last Balance Sheet	3,455.88	3,455.88
Expansion Reserve		
As per last Balance Sheet	66,000.00	61,000.00
Add : Transferred from Statement of Profit and Loss	6,000.00	5,000.00
	72,000.00	66,000.00
Securities Premium Account		
As per last Balance Sheet	33,316.97	33,316.97
General Reserve		
As per last Balance Sheet	61,370.00	53,870.00
Add : Transferred from Statement of Profit and Loss	6,000.00	7,500.00
	67,370.00	61,370.00
SURPLUS		
As per last Balance Sheet	4,392.12	8,813.35
Add : Profit available for appropriation	18,812.78	12,634.25
Add : Share of loss of associate of earlier year	(70.56)	0.00
Amount available for appropriation	23,134.34	21,447.60
Less : Appropriations :		
Transfer to Expansion Reserve	6,000.00	5,000.00
Transfer to General Reserve	6,000.00	7,500.00
Proposed Dividend (Rs. 2.7 per share) (PY Rs.2.5 per share)	4,083.78	3,781.28
Corporate Dividend Tax	831.36	774.20
	6,219.20	4,392.12
TOTAL	182,362.05	168,534.97

All above reserves except capital redemption reserve are free reserves.

NOTE NO. 3 - LONG TERM BORROWINGS

Secured Loans :

Term Loan From Banks	32,658.56	43,170.64
TOTAL	32,658.56	43,170.64

NOTE NO. 3(a)

The Term Loans from Banks are secured by way of first mortgage and charge created/ to be created, ranking pari passu, on all immovable properties i.e. fixed assets, both present and future, pertaining to the Company's Plants (Phase II - Unit 3 and 4) at Surat. Further, the Term Loan from Banks are secured by a first charge by way of hypothecation of all the movable (save and except Book Debts) including tangible movable machinery, spares, tools and accessories, both present and future, ranking pari passu, subject to prior charge created/to be created on current assets and receivables in favour of Company's Bankers for working capital arrangement, pertaining to the Company's Plants (Phase II - Unit 3 and 4) at Surat.



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

NOTE NO. 3(b)

Term Loans from Banks consists of the following:

(₹ in Lacs)

Name of Banks	Outstanding Loan Amount 31.03.2016	Current Maturities of Loan	Outstanding Loan Amount 31.03.2015	Current Maturities of Loan in PY
Central Bank of India	4,000.00	1,000.00	5,000.00	1,000.00
State Bank of India	2,125.00	500.00	2,625.00	500.00
Bank of Baroda	4,250.00	1,000.00	5,250.00	1,000.00
Oriental Bank of Commerce	8,000.00	2,000.00	10,000.00	2,000.00
Union Bank of India	8,500.00	2,000.00	10,500.00	2,000.00
IDBI Bank Ltd.	5,670.64	1,512.08	7,182.72	1,512.08
State Bank of Bikaner & Jaipur	2,125.00	500.00	2,625.00	500.00
Canara Bank	4,000.00	1,000.00	5,000.00	1,000.00
Karur Vysya Bank Ltd.	4,500.00	1,000.00	5,500.00	1,000.00
	43,170.64	10,512.08	53,682.72	10,512.08

The terms of repayment of the above loans are as follows:

Name Of Banks	No of quarterly Instalments outstanding after 31.03.2016	Amount of Instalments per quarter (Rs. in Lacs)	Rate of Interest	Date of Maturity
Central Bank of India	16	250.00	9.70%	31/03/2020
State Bank of India	17	125.00	10.05%	30/06/2020
Bank of Baroda	17	250.00	9.90%	30/06/2020
Oriental Bank of Commerce	16	500.00	9.95%	31/03/2020
Union Bank of India	17	500.00	9.90%	30/06/2020
IDBI Bank Ltd.	15	378.02	10.25%	31/12/2019
State Bank of Bikaner & Jaipur	17	125.00	10.20%	30/06/2020
Canara Bank	16	250.00	10.05%	31/03/2020
Karur Vysya Bank Ltd.	18	250.00	10.40%	30/09/2020

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 4 - DEFERRED TAX LAIBILITIES (Net)		
Deferred Tax Liabilities :		
Depreciation	21,686.53	20,537.00
Others	620.55	553.91
TOTAL (A)	22,307.08	21,090.91
Deferred Tax Assets :		
Items u/s 43 B	1,211.87	1,087.84
TOTAL (B)	1,211.87	1,087.84
Net Deferred Tax Liabilities	TOTAL (A - B)	21,095.21

NOTE NO. 5 - OTHER LONG TERM LIABILITIES

Trade Payable	891.70	1,048.06
Others	85.93	91.46
Mine Closure Fund	3,514.99	1,604.82
TOTAL	4,492.62	2,744.34



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 6 - LONG TERM PROVISIONS		
Employee Benefits	3,357.29	2,964.82
TOTAL	3,357.29	2,964.82
NOTE NO. 7 - SHORT- TERM BORROWINGS :		
Secured Loans :		
Working Capital Loans from Banks	4,328.83	6,960.86
TOTAL	4,328.83	6,960.86

NOTE NO. 7(A)

The Consortium of banks have sanctioned Fund Based and Non - Fund Based Working Capital facilities for Company's Plants at Baroda and Surat. These facilities are secured by a first charge by way of hypothecation in favour of Banks on the company's current assets and receivables, both present and future, ranking pari passu inter se, the members of the consortium relating to the respective Plants.

NOTE NO. 8 - TRADE PAYABLE

Based on the information available with the company, the balance due to Micro and Small Enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is Rs.83.92 Lacs (Previous Year Rs.94.53 Lacs). Payment made to suppliers beyond the due date during the year was Rs. Nil (P.Y. Rs. Nil). No interest during the year has been paid to Micro and Small Enterprises on delayed payments. Further, interest accrued and remaining unpaid at the year end Rs.Nil (P.Y. Rs. Nil)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 9 - OTHER CURRENT LIABILITIES		
Current Maturities of long term debts	10,512.08	10,512.08
Interest Accrued but not due on borrowings	24.40	31.14
Advance from customers	13.15	25.88
Unclaimed Dividends*	457.17	357.94
Unclaimed Interest on Debentures/Deposits*	0.57	2.20
Security Deposits	1,328.35	1,287.18
Other Payable	691.01	530.69
Project Creditors	12,399.34	13,976.58
Statutory Dues	299.72	200.92
TOTAL	25,725.79	26,924.61

*Amount due and outstanding to be credited to Investor Education and Protection Fund (IEPF) Rs. Nil. (P.Y. Rs. Nil)

Pursuant to the provisions of Section 126 of the Companies Act, 2013, and the Rules made there under, as amended, the amounts in respect of cases, where registration of transfer of Securities is pending are kept in a separate Bank Account, Rs. 309.27 Lacs (P.Y. Rs. 212.94 Lacs).

NOTE NO. 10 - SHORT TERM PROVISIONS		
Employee Benefits	266.64	265.41
Current Tax (Net of Advance)	15.29	166.25
Proposed Dividend	4,083.78	3,781.28
Corporate Dividend Tax	831.36	774.20
TOTAL	5,197.07	4,987.14



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

Sl. No.	Notes
1.	Leasehold land is obtained as a permitted transferee as per agreement with GIDC/ IPCL.
2.	The conveyance of title for 1.04 hectares of free hold land of value Rs.15.54 Lacs (previous year 1.04 hectares of value Rs. 15.54 Lacs) in favour of the Company are awaiting completion of legal formalities.
3.	Land includes: 26.48 hectares of value Rs. 384.31 Lacs (Previous Year 27.63 hectares of value Rs. 397.38 Lacs), the process of possession and conveyance of title in favour of the Company are awaiting of legal formalities.
4.	The Government of Gujarat vide its various orders have granted mining lease for lignite for 30 years from respective dates covering the area of 3565 hectares. The said lease provides to use all lignite excavated from the above area for captive use in existing / proposed power plants of the company. The said areas include 80 hectares of land for lime stone also.

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2. The conveyance of title for 1.04 hectares of free hold land of value Rs.15.54 Lacs (previous year 1.04 hectares of value Rs. 15.54 Lacs) in favour of the Company are awaiting completion of legal formalities.
3. Land includes 26.48 hectares of value Rs. 384.31 Lacs (Previous Year 27.63 hectares of value Rs. 397.38 Lacs), the process of possession and conveyance of title in favour of the Company are awaiting of legal formalities.
4. The Government of Gujarat vide its various orders have granted mining lease for lignite for 30 years from respective dates covering the area of 3565 hectares. The said lease provides to use all lignite excavated from the above area for captive use in existing / proposed power plants of the company. The said areas include 80 hectares of land for lime stone also.



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 12 - MINES DEVELOPMENT EXPENDITURE (To be amortised)		
Initial Development Expenses	4,653.20	5,756.56
TOTAL	4,653.20	5,756.56
NOTE NO. 13 - NON -CURRENT INVESTMENTS		
(Trade - unless otherwise specified)		
Investments in Equity Instruments		
QUOTED		
11,03,360 Equity Shares of Gujarat Alkalies and Chemicals Limited of Rs. 10/- each (Fully paid)	551.68	551.68
1,06,578 Equity Shares of Gujarat Gas Limited of Rs. 10 each (Fully paid) (Shares received upon merger with GSPC Gas company as per amalgamation scheme dated 02.06.2015 in a ratio of 81 shares against 76 shares of GSPC Gas Company)	10.00	0.00
UNQUOTED		
With Associates		
20,60,80,000 Equity Shares of Bhavanagar Energy Company Limited of Rs. 10 each (Fully paid) (Previous year 18,10,80,000 shares) (including goodwill on consolidation Rs.198.47 Lacs(P.Y.Rs. 120.51 Lacs)	20,505.49	18,107.00
With Others		
97,18,181 Equity Shares of Gujarat State Energy Generation Limited of Rs. 10 each (Fully paid)	1,019.00	1,019.00
1,00,000 Equity Shares of GSPC Gas Company Limited of Rs. 10 each (Fully paid)	0.00	10.00
1,00,00,000 Equity Shares of GSPC LNG Limited of Rs. 10 each (Fully paid) (Previous year 1,00,00,000 shares)	1,000.00	1,000.00
TOTAL	23,086.17	20,687.68
Aggregate cost of Quoted Investments	561.68	551.68
Market value of Quoted Investments	2,415.51	1,764.27
Aggregate cost of Unquoted Investments	22,652.00	20,162.00
NOTE NO. 14 - LONG TERM LOANS & ADVANCES		
Secured (Considered good)		
Loan to Employees	0.36	0.83
Capital Advance	17,529.13	7,019.18
Unsecured (Considered good)		
Capital Advance	31.83	93.82
Security Deposits	148.89	146.47
Other loans & Advances	78.97	520.68
TOTAL	17,789.18	7,780.98



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 15 - OTHER NON CURRENT ASSETS		
Unsecured (Considered good)		
Escrow Account (Mines Closure)*	3408.54	1662.78
Others	148.77	148.77
TOTAL	3557.31	1811.55
*Refer Note No. 29.6		
NOTE NO. 16 - INVENTORIES		
Raw Materials (Fuel)	4175.37	3940.86
Stores and Spares	10894.25	10845.22
TOTAL	15069.62	14786.08
NOTE NO. 17 - TRADE RECEIVABLES		
Unsecured (Considered good)		
Overdue for a period more than Six months	0.00	0.00
Not due/overdue for a period less than Six months	26,550.21	12,844.02
TOTAL	26,550.21	12,844.02
NOTE NO. 18 - CASH & BANK BALANCES		
Cash and Cash Equivalents		
Cash on hand	2.50	1.87
Cheques on hand*	1,000.00	0.00
Balances with Banks:		
In current account	11.92	3.52
In deposit account	17,868.88	36,230.38
Other bank balances		
Earmarked bank balances	457.75	360.75
TOTAL	19,341.05	36,596.52
*Refer Note no 29.7		
NOTE NO. 19 - SHORT TERM LOANS AND ADVANCES		
Secured (Considered good)		
Loan to Employees	0.40	1.30
Unsecured (Considered good)		
Other loans & Advances	1,665.44	2,039.57
Advance for Investment	37.50	0.00
Deposit with Govt. Authorities	704.62	489.93
Advance Tax (Net of provision)	2,860.82	2,852.08
MAT Credit Entitlement :		
Opening Balance	0.00	1,000.00
Add : Addition during the year	0.00	134.00
	0.00	1,134.00
Less : MAT credit utilised	0.00	1,134.00
Closing Balance	0.00	0.00
TOTAL	5,268.78	5,382.64



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT
(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
NOTE NO. 20 - OTHER CURRENT ASSETS		
Unamortised expenses	0.00	106.36
Interest Accrued	331.68	1,271.07
TOTAL	331.68	1,377.43

	For the Year ended 31-03-2016	For the Year ended 31-03-2015
NOTE NO. 21 - REVENUE FROM OPERATIONS		
Sale of Electrical Energy	134,576.22	120,905.87
Sale of services	11.48	43.60
Other operating Revenues	607.03	529.90
Excise Duty	(8.37)	(7.15)
TOTAL	135,186.36	121,472.22

NOTE NO. 22 - OTHER INCOME		
Interest on Deposits	2,276.16	3,036.18
Other Interest	112.81	414.49
Dividend	54.98	44.13
Insurance Claims	902.20	717.00
Liquidated Damages	2.53	35.53
Miscellaneous	173.67	76.30
TOTAL	3,522.35	4,323.63

NOTE NO. 23 - COST OF MATERIAL CONSUMED

Consumption of :		
Gas	39,800.47	33,782.58
Lignite	33,956.07	27,163.26
Lime Stone	1,795.08	2,631.14
Furnace oil	636.06	1,381.07
Coal	6,330.41	840.52
Lignite Extraction Expenses *	25,612.77	20,187.79
Inter Division transfer	(34,809.76)	(28,449.61)
TOTAL	73,321.10	57,536.75

* Refer Note No 29.6



Gujarat Industries Power Company Limited

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

	For the Year ended 31-03-2016	For the Year ended 31-03-2015
NOTE NO. 24 - GENERATION EXPENSES		
Consumption of Stores and Spares	4,098.15	4,399.23
Water Charges	1,470.37	1,356.44
Electricity Charges	1,072.06	1,039.35
Insurance	957.08	528.01
Operation Expenses	2,831.27	2,578.37
Repairs and Maintenance to Plant and Machinery	1,907.30	1,393.32
TOTAL	12,336.23	11,294.72

NOTE NO. 25 - EMPLOYEES BENEFIT EXPENSES		
Salary and Wages	4,631.84	4,236.69
Contribution to Provident ,Pension and Superannuation Fund	402.14	381.84
Welfare Expenses and Other Benefits	1,839.18	2,124.10
TOTAL	6,873.16	6,742.63

The wage settlement process/negotiations for company's non-executive employees is in the final stage of negotiations and conclusion. Upon final settlement, the liability towards wage settlement arrears for company's non-executive employees will arise for the FY 2013-14 , FY 2014-15 and FY 2015-16. The estimated liability of Rs.170.51 lacs for wage settlement arrears for FY 2015-16 has been provided.The provision for wage settlement arrears for the past years (i.e. FY 2013-14 and FY 2014-15 which is estimated to be about Rs. 350 Lacs) shall be made upon final settlement.

NOTE NO. 26 - FINANCE COST		
Interest Cost	5,193.72	6,818.64
Bank Charges and Commission	119.71	123.33
Cash Rebate on Sales	866.55	858.30
TOTAL	6,179.98	7,800.27

NOTE NO. 27 - OTHER EXPENSES		
Repairs and Maintenance :		
Buildings	640.71	666.32
Others	117.04	184.77
Rent	4.13	1.55
Rates and Taxes	257.14	236.93
Communication Expenses	59.75	67.19
Travelling & Conveyance Expenses	298.42	360.86
Legal, Professional and Consultancy Fees	148.37	94.24
Miscellaneous Expenses*	1,496.10	1,327.25
(* None of the items individually account for more than Rs. 100,000 or 1% of revenue whichever is higher)		
TOTAL	3,021.66	2,939.11



NOTE NO. 28: SIGNIFICANT ACCOUNTING POLICIES OF CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF CONSOLIDATION

The Consolidated Financial Statements consists of Gujarat Industries Power Company Limited ("the Company") and its subsidiary company (collectively referred to as "the Group") and its associate. The Consolidated Financial Statements have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements."
- b. The difference between the cost of investment in the subsidiary and associate, and that Company's share of net assets at the time of acquisition of shares in the subsidiary and associate is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- c. Minority Interest if any in the net assets of subsidiary is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.
- d. Investment in associate is accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements."
- e. The Company accounts for its share of post-acquisition changes in net assets of associate, after eliminating unrealised profits and losses resulting from transactions between the Company and its associate to the extent of its share, through its Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.
- f. The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March 2016 and for associate, the financial statements as on reporting date are not available. These have been consolidated based on the latest available audited financial statements i.e. 31st March, 2015.

2. BASIS OF ACCOUNTING

The consolidated financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India. The applicable mandatory Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 have been followed in preparation of these financial statements, except in so far as the said provisions are inconsistent with the provision of the Electricity Act, 2003.

3. USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

4. FIXED ASSETS

- a. Tangible Assets are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Direct costs are capitalized until the asset are ready for use and include financial cost relating to any borrowing attributable to acquisition.
- b. Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.
- c. Capital Spares which can be used only in connection with an item of tangible assets and whose use is not of regular nature are capitalized at cost.
- d. Works under erection/installation /execution (including such work pertaining to a new project) are shown as Capital Work in Progress.

5. AMORTISATION OF MINES DEVELOPMENT EXPENDITURE

Mines Development Expenditure comprises of initial expenditure for lignite mines and removal of overburden. Such expenditure is amortized as per the provisions of Fuel Price Mechanism agreed by the Company with the Buyer. Such amortization is based either on quantity of Lignite actually extracted during the year or period based fixed amortization on a yearly basis as per the respective provisions of the Fuel Price Agreement referred above. However, the Amortization method, in case of any mine, once agreed under the Fuel Price Mechanism, is consistently applied over the life of mine.



Gujarat Industries Power Company Limited

6. DEPRECIATION AND AMORTIZATION

- Depreciation on all fixed assets (except those listed below) is provided on straight line method as per rates and methodology notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014. In case of associate, depreciation on fixed assets is provided on straight line method as per provisions and in the manner prescribed in the schedule II of the Companies Act, 2013.
- Computer software is amortized on straight-line basis over a period of five years.
- Leasehold land is amortized over the period of lease on straight-line basis.
- Capital Spares are depreciated over the useful life of such spares but not exceeding the remaining useful life of related tangible asset.

7. IMPAIRMENT OF ASSETS

The company assesses at each Balance Sheet date 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 Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

8. INVESTMENTS

Investments are either classified as current or long term based on the management contention at the time of purchase. Long term investments are shown at cost. However, when there is decline, other than temporary in the value of long term investment, the carrying amount is reduced to recognize the decline. Current investments are stated at lower of cost or market value.

9. INVENTORIES

Inventories are valued at lower of cost or net realizable value as under:

Inventories	Cost Formula
a. Raw Materials - Fuel (other than Lignite)	Weighted Average Cost
b. Lignite	Absorption costing. Cost Includes Extraction Cost, Mining overheads including amortized cost as per 5 above.
c. Stores and Spares	Weighted Average Cost

10. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions during the year are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognized in the Statement of Profit and Loss.

11. TAXES ON INCOME

- Provision for Current Tax is made on the basis of estimated tax payable for the year as per the applicable provisions of the Income Tax Act, 1961.
- Deferred tax assets and liabilities are recognized on timing differences, being the differences between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets, other than on unabsorbed depreciation and carried forward losses, are recognised only if there is reasonable certainty that they will be realised in the future. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Deferred Tax assets are reviewed at each balance sheet date for their realisability.
- MAT credit is recognized 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. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

**12. EMPLOYEE BENEFITS****a. Post-employment benefits****i) Defined Contribution plan**

The Company's contribution to defined contribution plan aid/payable for the year is charged to Statement of Profit and Loss.

ii) Defined Benefit plan

The liabilities towards defined benefit schemes are determined using the Projected Unit Credit method. Actuarial valuations under the Projected Unit Credit method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation.

b. 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, incentives, etc.,

c. Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date.

13. REVENUE RECOGNITION

- a. Revenue from sale of goods is recognized when no significant uncertainty as to the measurability or ultimate collection exists.
- b. Revenue from sale of services is recognized on issuance of bills as per terms & conditions of the contract.
- c. Revenue from contracts are recognized on pro-rata over the period of contract.
- d. Interest on investment is booked on a time proportion basis taking into account the amounts invested and the rate of interest.
- e. Dividend income is recognized when the right to receive payment is established.
- f. Claims lodged with insurance company in respect of risk insured are accounted on admittance basis.
- g. Delayed payment charges under Power Purchase Agreements are recognized, on grounds of prudence, as and when recovered.
- h. Other income is recognized on accrual basis except when realization of such income is uncertain.
- i. Deviation Settlement Mechanism (DSM) charges receivable/payable is accounted as and when notified by State Load Dispatch Center (SLDC)
- j. Liquidated damages/penalties deducted from suppliers / contractors are recognized as income or credited to the cost of assets at the time of final settlement. Till such time, they are shown under liabilities.

14. BORROWING COST

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

15. LEASE

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss.

16. GOVERNMENT GRANT

Government and other grants received relating to depreciable fixed assets are taken to capital grants and recognised as 'Deferred Income' in the Statement of Profit & Loss by allocating income over the period in which the depreciation is charged.

17. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed.



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NOTE NO. 29 : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
1 Commitments :		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	71,893.94	25,884.02
b. The Company has committed to invest in the Equity Share Capital of Bhavnagar Energy Company Limited (BECL) (CIN: U40102GJ2007SGC051396), as and when required, to the tune of Rs.22,000 Lacs (P.Y. 22,000 Lacs). Out of this, Rs. 20,608 Lacs (P.Y. Rs.18,108 Lacs) has been paid. The Company has also committed to contribute towards Sub Debt financing to the tune of Rs.2,000 Lacs (P.Y. Rs.2000 Lacs). In addition to the above, the Company has committed to contribute towards cost overrun in future, if any, which will be partly by way of contribution towards Equity and partly towards Sub Debt financing.	3,392.00	5,892.00
c. The Company has committed to invest in the Equity Share Capital of International Stone Research Centre (ISRC), as and when required.	Nil	37.50
d. Share in Commitments of Associate Company (Based on audited Results 2014-15) Estimated Contracts remain to be executed - Not provided for	10,697.85	17,009.12
2. Contingent Liabilities not provided for :		
a. Claims against company pending before court (includes certain claims where the amount cannot be ascertained) :-		
By vendors against contractual obligations	2,930.42	2,927.92
By Ex-employee against recovery of notice period	1.02	1.02
b. Demand for Water Reservation Charges and interest thereon from Narmada Water Resources and Water Supply Department relating to Surat Lignite Power Plant is contested and not acknowledged as debt since at the relevant time project was under implementation and regular drawl of water was not made.	768.63	775.13
c. Bills of Exchange discounted with Banks in respect of Sales Invoices.	33,500.00	37,700.00
d. In respect of following cases of land acquisition, various claims are pending against the Company. Depending upon the final compensation amount that may be determined by the Competent Court, the cost of land may change requiring appropriate adjustment then:-		
Leasehold land of 165 MW Baroda	213.51	Amount not ascertainable
Freehold land at Surat Lignite Power Stations	1,808.41	1,361.12
e. Partial amount of demand from department of Geology & Mining, Surat for Interest on delayed Royalty Payment on lignite for the period from April 04 to March 07, which is contested.	Nil	24.09
f. Income Tax Demand contested in Appeal.	2,652.73	2,651.40
g. Demand of Property Tax under discussion with Grampanchayat, Nani Naroli, Dist.Surat.	110.23	94.80
h. Liability likely to arise on account of transportation charges for gas which is under dispute.	448.50	448.50
i. The company has been recovering the corporate action on the share holding of Petrofils Cooperative Ltd. A portion of the said shareholding is under dispute at High Court of Gujarat. Subject to its final outcome, the company may be directed by the Honorable Court to make a payment towards the portion of such recovery.	Amount not ascertainable	Amount not ascertainable
j. Cases pending at the High Court of Gujarat for regularization of contract workmen.	Amount not ascertainable	Amount not ascertainable



(₹ in Lacs)

	AS AT 31-03-2016	AS AT 31-03-2015
K The "Pay for if not taken liability " is demanded by M/s GAIL on account of R-LNG Contract which the Company has entered in to with M/s GAIL to partially meet with its Fuel (Gas) requirement. The contractual liability demanded by M/s GAIL is for the calendar year 2014. The Interest claimed by M/s GAIL in respect of one time settlement of the above referred claim.	- 134.00	4,981.00 -
I Claims and disputes raised by Mines Developer and Operator Contractor of Vastan South Pit on account of change in stripping ratio and diesel price escalation. Details of Contingent Liabilities of Associates (to the extent of share in associate) (Based on audited Results 2014-15)	9,829.38	7,464.75
m Liquidated Damages leviable by Gujarat Urja Vikas Nigam Limited as per PPA	Amount not ascertainable	Amount not ascertainable
n Differential amounts due to admissibility of Service Tax charged by the contractors but not acknowledged as debt. - Shapoorji Pallonji & Co. Ltd. - Tata Consulting Engineers Ltd	222.52 1.30	208.60 0.96
o Land Acquisition: Demand for upward revision - Not acknowledged as debt.	13.56	65.60
p Claim of BHEL towards price escalation for Unit - 2	266.75	147.34
q Difference in balance confirmation from major creditors remain unaccounted in the Books, thereby understating capital work in progress and liability by that amount.	236.97	153.20

3. The Subsidiaries & Associate considered in the consolidated financial statements are:

Sr No	Name of Company	Subsidiary / Associate	Country of Incorporation	Proportion (%) of shareholding Year ended March 31, 2016	Proportion (%) of shareholding Year ended March 31, 2015
1	GIPCL Projects and Consultancy Company Limited	Subsidiary	India	100%	100%
2	Bhavnagar Energy Company Limited	Associate	India	26.57%	25.58%

4. Information as per Schedule III of section 129 of the Companies Act, 2013 is provided as under:

1. Additional Information:

Particulars	Net Assets i.e. total Assets minus total Liabilities		Share in Profit or Loss	
	As a % of consolidated Net Assets	Amount (₹ Lacs)	As % of consolidated profit or loss	Amount (₹ Lacs)
Gujarat Industries Power Company Limited (Parent)	91.66	1,97,578.26	100.15	18,841.34
Subsidiaries:				
1. Foreign: NA				
2. Indian : GIPCL Projects and Consultancy Company Limited Minority interest in subsidiary	0.02	36.39	0.01	2.36
Associates: (Investment as per the equity method)				
1. Foreign: NA				
2. Indian: Bhavnagar Energy Company Limited	8.32	17,941.30	(0.16)	(30.95)
TOTAL	100.00	2,15,555.95	100	18,812.75



Gujarat Industries Power Company Limited

5. Exceptional items in the previous year consists of cost of major repairs and replacement amounting to Rs. 1850.74 Lacs, due to a technical snag in the Stator Winding of the Generator, Unit -1 (125MW) of Surat Lignite Power Plant (SLPP).
6. Ministry of Coal, New Delhi, Guideline No. 55011-01-2009-CPAM Dated 7th January 2013, required opening of Tripartite Escrow Account(s) with Banks for estimated Mines Closure Expenditure. During the year **Rs.1745.76** Lacs have been deposited (P Y Rs. 1659.25 Lacs) in these accounts and an amount of **Rs.1735.85** Lacs has been considered as Mines Closure Expenses for the FY 2015-16 (PY Rs.1284.56 Lacs) in lignite extraction expenses.
7. Cheques on hand amounting to Rs 1000 Lacs consists of grant received from Government of Gujarat, as an assistance to set up grid connected 1 MW Distributed Solar Power Pilot Projects on Agriculture, Gauchar or Wasteland each at Central Gujarat and South Gujarat region.

The company has successfully commissioned both the plants, one at Village Amrol, District Anand and one at village Vastan, District Surat in the month of April, 2016.

8. Payment to Auditors: (₹ in Lacs)

	2015-16	2014-15
a. Statutory Auditors (Fees excluding service tax)		
Statutory Audit Fees	9.35	8.72
Taxation Matters	2.54	1.50
Company Law Matters	0.20	0.00
Other Services	0.39	0.50
Reimbursement of Travelling & Other Expenses	0.46	0.86
TOTAL	*12.94	11.58
b. Cost Auditors (Fees excluding service tax)		
Statutory Audit Fees	1.00	0.90
Other Services	0.43	0.38
TOTAL	1.43	1.28

* Includes amount paid to previous auditors of Rs. 3.06 Lacs.

9. The Company has only one reportable business segment namely 'Power Generation' under AS 17.

10. Related Party Disclosures

a. Disclosure with respect to Accounting Standard (AS 18) on Related Parties:

Name of Related Parties	Nature of Relationship
Gujarat Urja Vikas Nigam Ltd	Entity having Significant Influence
Bhavnagar Energy Corporation Limited	Associate Company
L Chuaungo	Key Management Personnel (KMP) till 26.04.2015
Smt. Sonal Mishra	Key Management Personnel (KMP) w.e.f. 27.04.2015
Development Efforts for Rural Economy and People (DEEP) – NGO promoted by the Company	Enterprise over which KMP is having Significant Influence
Urja Foundation - Welfare Trust formed by the Company.	Enterprise over which KMP is having Significant Influence

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



(₹ in Lacs)

Nature of Transaction	Entity having Significant Influence	Associate Company	KMP	Enterprise over which KMP is having Significant Influence	Total
Transactions during the year					
Sale of Electricity Energy (Net of Adjustment)	1,01,843.42	Nil	Nil	Nil	1,01,843.42
	(90,432.17)	(Nil)	(Nil)	(Nil)	(90,432.17)
Gujarat Urja Vikas Nigam Ltd	1,01,843.42	Nil	Nil	Nil	1,01,843.42
	(90,432.17)	(Nil)	(Nil)	(Nil)	(90,432.17)
Bill Discounting Charges Recovered	2,535.70	Nil	Nil	Nil	2,535.70
	(3,724.60)	(Nil)	(Nil)	(Nil)	(3,724.60)
Gujarat Urja Vikas Nigam Ltd	2,535.70	Nil	Nil	Nil	2,535.70
	(3,724.60)	(Nil)	(Nil)	(Nil)	(3,724.60)
Rebate on Sales	866.55	Nil	Nil	Nil	866.55
	(858.30)	(Nil)	(Nil)	(Nil)	(858.30)
Gujarat Urja Vikas Nigam Ltd	866.55	Nil	Nil	Nil	866.55
	(858.30)	(Nil)	(Nil)	(Nil)	(858.30)
Dividend Paid	959.61	Nil	Nil	Nil	959.61
	(959.61)	(Nil)	(Nil)	(Nil)	(959.61)
Gujarat Urja Vikas Nigam Ltd	959.61	Nil	Nil	Nil	959.61
	(959.61)	(Nil)	(Nil)	(Nil)	(959.61)
Interest Paid	64.78	Nil	Nil	Nil	64.78
	(280.17)	(Nil)	(Nil)	(Nil)	(280.17)
Gujarat Urja Vikas Nigam Ltd	64.78	Nil	Nil	Nil	64.78
	(280.17)	(Nil)	(Nil)	(Nil)	(280.17)
Remuneration	Nil	Nil	19.17	Nil	19.17
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Smt Sonal Mishra	Nil	Nil	16.72	Nil	16.72
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Shri L Chuaungo	Nil	Nil	2.45	Nil	2.45
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Perquisites	Nil	Nil	2.84	Nil	2.84
	(Nil)	(Nil)	(2.60)	(Nil)	(2.60)
Smt SonalMishra	Nil	Nil	2.84	Nil	2.84
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Shri L Chuaungo	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(2.60)	(Nil)	(2.60)
Contribution Towards Equity	Nil	2,500.00	Nil	Nil	2,500.00
	(Nil)	(4,718.00)	(Nil)	(Nil)	(4,718.00)
Bhavnagar Energy Corporation Limited	Nil	2,500.00	Nil	Nil	2,500.00
	(Nil)	(4,718.00)	(Nil)	(Nil)	(4,718.00)
Consultancy Services	Nil	8.59	Nil	Nil	8.59
	(Nil)	(32.29)	(Nil)	(Nil)	(32.29)
Bhavnagar Energy Corporation Limited	Nil	8.59	Nil	Nil	8.59
	(Nil)	(32.29)	(Nil)	(Nil)	(32.29)
Contribution Towards CSR Activities	Nil	Nil	Nil	637.78	637.78
	(Nil)	(Nil)	(Nil)	(340.51)	(340.51)



Gujarat Industries Power Company Limited

(₹ in Lacs)

Nature of Transaction	Entity having Significant Influence	Associate Company	KMP	Enterprise over which KMP is having Significant Influence	Total
Development Efforts for Rural Economy and People (DEEP) – NGO promoted by the company	Nil (Nil)	Nil (Nil)	Nil (Nil)	637.38 (340.51)	637.38 (340.51)
Balance as on 31st March					
Receivable	23,832.24 (10,023.24)	Nil (4.65)	Nil (Nil)	Nil (Nil)	23,832.24 (10027.89)
Gujarat Urja Vikas Nigam Ltd	23,832.24 (10,023.24) (Nil)	Nil (Nil) (Nil)	Nil (Nil) (Nil)	Nil (Nil) (Nil)	23,832.24 (10,023.24) (4.11)
Bhavnagar Energy Corporation Limited	Nil (Nil)	Nil (4.65)	Nil (Nil)	Nil (Nil)	Nil (4.65)

Previous years figures are in brackets

11. In accordance with Accounting Standard 20 – 'Earnings Per Share', the Basic and Diluted Earning Per Share (EPS) has been calculated as under :

Particulars	2015-16	2014-15
Net Profit after Tax	18,812.78	12634.25
Net Profit after Tax	18,812.78	12634.25
Weighted Average number of Equity Shares outstanding (Nos.)	151251188	151251188
Basic and Diluted Earning Per Share of Rs. 10/- each (Rs.)	12.44	8.35

12. Post Employment Benefits:

Defined Contribution Plan

The Company makes contributions towards provident fund, pension scheme and Superannuation Fund to Defined Contribution retirement benefit plan for qualifying employees.

The provident fund plan is operated by the Gujarat Industries Power Company Ltd. Provident Fund Trust (the Trust). Eligible employees receive benefits from the said trust which is a defined contribution plan. Under the plan, the Company is required to contribute a specified percentage of employee's salary to the retirement benefit plan to fund the benefits. The Company has recognised **Rs. 278.03 lacs** (P.Y. Rs. 275.99 lacs) for Provident Fund contributions and **Rs.82.03 lacs** (P.Y. Rs.64.43 Lacs) for Pension Scheme in the Statement of Profit and Loss.

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the government. The company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The superannuation fund plan is operated by Life Insurance Corporation of India (LIC) under its scheme of superannuation. The eligible employees receive benefit under the said scheme from LIC. Under the plan, the Company is required to contribute a specified percentage of employee's basic salary to the retirement benefit plan to fund the benefits. The Company has recognised **Rs. 42.08 lacs** (P.Y. Rs. 41.45 lacs) for Superannuation Fund contributions in the Statement of Profit and Loss.

Defined Benefit Plan

The Company recognises the liability towards the gratuity at each Balance Sheet date. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is also recognised in the same manner as gratuity.

Under Post retirement medical benefits, the company would reimburse a certain amount towards the mediclaim policy premium (subject to ceiling limits) to its employees. Such payment is not dependent upon the future salary increases, inflation and medical costs trend and therefore the impact of increase / decrease in medical cost trends is not required to be ascertained.



(₹ in Lacs)

	Gratuity (Non Funded)		Post Retirement Medical Benefit Plan (Non Funded)	
	2015-16	2014-15	2015-16	2014-15
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit obligation				
Present Value of Defined Benefit obligation at beginning of the year	1,617.16	1,287.94	86.89	79.05
Current Service Cost	113.34	106.31	35.31	7.84
Interest Cost	129.21	119.91	-	-
Actuarial (gain)/loss	51.51	177.42	-	-
Benefits paid	(100.69)	(74.42)	-	-
Present Value of Defined Benefit obligation at year end	1,810.53	1,617.16	122.20	86.89
II. Reconciliation of fair value of assets and obligation				
Fair value of Plan Assets as at the beginning of the year	-	-	-	-
Present Value of Defined Benefit obligation as at the end of the year	1,810.53	1,617.16	122.20	86.89
Liabilities recognized in Balance Sheet	1,810.53	1,617.16	122.20	86.89
III. Expense recognized during the year				
Current Service Cost	113.34	106.31	35.31	7.84
Interest Cost	129.21	119.91	-	-
Actuarial (gain)/loss	51.51	177.42	-	-
Expected return on plan assets	-	-	-	-
Total Expenses/(Gain) recognized in Profit and loss account	294.06	403.64	122.20	86.89
IV. Actuarial assumptions				
Mortality Table (Indian Assured Lives Mortality)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8.04%	7.99%	8.04%	7.99%
Rate of escalation in salary (per annum)	6.00%	6.00%	NA	NA

V. Amounts for the current and previous periods - Gratuity (Non Funded)

(₹ in Lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation	1,810.53	1,617.16	1,287.94	1,166.76	937.99
Experience loss(gain) on plan liabilities	58.72	17.05	120.54	80.57	111.98

VI. Amounts for the current and previous periods - Post Retirement Medical Benefit Plan (Non Funded)

(₹ in Lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation	122.20	86.89	79.05	77.07	52.99
Experience loss(gain) on plan liabilities	NA	NA	NA	NA	NA

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.



Gujarat Industries Power Company Limited

13. The value of realization of Assets other than Fixed Assets and Non Current Investments in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
14. The balances of Trade Receivables and Trade Payables are subject to adjustments, if any, on reconciliation / settlement.
15. During the year, one- fifth of Share issue expenses amounting to **Rs. 106.36 Lacs** (Previous Year Rs. 255.27 Lacs) have been amortised on a prorata basis.
16. The Financial statements of the Company and Subsidiary for the year 2014-15 were audited and certified by another independent firm of Chartered accountant. Previous year figures have been taken from such audited accounts and have been reclassified and regrouped wherever necessary to confirm to current year's classification.
17. The Financial statements in respect associate are audited by another independent firm of Chartered Accountant.

As per our report of even date attached

For **K.C.Mehta & Co.**
Chartered Accountants

Vishal P Doshi
Partner
Membership No. 101533

Place : Gandhinagar
Date : 27th May, 2016

Sonal Mishra
Managing Director
DIN no. 03461909

S. P. Desai
CGM & CFO

Place : Gandhinagar
Date : 27th May, 2016

L. Chuaungo
Chairman
DIN no. 00032867

A.C.Shah
Company Secretary



GUJARAT INDUSTRIES POWER COMPANY LIMITED

P O PETROCHEMICALS – 391 346, DISTRICT VADODARA

PHONE NOS: 2232768 / 2232213 / 2230159, FAX NO: (0265) 2230473

Email : csacshah@gipcl.com Website : www.gipcl.com,

CIN – L99999GJ1985PLC007868

Attendance Slip

Name of the Shareholder:		
Folio No.	DP ID /Client ID	No. of Shares.
For Physical Holding	For Demat holding	

I hereby record my presence at the 31st Annual General Meeting held on Friday, the 23rd September, 2016 at 11.00 am at the Registered Office of the Company at P.O.: Petrochemicals – 391346, Dist.: Vadodara, Gujarat, as Shareholder / Proxy.

Name of Proxy (Block Letters).

Signature of the Shareholder/Proxy.

Notes:

1. Shareholder / Proxy holder wishing to attend the Meeting must bring duly signed attendance slip to the Meeting and hand over the same at the entrance.
2. Shareholder / Proxy holder desiring to attend the Meeting should carry his copy of the Annual Report for reference at the Meeting.

FORM NO. MGT – 11

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.]

CIN : L99999GJ1985PLC007868

Name of the Company: GUJARAT INDUSTRIES POWER COMPANY LIMITED Registered Office : P.O.: Petrochemicals – 391 346, Dist. : Vadodara, Gujarat.

Name(s) of Shareholder(s)	
Registered Address	
Email ID:	
Folio No. / DP ID / Client ID.	

I / We, being the Member(s) holding _____ equity shares of the above named Company, hereby appoint the following as my / our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 31st Annual General Meeting held on Friday, the 23rd September, 2016 at 11.00 am at the Registered Office of the Company at P.O.: Petrochemicals – 391346, Dist.: Vadodara, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Name: _____ Address : _____
E-mail ID: _____ Signature: _____
Or failing him
2. Name: _____ Address : _____
E-mail ID: _____ Signature: _____
Or failing him
3. Name: _____ Address : _____
E-mail ID: _____ Signature: _____
Or failing him

Item no.	Description	Option	
		For	Against
	Ordinary Business		
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Board of Directors and the Auditors thereon.		
2.	Declaration of Dividend on equity shares for the Financial Year 2015-16.		
3.	To appoint a Director in place of Shri Sanjeev Kumar, IAS (DIN: 03600655), who retires by rotation and being eligible offer himself for re-appointment.		
4.	To appoint a Director in place of Smt. Shahmeena Husain, IAS (DIN: 03584560), who retires by rotation and being eligible offer herself for re-appointment.		
5.	To ratify appointment of Statutory Auditors.		
	Special Business		
6.	To approve the terms of remuneration payable to Smt. Sonal Mishra, IAS, (DIN: 03461909), Managing Director.		
7.	To appoint Shri N N Misra (DIN: 00575501), as an Independent Director of the Company.		
8.	To appoint Shri P K Gera, IAS (DIN: 05323992), Nominee of Gujarat Alkalies & Chemicals Ltd. (GACL), as Director of the Company.		
9.	To appoint CS V V Vachhrajani (DIN: 00091677), Nominee of Gujarat State Fertilizers and Chemicals Ltd. (GSFC), as Director of the Company.		
10.	To appoint Shri Sujit Gulati, IAS (DIN: 00177274), Nominee of Govt. of Gujarat, as Director of the Company.		
11.	To approve material Transactions with Related Parties.		
12.	To ratify remuneration payable to Cost Auditors for the financial year 2016-17.		

Signed this _____ day of August / September, 2016.

Signature of Shareholders.

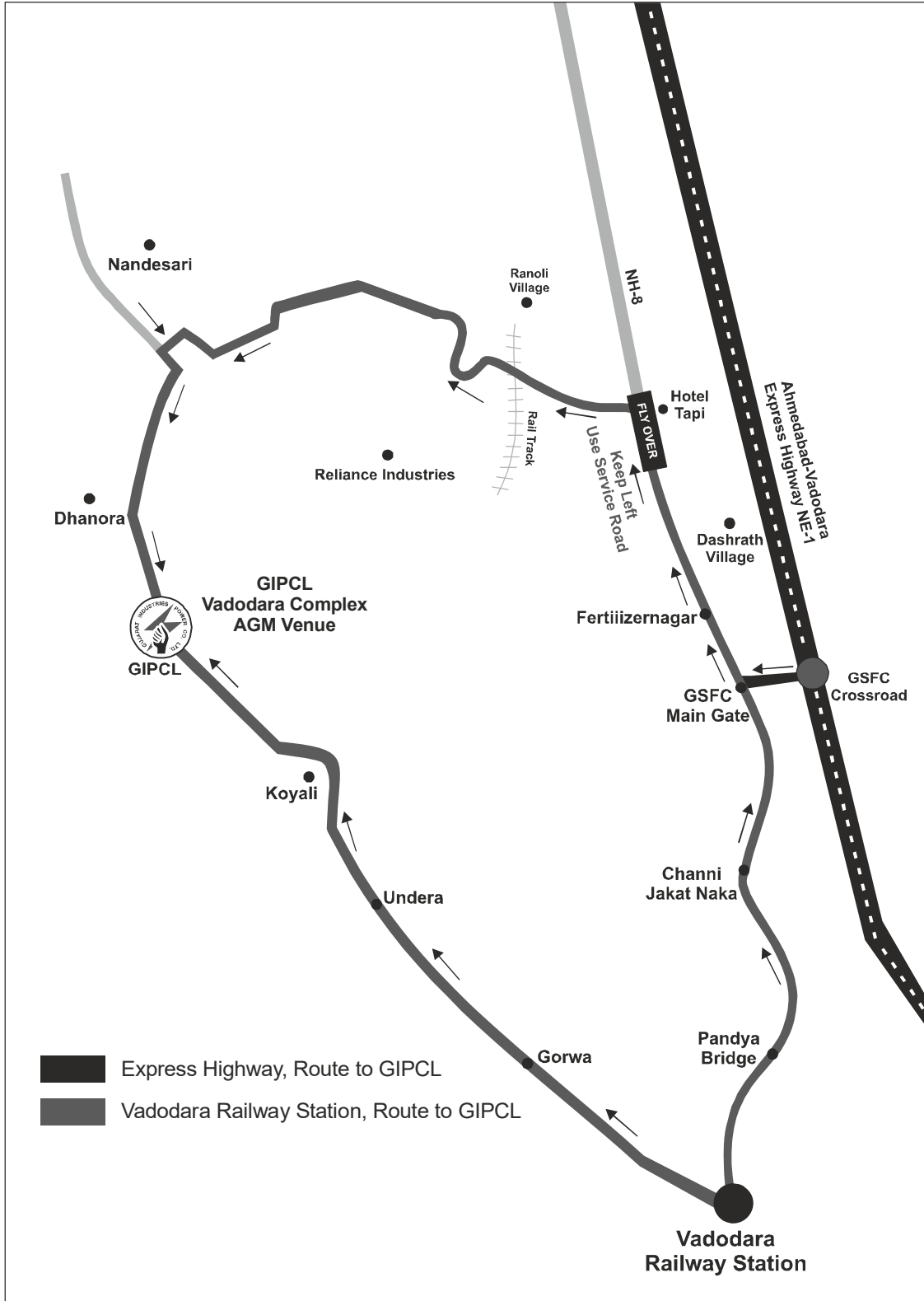
Signature of Proxy holders(s)

Affix
Re. 1
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than forty eight (48) hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31st Annual General Meeting.
- *3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.
5. A person can act a Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total Share Capital of the Company. A Member holding more than ten per cent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

Route Map of AGM Venue



This image shows a full page of blank handwriting practice paper. It features multiple sets of horizontal lines across the entire page. Each set consists of three lines: a solid top line, a dashed middle line, and a solid bottom line. These sets are repeated vertically down the page, providing a guide for letter height and placement. The background is white, and the lines are printed in a light gray or blue color. There is no text or other markings on the page.

CSR Initiatives



BVB-GIPCL Academy at Village: Nani Naroli, Tal.: Mangrol, Dist.: Surat



Eye Camp at Village: Luna, Tal.: Valia, Dist.: Bharuch



Culvert at Village: Rajgad, Tal.: Valia, Dist.: Bharuch



Individual Household Toilet at Village: Nani Naroli, Ta.: Mangrol, Dist.: Surat



Registered Post / Courier

To,



If undelivered, please return to;

GUJARAT INDUSTRIES POWER COMPANY LIMITED

P.O. Petrochemicals - 391346, Dist.: Vadodara, Gujarat - India

Phone: +91-265-2230182, Fax: +91-265-2231207

Email: genbaroda@gipcl.com

Website: www.gipcl.com

CIN: L99999GJ1985PLC007868

LIMITED REVIEW REPORT

To,
The Board of Directors
Gujarat Industries Power Company Limited

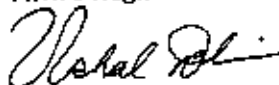
We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Gujarat Industries Power Company Limited ("the Company") for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have not reviewed the financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.


For K. C. Mehta & Co.,
Chartered Accountants
Firm's Registration No. 106237W

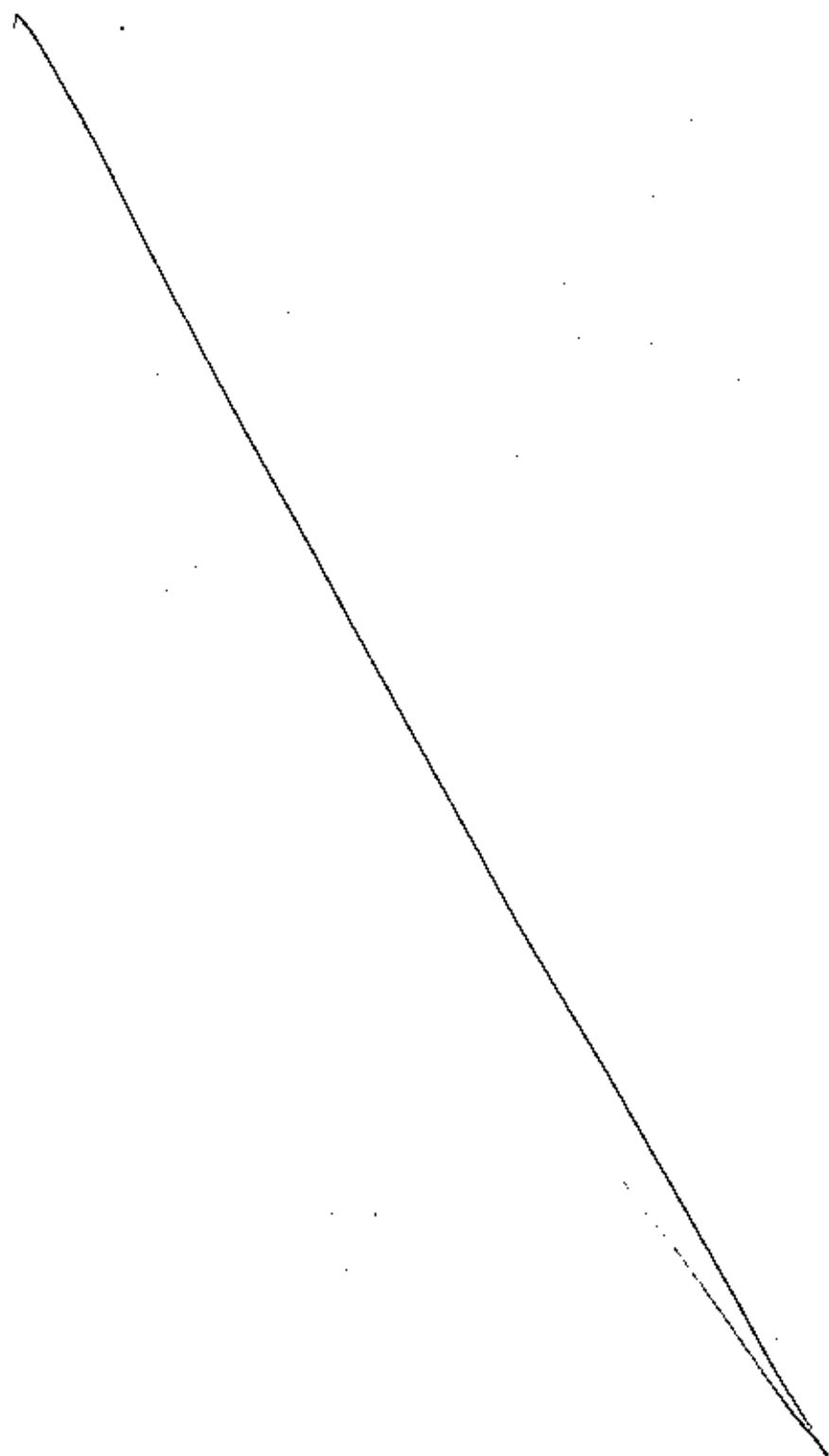

Vishal P. Doshi
Partner

Membership No. 101533
Place: Gandhinagar
Date: 26th August, 2016



CERTIFIED TRUE COPY
For GUJARAT INDUSTRIES POWER CO. LTD.


A.C. SHAH
Company Secretary & DGM (Legal)



GUJARAT INDUSTRIES POWER COMPANY LIMITED

Regd. Office : P.O. Petrochemical - 391 346, Dist. Vadodara (Gujarat)
Tel. No. (0265) 2232768, Fax No. (0265) 2230473 Email ID. investors@gipcl.com
Website : www.gipcl.com, CIN - L99999GJ1985PLC007868

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 30TH JUNE, 2016

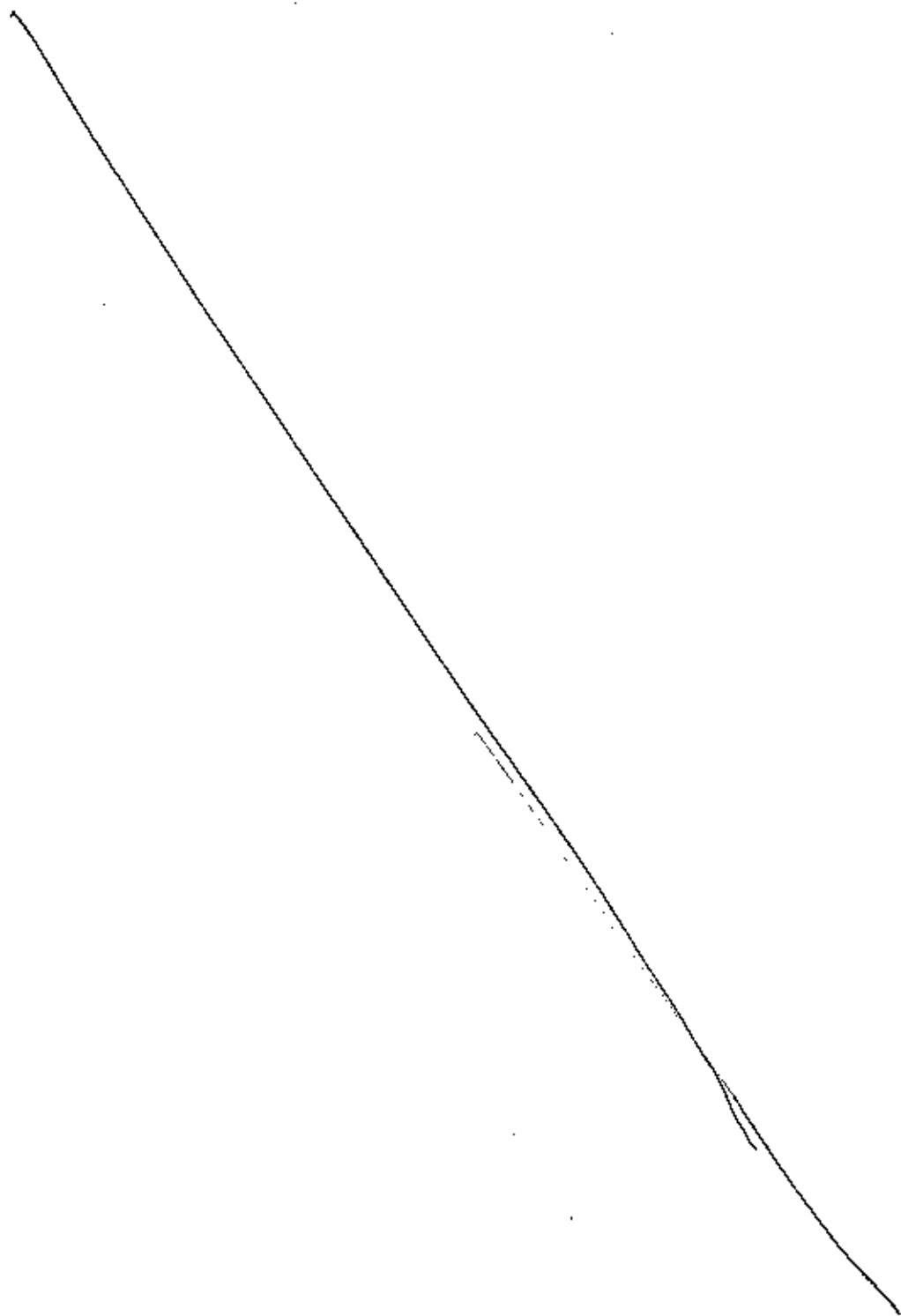
Sr. No.	Particulars	[Rs. in Lakhs]	
		Quarter ended on	Corresponding Quarter ended on
		30-06-2016 Unaudited	30-06-2015 Unaudited
1	Income from operations		
	(a) Net Sales/ Income from Operation	35,253	33,393
	(b) Other Operating Income	143	148
	Total Income from Operations (net)	35,396	33,541
2	Expenses		
	(a) Cost of materials consumed	19,271	17,120
	(b) Purchases of stock-in-trade	0	0
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	0	0
	(d) Employee benefits expenses	1,688	1,604
	(e) Depreciation and amortisation expense	2,888	3,016
	(f) Other expenses	3,163	3,450
	Total Expenses	27,010	25,190
3	Profit from operations before other income, finance costs and exceptional items (1-2)	8,386	8,351
4	Other Income	434	728
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	8,820	9,079
6	Finance Costs	1,692	2,083
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	7,128	6,996
8	Exceptional items	0	0
9	Profit from ordinary activities before tax (7-8)	7,128	6,996
10	Tax Expenses	1,631	1,593
11	Net Profit from Ordinary Activities after tax (9-10)	5,497	5,403
12	Extraordinary items (net of tax expense)	0	0
13	Net Profit for the Period (11-12)	5,497	5,403
14	Other Comprehensive Income, net of Income Tax		
	(a) Actuarial Gain/ (Loss) on Employee Defined Benefit plan regrouped under Other Comprehensive Income	(9.00)	(36.00)
	(b) Net Gain on Fair valuation of financial instruments	550.00	129.00
15	Total Comprehensive Income for the Period (13+14)	6,038	5,496
16	Paid-up Equity Share Capital [Face value of share Rs. 10/- each]	15,125	15,125
17	A) Earning per Share before Extraordinary items (not to be annualized)		
	- Basic and Diluted	3.63	3.57
	B) Earning per Share after Extraordinary items (not to be annualized)		
	- Basic and Diluted	3.63	3.57

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FOR IDENTIFICATION





Notes :-

- 1 The above unaudited Financial Results have been reviewed and recommended by the Audit Committee and taken on record & approved by the Board of Directors in their respective meetings held on 26.08.2016.
- 2 The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs from 1st April, 2016 with a transition date of 1st April, 2015 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles as laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India.
- 3 Limited Review of the unaudited financial results for the quarter ended on 30th June, 2016 has been carried out by the Statutory Auditors. The financial results for quarter ended on 30th June, 2015 have not been audited/reviewed and have been presented based on the information compiled by the management after exercising necessary due diligence to ensure true and fair view of the results in accordance with Ind -AS.
- 4 The format for unaudited quarterly results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016 applicable to all companies that are required to comply with Ind AS.
- 5 Reconciliation of profit after tax for the quarter ended 30th June 2015 between Ind AS compliant results as reported above with results reported in previous year as per Indian GAAP is given below:

(Rs.in Lakh)	
Particulars	Amount
Profit after tax under Previous Indian GAAP	5,438
a) Unwinding of discounted provision of Mines Closure Liability	(344)
b) Depreciation impact of Mines Closure Liability capitalised as asset	(215)
c) Actuarial (Gain)/ Loss on Employee Defined Benefit plan regrouped under	47
d) Reversal of provision for Mines Closure Liability	468
e) Tax impact on above Ind AS adjustment	9
Net Profit After Tax under Ind AS	5,403
Other Comprehensive Income	
a) Actuarial Gain/ (Loss) on Employee Defined Benefit plan regrouped under	(36)
Other Comprehensive Income	
b) Net Gain/(Loss) on Fair valuation of financial instruments	129
Other comprehensive Income	93
Total Comprehensive Income as per Ind-AS	5,496

- 6 The Company has only one reportable business segment namely "Power Generation".
- 7 Figures of the previous period have been re-grouped /re-arranged wherever necessary.
- 8 The Company has designated an exclusive e-mail ID viz. investors@glpl.com for investor grievance redressal.

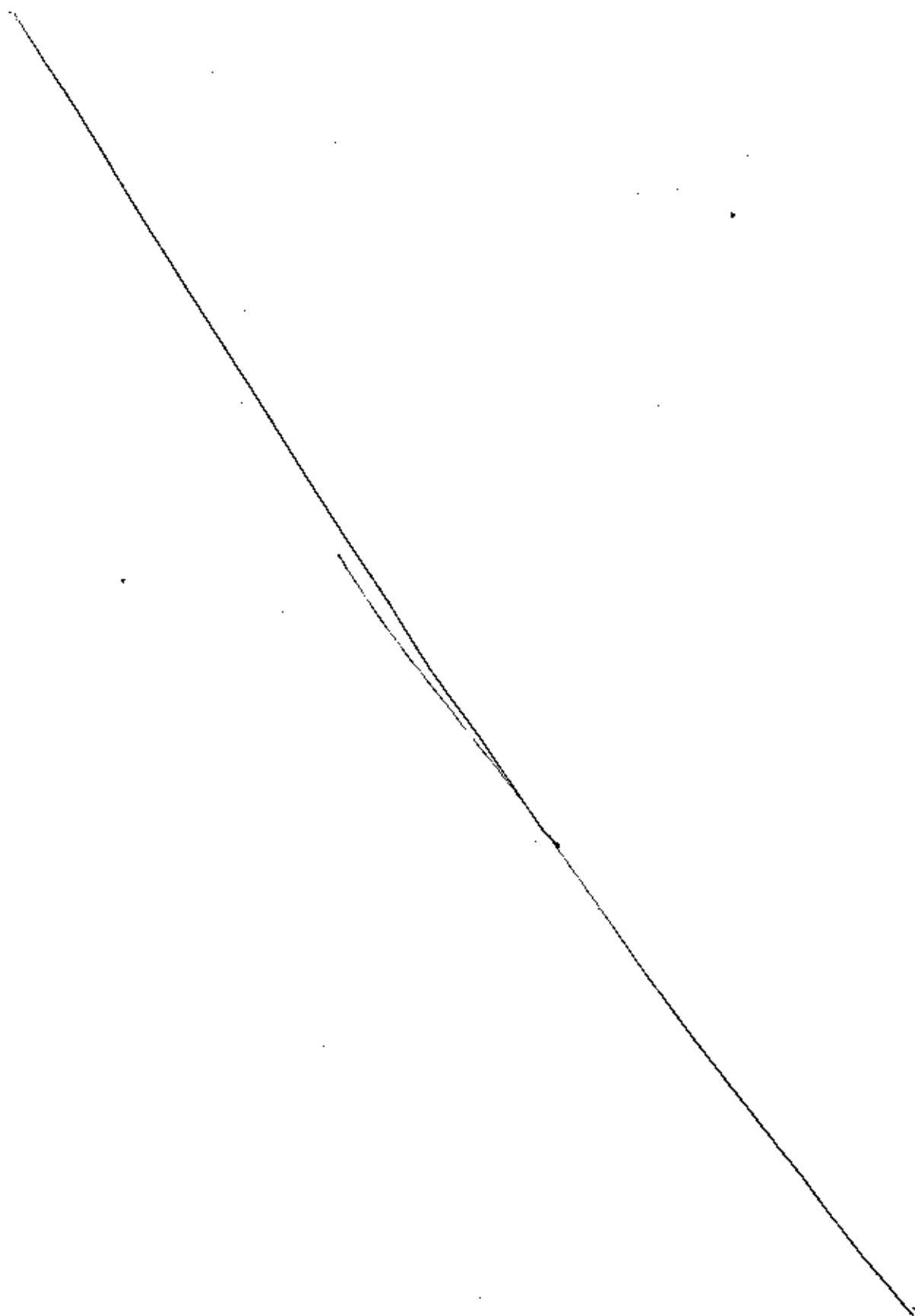
For Gujarat Industries Power Company Limited

[Sonal Mishra]
Managing DirectorPlace : Gandhinagar
Dated : 26th August, 2016

FOR IDENTIFICATION



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INDEPENDENT AUDITORS' REPORT

To the Members of GIPCL Projects and Consultancy Company Limited

Director

Report on the Financial Statements

We have audited the accompanying financial statements of GIPCL Projects and Consultancy Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

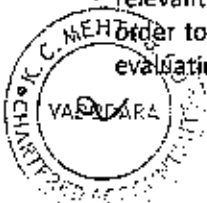
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

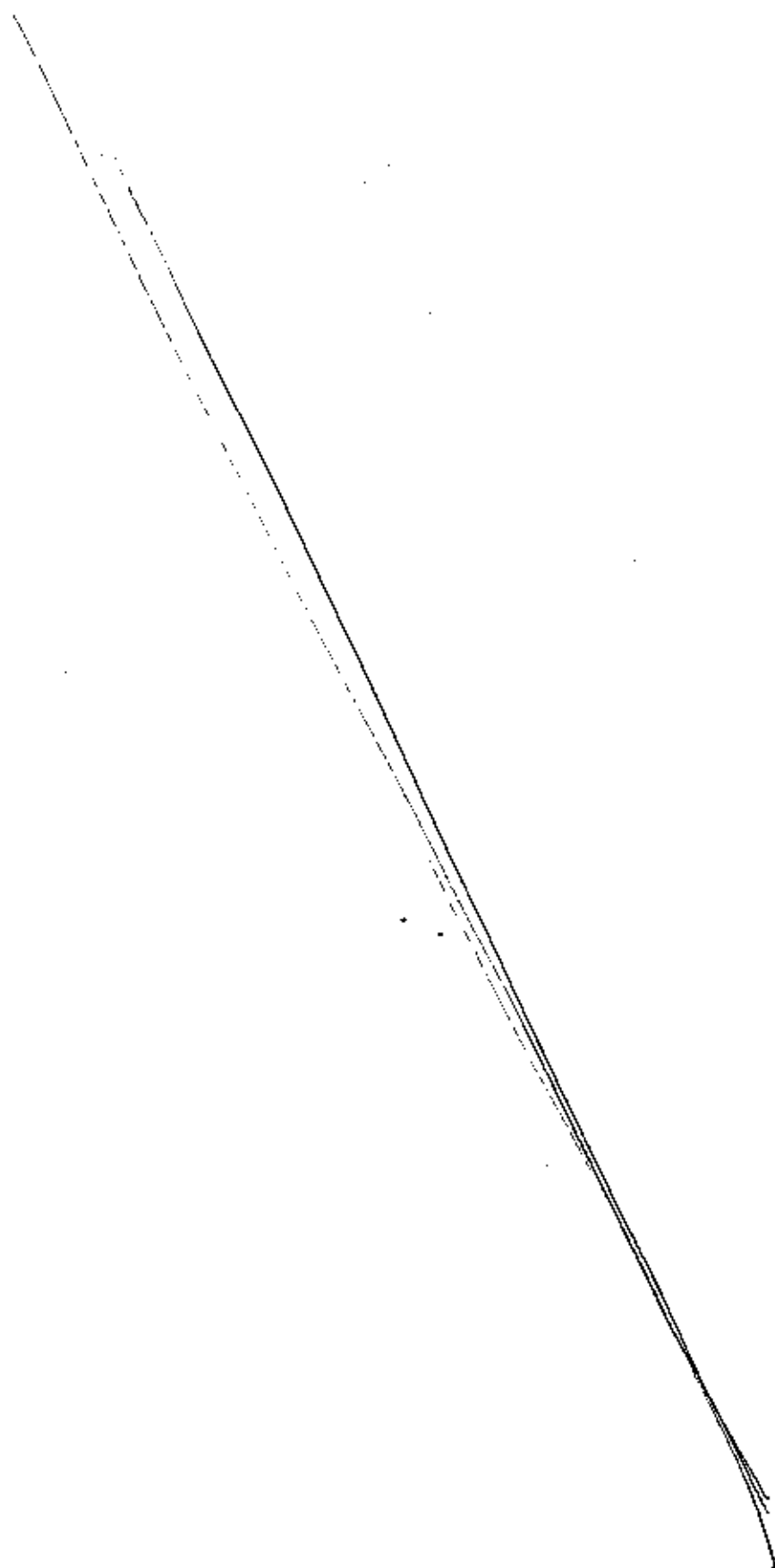
We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the



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accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") Issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 9.3 to the financial statements.

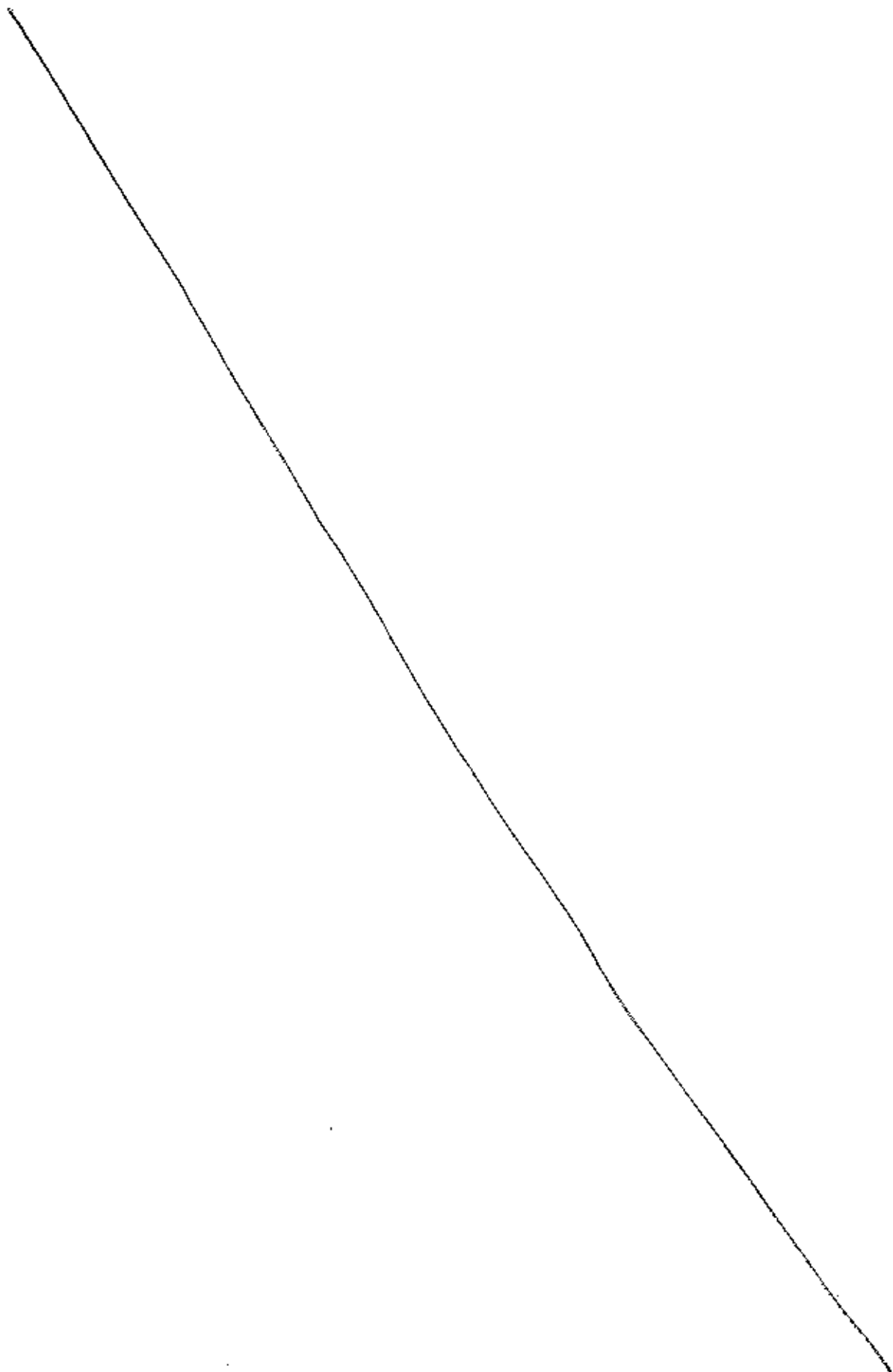


Meghdhanush, Race Course, Vadodara 390 007, INDIA Phone: +91 265 2341626 / 2440400

Mumbai: 101, Cosmos Court, Above Waman Hari Pethie, S.V. Road, Vile Parle (West), Mumbai 400 056, INDIA Phone: +91 22 26125834

Ahmedabad: 308, Aaryan Workspaces, St. Xavier's College Corner, Umashankar Joshi Marg, Navrangpura, Ahmedabad 380 009, INDIA Phone: +91 79 40326400

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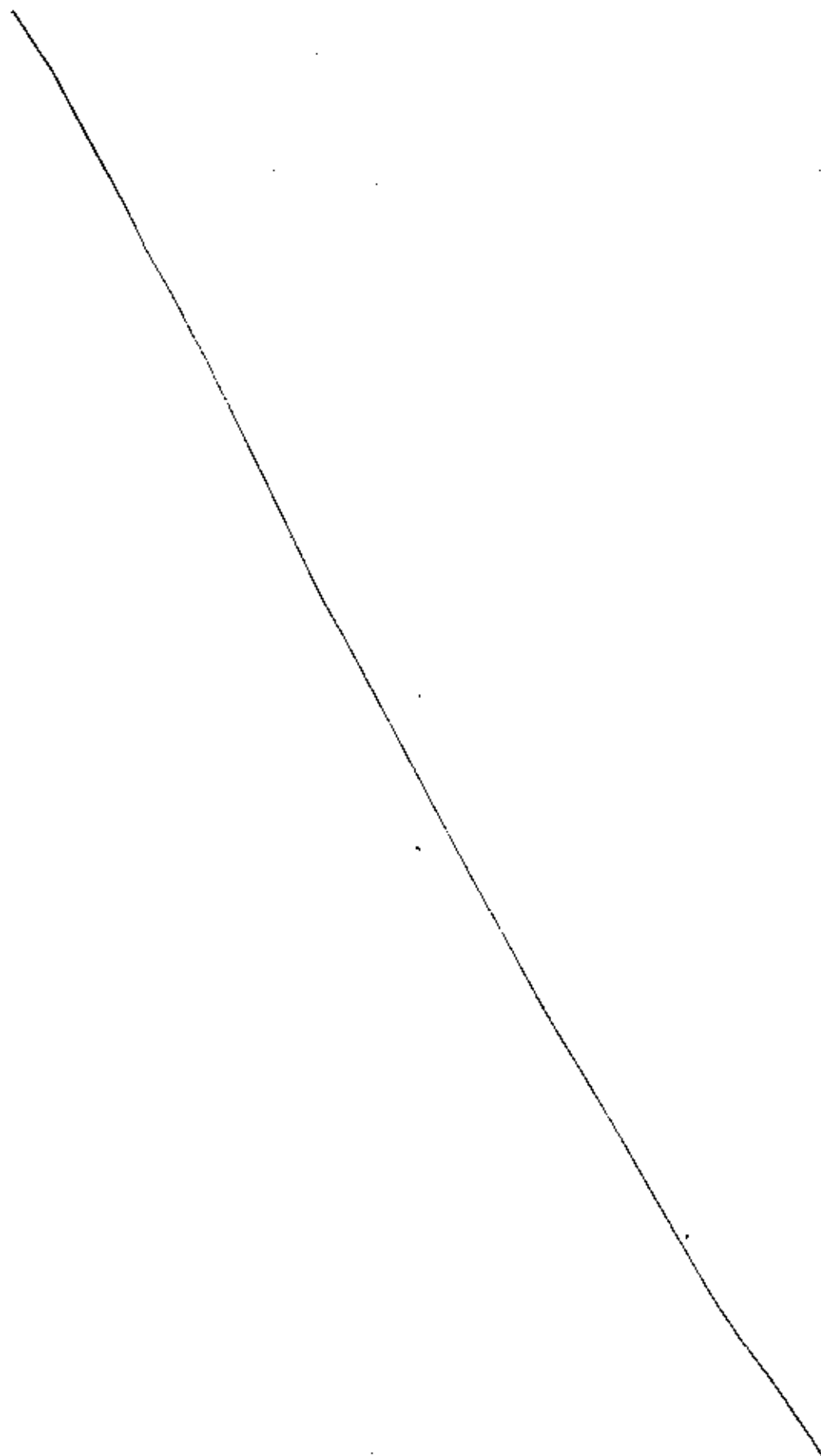
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Chhaya M. Dave
Chhaya M. Dave
Partner
Membership No. 100434
Place: Vadodara
Date: 26th May, 2016



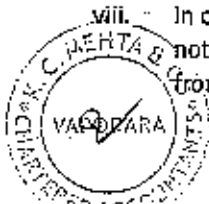
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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditor's Report to the members of **GIPCL Projects and Consultancy Company Limited** ("the Company") for the year ended 31st March, 2016, we report that:

- i. The Company does not have fixed assets and therefore, the provisions of clause (i) of the Order are not applicable to the Company.
- ii. The Company does not have any inventory and therefore, the provisions of clause (ii) of the Order are not applicable to the Company.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the provisions of clause (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, no loan or guarantee or security is given as per provision of section 185 and 186 of the Act. However, the Company has complied with the provisions of Section 185 of the Act to the extent applicable in respect of Investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, the provisions of clause (v) of the Order are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to information and explanations given to us, no undisputed amounts payable in respect of respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31st March, 2016 for a period of more than six months from the date they become payable.
(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company do not have any loans or borrowings from any financial institution, government or by way of debentures.

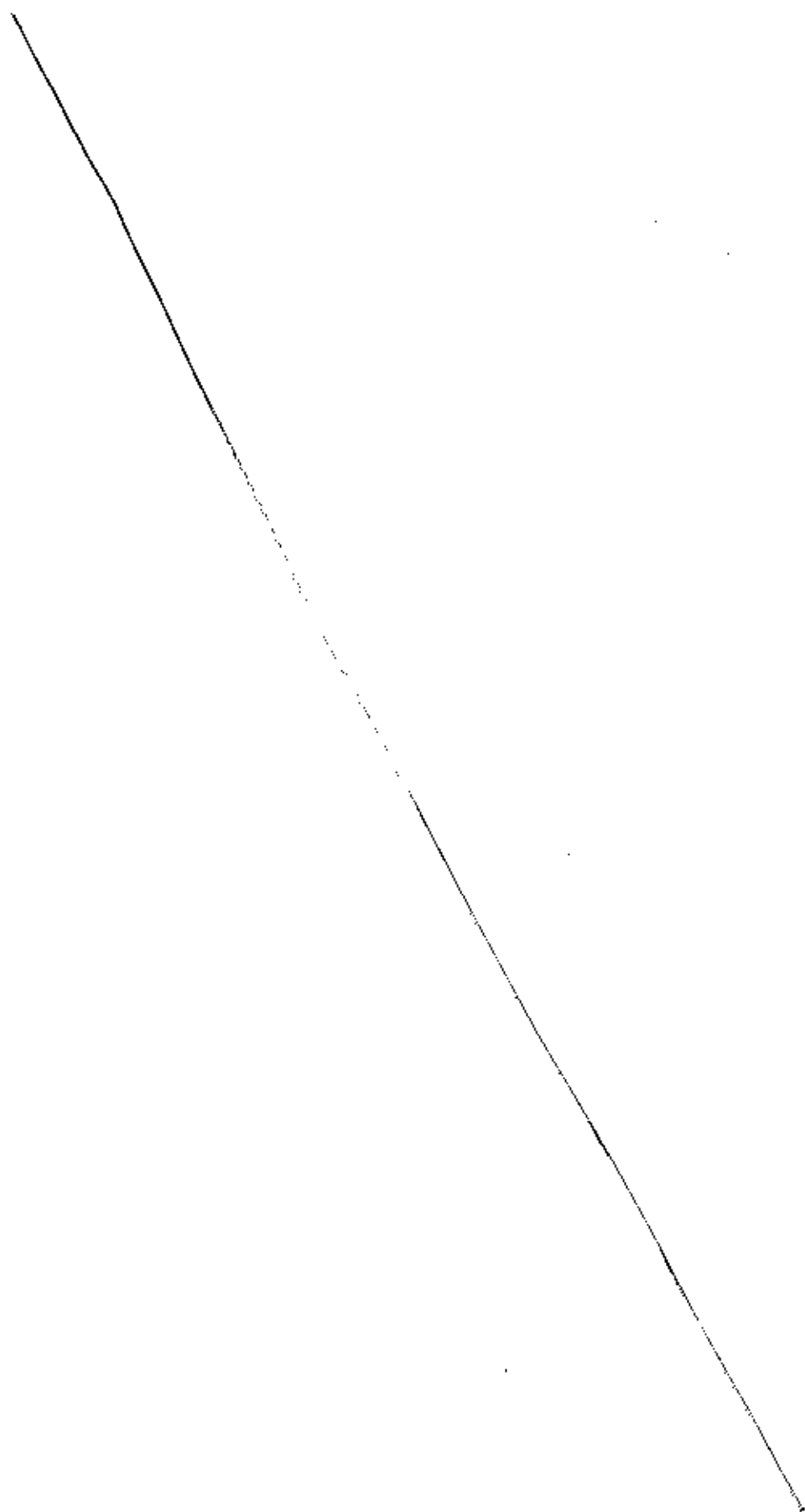


Meghdhanush, Race Course, Vadodra 390 007, INDIA Phone: +91 265 2341626 / 2440400

Mumbai: 101, Cosmos Court, Above Waman Hari Pethe, S.V. Road, Vile Parle (West), Mumbai 400 056, INDIA Phone: +91 22 26125834

Ahmedabad : 308, Aaryan Workspaces, St. Xavier's College Corner, Umashankar Joshi Marg, Navrangpura, Ahmedabad 380 009, INDIA Phone: +91 79 40326400

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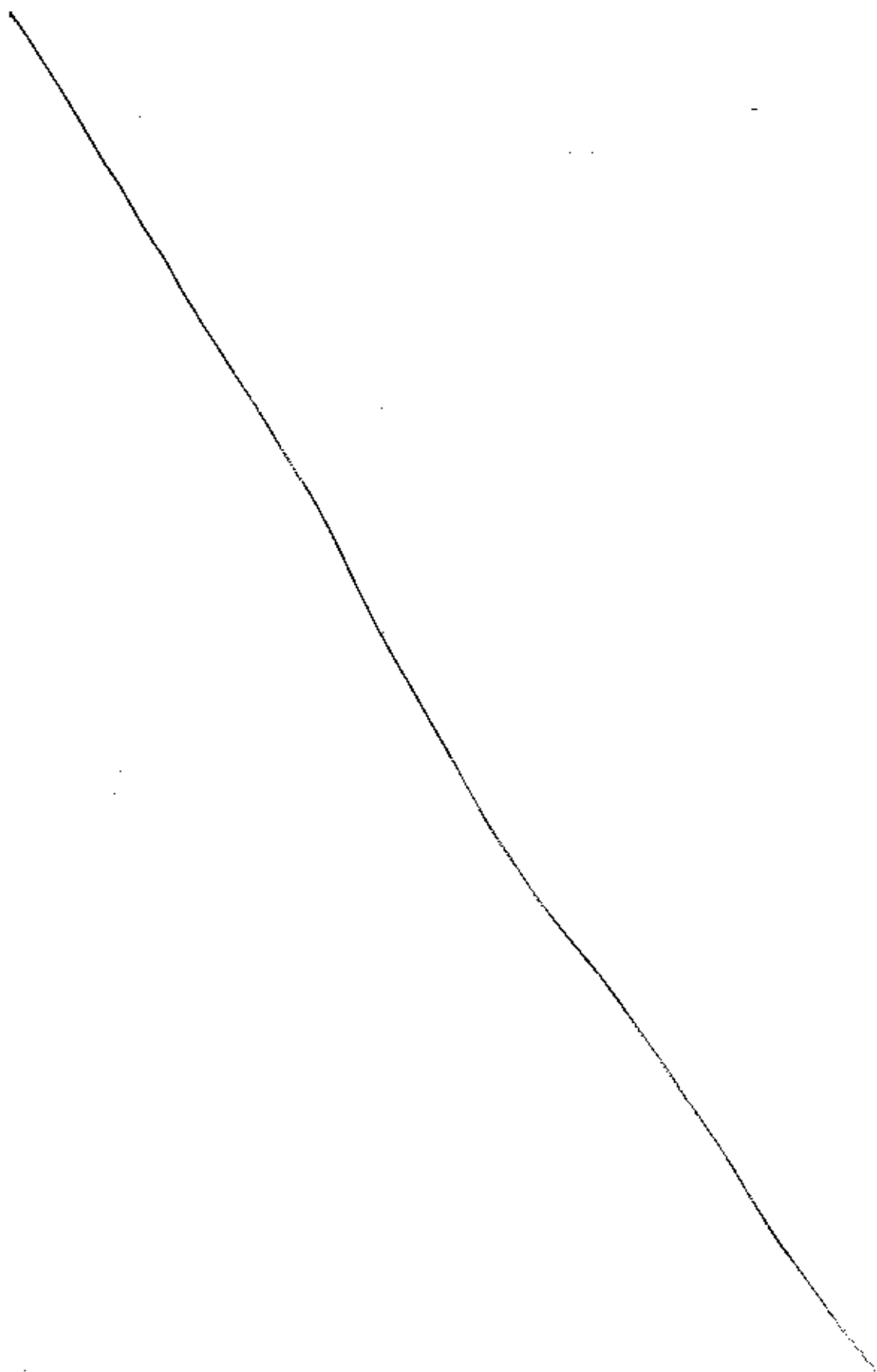
- ix. In our opinion, the Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans during the year and therefore, the provisions of clause (ix) of the Order are not applicable to the Company.
- x. In our opinion and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid or provided any managerial remuneration and hence, the provisions of clause (xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to information and explanations given to us, the Company is not a Nidhi company and therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause (xiv) of the Order, are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W


Chhaya M. Dave

Partner
Membership No. 100434
Place: Vadodara
Date: 26th May, 2016





ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of **GIPCL Projects and Consultancy Company Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

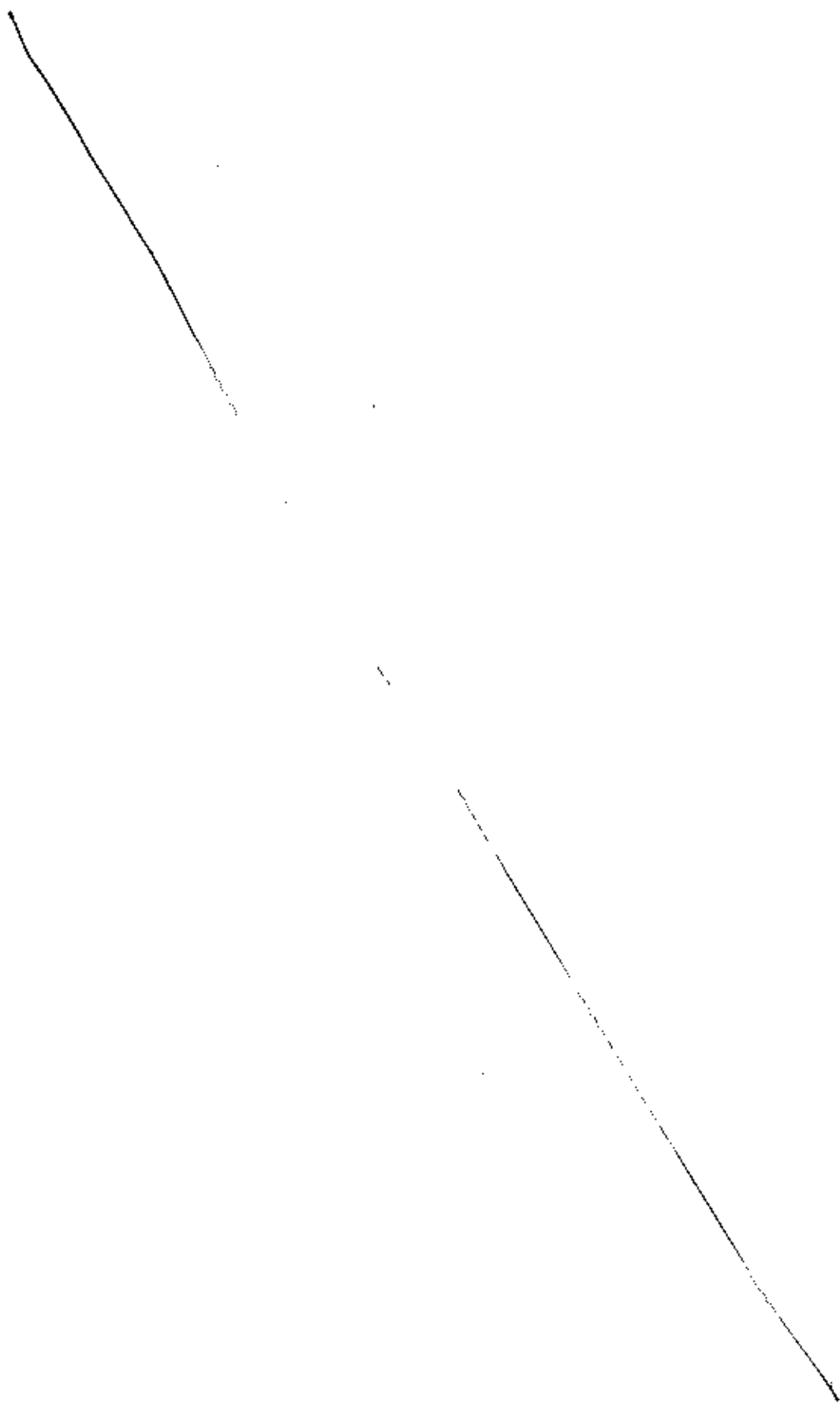
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No.106237W


Chhaya M. Dave

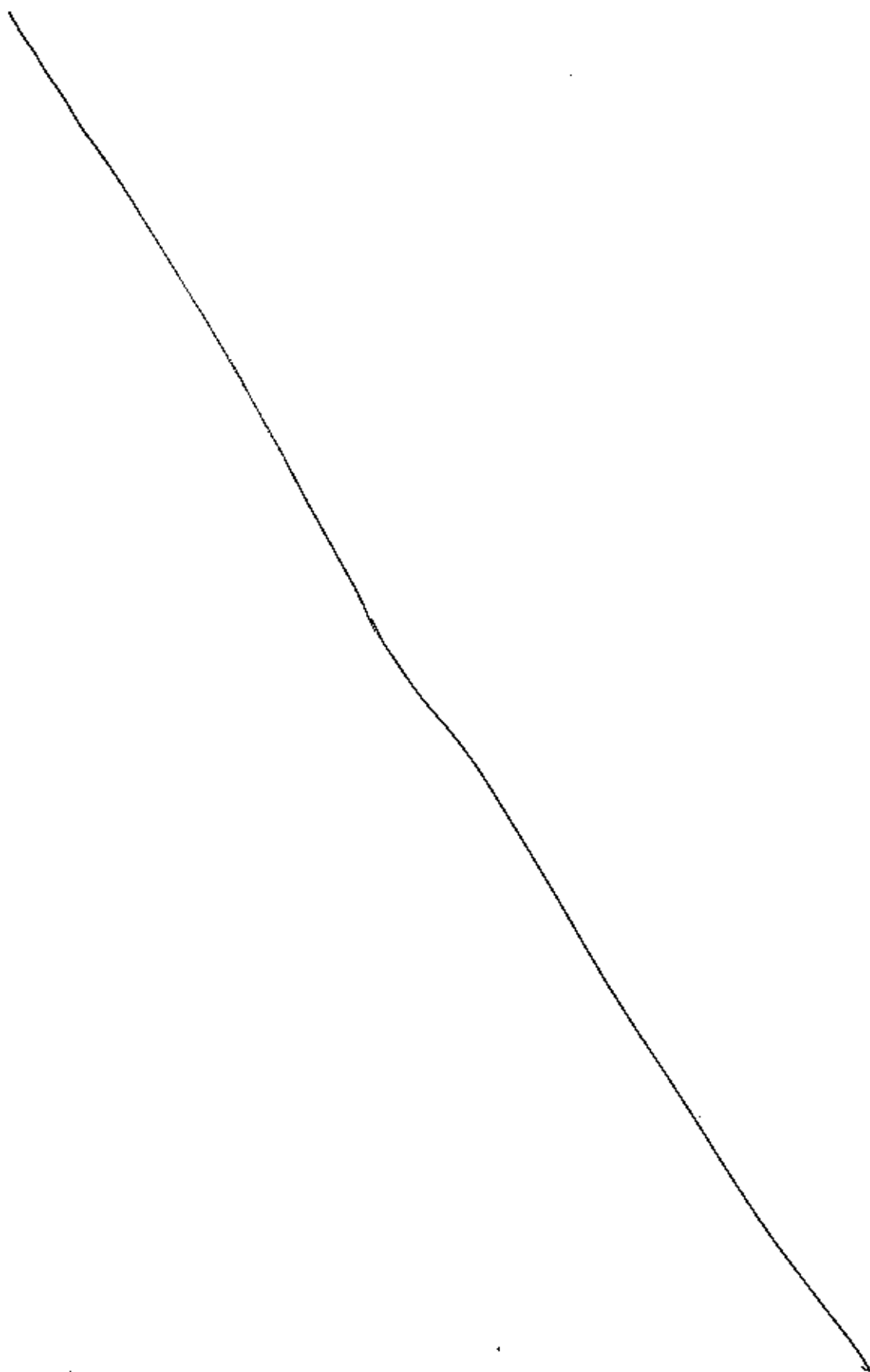
Partner

Membership No. 100434

Place: Vadodara

Date: 26th May, 2016





GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

(Rs. in Lacs)


PARTICULARS	Note No.	AS AT 31-03-2016	AS AT 31-03-2015
I. EQUITY & LIABILITIES			
Shareholders' Funds :			
Share Capital	1	25.00	25.00
Reserves and Surplus	2	11.39	9.03
Current Liabilities :			
Other current liabilities	3	6.11	4.33
Short term provisions		0.14	1.56
TOTAL		42.64	39.92
II. ASSETS			
Current Assets :			
Trade Receivables	4	0.00	0.03
Cash and cash equivalents	5	41.67	38.58
Other Current Assets		0.97	1.31
TOTAL		42.64	39.92
Significant Accounting Policies	8		
Notes to the financial statements	9		

As per our report of even date attached

For K C Mehta & Co.
Chartered Accountants

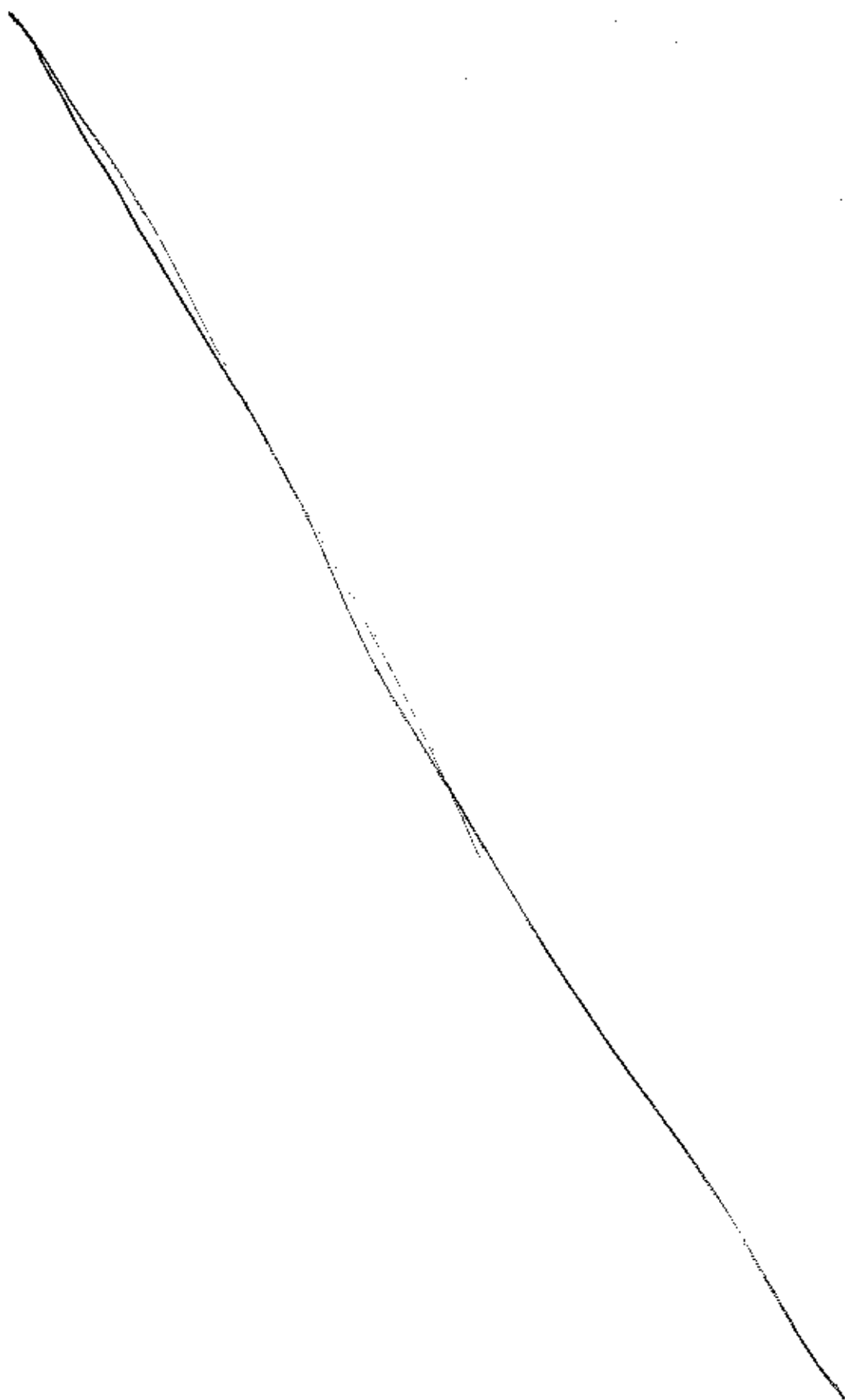
Chhaya M. Dave
 Partner
 Membership No. 100434
For GIPCL PROJECTS AND CONSULTANCY
COMPANY LIMITED

S. P. Desai
 Director
 DIN: 05344270


N K Singh
 Director
 DIN: 07421455


N. K. Purohit
 Director
 DIN: 05341321
Place : **VADODARA**
Date : **26/05/2016**Place : **VADODARA**
Date : **26/05/2016**

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GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

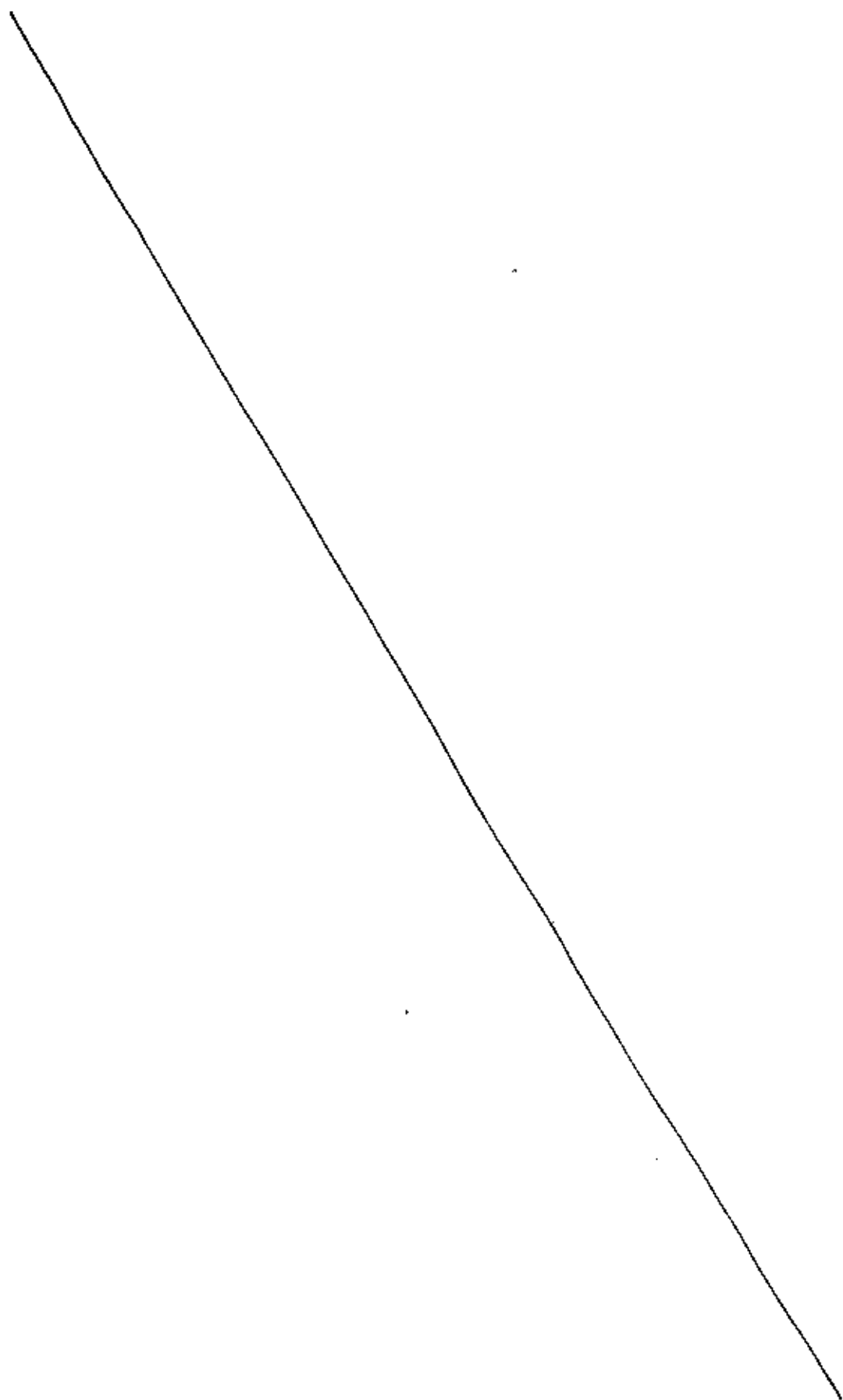
(Rs. in Lacs)			
PARTICULARS	Note No.	For the Year ended 31-03-2016	For the Year ended 31-03-2015
REVENUE :			
Revenue from operation - consultancy		0.00	3.75
Other Income		3.29	5.98
6 TOTAL		3.29	9.71
EXPENSES :			
Administrative and other expenses		0.64	3.05
7 TOTAL		0.64	3.05
Profit before Tax		2.65	6.66
Tax Expenses		0.50	2.15
Tax adjustment for earlier Years		(0.21)	(0.01)
		0.29	2.14
Profit For the Year		2.36	4.52
Earning Per Share (In Rupees)			
Basic and Diluted	9.7	0.94	1.81
Significant Accounting Policies	8		
Notes to the financial statements	9		

As per our report of even date attached

For K C Mehta & Co.
Chartered Accountants

 Chhaya M. Dave
 Partner
 Membership No. 100434
For GIPCL PROJECTS AND CONSULTANCY
COMPANY LIMITED

 S. P. Desai
 Director
 DIN: 05344270


 N K Singh
 Director
 DIN: 07421455


 N. K. Burchit
 Director
 DIN: 05341321
Place : VADODARA
Date : 26/05/2016.Place : VADODARA
Date : 26/05/2016



GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(Rs. in Lacs)


Sr. No.	Particulars	For the Year ended 31-03-2016		For the Year ended 31-03-2015	
A	Cash Flow From Operating Activities :				
	Net Profit before Taxes and Extraordinary Items		2.65		6.66
	Adjustment for :				
	Interest Income	(3.29)	(3.29)	(3.16)	(3.16)
	Operating Profit Before Working Capital Changes		(0.64)		3.50
	Adjustment for :				
	Trade Receivables	0.03		0.53	
	Trade Payable	0.00		(0.07)	
	Other current liabilities and provisions	1.78		1.44	
			1.81		1.80
	Cash Generated from Operations		1.17		5.40
	Payment of Direct Taxes		(1.71)		(1.26)
	Net Cash Flow from Operating Activities (Total - A)		(0.54)		4.14
B	Cash Flow from Investing Activities :				
	Interest Received	3.53		2.58	
	Net Cash Flow from Investing Activities (Total - B)		3.53		2.58
C	Cash Flow from Financing Activities :				
	Net Cash Flow from Financing Activities (Total - C)		0.00		0.00
	Net Increase in Cash and Cash Equivalents (Total - A+B+C)		3.09		6.72
	Opening Cash and Cash Equivalents		38.58		31.86
	Closing Cash and Cash Equivalents		41.67		38.58
Notes: 1. The Cash flow statement has been prepared by the indirect method as set out in the Accounting Standard-3 on "Cash Flow Statements".					
2. Cash and Cash equivalents includes :					
	- Cash on hand		0.00		0.00
	With Scheduled Banks :				
	- Current Accounts		1.43		0.23
	- Deposit Accounts		40.24		38.35
			41.67		38.58
	TOTAL		41.67		38.58

As per our report of even date attached

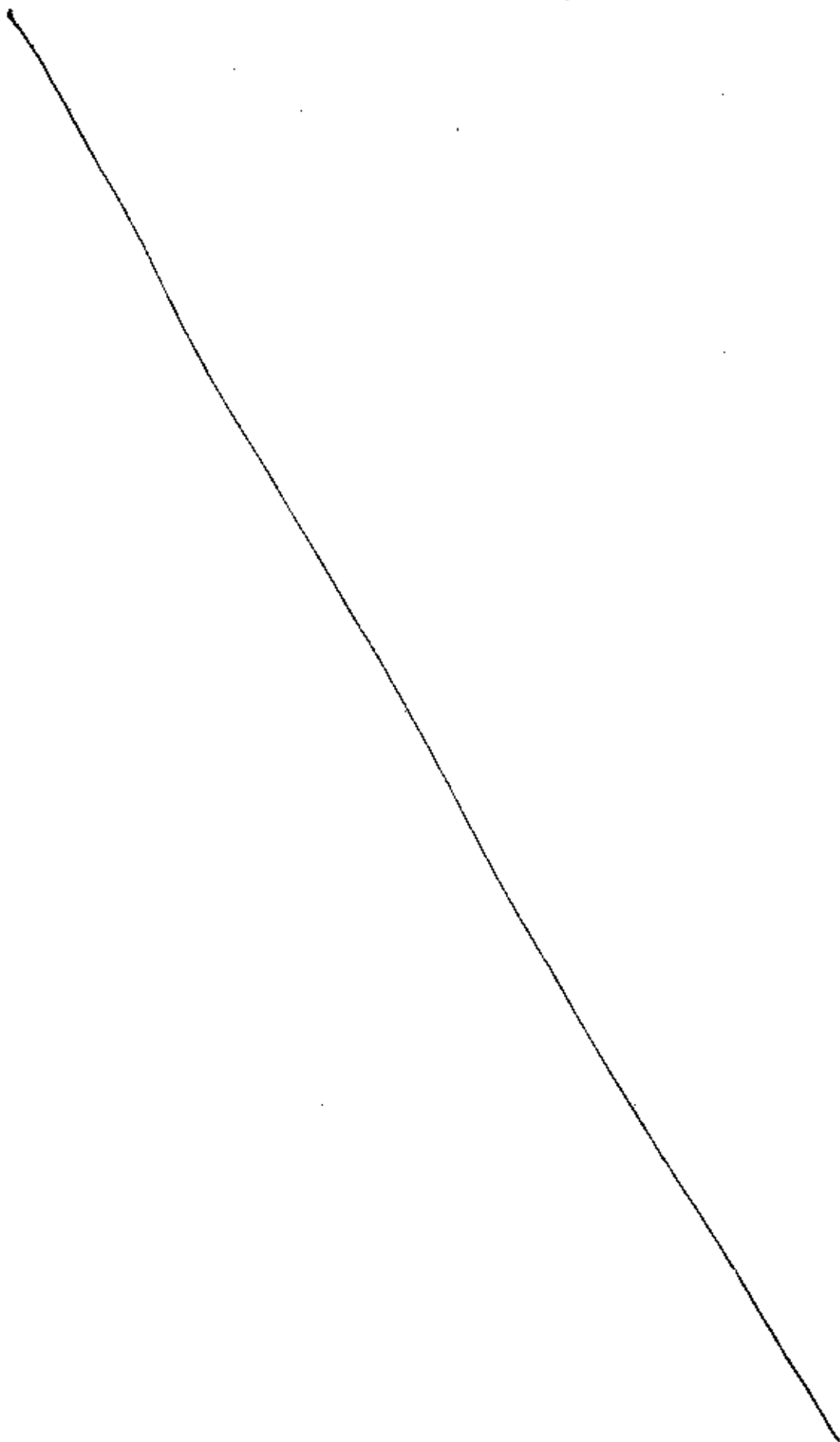
For K C Mehta & Co.
Chartered Accountants

Chhaya M. Dave
 Partner
 Membership No. 100434
For GIPCL PROJECTS AND CONSULTANCY
COMPANY LIMITED

S. P. Desai
 Director
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N. K. Purohit
 Director
 DIN: 05341321
Place : VADODARA
Date : 26/05/2016Place : VADODARA
Date : 26/05/2016

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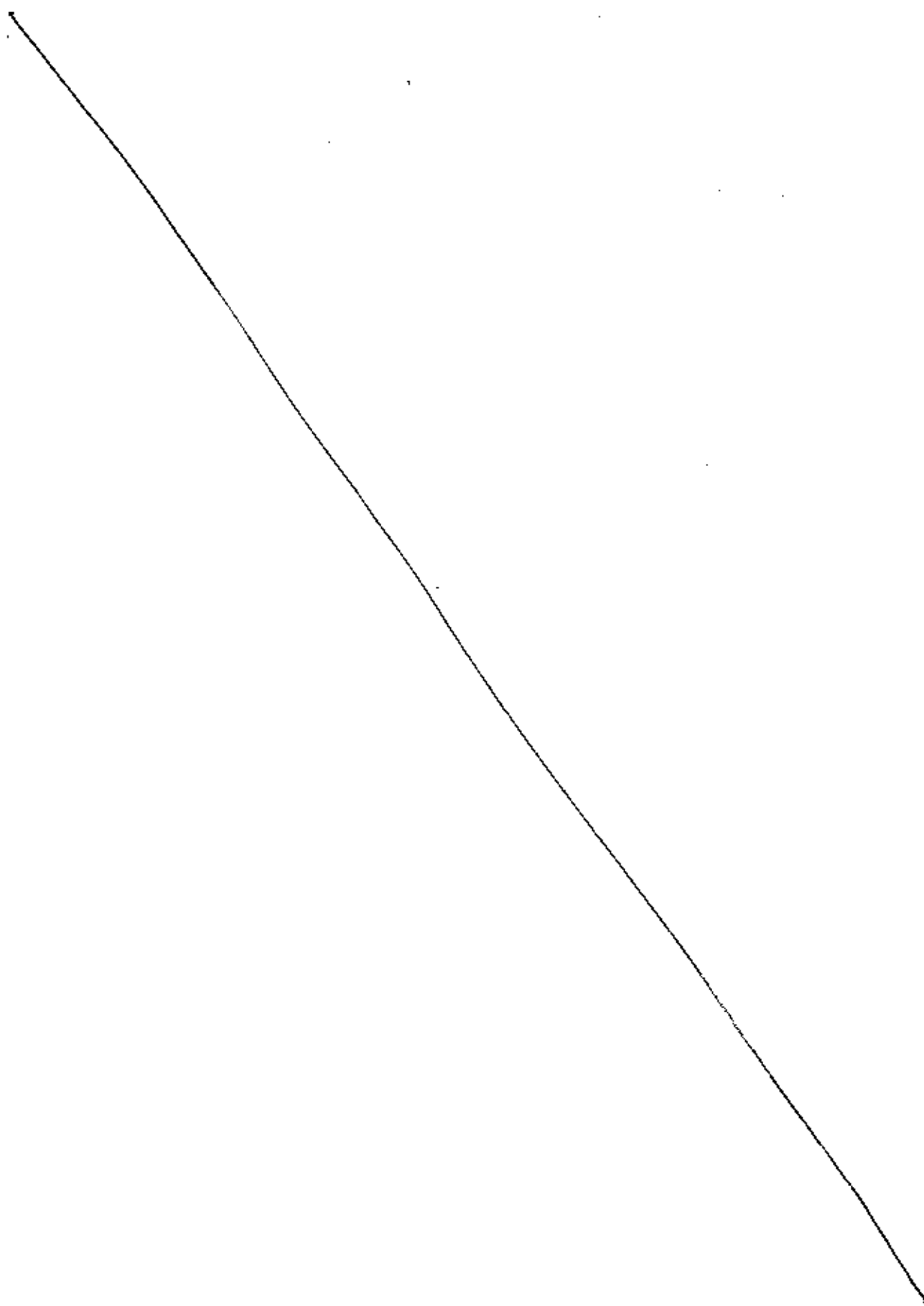
GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

(Rs. in Lacs)

PARTICULARS		AS AT 31-03-2016	AS AT 31-03-2015
Note no. 1 SHARE CAPITAL AUTHORISED 50,00,000 Equity Shares of Rs.10/-each		TOTAL 500.00 500.00	500.00 500.00
ISSUED, SUBSCRIBED AND PAID UP 2,50,000 Equity Shares of Rs.10/-each fully paid		TOTAL 25.00 25.00	25.00 25.00
NOTE NO. 1(a) A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:			
Particulars		NO. OF SHARES	AMOUNT (Rs. in Lacs)
As at 1st April, 2014		250000	2,500,000.00
Additions/(Reductions)		0	0.00
As at 31st March, 2015		250000	2,500,000.00
As at 1st April, 2015		250000	2,500,000.00
Additions/(Reductions)		0	0.00
As at 31st March, 2016		250000	2,500,000.00
NOTE NO. 1(b) Shares held by holding company are as under :			
Holding Company	Percentage	2015-2016 No of Shares	2014-2015 No of Shares
Gujarat Industries Power Company Limited	100	250,000	250,000
NOTE NO. 1(c) List of share holders holding more than 5% shares			
Name of Share Holder	Percentage	2015-2016 No of Shares	2014-2015 No of Shares
Gujarat Industries Power Company Limited	100	250,000	250,000
NOTE NO. 1(d) Right, preferences and restrictions attached to Equity shares : For all matters submitted to vote 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 one vote in respect of each share held. 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.			
Note No.2 RESERVE AND SURPLUS : Surplus in Statement of Profit & Loss Opening balance Add: Net profit for the current year		TOTAL 9.03 2.36 11.39	4.51 4.52 9.03





GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED

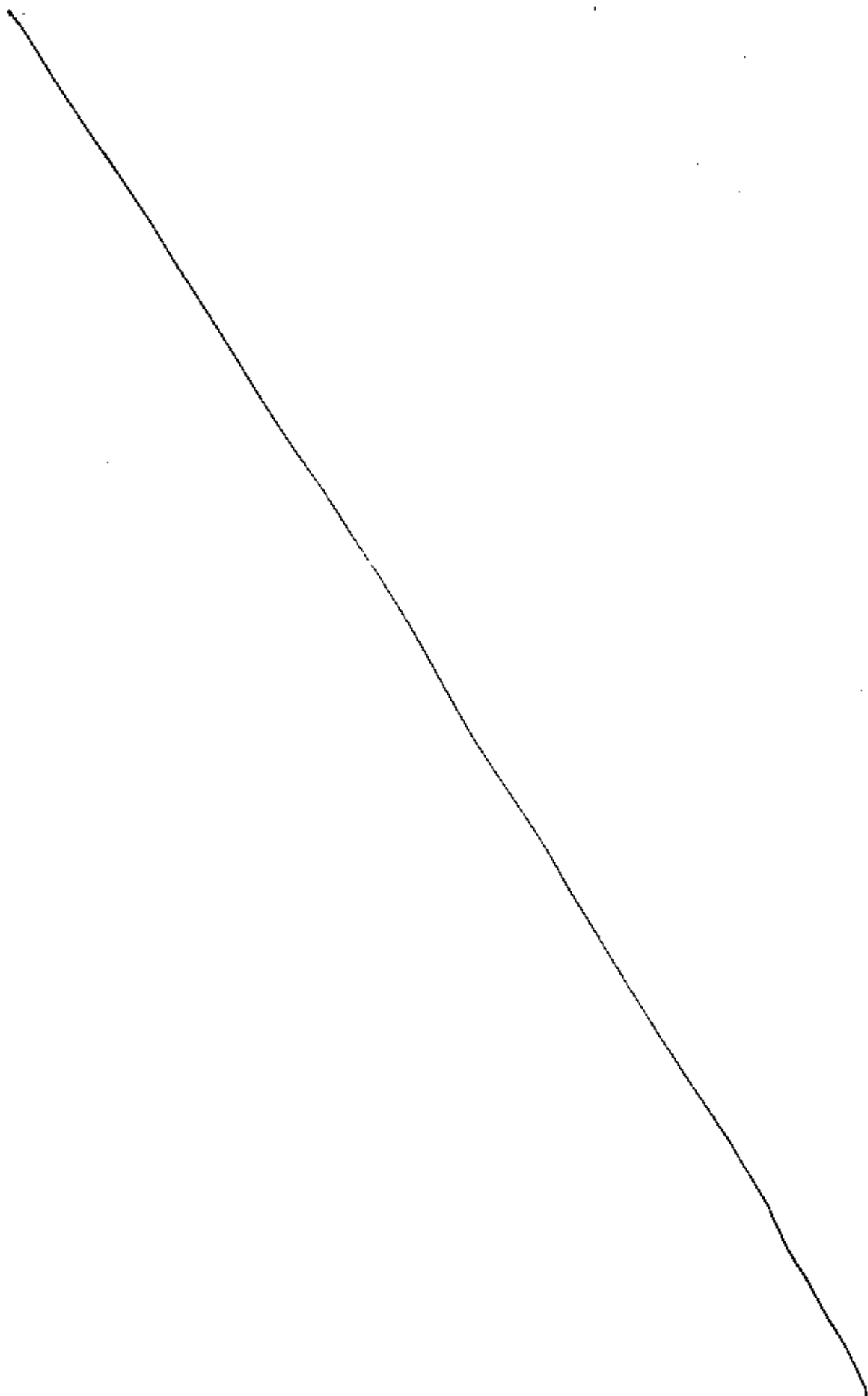
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENT

(Rs. in Lacs)

PARTICULARS		AS AT 31-03-2016	AS AT 31-03-2015
Note No.3			
OTHER CURRENT LIABILITIES :			
Advances from related Party		0.00	3.87
Other Payable		6.11	0.46
TOTAL		6.11	4.33
Note No. 4 -			
TRADE RECEIVABLES			
Unsecured (Considered good)			
Overdue for a period more than Six months		0.00	0.00
Not due/overdue for a period less than Six months		0.00	0.03
TOTAL		0.00	0.03
Note No. 5			
Cash & Cash Equivalents			
Cash on hand		0.00	0.00
Balances with Banks :			
- In Current Accounts		1.43	0.23
- In Deposit Accounts		40.24	38.35
TOTAL		41.67	38.58
Note No.6			
OTHER INCOME:			
Interest on Fixed Deposit		3.29	3.16
Training Fees		0.00	2.78
Interest Others		0.00	0.02
TOTAL		3.29	5.96
Note No.7			
ADMINISTRATION AND OTHER EXPENSES			
Legal, Consultancy and other Expenses		0.29	0.63
Audit Fees		0.29	0.22
Printing & Stationery		0.00	0.08
Entertainment		0.00	0.43
Travelling Expenses		0.00	0.04
Office Expenses		0.06	1.65
TOTAL		0.64	3.05



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NOTE NO. 8 : 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 in India. The applicable mandatory Accounting Standards notified under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rule, 2014 have been followed in preparation of these financial statements.

2. USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

3. INVESTMENTS

Investments are either classified as current or long term based on the management contention at the time of purchase. Long term investments are shown at cost. However, when there is decline, other than temporary in the value of long term investment, the carrying amount is reduced to recognize the decline. Current investments are stated at lower of cost or market value.

4. TAXATION

- a. Provision for Current Tax is made on the basis of estimated tax payable for the year as per the applicable provisions of the Income Tax Act, 1961.
- b. MAT credit is recognized 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. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.

5. REVENUE RECOGNITION

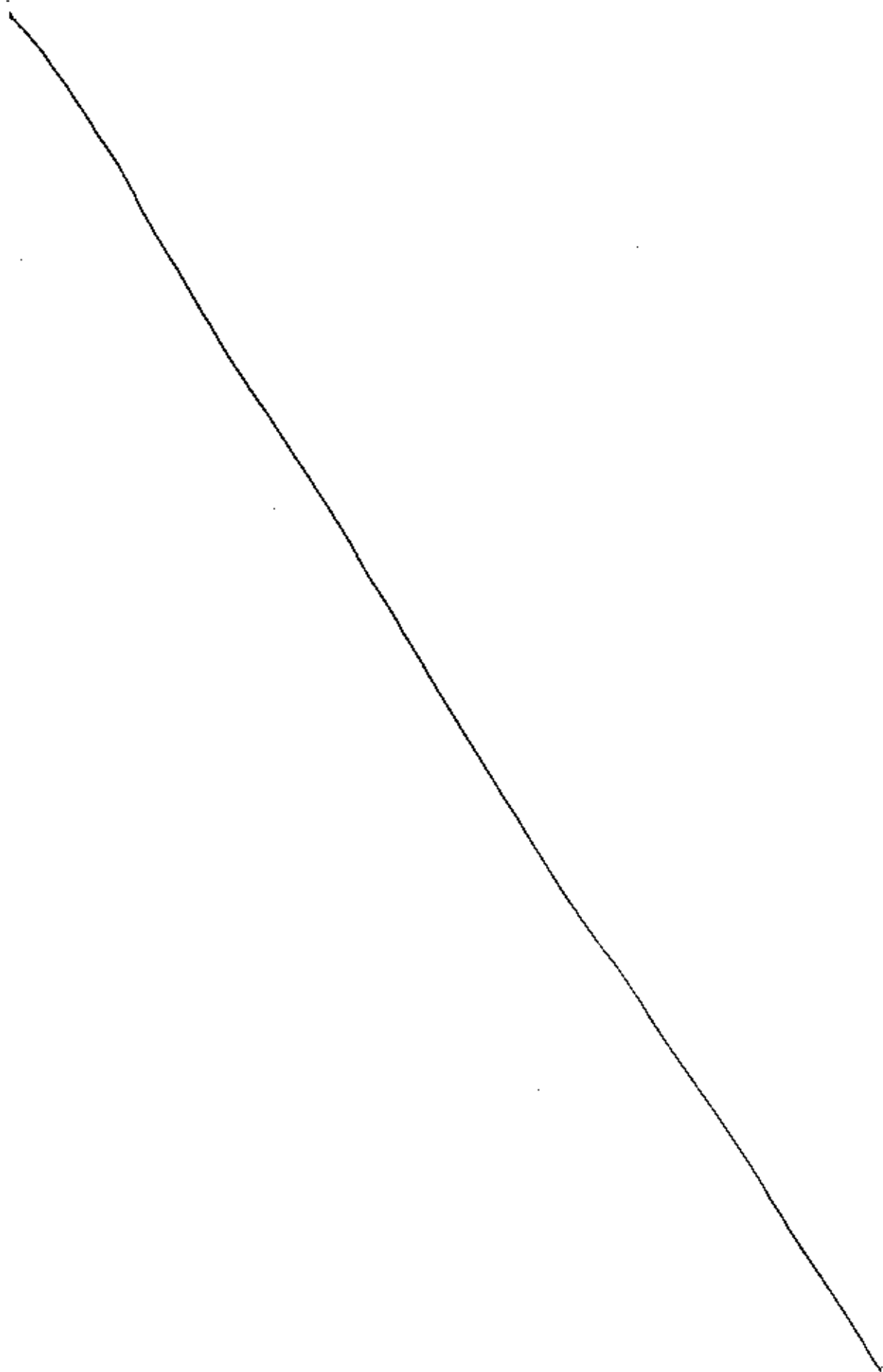
- a. Revenue from operations is recognized when no significant uncertainty as to the measurability or ultimate collection exists.
- b. Revenues from contracts are recognized on pro-rata over the period of the contract.
- c. Interest on investment is booked on a time proportion basis taking into account the amounts invested and the rate of interest.
- d. Other income is recognised on accrual basis except when realization of such income is uncertain.

6. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed.



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GIPCL PROJECTS AND CONSULTANCY COMPANY LIMITED

NOTE NO. 9: NOTES TO FINANCIAL STATEMENTS

1. The value of realizations of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
2. No deferred tax assets/liabilities are arising out of significant timing differences as on 31/03/2016.
3. Contingent liability of the company not accounted for as on 31/03/2016 is Rs. Nil (P.Y. Rs. Nil).
4. Estimated amount of contracts remaining to be executed and not provided for (Net of Advances) is Rs. Nil (Previous Year Rs. Nil)

5. Related Party Disclosures:

In accordance with the Accounting Standard 18 – Related Party Disclosures the transactions with related party are given below:

Name of the Related Party	Nature of Relationship
Gujarat Industries Power Company Ltd	Parent Company
Shri S P Desai Shri K.S.Munshi	Key Management Personnel

Details of Transactions with Parent Company

(Rs. in Lacs)

Sr. No.	Nature of Transactions	2015-16	2014-15
(A)	Value of transactions		
1	Facility charges	Nil	1.48
2	Training Fees Received	Nil	0.26
3	Reimbursement of Expenses	0.03	Nil
4	Payment made by parent company	1.97	Nil
(B)	Outstanding balance		
	Payables	6.11	4.11

6. Payment to Auditors:

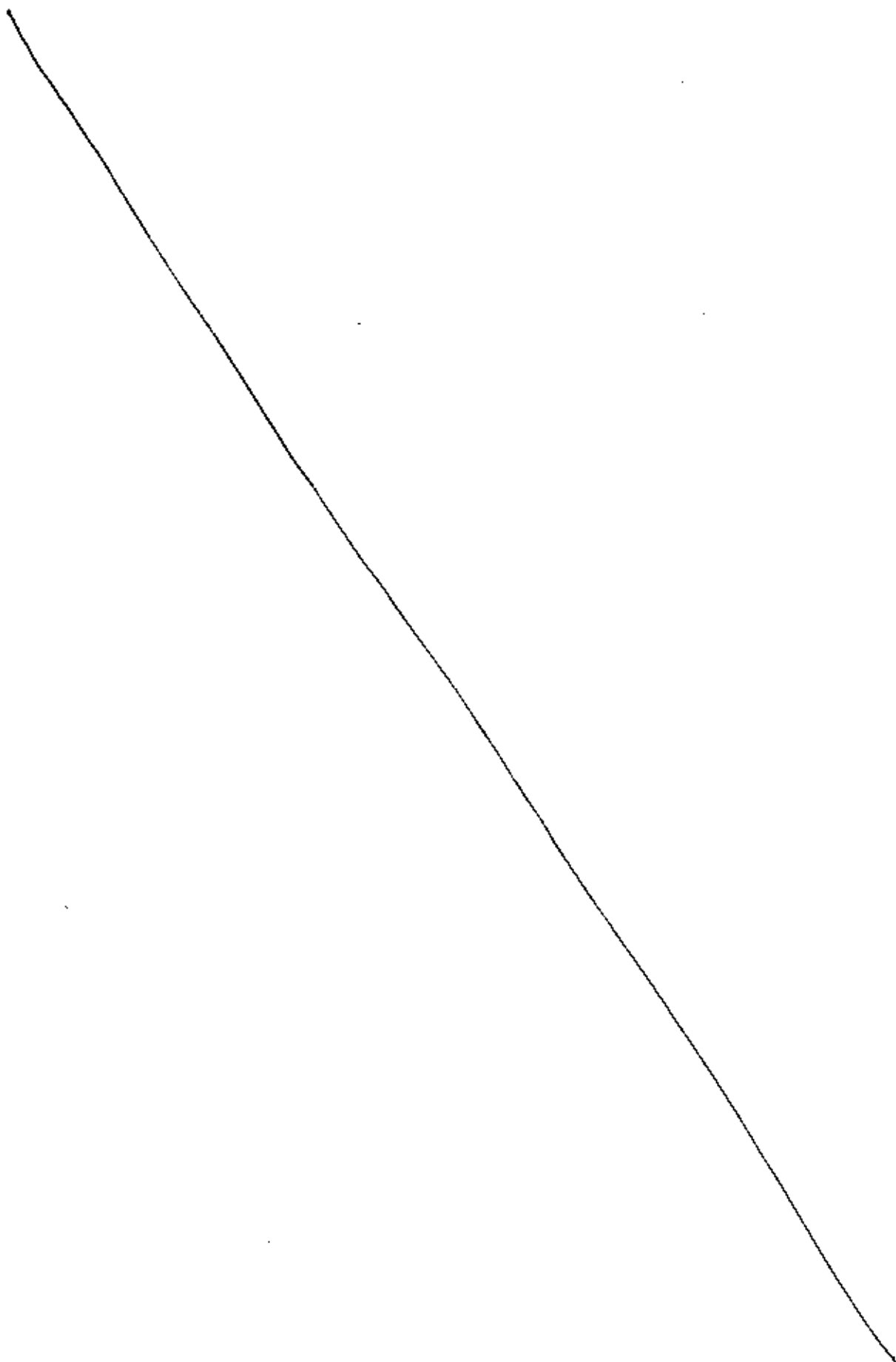
(Rs. in Lacs)

		2015-16	2014-15
a	Statutory Auditors (Fees excluding service tax)		
	-Statutory Audit Fees	0.25	0.22
	- Taxation Matters	0.08	0.00
	-Company Law Matters	0.10	0.08
	Total	*0.43	0.30

* Includes amount paid to previous auditors Rs. 0.18 Lacs.



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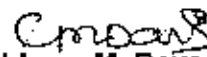
7. In accordance with Accounting Standard 20 - Earnings Per Share, the Basic and Diluted Earnings Per Share (EPS) has been calculated as under :

Particulars	(Rs. in Lacs)	
	2015-16	2014-15
Net Profit after Tax	2.36	4.52
Weighted Average number of Equity Shares outstanding (Nos.)	250000	250000
Earning Per Share of Rs. 10/- each (Rs.) Basic and diluted	0.94	1.81

8. The Financial statement for the year 2014-15 were audited and certified by another independent firm of Chartered accountant. Previous year figures have been taken from such audited accounts and have been reclassified and regrouped wherever necessary to confirm to current year's classification.

As per our report of even date attached

For K C Mehta & Co.
Chartered Accountants


Chhaya M. Dave

Partner
Membership No.100434

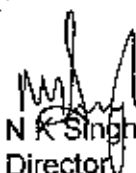


Place : VADODARA
Date : 26/05/2016.

For GIPCL PROJECTS AND CONSULTANCY
COMPANY LIMITED



S. P. Desai
Director
DIN: 05344270



N K Singh
Director
DIN: 07421455



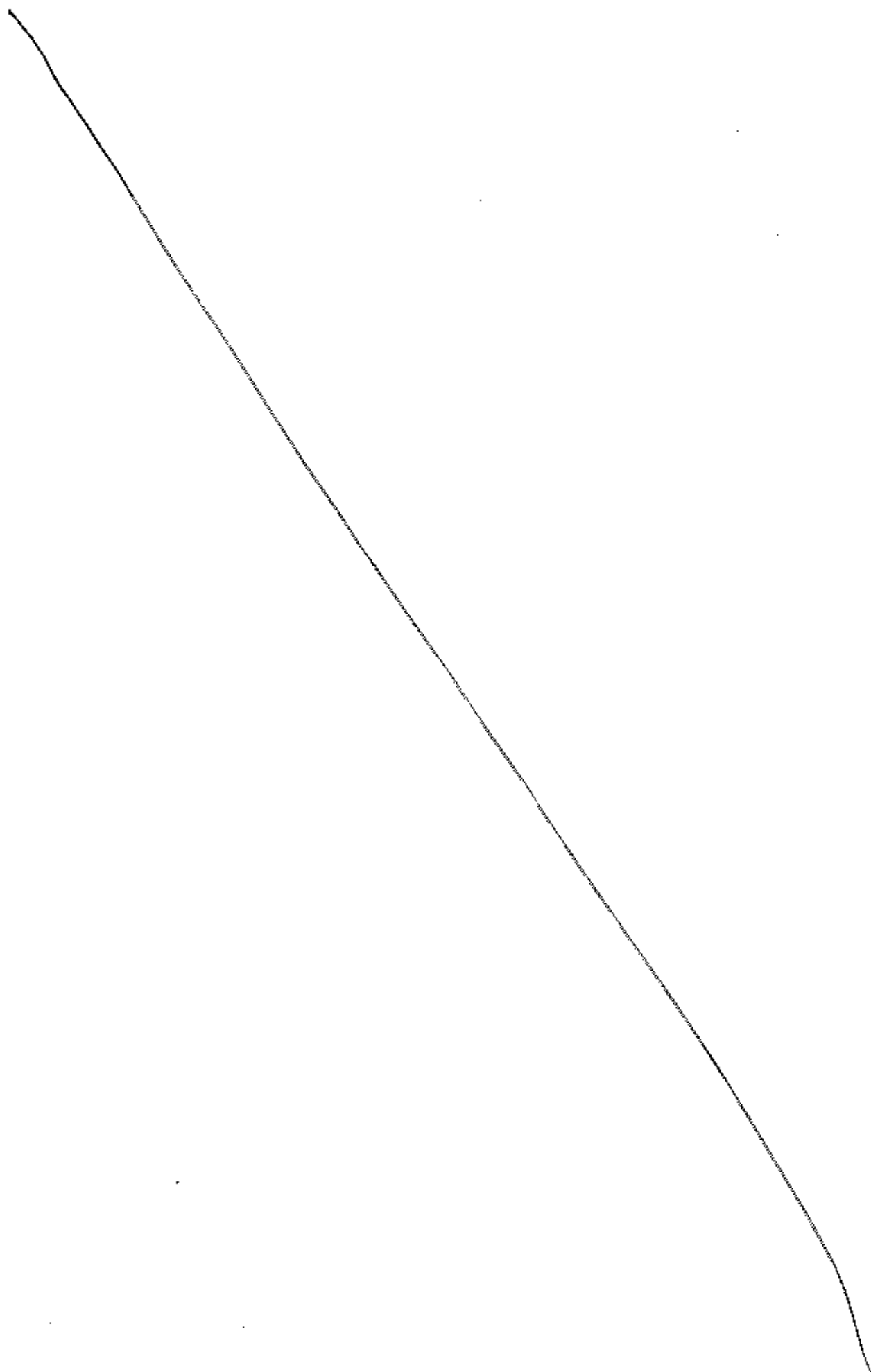
N. K. Purohit
Director
DIN:05341321

Place : Vadodara
Date : 26/05/2016

CERTIFIED TRUE COPY
For GIPCL Projects and Consultancy Co. Ltd.


Director

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ओरियन्टल बैंक ऑफ कॉमर्स
ORIENTAL BANK OF COMMERCE
Not over ***1.05.001 आगे करने वाली शाखा ISSUING BRANCH

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मंजूर जाने पर * BSE LIMITED ***
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For: ORIENTAL BANK OF COMMERCE

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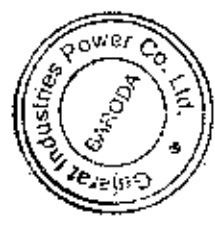
एह ट्ट दह एला वला एक दक
OT TT OL OC IC 481839/16 A/C Payee Only

हमारी सभी शाखाओं से समुल्य पर देय
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Please sign above

MTL/DD/H (CBS BRANCH)

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