

U.P. POWER CORPORATION LIMITED

BALANCE SHEET

AS AT

31st MARCH 2015

&

PROFIT & LOSS STATEMENT

FOR THE PERIOD ENDED ON

31st MARCH 2015

Registered Office :- 14, Ashok Marg, Lucknow - 226 001.

CONTENTS

Sl.No.	Particulars
1	Standalone Balance Sheet
2	Standalone Statement of Profit & Loss
3	Note (1 - 28)
4	Significant Accounting Policies - Note 29(A)
5	Notes on Accounts - Note 29(B)
6	Standalone Cash Flow Statement
7	Statutory Auditors Report on standalone financial statement
8	Management Replies on Statutory Auditor's Report of Standalone Financial Statement
9	Comments of the comptroller And Auditors General of India on Standalone Financial Statement
10	Management Replies to CAG's comments on standalone financial statement

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

BALANCE SHEET AS AT 31st MARCH 2015

(Amount in Rs.)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholders funds :			
(a) Share Capital	1	397508184000	356902268000
(b) Reserve & Surplus	2	(462918225029)	(361794468664)
(c) Money received under share warrants		-	-
(2) Share Application Money pending Allotment	3	101796468229	50505918031
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	479596150237	491836436955
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-Term Liabilities	5	-	921611825
(d) Other Long-Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	6	13372733689	10358017207
(b) Trade Payable	7	165215162180	134465712903
(c) Other Current Liabilities	8	36605098134	13551446382
(d) Short-Term Provisions		-	-
TOTAL		731175571440	696746942639
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	297983368	295889715
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress	10	184839891	2082859161
(iv) Intangible Assets under Development		-	-
(b) Non-Current Investments	11	22866067767	19629230364
(c) Deferred Tax Assets (Net)		-	-
(d) Long-Term loans and advances	12	1755000000	1855766257
(e) Other Non-Current Assets	13	278707362982	484905812285
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	14	15328123	1441594540
(c) Trade Receivables	15	172927874651	147103575673
(d) Cash and Cash Equivalents	16	10591756175	9858907909
(e) Short-Term Loans and Advances	17	1019728558	863047989
(f) Other Current Assets	18	241244181030	26900214908
Inter Unit Transfers		1565448897	1810043838
Significant Accounting Policies	29(A)		
Notes on Accounts	29(B)		
Note 1 to 29(B) form integral Part of Accounts.			
TOTAL		731175571440	696746942639

(H.K. Agarwal)
Company Secretary
(Part Time)

(A.K. Gupta)
Chief General Manager
(Accounts)

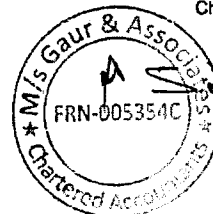
(Sudhanshu Dwivedi)
Director (Finance)
DIN - 6533235

(A.P. Mishra)
Managing Director
DIN - 05183625

Place : Lucknow
Date :

10 MAY 2017

Subject to our report of even date
For Gaur & Associates
Chartered Accountants
FRN No. 0005354C

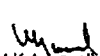


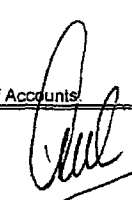
(S.K. Gupta)
Partner
M. No. 016746

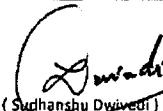
U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2015

(Amount in Rs.)			
Particulars	Note No.	Figures for the Current Reporting Period	Figures for the end of Previous Reporting Period
(I) Revenue from Operations (Gross)	19	368387494250	365210511053
(II) Revenue Subsidies & Grants		-	-
(III) Other Income	20	275617280	249108439
(IV) TOTAL REVENUE (I + II +III)		368663111530	365459619492
EXPENSES			
1 Cost of Materials Consumed		-	-
2 Purchases of Stock-in-Trade (Power Purchased)	21	368553063416	332336362632
3 Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade		-	-
4 Employee Benefits Expense (Employee Cost)	22	1373681408	1384763461
5 Finance Costs (Interest and Finance Charges)	23	1645916692	1746034571
6 Depreciation and Amortization expense	24	18321669	22940756
7 Other Expenses			
a) Administrative, General & Other Expenses	25	251226551	192290081
b) Repairs and Maintenance Expenses	26	137420925	59514111
c) Bad Debts & Provisions	27	126650471732	41186280993
(V) TOTAL EXPENSES		498630102393	376928186605
VI Profit before Prior Period Income/(Expenditure), Exceptional and Extraordinary Items and Tax (IV - V)		(129966990863)	(11468567113)
VII Prior period Income/(Expenditure)	28	3276187420	(3429136440)
VIII Exceptional Items		-	-
IX Profit before Extraordinary Items and Tax (VI - VII - VIII)		(126690803443)	(14897703553)
X Extraordinary Items		-	-
XI Profit before Tax (IX - X)		(126690803443)	(14897703553)
XII Tax expense:			
a) Current Tax		-	-
b) Deferred Tax		-	-
XIII Profit (Loss) for the Period from Continuing Operations (XI - XII)		(126690803443)	(14897703553)
XIV Profit/(Loss) from Discontinuing Operations		-	-
XV Tax Expense of Discontinuing Operations		-	-
XVI Profit/(Loss) from Discontinuing Operations (After Tax) (XIV-XV)		-	-
XVII Profit/(Loss) for the Period (XIII + XVI)		(126690803443)	(14897703553)
XVIII Earnings per Equity Share:			
a) Basic		(324.23)	(41.74)
b) Diluted		(324.23)	(41.74)
Significant Accounting Policies	29(A)		
Notes on Accounts	29(B)		
Note 1 to 29(B) form Integral Part of Accounts			


(H.K. Agarwal)
Company Secretary
(Part Time)


(A.K. Gupta)
Chief General Manager
(Accounts)

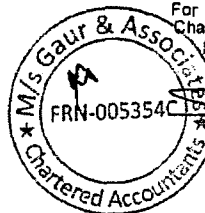

(Sudhanshu Dwivedi)
Director (Finance)
DIN - 6533235

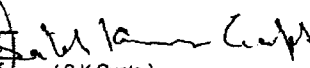

(A.P. Mishra)
Managing Director
DIN - 05183625

Place : Lucknow
Date :

10 MAY 2017

Subject to our report of even date
For Gaur & Associates
Chartered Accountants
FRN No. 0005354C




(S.K. Gupta)
Partner
M. No. 016746

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 1

SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
(A) AUTHORISED :		
600000000 Equity share of par value of Rs.1000/- each (previous year 600000000 Equity share of par value Rs.1000/- each)	<u>600000000000</u>	<u>600000000000</u>
(B) ISSUED SUBSCRIBED AND FULLY PAID UP		
397508184 Equity share of par value Rs.1000/- each (previous year 356902268 Equity share of par value Rs.1000/- each) (of the above shares 36113400 were allotted as fully paid up pursuant to UP Power Sector Reform Scheme for consideration other than cash)	397508184000	356902268000
TOTAL	397508184000	356902268000

- a) During the year, the Company has issued 40605916 Equity shares of Rs.1000 each only and has not bought back any shares.
- b) The Company has only one class of equity shares having a par value Rs. 1000/- per share.
- c) During the year ended 31st March 2015, no dividend has been declared by board due to heavy accumulated losses.

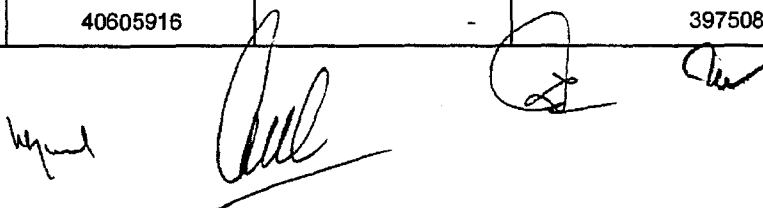
d) Detail of Shareholders holding more than 5% shares in the Company:

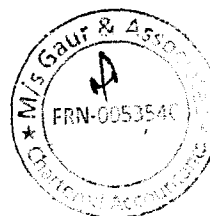
Shareholder's Name	As at 31.03.2015		As at 31.03.2014	
	No. of shares	%age holding	No. of shares	%age holding
Government of UP	397508184	100%	356902268	100%

e) Reconciliation of No. of Shares

(Amount in Rs.)

No. of Shares as on 31.03.2014	Issued during the year	Buyback during the year	No. of Shares as on 31.03.2015
356902268	40605916	-	397508184





U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 2

RESERVES AND SURPLUS

(Amount in Rs.)			
Particulars	As at 31.03.2015	As at 31.03.2014	
A Capital Reserves			
(i) Consumers Contributions towards Service Line and other charges			
As per last financial statement	0	116157947	
(ii) Subsidies towards Cost of Capital assets			
As per last financial statement	0	2729354675	
(iii) Others	1959511681	0	
B Other Reserves			
(i) Restructuring Reserve	5507599588	(17843038434)	
Surplus			
As per last financial statement	(346796942852)	(331899239299)	
Less - Adjustments of Transfer Schemes	(3102409997)		
	<u>(343694532855)</u>	<u>(331899239299)</u>	
Add:- Profit/(Loss) for the year as per statement of Profit & Loss	(126690803443) (470385336298)	(14897703553)	(346796942852)
TOTAL	(462918225029)	(361794468664)	

NOTE - 3

SHARE APPLICATION MONEY

(Amount in Rs.)		
Particulars	As at 31.03.2015	As at 31.03.2014
Share Application Money (Pending for allotment to the Govt. of UP)	101796468229	50505918031
TOTAL	101796468229	50505918031

Reconciliation of Share Application Money

(Amount in Rs.)

Share Application Money as on 31.03.2014	Received during the year	Allotted during the year	Share Application Money as on 31.03.2015
50505918031	91896466198	40605916000	101796468229

Handwritten signatures and initials:
 [Signature] [Signature] [Signature]



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 4

LONG-TERM BORROWINGS

(Amount in Rs.)

PARTICULARS	As at 31.03.2015	As at 31.03.2014	
A. UNSECURED LOANS -			
TERM LOANS :			
<u>Govt of UP</u>			
Loan	0	15000000	
Less - Transfer to DISCOMS	0	15000000	
<u>Financial Participation by Consumers</u>			
Loan	0	70937278	
Less - Transfer to Discoms	0	48145084	
	0	22792194	
Add - Interest accrued & due	0	12944326	35736520
Sub Total (A)	0	0	35736520
B. BONDS/LOANS RELATE TO DISCOMS			
(a) Dakshinanchal VVNL			
<u>SECURED</u>			
9.68% Non Convertible Bonds	32304812225	48457233682	
Banks	98926216546	92563908150	
<u>UNSECURED</u>			
REC	12606244731	11198770770	
PFC	20263687306	11287652870	
HUDCO	1260795396	1557346653	165064912105
(b) Madhyanchal VVNL			
<u>SECURED</u>			
9.68% Non Convertible Bonds	20194064875	30291107042	
Banks	46769292076	46067627447	
<u>UNSECURED</u>			
REC	12284159031	7876685070	
PFC	12122065106	7932246170	
HUDCO	1488878012	1606741511	93774407240
(c) Paschimanchal VVNL			
<u>SECURED</u>			
9.68% Non Convertible Bonds	19998673225	29548019182	
Banks	39733341459	41795823734	
<u>UNSECURED</u>			
REC	8852382171	7444908210	
PFC	10990191796	7499108310	
HUDCO	2029258542	1642572183	87930429618
(d) Purvanchal VVNL			
<u>SECURED</u>			
9.68% Non Convertible Bonds	26610989175	39916466386	
Banks	58374496489	57800474139	
<u>UNSECURED</u>			
REC	13164307551	8756833580	
PFC	14053022876	8830049890	
HUDCO	1057788511	1593335653	116897159658
(e) Kesco			
<u>SECURED</u>			
9.68% Non Convertible Bonds	6593980400	9890973728	
Banks	14179104688	14259070965	
<u>UNSECURED</u>			
REC	3076672748	1982802360	
PFC	2961747202	2000944760	28133791813
Sub-Total (B)	479596150237	491800700435	
GRAND TOTAL LOAN (A+B)	479596150237	491836436955	

Note - The terms of repayment, default details and security/guarantee details have been annexed with this note. (Refer Annexure to Note - 4)

Handwritten signature

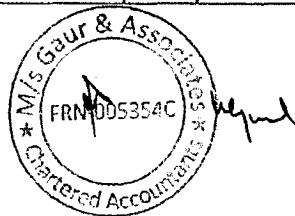
Handwritten signature



DISCLOSURE OF BORROWINGS AS REQUIRED IN SCHEDULE - III OF COMPANIES ACT 2013

(Annexure to Note - 4)

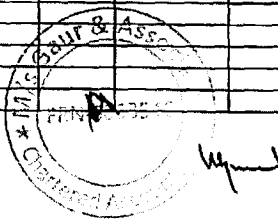
Name of Bank	Repayment Terms				Outstanding as on 31.03.2015			Default as on 31.03.2015			Aggregate Amount of Guaranteed Loans	Secured						
	Drawl Date	Date of Restructuring/ Drawl Date	Instalment (Months)	Repayent Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal			Interest	Principal Default w.e.f.	Interest Default w.e.f.			
(A) Unsecured GoUP Term Loan (Interest Accrued & Due)																		
Total Borrowings (UPPCL)												-	0	0	0	-	-	-
(B) Loans related to Discoms Secured Loan																		
(A) Union Bank of India		31.03.12	84	Apr-15	12.25% to 13.00%	GoUP Guarantee							Mar-15					
PasVVNL							3786085077	25998478	3812083555		25998478			3812083555				
DVVNL							9558564506	66841223	9625405729		66841223			9625405729				
MVVNL							4535331853	31907532	4567239385		31907532			4567239385				
PoorVVNL							5656954885	38668927	5695623812		38668927			5695623812				
KESCO							1369402846	9440210	1378843056		9440210			1378843056				
Sub Total							24906339167	172856370	25079195537		172856370			25079195537				
Less-CM							1491581785		1491581785									
Total							23414757382	172856370	23587613752		172856370							
Allahabad Bank	30.06.11	31.03.12	84	Apr-15	12.25% to 13.50%	GoUP Guarantee							Mar-16					
PasVVNL							2533887773	27909965	2561797738		27909965			2561797738				
DVVNL							4470964494	49060703	4520025197		49060703			4520025197				
MVVNL							2553344564	28150307	2581494871		28150307			2581494871				
PoorVVNL							3345900980	36899390	3382800370		36899390			3382800370				
KESCO							831602189	9169594	840771783		9169594			840771783				
Sub Total							13735700000	151189959	13886889959		151189959			13886889959				
Less-CM							1752236999		1752236999									
Total							11983463001	151189959	12134652960		151189959							
Dena Bank	29.06.10	31.03.12	84	Apr-15	12.25% to 15.75%	GoUP Guarantee							Feb-16					
PasVVNL							1174717269	31756091	1206473360		31756091			1206473360				
DVVNL							2946146555	77304781	3023451336		77304781			3023451336				
MVVNL							1360717013	35001946	1395718959		35001946			1395718959				
PoorVVNL							1700380443	43950290	1744360733		43950290			1744360733				
KESCO							413734370	10784802.37	424519172		10784802			424519172				
Sub Total							7595695650	198827910	7794523560		198827910			7794523560				
Less-CM							511254136		511254136									
Total							7084441514	198827910	7283269424		198827910							
Indian Overseas Bank		31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Mar-15					
PasVVNL							1601126057	17506713	1518632770		17506713			1518632770				
DVVNL							3801031594	43719086	3844750680		43719086			3844750680				
MVVNL							1824814785	21089119	1845903904		21089119			1845903904				
PoorVVNL							2274304151	26336076	2300640227		26336076			2300640227				
KESCO							549338087	6369620	555707907		6369620			555707907				
Sub Total							9950614674	115020814	10065635488		115020814			10065635488				
Less-CM							541539998		541539998									
Total							9409074676	115020814	9524095490		115020814							



[Handwritten Signature]

[Handwritten Signature]

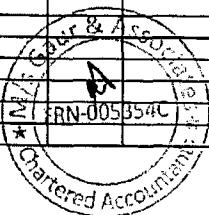
Name of Bank	Repayment Terms						Outstanding as on 31.03.2015			Default as on 31.03.2015				Aggregate Amount of Guaranteed Loans	Secured
	Drawl Date	Date of Restructuring/ Drawl Date	Instalment (Months)	Repaye nt Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Interest Default w.e.f.		
Central Bank of India	26.02.12	31.03.12	84	Apr-15	12.25% to 14.75%	GoUP Guarantee							Jan-15		
PasVVNL							5528292358	174689618	5703981976		174689618			5703981976	
DVVNL							13270736355	412390544	13683126899		412390544			13683126899	Parri
MVVNL							6384655385	199636646	6584492031		199636646			6584492031	Passu/Receivab les and Govt Guarantee
PoorVVNL							7974996902	249802270	8224799172		249802270			8224799172	
KESCO							1946817684	61095153.8	2007912838		61095154			2007912838	
Sub Total							35106698684	1097614232	36204312916		1097614232			36204312916	
Less-CM							2360356956		2360356956						
Total							32746341728	1097614232	33843955960		1097614232				
State Bank of India	24.12.10	31.03.12	84	Apr-15	12.25% to 14.60%	GoUP Guarantee							Mar-15		
PasVVNL							2034225829	22896791	2057122620		22896791			2057122620	Parri
DVVNL							5088032155	56368759	5144400914		56368759			5144400914	Passu/Receivab les and Govt Guarantee
MVVNL							2322345253	25893662	2348238915		25893662			2348238915	
PoorVVNL							2904405839	32456081	2936861920		32456081			2936861920	
KESCO							708290924.1	7926971	716217895		7926971			716217895	
Sub Total							13057300000	145542264	13202842264		145542264			13202842264	
Less-CM							544600000		544600000						
Total							12512700000	145542264	12658242264		145542264				
Canara Bank	25.02.11	31.03.12	84	Apr-15	12.25% to 14.75%	GoUP Guarantee							Feb-15		
PasVVNL							4859757053	39738191	4899495244		39738191			4899495244	Parri
DVVNL							12193243072	101551655	12294794727		101551655			12294794727	Passu/Receivab les and Govt Guarantee
MVVNL							5641408432	46838639	5688247071		46838639			5688247071	
PoorVVNL							7048766914	58225836	7106992750		58225836			7106992750	
KESCO							1714524629	14144964	1728669493		14144964			1728669493	
Sub Total							31457700000	260499285	31718199285		260499285			31718199285	
Less-CM							1756400000		1756400000						
Total							29701300000	260499285	29961799285		260499285				
Punjab National Bank	30.03.12	31.03.12	84	Apr-15	12.25% to 14.75%	GoUP Guarantee							Jan-15		
PasVVNL							6407654907	164227747	6571882654		164227747			6571882654	Parri
DVVNL							16222517377	428234737	16650752114		428234737			16650752114	Passu/Receivab les and Govt Guarantee
MVVNL							7783457320	204033294	7987490614		204033294			7987490614	
PoorVVNL							9701071164	253694336	9954765500		253694336			9954765500	
KESCO							2343472416	61027670	2404500088		61027670			2404500088	
Sub Total							42458173186	1111217784	43569390970		1111217784			43569390970	
Less-CM							2541515218		2541515218						
Total							39916657968	1111217784	41027875752		1111217784				
Vijaya Bank	31.12.10	31.03.12	84	Apr-15	12.25% to 14.60%	GoUP Guarantee							Feb-15		
PasVVNL							1580305998	34254871	1614560867		34254871			1614560867	Parri
DVVNL							4062105239	86377252	4148482491		86377252			4148482491	Passu/Receivab les and Govt Guarantee
MVVNL							1843109709	39582298	1882692007		39582298			1882692007	
PoorVVNL							2295340921	49428664	2344769585		49428664			2344769585	
KESCO							557932787.4	12031934	56994721		12031934			56994721	
Sub Total							10338794652	221675019	10560469671		221675019			10560469671	
Less-CM							705070665		705070665						
Total							9633723987	221675019	9855399006		221675019				



[Handwritten Signature]

[Handwritten Signature]

Name of Bank	Repayment Terms						Outstanding as on 31.03.2015			Default as on 31.03.2015				Aggregate Amount of Guaranteed Loans	Secured
	Draw Date	Date of Restructuring/ Draw Date	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Interest Default w.e.f.		
Bank of India	27.09.10	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Mar-15		
PasVVNL							1308456284	13334794	1321791078		13334794			1321791078	
DVVNL							3262440254	33759661	3316199915		33759661			3316199915	Part
MVVNL							1517625157	15438208	1533063365		15438208			1533063365	Passu/Receivables and Govt Guarantee
PoorVVNL							1896316324	19264414	1915580738		19264414			1915580738	
KESCO							461315227	4688331	466003558		4688331			466003558	
Sub Total							8466153246	86485408	8552638654		86485408			8552638654	
Less-CM							528651192		528651192						
Total							7937502054	86485408	8023987462		86485408				
Oriental Bank of Commerce	15.10.11	31.03.12	84	Apr-15	12.25% to 13.75%	GoUP Guarantee							Mar-15		
PasVVNL							3240230344	35553463	3275783807		35553463			3275783807	
DVVNL							8123678201	83043853	8211722054		83043853			8211722054	Part
MVVNL							3746762786	40834422	3787597208		40834422			3787597208	Passu/Receivables and Govt Guarantee
PoorVVNL							4682486165	51120938	4733807103		51120938			4733807103	
KESCO							1139642504	12455226	1152097730		12455226			1152097730	
Sub Total							20932800000	228007902	21160807902		228007902			21160807902	
Less-CM							1463904762		1463904762						
Total							19468895238	228007902	19696903140		228007902				
Uco Bank	31.03.11	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Jan-15		
PasVVNL							2561485093	78477037	2639962130		78477037			2639962130	
DVVNL							6269744766	190571319	6460316085		190571319			6460316085	Part
MVVNL							2926003597	89757884	3015761481		89757884			3015761481	Passu/Receivables and Govt Guarantee
PoorVVNL							3658092282	112316953	3770409235		112316953			3770409235	
KESCO							893274262	27421688	920695950		27421688			920695950	
Sub Total							16308600000	498544881	16807144881		498544881			16807144881	
Less-CM							1026733332		1026733332						
Total							15281866668	498544881	15780411549		498544881				
Bank of Maharashtra	17.06.10	31.03.12	84	Apr-15	12.25% to 14.75%	GoUP Guarantee							Jan-15		
PasVVNL							793643076	23674697	817317773		23674697			817317773	
DVVNL							1983176541	59704976	2042881517		59704976			2042881517	Part
MVVNL							916219204	27407705	943628909		27407705			943628909	Passu/Receivables and Govt Guarantee
PoorVVNL							1146012983	34232773	1180245756		34232773			1180245756	
KESCO							2789412267	8329437.11	287270664		8329437			287270664	
Sub Total							5117993031	153349588	5271342619		153349588			5271342619	
Less-CM							335127577		335127577						
Total							4782865454	153349588	4936215042		153349588				
Bank of Baroda	31.03.12	31.03.12	84	Apr-15	12.25% to 13.50%	GoUP Guarantee							Jan-15		
PasVVNL							1041451189	7972454	1049423643		7972454			1049423643	
DVVNL							2638137945	18164668	2656302813		18164668			2656302813	Part
MVVNL							1268502417	8978704	1277381121		8978704			1277381121	Passu/Receivables and Govt Guarantee
PoorVVNL							1580793187	11467092	1592280279		11467092			1592280279	
KESCO							381715262	2783738	384499000		2783738			384499000	
Sub Total							6910600000	49286656	6959886656		49286656			6959886656	
Less-CM							374709001		374709001						
Total							6535890999	49286656	6585177655		49286656				

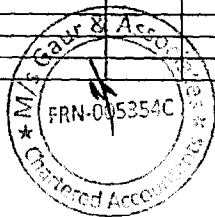


Handwritten signature/initials.

Handwritten signature/initials.

Handwritten signature/initials.

Name of Bank	Repayment Terms						Outstanding as on 31.03.2015			Default as on 31.03.2015				Aggregate Amount of Guaranteed Loans	Secured
	Drawl Date	Date of Restructuring/ Drawl Date	Instalment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.a.f.	Interest Default w.a.f.		
Punjab & Sind Bank	31.03.12	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Jan-16		
PasVVNL							1537577690	48733890	1586311580		48733890				1586311580
DVVNL							3423903383	108532445	3532435828		108532445				3532435828
MVVNL							1746458603	55164836	1801623439		55164836				1801623439
PoorVVNL							2181260376	68926834	2250177210		68926834				2250177210
KESCO							536209948	16951017.5	553160966		16951018				553160966
Sub Total							9425400000	298309023	9723709023		298309023				9723709023
Less-CM							575448572		575448572						
Total							8849951428	298309023	9148260451		298309023				
Corporation Bank	30.03.11	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Jan-16		
PasVVNL							1940109709	61434915	2001544624		61434915				2001544624
DVVNL							4868743147	152766927	5021510074		152766927				5021510074
MVVNL							2254233585	71006975	2325240560		71006975				2325240560
PoorVVNL							2816446711	88835856	2905281567		88835856				2905281567
KESCO							684967848	21622342.9	706590191		21622343				706590191
Sub Total							12564500000	395667016	12960167016		395667016				12960167016
Less-CM							820100000		820100000						
Total							11744400000	395667016	12140067016		395667016				
South Indian Bank	26.05.11	31.03.12	84	Apr-15	12.25% to 13.95%	GoUP Guarantee							Jan-15		
PasVVNL							333133185	10584440	343717625		10584440				343717625
DVVNL							835202847	26154728	861357575		26154728				861357575
MVVNL							385541440	12155684	397697124		12155684				397697124
PoorVVNL							481934364	15224225	497158589		15224225				497158589
KESCO							117265898	3709043	120974941		3709043				120974941
Sub Total							2153077734	67828120	2220905854		67828120				2220905854
Less-CM							138483997		138483997						
Total							2014593737	67828120	2082421857		67828120				
Karur Vysya Bank	11.11.09	31.03.12	84	Apr-15	12.25% to 14.25%	GoUP Guarantee							Jan-16		
PasVVNL							61838456	1993800	63832256		1993800				63832256
DVVNL							157194909	4994347	162189256		4994347				162189256
MVVNL							78852692	2515779	81368471		2515779				81368471
PoorVVNL							97895424	3137154	101032578		3137154				101032578
KESCO							23465185.75	753507.25	24238693		753507				24238693
Sub Total							419066667	13394587	432461254		13394587				432461254
Less-CM							21438096		21438096						
Total							397628571	13394587	411023158		13394587				
Federal Bank		31.03.12	84	Apr-15	12.20% to 13.70%	GoUP Guarantee							Mar-16		
PasVVNL							165864399	1846068	167710467		1846068				167710467
DVVNL							424916016	3970192	428886208		3970192				428886208
MVVNL							212066494	2153613	214220107		2153613				214220107
PoorVVNL							263383175	2696203	266079378		2696203				266079378
KESCO							63169916	660112	63830028		660112				63830028



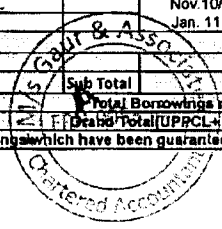
Handwritten signature

Handwritten signature

Handwritten signature

Name of Bank	Repayment Terms						Outstanding as on 31.03.2015			Default as on 31.03.2015				Aggregate Amount of Guaranteed Loans	Secured
	Draw Date	Date of Restructuring/ Draw Date	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Interest Default w.e.f.		
Sub Total							1129400000	11326188	1140726188		11326188			1140726188	
Less-CM							55714286		55714286						
Total							1073685714	11326188	1085011902		11326188				
Syndicate Bank	02.02.11	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Mar-15		
PasVVNL							575774550	6033077	581807627		6033077			581807627	Parti Passu/Receivables and Govt Guarantee
DVVNL							1443292063	14708211	1458000274		14708211			1458000274	
MVVNL							685259572	6869436	672128108		6869436			672128108	
PoorVVNL							831438654	8594923	840033577		8594923			840033577	
KESCO							202383811.4	2099686.53	204483498		2099687			204483498	
Sub Total							3718147750	38305334	3756453084		38305334			3756453084	
Less-CM							225436611		225436611						
Total							3492711139	38305334	3531016473		38305334				
Sub Total	Sub Total						275752764441	5314948339	281867702781	-	5314948339	-	-	281067702781	
Less-CM	Less-CM						17770303183		17770303183						
Total	Total						257982461258	5314948339	263297398598		5314948339				
(B) BONDS															
Madhyanchal VVNL							20194064975		20194064975					20,194,064,975.00	Parti Passu/Receivables and Govt Guarantee
Poorvanchal VVNL		31.03.12	5 Years		9.68%		26610969175		26610969175					26,610,969,175.00	
Pashchimanchal VVNL							19688673225		19688673225					19,688,673,225.00	
Dakshinanchal VVNL							32304812225		32304812225					32,304,812,225.00	
KESCO							6593980400		6593980400					6,593,980,400.00	
Sub-Total							105402500000	0.00	105402500000	0	0			105,402,500,000	
Unsecured Loan															
(C) PFC		25.03.13		Apr-16	12.77% to 13.82%										
PasVVNL			36 Month				11249115010		11249115010					11249115010	Govt. Guarantee
DVVNL			Moratorium 84				20522610520		20522610520					20522610520	
MVVNL							12380988320		12380988320					12380988320	
PoorVVNL							14311946090		14311946090					14311946090	
KESCO							3015340060		3015340060					3015340060	
Sub Total	Sub Total						61480000000	0	61480000000		0			61480000000	
Less-CM	Less-CM						1089286714		1089286714						
Total	Total						60390714286	0	61480000000						
(D) REC															
Madhyanchal VVNL		Oct. 12 to Mar. 13	36 Month Moratorium 84	Oct. 15	12.57% to 13.11%		12776685070	145,980,958.00	12922666028	-	145,980,958	-	-	12922666028	Govt. Guarantee
Poorvanchal VVNL							13656833590	156,051,436.00	13812885026	-	156,051,436	-	-	13812885026	
Pashchimanchal VVNL							9344908210	141,179,972.00	9488088182	-	141,179,972	-	-	9488088182	
Dakshinanchal VVNL							13098770770	183,355,575.00	13282126345	-	183,355,575	-	-	13282126345	
Kesco							3322802360	64,086,260.00	3386888620	-	64,086,260	-	-	3386888620	
Sub Total	Sub Total						62200000000	690654201	6289654201	-	690,654,201	-	-	6289654201	
Less-CM	Less-CM						2216233768		2216233768						
Total	Total						49983766232	590654201	52890654201		690654201				
(E) HUDCO															
Madhyanchal VVNL		Sep. 10/ Oct. 10/ Nov. 10/ Jan. 11	60	Sep. 10	12.50%		2125452478		2125452478					2125452478	Govt. Guarantee
Poorvanchal VVNL							1762076015		1762076015					1762076015	
Pashchimanchal VVNL							2823143959		2823143959					2823143959	
Dakshinanchal VVNL							1926750008		1926750008					1926750008	
Sub Total	Sub Total						8637422460	0	8637422460	0	0			8,637,422,460	
Less-CM	Less-CM						2800703999		2800703999	0	0			8	
Total	Total						5836718461	0	5836718461	0	0				
Total Borrowings relates to Discom							478598160237	6005602540	488907272260	0	6005602540	0	0	105402500000	
Total (UPPCL+Relates to Discom)							478598160237	6005602540	488907272260	0	6005602540	0	0	105402500000	

Note: All the borrowings which have been guaranteed is guaranteed by GoUP.



Handwritten signature

Handwritten signature

Handwritten signature

Name of Bank	Repayment Terms					Outstanding as on 31.03.2015			Default as on 31.03.2015			Aggregate Amount of Guaranteed Loans	Secured		
	Drawl Date	Date of Restructuring/ Drawl Date	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest			Principal Default w.e.f.	Interest Default w.e.f.
(F) NOIDA Loan (STL)		18.06.12												0	
PasVVNL					Interest Free			467225000						467225000	
DVVNL								766225000						766225000	
MVVNL								478975000						478975000	
PoorVVNL								631175000						631175000	
KESCO								156400000						156400000	
Sub Total								2500000000	0	0	0	0	0	2500000000	
Less-CM								2500000000						2500000000	
Total								0	0	0	0	0	0	0	

mynd

[Handwritten Signature]

[Handwritten Signature]



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 9

TANGIBLE ASSETS

(Amount in Rs.)

Particulars	Gross Block			Depreciation				Net Block		
	As at 31.03.2014	Additions	Deductions	As at 31.03.2015	As at 31.03.2014	Additions	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land & Land Rights	47044651	0	0	47044651	0	0	0	0	47044651	47044651
Buildings	264701281	4879427	0	269580708	111038729	5891789	0	116930518	152650190	153662552
Other Civil Works	66947585	0	0	66947585	32153157	1521670	0	33674827	33272758	34794428
Plant & Machinery	35163005	3492010	0	38655015	16270375	7769381	0	24039756	14615259	18892630
Vehicles	20715015	124199	0	20839214	8957808	919079	0	9876887	10962327	11757207
Furniture & Fixtures	7394404	4151188	0	11545592	2534060	588833	0	3122893	8422699	4860344
Office Equipments	102287169	7662770	0	109949939	77409266	1525189	0	78934455	31015484	24877903
TOTAL	544253110	20309594	0	564562704	248363395	18215941	0	266579336	297983368	295889715
Previous Year	491876427	56295683	3919000	544253110	229282839	22803606	3723050	248363395	295889715	262593588

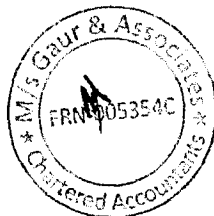
NOTE - 10

CAPITAL WORKS IN PROGRESS

(Amount in Rs.)

PARTICULARS	As at 31.03.2014	Additions	Deduction/ Adjustments	Capitalised	As at 31.03.2015
Capital Work in Progress *	5308959161	156705214	(5260514890)	20309594	184839891
LESS-					
Provisional Transfer to DISCOMS	3226100000	0	3226100000	0	0
GRAND TOTAL	2082859161	156705214	(2034414890)	20309594	184839891

* It includes Establishment and Administration & General Cost related to works.



Handwritten signature

Handwritten signature

Handwritten signature

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW

NOTE- 5

OTHER LONG TERM LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
Security Deposits from Consumers	-	7000427895
Interest on Security Deposits from Consumers	-	312383930
Less Provisional Transfer to		
Dakshinanchal VVNL	-	846500000
Madhyanchal VVNL	-	736300000
Paschimanchal VVNL	-	2183500000
Purvanchal VVNL	-	2624900000
TOTAL	-	921611825

NOTE- 6

SHORT-TERM BORROWINGS

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
Overdraft from Banks		
State Bank of India (Pari Passu charge on Receivables of Corporation)	303695705	0
Central Bank of India (Pari Passu charge on Receivables and Other Current Assets of Corporation)	1062149400	729098843
Canara Bank (Pari Passu charge on Receivables of Corporation)	1004209628	121075036
Punjab National Bank (Pari Passu charge on Receivables of Corporation)	299982790	0
Allahabad Bank (Pari Passu charge on Receivables of Corporation)	3688992522	3394798346
ICICI Bank (Pari Passu charge on Receivables of Corporation)	1001210146	0
Indian Overseas Bank (Charge on Stock, Receivables & Other Current Assets)	1011678082	968472884
Oriental Bank of Commerce (Pari Passu charge on Receivables of Corporation)	1249936125	1439980096
Bank of India (Pari Passu charge on Receivables of DISCOMS)	493180515	446243157
Karur Vysya Bank* (Pari Passu charge on Receivables of the Company)	757698776	758348845
Loans relates to DISCOMS (Unsecured)		
(a) Dakshinanchal VVNL		
New Okhla Industrial Dev. authority	766225000	766225000
(b) Madhyanchal VVNL		
New Okhla Industrial Dev. authority	478975000	478975000
(c) Paschimanchal VVNL		
New Okhla Industrial Dev. authority	467225000	467225000
(d) Purvanchal VVNL		
New Okhla Industrial Dev. authority	631175000	631175000
(e) Kesco		
New Okhla Industrial Dev. authority	156400000	156400000
TOTAL	13372733689	10358017207

* The amount of default of Short-Term Borrowings (Over Draft from Banks) is Rs.35735886 as on 31.03.2015 (Previous year Rs.8348845/-)

Note - The Loans of New Okhla Industries Dev. Authority are guaranteed by GoUP.

kynd

[Signature]

[Signature]



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE- 7

TRADE PAYABLE

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
Liability for Purchase of Power	165215162180	134465712903
TOTAL	165215162180	134465712903

NOTE- 8

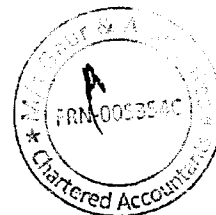
OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
Interest accrued & due	6005602540	13134518016
Current Maturity of Long Term Borrowings	23876526664	3300000000
Liability for Capital Supplies/ Works	4347284	786774164
Liability for O & M Supplies / Works	14721764	204794972
Staff Related Liabilities	249300771	776663762
Deposits & Retentions from Suppliers & Others	76629732	462186027
Electricity Duty & Other Levies payable to Govt.	-	694125341
Deposit works	76796721	1316568628
Sundry Liabilities	274027861	288956692
Payable to UPJVNL	384253334	392780743
Liabilities for Expenses	26657546	385672849
Liabilities towards UPPCL CPF Trust	278124	284974
Interest Accrued but not Due on Borrowings	5615955793	7817320214
TOTAL	36605098134	29560646382
Less Provisional Transfer to DISCOMS	0	16009200000
TOTAL	36605098134	13551446382

Note:- Details of Interest Accrued & Due and Current Maturity of Long Term Borrowings is annexed with this Note. (Refer Annexure to Note - 8)

Handwritten signatures and initials are present below the note, including a signature that appears to be "Anil" and another that appears to be "S. J."



**U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW**

Annexure to Note-8

Statement of Interest Accrued & Due

F.Y. 2014-15

Loans Relate to Discoms								
Sl.No.	Name of the Discom	APDRP	World Bank	HUDCO	REC	PFC	Banks	Total
1	Madhyanchal Vidyut Vitran Nigam Limited	0	0	0	145980958	0	964276264	1110257222
2	Purvanchal Vidyut Vitran Nigam Limited	0	0	0	156051436	0	1205341860	1361393296
3	Paschimanchal Vidyut Vitran Nigam Limited	0	0	0	141179972	0	828626446	969806418
4	Dakshinanchal Vidyut Vitran Nigam Limited	0	0	0	183355575	0	2023235393	2206590968
5	KESCO	0	0	0	64086260	0	293468376	357554636
Total Interest Accrued & Due								6005602540

F.Y. 2013-14

(Amount In Rs.)

I UNSECURED LOANS								
1	GoUP							2830844258
Total- A								2830844258
II Loans Relate to Discoms								
Sl.No.	Name of the Discom	APDRP	World Bank	HUDCO	REC	PFC	Banks	Total
1	Madhyanchal Vidyut Vitran Nigam Limited	451518833	1435502141	67924173	78279849	72601094	586976530	2692802620
2	Purvanchal Vidyut Vitran Nigam Limited	481461063	330451207	70639634	100473002	91629758	734232250	1808886914
3	Paschimanchal Vidyut Vitran Nigam Limited	796182289	1080651175	76655669	72510355	63003478	527139754	2616142720
4	Dakshinanchal Vidyut Vitran Nigam Limited	856329765	508870017	68190496	138682759	128039683	1181537633	2881650353
5	KESCO	75996590			24794102	22458109	180942350	304191151
Total-B		2661488540	3355474540	283409972	414740067	377732122	3210828517	10303673758
Total Interest Accrued & Due (Total A+B)								13134518016

* Bankwise list of interest accrued & due is annexed as Annexure-A "DISCLOSURE OF BORROWING AS REQUIRED IN SCHEDULE-VI"

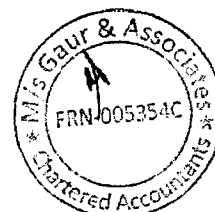
Statement of Current Maturity of Long-Term Borrowings

(Amount In Rs.)

F.Y. 2014-15						
I Loans Relate to Discoms						
Sl. No.	Name of the Discom	Banks	REC	PFC	HUDCO	Total
1	Madhyanchal VVNL	3197416885.00	492526039.00	258923214.00	636576486.00	4586442604
2	Purvanchal VVNL	4163874355.00	492526039.00	258923214.00	704287504.00	5619411112
3	Paschimanchal VVNL	3233274835.00	492526039.00	258923214.00	793885417.00	4778609505
4	Dakshinanchal VVNL	6137554873.00	492526039.00	258923214.00	665954612.00	7654958738
5	KESCO	1038382235.00	246129612.00	53592858.00	0.00	1338104705
Total (C)		17770303183	2216233768	1089285714	2800703998	23876528664
Total Current Maturity of Long-Term Borrowings						23876528664

F.Y. 2013-14

I Loans Relate to Discoms					
Sl. No.	Name of the Discom	APDRP	World Bank	HUDCO	Total
1	Madhyanchal VVNL	0	0	755674772	755674772
2	Purvanchal VVNL	0	0	848220189	848220189
3	Paschimanchal VVNL	0	0	908495089	908495089
4	Dakshinanchal VVNL	0	0	787609950	787609950
5	KESCO	0	0	0	0
Total (B)		0	0	3300099000	3300099000
Total Current Maturity of Long-Term Borrowings					3300099000



Handwritten signatures and initials:
 kumar, [Signature], [Signature], [Signature]

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 11

NON-CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014	
LONG TERM INVESTMENT IN EQUITY INSTRUMENT AT COST (Unquoted)			
TRADE INVESTMENTS			
I Subsidiaries			
(a) KESCO			
163147400 Equity Shares of Rs.10/- each Fully paid up. (163147400 Equity Shares of Rs.10/- each Fully paid up.) From this 60000000 shares are allotted for consideration other than cash pursuant to KESA Zone EDU scheme 2000 Share Application Money pending for allotment	1631474000	1631474000	
	3778224918	508932000	
	5409698918	2140406000	
Less - Provision for diminution in investment	5409698000	2140406000	918 0
(b) Dakshinanchal VVNL			
35351479 Equity shares of Rs. 1000/- each fully paid up (19463274 Equity Shares of Rs.1000/- each Fully paid up.) Share Application Money pending for allotment	35351479000	19463274000	
	38880326255	20623352381	
	74231805255	40086626381	
Less - Provision for diminution in investment	74231805000	40086626000	255 381
(c) Madhyanchal VVNL			
42963517 Equity shares of Rs. 1000/- each fully paid up (27803937 Equity Shares of Rs.1000/- each Fully paid up.) Share Application Money pending for allotment	42963517000	27803937000	
	29696866868	17077961118	
	72660383868	44881898118	
Less - Provision for diminution in investment	72660383000	44881898000	868 118
(d) Paschimanchal VVNL			
31558379 Equity shares of Rs. 1000/- each fully paid up (24781533 Equity Shares of Rs.1000/- each Fully paid up.) Share Application Money pending for allotment	31556379000	24781533000	
	27855599384	7636847055	
	59411978384	32418380055	
Less - Provision for diminution in investment	59411978000	32418380000	384 55
(e) Purvanchal VVNL			
39396913 Equity shares of Rs. 1000/- each fully paid up (30860716 Equity Shares of Rs.1000/- each Fully paid up.) Share Application Money pending for allotment	39396913000	30860716000	
	36183266342	10565497810	
	75580179342	41426213810	
Less - Provision for diminution in investment	75580179000	41426213000	342 810
(f) M/s Sonebhadra PGCL			
665 Equity shares of Rs. 1000/- each fully paid up (665) Equity Shares of Rs.1000/- each Fully paid up.)			665000 665000
(g) M/s Jawaharpur Vidyut Utpadan Nigam			
50000 Equity shares of Rs. 10/- each fully paid up (50000) Equity Shares of Rs.10/- each Fully paid up.)			500000 500000
(h) M/s Southern U.P.Power Transmission Co. Ltd.			
50000 Equity Shares of Rs.10/- each Fully paid up.) (50000) Equity Shares of Rs.10/- each Fully paid up.)			500000 500000
II Associates			
(a) UPPTCL			
22133352 Equity shares of Rs. 1000/- each fully paid up (22133352) Equity Shares of Rs.1000/- each Fully paid up.) from this 18429700 shares are allotted for consideration other than cash. Share Application Money pending for allotment	22133352000	22133352000	
	1807231000	0	
	23940583000	22133352000	
Less - Provision for diminution in investment	1076308000	2505913000	22864275000 19627439000
(b) M/s Yamuna Power generation Co.			
12500 Equity shares of Rs. 10/- each fully paid up (12500) Equity Shares of Rs.10/- each Fully paid up.)			125000 125000
TOTAL	22866067767	19629230364	

- Aggregate amount of unquoted investment in equity shares & Share Application Money as on 31.03.2015 is Rs. 311236418767 (Previous year Rs. 183088666364)
- Aggregate amount of provision for diminution made upto 31.03.2015 are Rs. 288370351000 (Previous year Rs. 163459436000)
- Considering the accumulated losses of Discoms / UPPTCL a Provision for diminution has been made during the year are Rs. 124910915000 (Previous year Rs. 42358520000)
- The amount of provision for diminution is based on net worth calculated on the basis of audited balance sheets of DISCOMS and UPPTCL for the F.Y. 2014-15

Handwritten signature

Handwritten signature

Handwritten signature



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 12

LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

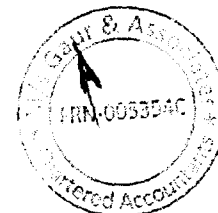
Particulars	As at 31.03.2015	As at 31.03.2014	As at 31.03.2014
A <u>LOANS (Secured/Considered Good)</u>			
KESCO - (Subsidiary)	1950000000	1950000000	
(as per UP Transfer of KESA Zone EDU Scheme - 2000)			
Less - Provision for B/D Loan	195000000	195000000	1755000000
Interest Accrued & Due	472535334	472535334	
Less - Provision for B/D interest	472535334	0	472535334
			0
B <u>LOANS (Unsecured/Considered Doubtful)</u>			
KESCO (Subsidiary)	227797714	227797714	
Interest Accrued & Due	35844246	35844246	
	263641960	263641960	
Less - Provision for B/D Loan & interest	263641960	0	263641960
			0
NPCL (Licencee)	56843000	56843000	
Interest Accrued & Due	595720887	510929072	
	652563887	567772072	
Less - Provision for B/D Loan & interest	652563887	0	567772072
			0
Other Licencees	0	833010	
Less - Provision for B/D Loan	0	0	833010
			0
Others	0	4062352	
Less - Provision for B/D Loan	0	0	4062352
			0
Agricultural Bank (Special Programming) (Unsecured/Considered Good)		0	26746000
C <u>Deposits (Unsecured/Considered Good) -</u>			
Others	0	82244730	
Less - Provision for doubtful deposits	0	0	8224473
			74020257
TOTAL	1755000000	1855766257	

Signature

Signature

Signature

Signature



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 13

OTHER NON - CURRENT ASSETS

(Amount in Rs.)

Particulars	As at 31.03.2015		As at 31.03.2014
Receivables on account of Loan			
(Unsecured and Considered good)			
Madhyanchal VVNL	52936079112		92167665729
Paschimanchal VVNL	53034631597		86287857436
Dakshinanchal VVNL	90055973231		163507565452
Purvanchal VVNL	66477269037		115303824005
KESCO	16185687759	278689640736	28133791813
Advances to Capital Suppliers / Contractors	17957696		(485098155)
Less - Provision for Doubtful Advances	235450	17722246	9793995
			-494892150
		278707362982	484905812285

NOTE - 14

INVENTORIES

(Amount in Rs.)

Particulars	As at 31.03.2015		As at 31.03.2014
(a) Stores and Spares			
Stock of Materials - Capital Works	9244928		5835698843
Stock of materials - O & M	7353355	16598283	731610028
			6567308871
(b) Others			
		64638	467617673
SUB TOTAL		16662921	7034926544
Less - Transfer to			
Uttanchal PCL	0		471601744
DISCOMS (Provisional)	0	0	4254500000
		16662921	2308824800
Less - Provision for Unserviceable Stores	1334798		2120430260
Less- Transfer to DISCOMS	0	1334798	1253200000
			867230260
TOTAL		15328123	1441594540

Inventories are valued at cost.

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 15

TRADE RECEIVABLES

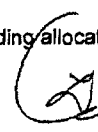

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014	
Sundry Debtors	5467642508	76165343942	
Less - Transfer to DISCOMS	0	71211853933	
SUB TOTAL	5467642508	4953490009	
Less - Allowance for Bad & Doubtful Debts	3034398033	2957897879	1995592130
Sundry Debtors through KESCO *	6204820956	6204820956	
Less - Allowance for Bad & Doubtful Debts	6204820956	6204820956	-
Debtors - Sale of Power (Subsidiary)			
KESCO	4685592436	5340770018	
Dakshinanchal VVNL	34057665115	32533011283	
Madhyanchal VVNL	39415476635	34209539078	
Paschimanchal VVNL	19529180421	12287321718	
Purvanchal VVNL	81780117158	69080138135	
SUB TOTAL	179468031765	153450780232	
Less- Amount received centrally from Govt. Deptts**	0	705534397	
	179468031765	152745245835	
Less - Allowance for Bad & Doubtful Debts	8973401589	7637262292	145107983543
Total	172927874651	147103575673	
<u>Debts outstanding for a period exceeding six months from the date they are due for payment</u>			
Secured & Considered Good	-	-	
Unsecured & Considered Good	51049300287	36271343902	
Considered Doubtful	11797958769	10966705771	
	62847259056	47238049673	
Other Debts			
Unsecured & Considered Good	121878574364	110832231771	
Considered Doubtful	6414661809	5833275356	
	128293236173	116665507127	163903556800
Less - Provision for Bad & Doubtful Debts	18212620578	58351658407	
Less - Transfer to DISCOMS	0	41551677280	16799981127
TOTAL	172927874651	147103575673	

* As per UP Transfer of KESA Zone EDU Scheme - 2000.

** Receipt from Govt. Departments against Electricity dues for and on behalf of Discoms, pending allocation.





U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 16

CASH AND CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at 31.03.2015		As at 31.03.2014	
A Balances with Banks				
In Current & Other account	7094767390		8711599286	
In Fixed Deposit accounts*	<u>3496439754</u>	10591207144	<u>5827162317</u>	14538761603
B Cash in Hand				
Cash in Hand (Including Stamps in hand)	114682		153136263	
Cash Imprest with Staff	<u>434349</u>	549031	<u>28710043</u>	181846306
SUB TOTAL		10591756175		14720607909
Less Provisional Transfer to -				
Dakshinanchal VVNL	0		1159500000	
Madhyanchal VVNL	0		901900000	
Paschimanchal VVNL	0		1635300000	
Purvanchal VVNL	<u>0</u>	0	<u>1165000000</u>	4861700000
TOTAL		10591756175		9858907909

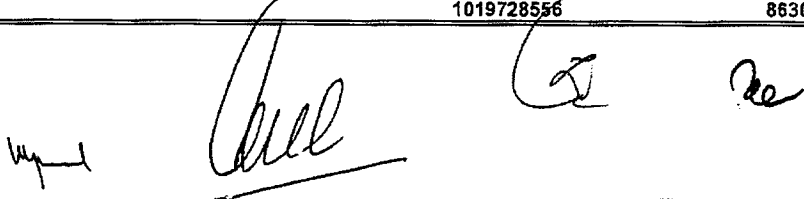
* Includes FDR amounting Rs.99680904/- (Previous year Rs.92049527/-) pledged against LC Limit from PNB .

NOTE - 17

SHORT-TERM LOANS & ADVANCES

(Amount in Rs.)

Particulars	As at 31.03.2015		As at 31.03.2014	
<u>UP Power Sector Employee Trust</u>				
<u>(Unsecured/Considered Good)</u>				
Provident Fund	165979717		114585502	
Pension and Gratuity Liability	<u>-39244696</u>	126735021	<u>-116030593</u>	-1445091
<u>ADVANCES (Unsecured/Considered Good)</u>				
Suppliers / Contractors	910914338		903981378	
Less - Provision for Doubtful Advances	<u>91091434</u>	819822904	<u>90398138</u>	813583240
Tax deducted at source		70666900		48406109
Advance Income Tax		1328233		1328233
Fringe Benefit Tax -				
Advance Tax	5278319		5278319	
Less - Provision	<u>4102821</u>	1175498	<u>4102821</u>	1175498
		1019728556		863047989





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 18

OTHER CURRENT ASSETS

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014	
Income Accrued & Due	50452879		51911628
Income Accrued but not Due	29503464		15421463
Receivables (Unsecured) -			
Uttanchal PCL	1926086067		1924715539
UPRVUNL	40351610		41065100
UPPTCL	528719750		239709760
Sub Total	2495157427		2205490399
Subsidiaries (Unsecured) -			
KESCO	3604745		1419444
Dakshinanchal VVNL	880816648		376197034
Madhyanchal VVNL	1155964901		397778476
Paschimanchal VVNL	1201440748		461553779
Purvanchal VVNL	1064608184		468801736
Sub Total	4306435226		1705750469
Employees	213560		472114563
Others	8423358630		7881408828
Total	15225164843		12264764259
Less - Provision for Doubtful Receivables	1522516484	13702648359	1226476426
			11038287833
Receivables on account of Loan (Unsecured)			
Madhyanchal VVNL	50980420793		9481144778
Less - Liabilities against Loan	6077627782	44902793011	5333177782
Paschimanchal VVNL	40234656170		10198379055
Less - Liabilities against Loan	8541552933	31693103237	7035815933
Dakshinanchal VVNL	91976315407		11405234983
Less - Liabilities against Loan	6866391390	85109924017	6220244390
Purvanchal VVNL	60411863144		9966143253
Less - Liabilities against Loan	7527841014	52884022130	7094041014
KESCO	12871594233		996090124
Less - Liabilities against Loan	0	12871594233	0
Prepaid Expenses		139700	1420540
Theft of Fixed Assets Pending Investigation	0		32844855
Less - Provision for estimated losses	0	0	3284485
		241244181030	27500314908
Less Provisional Transfer to -			
Dakshinanchal VVNL	0		32400000
Madhyanchal VVNL	0		92000000
Paschimanchal VVNL	0		219800000
Purvanchal VVNL	0	0	255900000
Total		241244181030	26900214908

Handwritten signature

Handwritten signature

Handwritten initials

Handwritten initials



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 19

REVENUE FROM OPERATIONS (GROSS)

(Amount in Rs.)

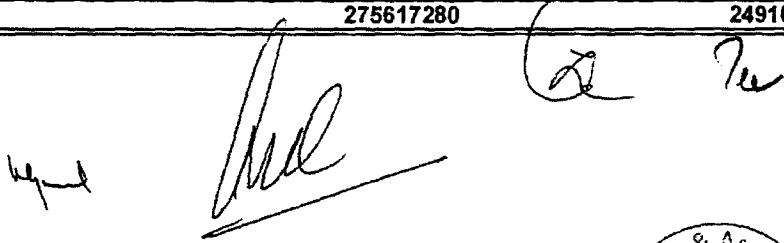
Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014
SALE OF POWER		
Supply in Bulk		
a- NPCL	0	1532153860
b- <u>Subsidiaries</u>		
Dakshinanchal VVNL	86038630360	86706444537
Madhyanchal VVNL	67941141894	66930429226
Paschimanchal VVNL	116694626280	113742079127
Purvanchal VVNL	81970724232	79663472579
KESCO	15742371484	16635931724
	368387494250	365210511053
TOTAL	368387494250	365210511053

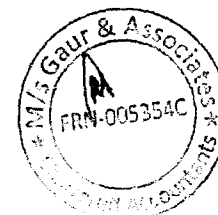
NOTE - 20

OTHER INCOME

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014
a <u>Interest from :</u>		
Loans to Staff	364520	745440
Loans to NPCL (Licencee)	84791815	73774270
Fixed Deposits	118220652	124193986
Others	15709159	16075587
	219086146	214789283
b <u>Other non operating income</u>		
Income from Contractors/Suppliers	1305685	1148384
Rental from Staff	2428192	2098556
Miscellaneous Receipts	52797257	31072216
	56531134	34319156
TOTAL	275617280	249108439





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 21

PURCHASE OF POWER

(Amount in Rs.)

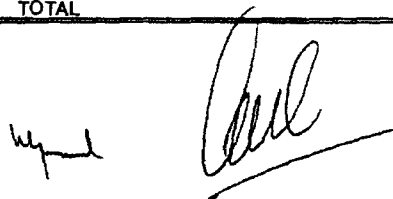
Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014
Power Purchased from -		
NTPC	86202630949	83754268985
Power Trading Corporation Ltd.	3711063531	1906882261
NPCIL	6470568836	7142787220
UPRVUNL	82115459597	84865875362
Satlaj JVNL	4793145735	6256071944
NHPC	13725211904	10057606449
UPJVNL	778732204	687665651
Adani Export	307014989	390621777
NTPC (VVNL)	2965139272	3181634871
Tata Power Trading Co. Ltd.	0	637580481
Global Energy Ltd.	0	405951402
LANCO EU Ltd / NETS	101605871	64794911
THDC	17144559114	9065544114
Vishnu Prayag	3935042989	3561534478
ROSA Power Co. Ltd.	46485147491	45064354519
Arawali Power Co. Pvt. Ltd.	3436180699	2569856215
Power Purchase Through Energy Exchange	7410531631	5769901180
Bajaj Energy Pvt.Ltd.	18925631936	17357044236
Lanco Anpara Power Ltd.	28461079290	19470759102
SASAN (UMPP)	1765588773	223201748
G.M.R. Energy Pvt. Ltd.	383144128	74971215
Lalitpur Power Project	284187069	0
Co-Generating Units	15651122589	14486707313
Surcharge	3973347819	4617850035
Unscheduled Interchange & Reactive Energy Charges	4265597965	-1704457816
Inter-state Transmission & Related Charges to -		
Power Grid Corporation Ltd.	15480355524	12718664745
Power System Operation Corp.	48871895	51529259
TOTAL - Purchase of Power	368821061800	332679201657
Less - Rebate against Power Purchase	267998384	342839025
TOTAL	368553063416	332336362632

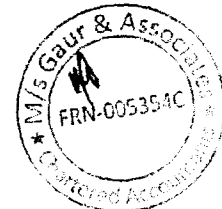
NOTE - 22

EMPLOYEES COST

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014
Salaries & Allowances	506371570	541105172
Dearness Allowance	502608539	473814447
Other Allowances	58581233	64124318
Bonus/ Ex-gratia	4166254	4379221
Medical Expenses (Re-imbursement)	57290079	41349666
Leave Travel Assistance	10647	2760
Earned Leave Encashment	68152470	84085759
Staff Welfare Expenses	6321161	5413265
Pension & Gratuity	160667065	162279145
Other Terminal Benefits	9199525	7853269
Expenditure on Trust	1574325	1668438
SUB TOTAL	1374942868	1386075460
LESS - Expenses Capitalised	1261460	1311999
TOTAL	1373681408	1384763461





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 23

FINANCE COSTS

(Amount in Rs.)

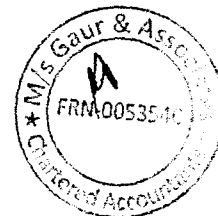
Particulars	For the Year ended on 31.03.2015		For the Year ended on 31.03.2014	
a Interest on Loans				
Working Capital	1442328974	1442328974	1509330071	1509330071
b Other borrowing costs				
Finance Charges	15169896		28017030	
Bank Charges	173917822		194187470	
Guarantee Charges	14500000	203587718	14500000	236704500
GRAND TOTAL		1645916692		1746034571

NOTE - 24

DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015		For the Year ended on 31.03.2014	
Depreciation on -				
Buildings	5891789		4327908	
Other Civil Works	1521670		1087361	
Plant & Machinery	7769381		1634360	
Vehicles	919079		2148475	
Furniture & Fixtures	588833		432692	
Office Equipments	1630917	18321669	13309960	22940756
GRAND TOTAL		18321669		22940756



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 25

ADMINISTRATIVE GENERAL & OTHER EXPENSES

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014	
Rent	401184	580927	
Insurance	282365	358457	
Communication Charges	6070629	8144680	
Legal Charges	19423941	20248544	
Auditors Remuneration & Expenses			
Audit Fee	380000	380000	
Service Tax	53200	46968	
Travelling Expenses	0	0	426968
Consultancy Charges	8053842	15125128	
Technical Fees & Professional Charges	43266336	1742003	
Travelling and Conveyance	26711422	23114870	
Printing and Stationery	5793370	2722420	
Advertisement Expenses	12868226	14470187	
Electricity Charges	47181053	34375186	
Water Charges	10003	13257	
Entertainment	1147209	1078483	
Expenditure on Trust	106123	80051	
Miscellaneous Expenses	80245009	70756598	
SUB TOTAL	251993912	193237759	
LESS - Expenses Capitalised	767361	947678	
TOTAL	251226551	192290081	

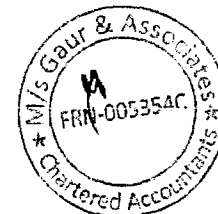
NOTE - 26

REPAIRS AND MAINTENANCE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014	
Plant & Machinery	45442077	7131894	
Buildings	81672947	45139983	
Other Civil Works	354603	189075	
Vehicles - Expenditure	10711938	8127258	
Less - Transferred to different Capital & O&M Works/Administrative Exp.	10711938	8127258	0
Furniture & Fixtures	227912	218029	
Office Equipments	9723386	6835130	
TOTAL	137420925	159514111	

M/s Gaur & Associates
FRN-005354C



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 27

BAD DEBTS & PROVISIONS

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014
PROVISIONS		
Doubtful Debts (Sale of Power)	1314340696	39455373
Doubtful Loans and Advances		
Short Term	12194405	61383001
Long Term	84791815	96986220
		73774270
		135157271
Doubtful Other Current Assets (Receivables)	328229816	-1346851651
Diminution in investment	124910915000	42358520000
TOTAL	126650471732	41186280993

NOTE - 28

NET PRIOR PERIOD INCOME/EXPENDITURE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2015	For the Year ended on 31.03.2014
I INCOME		
a Other Income	881139	958838
b Other Excess Provision	3103160187	0
SUB TOTAL	3104041326	958838
II EXPENDITURE		
a Employee Cost	(8287989)	9217
b Interest & Finance Charges	(338)	0
c Power Purchase	(165569165)	3375451260
d Administrative & General Exp	1817126	54771951
e Depreciation Under/Excess Provided	(105728)	(137150)
SUB TOTAL	(172146094)	3430095278
NET PRIOR PERIOD INCOME/(EXPENDITURE)	3276187420	(3429136440)

Handwritten signature

Handwritten signature

Handwritten signature

Handwritten signature



U.P. POWER CORPORATION LIMITED

NOTE NO. 29 (A)

SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

- (a) The financial statements are prepared in accordance with the applicable provisions of the Companies Act, 2013. However where there is a deviation from the provisions of the Companies Act, 2013 in preparation of these accounts, the corresponding provisions of Electricity (Supply) Annual Accounts Rules 1985 have been adopted.
- (b) The accounts are prepared under historical cost convention on accrual basis unless stated otherwise and on accounting assumption of going concern.
- (c) Subsidy, Grant, Insurance and Other Claims, Refund of Custom Duty, Interest on Income Tax & Trade Tax and Interest on loans to staff is accounted for on receipt basis after the recovery of principal in full.

2. FIXED ASSETS

- (a) Fixed Assets are shown at historical cost less accumulated depreciation.
- (b) All costs relating to the acquisition and installation of fixed assets till the date of commissioning are capitalized.
- (c) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- (d) Due to multiplicity of functional units as well as multiplicity of function at particular unit, employees cost and general & administration expenses to capital works are capitalized @ 15% on deposit works and @ 11% on other works on the amount of total expenditure.
- (e) Borrowing cost during construction stage of capital assets are apportioned on the average balance of capital work in progress for the year. The determination of amount of borrowing cost attributable to capital works are capitalized as per the computation method given in the Electricity (Supply) Annual Accounts Rules 1985.

3. DEPRECIATION

- (a) Depreciation is charged on Straight Line Method as per Schedule II of the Companies Act 2013.

Handwritten signature

Handwritten signature

Handwritten signature



- (b) Depreciation on additions to / deductions from Fixed Assets during the year is charged on Pro rata basis.
- (c) The Fixed Assets are depreciated up to 95% of original cost except in case of temporary erections/constructions where 100% depreciation is charged.

4. INVESTMENTS

Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

5. STORES & SPARES

- (a) Stores & Spares are valued at cost.
- (b) Steel scrap is valued at realizable value and scrap other than steel is accounted for in the accounts as and when sold.
- (c) Any shortage /excess of material found during the year end are shown as "material short/excess pending investigation" till the finalization of investigation.

6. REVENUE/ EXPENDITURE RECOGNITION

- (a) Revenue from sale of energy is accounted for on accrual basis.
- (b) Late payment surcharge recoverable from subsidiaries and other bulk power purchasers are accounted for on cash basis due to uncertainty of realisation.
- (c) Sale of energy to subsidiary distribution companies is accounted for, on the rates decided by the management.
- (d) All prior period income & expenditure are shown in the current period as a distinct item.

7. POWER PURCHASE

Power purchase is accounted for in the books of Corporation as below:

- (i) In respect of Central Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by Central Electricity Regulatory Commission (CERC).
- (ii) In respect of State Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by U.P. Electricity Regulatory Commission (UPERC).
- (iii) In respect of Power Trading Companies, at the mutually agreed rates.

Handwritten signatures and initials.

Handwritten signature.





8. EMPLOYEE BENEFITS

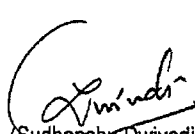
- (a) Liability for Pension & Gratuity in respect of employees has been determined on the basis of actuarial valuation and has been accounted for on accrual basis.
- (b) Leave encashment, medical benefits and LTC are accounted for on the basis of claims received and approved during the year.


9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (a) Accounting of the Provisions is made on the basis of estimated expenditures to the extent possible as required to settle the present obligations.
- (b) Contingent liabilities are disclosed in the Notes on Accounts.
- (c) The Contingent assets of unrealisable income are not recognised.


(H.K. Agarwal)
Company Secretary
(Part Time)


(A.K. Gupta)
Chief General Manager
(Accounts)


(Sudhanshu Dwivedi)
Director (Finance)
DIN - 6533235


(A.P. Mishra)
Managing Director
DIN - 05183625

Place : Lucknow

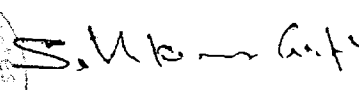
Date :

10 MAY 2017

Subject to our report of even date

For Gaur & Associates.
Chartered Accountants
FRN No. 005354C




(S.K Gupta)
Partner
M. No.016746

U.P. POWER CORPORATION LIMITED

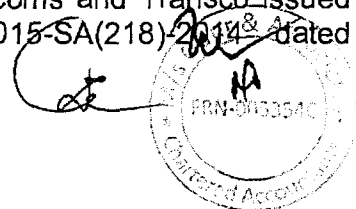
NOTE NO. 29 (B)

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2015 AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

1. (a) The Corporation was incorporated under the Companies Act, 1956 on 30.11.1999 and commenced the business w.e.f. 15.01.2000 in terms of Government of U.P. Notification No. 149/P-1/2000-24 dated 14.01.2000.
 - (b) Vide Govt. of U.P. Notification No. 186/XXIV-I-2000 dt. Jan 15, 2000 the distribution business of KESA Zone of erstwhile UPSEB has been transferred to KESCO, as wholly owned subsidiary company of UPPCL, w.e.f. 15.1.2000.
 - (c) Due to division of State of Uttar Pradesh a separate State named Uttaranchal (now Uttarakhand) came into existence and a separate Corporation Uttaranchal Power Corporation Ltd. had taken over commercial operations in the State of Uttaranchal as per Govt. of India notification no. 42/7/2000-R&R dated 05.11.2001.
 - (d) The distribution business of U.P. Power Corporation Ltd. has been transferred to subsidiary companies viz. Madhyanchal Vidyut Vitran Nigam Ltd., Lucknow, Paschimanchal Vidyut Vitran Nigam Ltd., Meerut, Poorvanchal Vidyut Vitran Nigam Ltd., Varanasi & Dakshinanchal Vidyut Vitran Nigam Ltd., Agra (Known as DISCOMs) as per The Uttar Pradesh Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 issued vide GoUP Notification No. 2740/P-1-2003-24-14P/2003 dated 12.08.2003.
 - (e) The State Government through Gazette Notification No. 2974(1)/24-P-2-2010, Dated 23 Dec 2010 made a Provisional Transfer Scheme for the purpose of transfer of the transmission activities including Assets, Liabilities and related proceedings from U.P. Power corporation Ltd. (UPPCL) to the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL/TRANSCO). In terms of this Scheme, the transfer has been made effective from 01.04.2007, the date since which UPPCL and UPPTCL have started working as separate entities for purchase/sale of Bulk power and transmission work respectively.
2. (a) As per Final Transfer Schemes of Discoms and Transco issued vide notification no. 1528/24-P-2-2015-SA(218)-2014 & dated

Handwritten signature

Handwritten signature



November 03, 2015, and notification no. 1529/24-P-2-2015-SA(218)-2014 dated November 03, 2015 respectively, the final balances of assets and liabilities are given to 'DISCOMS' as on 11.08.2003, 'TRANSCO' as on 01.04.2007 and to UPPCL as on 01.04.2007 as against the balances earlier notified by Provisional Transfer Schemes of Discoms and Transco which were referred to in point 1(d) and 1(e) above.

Consequent upon the above notification the necessary adjustments in this regard have been done in the annual accounts of UPPCL for FY 2014-15.

- (b) The assets and liabilities relating to Uttaranchal Power Corporation Ltd. had been transferred as per an agreement dated 12.10.2003 with Uttaranchal Power Corporation Ltd., w.e.f. 9.11.01.
 - (c) The Share Capital of Discoms/Transco as was notified in Provisional Transfer Scheme was increased in the Final Transfer Scheme. Since Share certificate against such increase in Share Capital is yet to be issued in favour of UPPCL, the amount of increased Share Capital is shown as Share Application Money against each Discom/Transco in Note no.11 of Balance Sheet.
3. (a) (i) Loans obtained from REC, PFC, HUDCO & GoUP by UPPCL on behalf of DISCOMS after 11.08.2003 and 9.68% non convertible Bonds issued to the Banks, REC, PFC in October and December, 2013 on behalf of Discoms were accounted for in UPPCL separately and shown as 'Bonds/ Loans Relate to DISCOMS'. Debt service obligations on account of these loans are accounted for as receivables from respective Discoms, therefore, interest on such loans and bonds accrued and due during the year has been shown as receivable from respective Discoms.

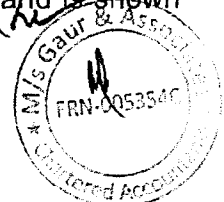
Further, as per the FRP Scheme Govt. of U.P. has taken over Bonds of Rs. 5270.13 crore in January, 2015.

(ii) The interest payable to State Govt. by UPPCL & Discoms as on 31.03.2014 amounting to Rs. 884.7807 crore has been converted into Equity as per G.O. No. 96/2699/24-1-14-1041 (Budget)/2013 dated 17.12.2014, the necessary accountal has been carried out in the books of UPPCL accordingly and shown as Equity (Share Application Money) from Govt. of U.P. and investment in Discoms. Consequent upon this, the outstanding interest payable to GoUP loan have now been adjusted.

- (b) Equity received from GoUP for dlistribution works is invested in each DISCOM based on physical / financial targets and is shown as investment in respective DISCOMS.

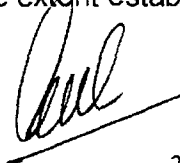
[Handwritten signature]

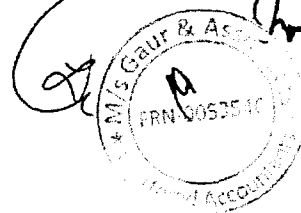
[Handwritten signature]



4. Based on actuarial valuation report dt. 9.11.2000 (adopted by Board of Directors), provision for accrued liability on account of Pension and Gratuity has been made @ 16.70% and 2.38% respectively on the amount of basic Pay and D.A. paid to employees.
5. (a) The Company is making efforts to recognise and identify the location of land along with its title deed as well as of other fixed assets, transferred under various Transfer Schemes for the purpose of maintaining fixed assets registers.
- (b) Where historical cost of a discarded/ retired/ obsolete fixed asset is not available, the estimated value of such asset and depreciation thereon has been adjusted and accounted for.
- (c) In terms of powers conferred by the Notification no. GSR 627(E) dated 29 August 2014 of Ministry of Corporate Affairs, Govt. of India, the depreciation on Fixed Assets have been calculated taking into consideration the useful life of assets as approved in the orders of UPERC (terms & conditions for determination of distribution tariff) Regulation, 2006 (Annexure B).
6. (a) After giving the effect/adjustment of transfer scheme as mentioned at point 2.(a) above the provision are made as per below:
- (i) The Provision for Bad & Doubtful Debts against revenue from Sale of Power has been made @ 5% on incremental debtors during the year.
- (ii) Provision @ 10% on the balances of suppliers/ contractors (O&M) has been made under the Note no. 17 of Short term Loans & Advances.
- (iii) Provision @ 100% on interest accrued and due during the year on loan of NPCL has been made under the Note No. 12 of Long term Loans & Advances.
- (iv) A provision for doubtful receivables @ 10% on the balances appearing under the different heads of "Other Current Assets Note no. 18 (excluding Receivable on account of loan)" has been made.
- (b) Due to non-receipt of loan installments and interest thereon from "Secured and Unsecured Loan to KESCO", no interest on such loans has been accounted for in the books of accounts.
7. The reconciliation of Inter Unit Transfer balances amounting to Rs. 156.54 Crore (Debit) (previous year Debit Rs. 181.00 Crore) is in process and effect of reconciliation, if any, will be provided for in the coming years.
8. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.

kyund





9. (a) Some balances appearing under the heads 'Other Current Assets', 'Long Term Loans & Advances', 'Short Term Loans & Advances (including UP Power Sector Employees Trust)', 'Other Current Liabilities' and Trade Payables' are subject to confirmation/ reconciliation and subsequent adjustments as may be required.
- (b) On an overall basis the assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet.
10. Basic and diluted earnings per share has been shown in the Profit & Loss Account in accordance with AS-20 "Earnings Per Share". Basic earnings per share have been computed by dividing net loss after tax by the weighted average number of equity shares outstanding during the year. Number used for calculating diluted earnings per equity share includes the amount of share application money (pending for allotment).

<u>(Amount in Rs.)</u>		
<u>Earning per share:</u>	<u>31.03.2015</u>	<u>31.03.2014</u>
(a) Net loss after tax (numerator used for calculation)	126690803443	14897703553
(b) Weighted average number of Equity Shares* (denominator for calculating Basic EPS)	390740531	356902268
(c) Weighted average number of Equity Shares* (denominator for calculating Diluted EPS)	422540321	369097391
(d) Basic earnings per share of Rs. 1000/- each	(324.23)	(41.74)
(e) Diluted earnings per share of Rs. 1000/- each	(324.23)	(41.74)

(As per para 41 of AS-20 issued by Institute of Chartered Accountants of India, Potential Equity Shares are treated as Anti Dilutive as their conversion to Equity Share would decrease loss per share, therefore, effect of Anti Dilutive Potential Equity Shares are ignored in calculating Diluted Earning Per Share)

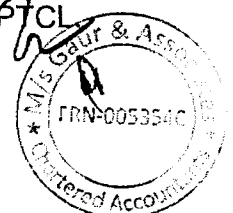
* Calculated on monthly basis.

11. In spite of formation of UPPTCL, few units of the company like finance , audit and HQ are not fully equipped to operate the entire working of the company, so the corresponding units of UPPCL are still performing the work of UPPTCL. Therefore, the 25% of the employee cost of these units are apportioned to UPPTCL. Likewise, the administrative and general expenses occurred in these units which are not specifically segregated in between UPPCL and UPPTCL, the 25% of such administrative and general expenses are apportioned to UPPTCL.

[Signature]

[Signature]

[Signature]



12. Amount due to Micro, Small and medium enterprises (under the MSMED Act 2006) could not be ascertained and interest thereon could not be provided for want of sufficient related information. However the company is in process to obtain the complete information in this regard.
13. (a) As per directions of UPERC, the licensees has to account for the actual power purchase cost incurred at UPPCL level from FY 2013-14 onwards. Thus, in FY 2014-15 the rate of sale of energy sold to Discoms have been calculated on the basis of cost of energy purchased by UPPCL, divided by total quantity of energy supplied to Discoms after prior period adjustments. The Discoms are, therefore, billed with the rate of sale of energy so calculated @ Rs.4.497841387/kwh (previous year Rs.4.32834978 /kwh) and accounted for accordingly.
- (b) The Memorandum of Understanding (MOU) for sale of power has also been executed between UPPCL and Discoms.
14. Payment to Directors and Officers in foreign currency towards foreign tour was NIL (Previous year NIL).
15. Debts due from Directors were Rs. NIL (previous year Nil).
16. Quantitative Details of Energy purchased and sold:-

S. No.	Details	2014-15	2013-14
(I)	Total number of Units purchased	87571.234 MU	84251.840 MU
(II)	Total number of units sold	81927.015 MU	77586.121 MU

17. Contingent Liabilities:-

S. No.	Details	2014-15 Amount (Rs. in lacs)	2013-14 Amount (Rs. in lacs)
(i)	Capital commitments	-	-
(ii)	Income Tax	10.89	164.85*
(iii)	Power Purchase	45368.65	46239.09
(iv)	Other Contingencies	-	-

* Includes Rs. 162.85 lacs on account of TDS default as per 26 AS.

18. Since the Company is principally engaged in the business of Electricity, and there are no other reportable segments as per AS-17, hence the disclosure as per AS-17 on segment reporting is not required.

Handwritten signatures and a circular stamp of M/S Gaur & Associates are present at the bottom of the page.

19. Disclosure as per AS-18 (related party): -

(a) Key management personnel:-

S. No.	Name	Designation	Working Period (For FY 2014-15)	
			Appointment	Retirement/ Cessation
1	Shri Sanjay Agarwal	Chairman	17.05.13	Working
2	Shri Ayodhya Prasad Mishra	Managing Director	31.07.12	Working
3	Shri S.K. Agarwal	Director (Finance)	09.01.09	Working
4	Shri Radhey Mohan	Director (P.M. & Admin.)	19.11.12	Working
5	Shri Srikant Prasad	Director (Distribution)	14.07.12	06.12.14
6	Shri Krishna Murari Mittal	Director (Distribution)	06.12.14	Working
7	Shri Srikant Prasad	Director (Corporate planning)	22.11.11	21.02.15
8	Shri Ramanand Yadav	Director (Corporate planning)	23.02.15	Working
9	Shri Sanjay Kumar Singh	Director (Commercial)	06.03.13	Working

(b) Transactions with related parties- Remuneration and Benefits paid to key management personnel (Chairman, Managing Director and Directors) are as follows: -

Amount (Rs. in lacs)

	2014-2015	2013-2014
Salary & Allowances	50.16	57.66
Leave Encashment	-	15.01
Contribution to Gratuity/ Pension/ PF	3.90	0.33

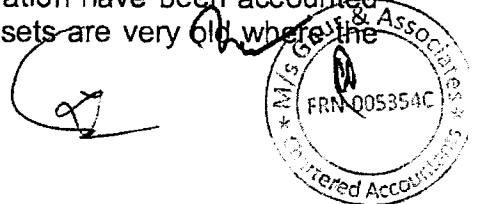
(c) The company has no related party enterprises other than State owned enterprises, detail/ transactions of which have not been disclosed in view of Para '9' of AS-18 "Related Party disclosures" which exempts State Controlled Enterprises from making any disclosure pertaining for their transactions with other related parties which are also State Controlled.

20. Due to heavy carried forward losses / depreciation and uncertainties to recover such losses/depreciation in near future, the deferred tax assets have not been recognised in accordance with AS-22 issued by ICAI.

21. In the opinion of management, there is no specific indication of impairment of any assets as on balance sheet date as envisaged by AS 28 of ICAI. Further, the assets of the corporation have been accounted for at their historical cost and most of the assets are very old where the impairment of assets is very unlikely.

4/1

6




22. Disclosure as per AS 29 is as under:-

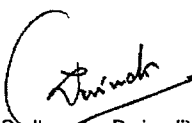
S. NO.	PARTICULARS	MOVEMENT OF PROVISIONS			
		OPENING BALANCE AS ON 01.04.2014	PROVISION MADE DURING THE YEAR	WITHDRAWAL / ADJUSTMENT OF PROVISION DURING THE YEAR	CLOSING BALANCE AS ON 31.03.2015
1	Provision for diminution in Investment	1,63,45,94,36,000	1,26,34,05,20,000	1,42,96,05,000	2,88,37,03,51,000
2	Provision for Doubtful debts on Sundry Debtors (Sale of power)	16,79,99,81,127	1,31,43,40,696	(9,82,98,755)	18,21,26,20,578
3	Provision for Bad & doubtful debts- Other current assets.	1,22,97,60,911	32,82,29,816	3,54,74,243	1,52,25,16,484
4	Provision for Bad & doubtful debts- Long Term Loans & Advances	1,51,20,69,201	8,47,91,815	1,31,19,835	1,58,37,41,181
5	Provision for Bad & doubtful debts- Short Term Loans & Advances	9,03,98,138	1,21,94,405	1,15,01,109	9,10,91,434
6	Provision for Other Non Current Assets	97,93,995	0	95,58,545	2,35,450
	Total	1,83,10,14,39,372	1,28,08,00,76,732	1,40,09,59,977	3,09,78,05,56,127


23. The figures as shown in the Balance Sheet, Profit & Loss Statement and Notes thereto have been rounded off to the nearest rupee.

24. Previous year figures have been regrouped and reclassified wherever considered necessary.


(H.K. Agarwal)
Company Secretary
(Part Time)


(A.K. Gupta)
Chief General Manager
(Accounts)


(Sudhanshu Dwivedi)
Director (Finance)
DIN - 6533235


(A.P. Mishra)
Managing Director
DIN - 05183625


Place : Lucknow

Date : 10 MAY 2017

Subject to our report of even date

For Gaur & Associates.
Chartered Accountants
FRN No. 005354C




(S.K Gupta)
Partner
M. No.016746

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.


CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2015

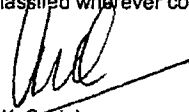
(Rs. in crore)

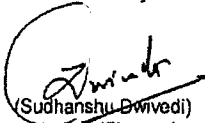
		2014-15	2013-14
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Loss Before Taxation & Extraordinary items	(12,996.70)	(1,146.86)
	Adjustment For:		
a	Depreciation	1.83	2.29
b	Interest & Financial Charges	164.59	174.60
c	Bad Debts & Provision	12,665.05	4,118.63
d	Interest Income	(21.91)	(21.48)
e	Prior Period Expenditure (Net)	327.62	(342.91)
f	Fringe Benefit Tax	-	-
	Sub Total	13,137.18	3,931.13
	Operating Profit Before Working Capital Change	140.48	2,784.27
	Adjustment for:		
a	Stores & Spares	142.63	(0.05)
b	Trade Receivable	(2,713.86)	(78.91)
c	Other Current Assets	(21,467.22)	3,205.47
d	Short-Term Loans & Advances	(16.89)	(62.13)
e	Inter Unit Transfer	24.46	(2.07)
f	Other Current Liab.	2,305.37	827.69
g	Short-Term Borrowings	301.47	(80.96)
h	Trade Payable	3,074.94	(6,047.55)
	Sub Total	(18,349.10)	(2,238.51)
	NET CASH FROM OPERATING ACTIVITIES (A)	(18,208.62)	545.76
B	CASH FLOW FROM INVESTING ACTIVITIES		
a	Decrease (Increase) in Fixed Assets	(2.04)	(5.62)
b	Decrease (Increase) in Work in Progress	189.80	(4.61)
c	(Increase)/Decrease in Investments	(12,814.78)	(4,298.72)
d	Decrease/(Increase) in Other Non-Current Assets	20,619.84	(20,686.11)
e	Decrease/(Increase) in Long Term Loans & Advances	1.60	(7.38)
f	Interest Incomes	21.91	21.48
	NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	8,016.33	(24,980.96)
C	CASH FLOW FROM FINANCING ACITIVITIES		
a	Proceeds from Borrowing :	(1,224.03)	20,003.32
	Increase from Borrowing		
	Repayment of Borrowing		
b	Proceeds from Share Capital	4,060.59	741.45
c	Proceed from Share Application Money	5,129.06	4,326.14
d	Proceeds from consumers contribution & GoUP capital subsidy (Reserve & Surplus)	2,556.71	
e	Other long term liabilities	(92.16)	
f	Interest & Financial Charges	(164.59)	(174.60)
g	Accumulated losses as per transfer Scheme transferred to PTCL	-	-
	NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	10,265.58	24,896.31
	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	73.29	461.11
	CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	985.89	524.78
	CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	1,059.18	985.89


Notes to the Cash-Flow Statement

- (i) This Statement has been prepared under indirect method as prescribed by AS-3
- (ii) Cash and cash equivalent consists of cash in hand, bank balances with scheduled banks and fixed deposits with banks.
- (iii) The figures in this statement have been rounded off to the rupees in crore up to two decimals.
- (iv) Previous year figures have been regrouped and reclassified wherever considered necessary.


(H.K. Agarwal)
Company Secretary
(Part Time)


(A.K. Gupta)
Chief General Manager
(Accounts)

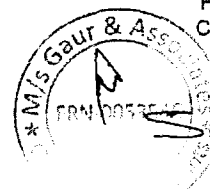

(Sudhanshu Dwivedi)
Director (Finance)
DIN - 6533235


(A.P. Mishra)
Managing Director
DIN - 05183625

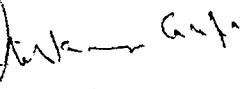
Place : Lucknow
Date :

10 MAY 2017

Subject to our report of even date



For Gaur & Associates
Chartered Accountants
FRN No. 005354C


(S.K. Gupta)
Partner
M. No. 016746

INDEPENDENT AUDITOR'S REPORT

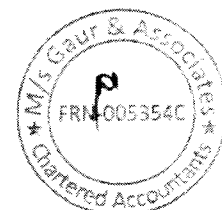
TO,
THE MEMBERS OF
UP POWER CORPORATION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of U. P. Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at **31st March 2015**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (Which have been signed by us on this date with reference to this report) wherein are incorporated the accounts of Zonal Accounts Office (Material Management) audited by the branch auditor.

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 and 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 there under.

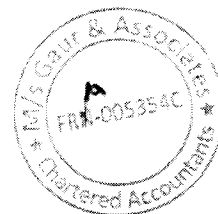
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

Basis for Qualified Opinion

1. Current Assets include net balance of Rs. 156.54 crores as Inter Unit Transfer being the un reconciled balance of inter Unit Transactions. The Company has informed that the reconciliation of inter unit account is in process {Refer Para 7 of Note 29(B)}.



2. Documentary evidence in respect of ownership/title of land and land rights, buildings were not provided to us and hence ownership as well as accuracy of balances could not be verified.
3. The balances of assets and liabilities of the Company/Transfer under Final Transfer Scheme other than secured loans, non-current investments and bank balances are subject to confirmation, reconciliation and consequential adjustments, if any, further in view of the above and in the absence of adequate information, we are unable to comment on the adequacy or otherwise of the provision for bad & doubtful debts made in respect of long term loan & advances (Note No. 12), other non current assets (Note No. 13), Trade Receivables (Note No. 15), Short term Loans & Advances (Note No. 17) and other current Assets (Note No. 18).
4. It was observed that the maintenance of party-wise subsidiary ledger and its reconciliation with primary books of accounts (i.e. cash book and sectional journal) are not proper and effective.
5. (a) The inventories have been valued at cost and not at 'lower of cost or net realizable value' as required by AS 2 "Valuation of inventories" (Refer accounting policy no. 5 of Note no. 29(A)).

(b) Recognition of interest on loans to staff and other items of income mentioned in accounting policy no. 1 (c) of Note no. 29 (A) has been done on cash basis. This is not in accordance with the provisions of AS 9 "Revenue Recognition".

(c) The cost of fixed assets includes employees cost and general & administration expenses as per the accounting policy 2(d) of Note no. 29(A). This is not in accordance with the provisions of Accounting Standard (AS) 10 "Accounting for fixed assets".

(d) Leave encashment is accounted for on the basis of claims received and approved during the year (Refer accounting policy no. 8 (b) of Note no. 29 (A)). Further, provisions for pension and gratuity in respect of employees has been made on the basis of actuarial valuation report dated 09.11.2000



adopted by the board of directors (Refer accounting policy no. 8 (a) of Note no. 29 (A) and para 4 of Note no. 29(B)).

Recognition, measurement and disclosure of employee benefits is not in accordance with the provisions of AS 15, "Employee Benefits" (revised 2005).

6. Provision towards wealth Tax Liability has not been made by the company for current year and previous years.
7. Uttaranchal Power Corporation Limited came into existence on dated 05/11/2000 vide notification no. 42/7/2000-R & R. The assets & liabilities were transferred on dated 12/10/2003 Note No. 2(b). However there is an outstanding dues amounting to Rs. 192.60 crores which is still not recovered needs provisioning & amount is subject to balance confirmation.

8. LOAN FROM HUDCO

HUDCO had sanctioned a loan of Rs.351.00 crores vide their letter no. HUDCO/LRO/SCH- 20748/2015/1478 DT 24.03.2015 for improvement of Distribution Net Work and Power Sub Stations in UP.

We could not verify whether up-front contribution of Rs. 150.54 crores was made on the date of availment/disbursement of loan, as is not routed through escrow account.

However the above mentioned loan has been stand adjusted as on date.

9. Interest on Borrowings

The company has defaulted in making payment of interest on borrowings the defaulting amount is Rs.600.56 Crores.

10. For want of complete information, the cumulative impact of our observation in paras 1 to 9 above and in the annexure to this Report is not ascertained.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for matters described in 'Basis for Qualified Opinion' paragraph 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:

- (a) In the case of balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of the Statement of profit and loss, of the loss for the year ended on that date and.
- (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required matters specified in paragraph 3 and 4 by the Companies (Auditor's Report) Order, 2015 issued by the department of company affairs, in terms of sub section 11 of section 143 of the companies Act, 2013, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the **Annexure-I** a statement on the matters specified in paragraphs 4 of the said order to the extent applicable to the company.
2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and expectations given to us, in the **Annexure-II** on the directions issued by the comptroller and Auditor General of India.

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, and subject to the matters described in 'Basis of Opinion' paragraph 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 and subject to our observation in basis for qualified opinion paragraph proper returns adequate for the purpose of our audit have been received from branches not visited by us.



- (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, subject to matters described in 'Basis for qualified 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 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no requirement to transfer the amounts to the Investor Education and Protection Fund by the Company.
 - iv. The company has a part-time company secretary. This is not in accordance with the provision of section 203 of companies Act, 2013 which prescribes for the appointment of a whole time company secretary in public company having a paid up share capital of Rs.5 crores or more.

In terms of our report of even date

For GAUR & ASSOCIATES

Chartered Accountants

Firm Registration No. 005354C

CA S. K. GUPTA

Partner

Membership No. 016746

Place: Lucknow

Date: 10 MAY 2017



(Annexure referred to in our report of even date to the members of U.P. Power Corporation Limited on the accounts for the year ended on 31st March, 2015)

On the basis of such tests as we considered appropriate to apply, the information and explanation rendered to us by the management during the course of audit of head office and the Auditor Report of Zonal Accounts Office (Material Management) audited by other auditors, we report as under:-

(1) In Respect of Fixed Assets

(a) The company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets as required by the Company Act, 2013

(b) The company has not carried out physical verification of the Fixed Assets hence we are unable to comment whether any material discrepancy was noticed as such or not.

(2) In Respect of Inventory

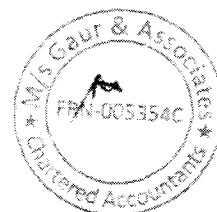
(a) Physical verification of inventory has been conducted at reasonable intervals by the management.

(b) As per the size of the company and nature of its business, adequate procedure of physical verification of inventory was not followed by the management during the year.

(c) The company has maintained proper records showing full particulars. As the company has not physically verified the inventory during the year, the discrepancies on physical verification can not be commented upon.

(3) Loans and advances to parties covered under section 189

As per the information and explanation given to us, the Company has not granted any loans Secured or unsecured to companies, firms or other parties covered in the register maintained under section 189



(a) N.A.

(b) N.A.

(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control

In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for purchase of inventories and fixed assets and sale of goods & rendering of services.

(5) Rules followed while accepting Deposits

As per the information and explanation given to us, the company has not accepted any deposits from the public, hence the directions issued by the Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.

(6) Maintenance of cost records

In our opinion, the cost records prescribed under section 148(1) of the companies Act 2013, have been maintained by the company.

(7) According to the information and explanations given to us in respect of statutory dues

(a) According to the information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including Employee state insurance, Income Tax, Sales Tax, Service tax, custom duty, excise duty, cess, etc. except Wealth Tax, the return of which has not been filed and tax has not been paid for current year and previous years.



(b) As informed to us, there are following dues that have not been deposited on account of dispute -

Sl. No.	Name of the statute	Assessment year	Amount (Rs. In Lakhs)	Forum where dispute is pending
1.	Income Tax Act, 1961	1991-92	1.00	Hon'ble Income Tax Appellate Tribunal
2.	Income Tax Act, 1961	1992-93	1.00	Hon'ble Income Tax Appellate Tribunal
3.	Income Tax Act, 1961	2015-2016	8.89	Income tax Department

(c) N.A

(8) Loss Making Companies

The Accumulated losses of the company are more than fifty percent of the net worth of the company as on the balance sheet date. Further, in our opinion, the company has incurred cash losses during the current financial year as well as in the immediately preceding financial year.

(9) Repayment of Dues

The company has defaulted in repayment of interest due on loans/borrowings amounting to Rs.604.13crores (Refer Annexure attached with Note no.4 and foot Note no. 6 forming part of the Balance Sheet).

(10) Guarantee Given

According to the information and explanation given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.



(11) Use of funds

As the accounts are not maintained in such manner which could identify the immediate nexus for ultimate usage of loan funds, we are unable to comment whether loan funds were applied for the purpose for which the loans were obtained, however, as per the explanations given by the management the loan funds were applied for the purpose for which the loans were obtained.

(12) Reporting of Fraud During the Year Nature and Amount

According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

In terms of our report of even date

For GAUR & ASSOCIATES

Chartered Accountants

Firm Registration No. 005354C

S. K. Gupta

CA S. K. Gupta

Partner

Membership No. 016746



Place: Lucknow

Date: 10 MAY 2017

Annexure II to the Auditors Report

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" our report of even date to the members of U.P. Power Corporation Limited on the accounts for the year ended on 31st March, 2015

S.No.	Directions	Action taken
1.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.	The Company has not been selected for disinvestment during the financial year 2014-15
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefore and the amount involved.	During the year 2014-15 various banks have waived off the penal interest Rs 3.56 Crores and the same has been adjusted against interest payment made in the year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	No such cases reported
4.	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	No Such information was made available to us.

In terms of our report of even date

For GAUR & ASSOCIATES

Chartered Accountants

Firm Registration No. 005354C

S. K. Gupta
CA S. K. Gupta

Partner

Membership No. 016746



Place: Lucknow

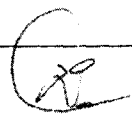
Date: 10 MAY 2017

AUDITOR'S REPORT	MANAGEMENT REPLY
<p>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.</p>	
<p>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 there under. 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</p>	<p>No Comments</p>

Te

MANAGEMENT'S REPLY TO THE STATUTORY AUDITOR'S REPORT ON THE
STANDALONE FINANCIAL STATEMENTS OF THE CORPORATION FOR THE
YEAR ENDED ON 31.03.2015

AUDITOR'S REPORT	MANAGEMENT REPLY
<p>To, The Members UP Power Corporation Limited, Shakti Bhawan, 14 Ashok Marg, Lucknow.</p> <p>Report on the Financial Statements We have audited the accompanying financial statements of U. P. Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (Which have been signed by us on this date with reference to this report) wherein are incorporated the accounts of Zonal Accounts Office (Material Management) audited by the branch auditor.</p>	<p>No Comments</p>
<p>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 and 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</p>	<p>No Comments</p>



AUDITOR'S REPORT	MANAGEMENT REPLY
<p>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.</p>	
<p>Basis for Qualified Opinion 1. Current Assets include net balance of Rs. 156.54 crores as Inter Unit Transfer being the un-reconciled balance of inter Unit Transactions. The Company has informed that the reconciliation of inter unit account is in process {Refer Para 7 of Note 29(B)}.</p>	<p>The reconciliation of the inter unit transactions is a continuous process and the effects of un-matched entries will be given in the accounts of subsequent year.</p>
<p>2. Documentary evidence in respect of ownership/title of land and land rights, buildings were not provided to us and hence ownership as well as accuracy of balances could not be verified.</p>	<p>Necessary evidences are kept at unit level.</p>
<p>3. The balances of assets and liabilities of the Company/Transfer under Final Transfer Scheme other than secured loans, non-current investments and bank balances are subject to confirmation, reconciliation and consequential adjustments, if any, further in view of the above and in the absence of adequate information, we are unable to comment on the adequacy or otherwise of the provision for bad & doubtful debts made in respect of long term loan & advances (Note No. 12), other non current assets (Note No. 13), Trade Receivables (Note No. 15), Short term Loans & Advances (Note No. 17) and other current Assets (Note No. 18).</p>	<p>Reconciliation work of the balances under the head of current assets, non – current assets, current and non-current loans and advances, unsecured loan, current and non-current liabilities (including the balances of DISCOMs, other companies etc), is a continuous process and necessary accountal /adjustment will be made in the books of account, as may be required from time to time as per the reconciliation.</p> <p>The provision for Bad & Doubtful Debts made in respect of Long term Loans & Advances and, Other non-current assets, Trade Receivables, Short Term Loans & advances and Other Current Assets have been made on consistent basis and are adequate.</p>
<p>4. It was observed that the maintenance of party- wise subsidiary ledger and its reconciliation with primary books of accounts i.e. cash book and sectional journal are not proper and effective.</p>	<p>Instructions have been issued to units to maintain the party wise subsidiary books of accounts and ensure its matching with primary books of accounts</p>
<p>5. (a) The inventories have been valued at cost and not at 'lower of cost or net realizable value' as required by AS 2</p>	<p>The Corporation is maintaining the inventory only for the construction and maintenance of fixed assets. The</p>

22

AUDITOR'S REPORT	MANAGEMENT REPLY
"Valuation of inventories" (Refer accounting policy no. 5 of Note no. 29(A)).	Corporation do not have any inventory of finished stock i.e. electricity. Hence the valuation of inventory does not contravene the provisions of AS-2.
(b) Recognition of interest on loans to staff and other items of income mentioned in accounting policy no. 1 (c) of Note no. 29 (A) has been done on cash basis. This is not in accordance with the provisions of AS 9 "Revenue Recognition".	Accounting has been done as per Significant Accounting Policies of the Corporation considering the certainty of realization in line with AS-9.
(c) The cost of fixed assets includes employees cost and general & administration expenses as per the accounting policy 2(d) of Note no. 29(A). This is not in accordance with the provisions of Accounting Standard (AS) 10 "Accounting for fixed assets".	Due to multiplicity of functional units as well as multiplicity of function at particular unit, capitalization policy of indirect expenses like employee cost and General & Administrative Expenses are framed to capitalize the said expenses at a predetermined rate and accordingly the treatment has been given while capitalizing the indirect expenses.
(d) Leave encashment is accounted for on the basis of claims received and approved during the year (Refer accounting policy no. 8 (b) of Note no. 29 (A)). Further, provisions for pension and gratuity in respect of employees has been made on the basis of actuarial valuation report dated 09.11.2000 adopted by the board of directors (Refer accounting policy no. 8 (a) of Note no. 29 (A) and para 4 of Note no. 29(B)). Recognition, measurement and disclosure of employee benefits is not in accordance with the provisions of AS 15, "Employee Benefits" (revised 2005).	In absence of the latest actuarial valuation report, the provision of pension and Gratuity has been made on the basis of actuarial valuation report dated 09.11.2000
6. Provision towards wealth Tax Liability has not been made by the company for current year and previous years.	Necessary instruction has been issued to units to verify the liability of wealth Tax, if any, and provide for the same, if required.
7. Uttaranchal Power Corporation Limited came into existence on dated 05/11/2000 vide notification no. 42/7/2000-R & R. The assets & liabilities were transferred on dated 12/10/2003 Note No. 2(b). However there is an outstanding dues amounting to Rs. 192.60 crores which is still not recovered needs	The Assets and Liabilities relating to Uttaranchal Power Corporation Limited has been transferred as per an agreement dated 12.10.2003 with Uttaranchal Power Corporation Limited w.e.f 09.11.01, hence, balance confirmation is not required. So far as the provisioning of the outstanding dues is

AUDITOR'S REPORT	MANAGEMENT REPLY
provisioning & amount is subject to balance confirmation.	concerned the case is pending at the state Government level (i.e. between U.P. Government and UTTRANCHAL Government) hence till finalisation of the same no provision is required.
<p>8. LOAN FROM HUDCO</p> <p>HUDCO had sanctioned a loan of Rs.351.00 crores vide their letter no. HUDCO/LRO/SCH- 20748/2015/1478 DT 24.03.2015 for improvement of Distribution Net Work and Power Sub Stations in UP. We could not verify whether up-front contribution of Rs. 150.54 crores was made on the date of availment/ disbursement of loan, as is not routed through escrow account. However the above mentioned loan has been stand adjusted as on date.</p>	<p>The HUDCO has sanctioned a loan amounting to Rs. 351.00 crores vide their letter no. HUDCO/LRO/SCH-20748/2015/1478 dt. 24.03.2015 for improvement of Distribution Network and Power sub stations in UP against the project cost amounting to Rs. 501.54 crores. In the project cost, UPPCL share of Investment was amounting to Rs. 150.54 crores.</p> <p>In this respect it is to submit that:-</p> <ol style="list-style-type: none"> 1. HUDCO was informed vide letter No 210/GM(F)/F-1/HUDCO Dt. 27.03.2015 that Discoms have already started the work under this Scheme and amounting to Rs. 132.96 crores has been spent on various components which was representing the UPPCL's share in project as upfront contribution. 2. HUDCO had considered our letter captioned above and on that basis released the corresponding share of loan amounting to Rs. 310.00 crores on 30.03.2015 so it was not necessary for UPPCL to maintain minimum amount of one installment in the escrow account.
<p>9. Interest on Borrowings:</p> <p>The company has defaulted in making payment of interest on borrowings the defaulting amount is Rs.600.56 Crores.</p>	No Comments
<p>10. For want of complete information, the cumulative impact of our observation in paras 1 to 9 above and in the annexure to this Report is not ascertained.</p>	No Comments
<p>Opinion</p> <p>In our opinion and to the best of our information and according to the explanations given to us, except for matters described in 'Basis for Qualified Opinion' paragraph the aforesaid financial</p>	No Comments

AUDITOR'S REPORT	MANAGEMENT REPLY
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:	
(a) In the case of balance Sheet, of the state of affairs of the Company as at March 31, 2015,	No Comments
(b) In the case of the Statement of profit and loss, of the loss for the year ended on that date and,	No Comments
(c) In the case of the cash flow statement, of the cash flows for the year ended on that date.	No Comments
<p>Report on Other Legal and Regulatory Requirements</p> <p>1. As required matters specified in paragraph 3 and 4 by the Companies (Auditor's Report) Order, 2015 issued by the department of company affairs, in terms of sub section 11 of section 143 of the companies Act, 2013, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure-I a statement on the matters specified in paragraphs 4 of the said order to the extent applicable to the company.</p>	No Comments
<p>2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and expectations given to us, in the Annexure-II on the directions issued by the comptroller and Auditor General of India.</p>	No Comments
<p>As required by Section 143 (3) of the Act, we report that:</p> <p>(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.</p>	No Comments
(b) In our opinion, and subject to the matters described in 'Basis of Opinion' paragraph proper books of	No Comments

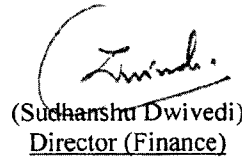
AUDITOR'S REPORT	MANAGEMENT REPLY
<p>account as required by law have been kept by the Company so far as it appears from our examination of those books and subject to our observation in basis for qualified opinion paragraph proper returns adequate for the purpose of our audit have been received from branches not visited by us.</p>	
<p>(c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.</p>	No Comments
<p>(d) In our opinion, subject to matters described in 'Basis for qualified 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</p>	No Comments
<p>(e) On the basis of the written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.</p>	No Comments
<p>(f) 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:</p> <p>(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.</p>	No Comments
<p>(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term</p>	No Comments



AUDITOR'S REPORT	MANAGEMENT REPLY
contracts including derivative contracts.	
(iii) There has been no requirement to transfer the amounts to the Investor Education and Protection Fund by the Company.	No Comments
(iv) The company has a part-time company secretary. This is not in accordance with the provision of section 203 of companies Act, 2013 which prescribes for the appointment of a whole time company secretary in public company having a paid up share capital of Rs.5 crores or more.	No Comments



(I.M. Kaushal)
Chief General Manager (Accounts)



(Sudhanshu Dwivedi)
Director (Finance)

Management's reply to the AnnexureS of Statutory Auditors' Report


ANNEXURE I OF STATUTORY AUDITORS' REPORT	MANAGEMENT REPLY
On the basis of such tests as we considered appropriate to apply, the information and explanation rendered to us by the management during the course of audit of head office and the Auditor Report of Zonal Accounts Office (Material Management) audited by other auditors, we report as under:-	No Comments
(1) In Respect of Fixed Assets (a) The company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets as required by the Company Act, 2013	The company is in the process to maintain proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The company has not carried out physical verification of the Fixed Assets hence we are unable to comment whether any material discrepancy was noticed as such or not.	The company is in the process to carry out physical verification of the Fixed Assets.
(2) In Respect of Inventory (a) Physical verification of inventory has been conducted at reasonable intervals by the management	No Comments
(b) As per the size of the company and nature of its business, adequate procedure of physical verification of inventory was not followed by the management during the year.	The Company is in the process to apply adequate procedure of physical verification of inventory.
(c) The company has maintained proper records showing full particulars. As the company has not physically verified the inventory during the year, the discrepancies on physical verification cannot be commented upon.	No Comments
(3) Loans and advances to parties covered under section 189 As per the information and explanation given to us, the Company has not granted any loans Secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 (a) N.A. (b) N.A.	No Comments
(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control	


ANNEXURE I OF STATUTORY AUDITORS' REPORT	MANAGEMENT REPLY																				
<p>In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for purchase of inventories and fixed assets and sale of goods & rendering of services</p>	No Comments																				
<p>(5) Rules followed while accepting Deposits As per the information and explanation given to us, the company has not accepted any deposits from the public, hence the directions issued by the Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable</p>	No Comments																				
<p>(6) Maintenance of cost records In our opinion, the cost records prescribed under section 148(1) of the companies Act 2013 have been maintained by the company.</p>	No Comments																				
<p>(7) According to the information and explanations given to us in respect of statutory dues (a) According to the information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including Employee state insurance, Income Tax, Sales Tax, Service tax, custom duty, excise duty, cess, etc. except Wealth Tax, the return of which has not been filed and tax has not been paid for current year and previous years.</p>	No Comments																				
<p>(b) As informed to us, there are following dues that have not been deposited on account of dispute:-</p> <table border="1" data-bbox="245 1424 789 1778"> <thead> <tr> <th>Sl. No</th> <th>Name of the statute</th> <th>Assessment year</th> <th>Amount (Rs. In Lakhs)</th> <th>Forum where dispute is pending</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Income Tax Act, 1961</td> <td>1991-92</td> <td>1.00</td> <td>Hon'ble Income Tax Appellate Tribunal</td> </tr> <tr> <td>2.</td> <td>Income Tax Act, 1961</td> <td>1992-93</td> <td>1.00</td> <td>Hon'ble Income Tax Appellate Tribunal</td> </tr> <tr> <td>3.</td> <td>Income Tax Act, 1961</td> <td>2015-2016</td> <td>8.89</td> <td>Income tax Department</td> </tr> </tbody> </table>	Sl. No	Name of the statute	Assessment year	Amount (Rs. In Lakhs)	Forum where dispute is pending	1.	Income Tax Act, 1961	1991-92	1.00	Hon'ble Income Tax Appellate Tribunal	2.	Income Tax Act, 1961	1992-93	1.00	Hon'ble Income Tax Appellate Tribunal	3.	Income Tax Act, 1961	2015-2016	8.89	Income tax Department	<p>The case is still pending with Hon'ble Income Tax Appellate Tribunal.</p> <p>This default pertains to Pension Unit. As informed by Executive Engineer there is no default pending as on date</p>
Sl. No	Name of the statute	Assessment year	Amount (Rs. In Lakhs)	Forum where dispute is pending																	
1.	Income Tax Act, 1961	1991-92	1.00	Hon'ble Income Tax Appellate Tribunal																	
2.	Income Tax Act, 1961	1992-93	1.00	Hon'ble Income Tax Appellate Tribunal																	
3.	Income Tax Act, 1961	2015-2016	8.89	Income tax Department																	
<p>(8) Loss Making Companies</p>																					

ANNEXURE I OF STATUTORY AUDITORS' REPORT	MANAGEMENT REPLY
<p>The Accumulated losses of the company are more than fifty percent of the net worth of the company as on the balance sheet date. Further, in our opinion, the company has incurred cash losses during the current financial year as well as in the immediately preceding financial year.</p>	No Comments
<p>(9) Repayment of Dues The company has defaulted in repayment of interest due on loans/borrowings amounting to Rs.604.13crores (Refer Annexure attached with Note no.4 and foot Note no. 6 forming part of the Balance Sheet).</p>	No Comments
<p>(10) Guarantee Given According to the information and explanation given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.</p>	No Comments
<p>(11) Use of funds As the accounts are not maintained in such manner which could identify the immediate nexus for ultimate usage of loan funds, we are unable to comment whether loan funds were applied for the purpose for which the loans were obtained, however, as per the explanations given by the management the loan funds were applied for the purpose for which the loans were obtained.</p>	The funds received on short term basis have not been used for long term investments.
<p>(12) Reporting of Fraud During the Year Nature and Amount According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.</p>	No Comments

ANNEXURE II OF STATUTORY AUDITORS' REPORT			MANAGEMENT REPLY
<p>Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" our report of even date to the members of U.P. Power Corporation Limited on the accounts for the year ended on 31st March, 2015</p>			
S.No	Directions	Action taken	No Comments
1.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of	The company has not been selected for disinvestment during the financial year 2014-15	

ANNEXURE II OF STATUTORY AUDITORS' REPORT		MANAGEMENT REPLY	
	Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.		
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefore and the amount involved.	During the year 2014-15 various banks have waived off the penal interest Rs 3.56 Crores and the same has been adjusted against interest payment made in the year.	No Comments
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	No such cases reported.	No Comments
4.	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	No such information was made available to us.	No Comments


 (I.M. Kaushal)
 Chief General Manager (Accounts)


 (Sudhanshu Dwivedi)
 Director (Finance)

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय महालेखाकार
(आर्थिक एवं राजस्व लेखापरीक्षा), उ.प्र.
"आडिट भवन" टीसी-V-35-I, विभूति खण्ड,
गोमती नगर, लखनऊ-226010



Indian Audit & Accounts Department
Office of the Accountant General
(Economic & Revenue Sector Audit), U.P.,
"Audit Bhawan" TC-V-35-I, Vibhuti Khand,
Gomti Nagar, Lucknow-226010

स्पीड पोस्ट/गोपनीय

पत्रांक : म.ले.(ई.एण्डआर.एस.ए)/इ.एस-11/लेखा/यू.पी.पा.का.लि./2014-15/376

दिनांक: 17/10/2014

सेवा में,

प्रबन्ध निदेशक,
उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड,
शक्ति भवन, 14-अशोक मार्ग,
लखनऊ

महोदय,

एतत्सह कम्पनी अधिनियम, 2013 की धारा 143(5) के अधीन उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड के 31 मार्च 2015 को समाप्त वर्ष के Stand Alone वित्तीय विवरणों पर भारत के नियंत्रक-महालेखापरीक्षक की टीका-टिप्पणियों कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के निबन्धनों के अनुसरण में कम्पनी की वार्षिक सामान्य बैठक के समक्ष प्रस्तुत करने हेतु अग्रोषित की जा रही है। कृपया वार्षिक सामान्य बैठक के समक्ष इन टीका-टिप्पणियों के प्रस्तुत किये जाने की वास्तविक तिथि की सूचना दें।

The report has been prepared on the basis of information furnished and made available by the auditee. The Office of the Accountant General (Economic & Revenue Sector Audit), Uttar Pradesh disclaims any responsibility for any misinformation and/or non-information on the part of auditee.

कृपया पत्र की पावती भेजें।

सहपत्र-यथोपरि

भवदीय

(सौरभ नारायण)
महालेखाकार

दूरभाष / Phone- 0522-2720280, 2720290



फैक्स / Fax- 0522-2720220

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF UTTAR PRADESH POWER CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015.

The Management of the Company is responsible for the preparation of financial statements of Uttar Pradesh Power Corporation Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 May 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act of the Financial Statements of Uttar Pradesh Power Corporation Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6)(b) of the Act which have come to my attention and which in my view are necessary for enabling better understanding of the Financial Statements and the related Audit Report:

A. Comments on Financial position:

Balance Sheet

Equity and Liabilities

Other Current Liabilities (Note 8)

1. Liabilities towards UPPCL CPF Trust: ₹ 2.78 lakh

The above does not include ₹ 28.08 crore and ₹ 0.57 crore being interest payable on account of delay/non-deposit of General Provident Fund (GPF) and Pension and Gratuity as worked out and accounted for in Financial Statements of Uttar Pradesh Power Sector Employees Trust for the year 2014-15.

This has resulted in understatement of Current Liabilities and Accumulated Losses by ₹ 28.65 crore.


Despite the similar comment of the C&AG on the Accounts for the years 2012-13 and 2013-14, no corrective action has been taken by the Management.

Assets**Non-current Assets****2. Non-current Investments (Note 11): ₹ 2286.61 crore**

The company while calculating diminution in value of investment in an associates {Uttar Pradesh Power Transmission Corporation Limited (UPPTCL)} has included Capital Reserve (Consumers contribution towards capital works) while working out the Net Worth of UPPTCL. *Section 2(57) of the Companies Act, 2013 defines Net Worth* which states that *all reserves created out of the profits are to be included in the net worth. As Consumer contribution is a Capital Reserve and not created out of Profits, hence same is wrongly included in working out the Net Worth of the UPPTCL. Thus the diminution in investment in UPPTCL has been worked out excess by ₹ 134.60 crore.*

This has resulted in overstatement of Non-Current Investment by ₹ 134.60 crore and understatement of Loss for the year to the same extent.

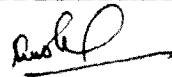
**For and on behalf of the
Comptroller & Auditor General of India**


**(Saurabh Narain)
Accountant General**

**Place: Lucknow
Date: 17.10.17**

REPLY OF FINAL COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF U.P. POWER CORPORATION LIMITED FOR THE YEAR ENDED ON 31 MARCH 2015.

FINAL COMMENT	MANAGEMENT'S REPLY
<p>The Management of the Company is responsible the preparation of the financial statements of <i>Uttar Pradesh Power Corporation Limited for the year ended 31 March 2015</i> in accordance with the financial reporting framework prescribed under the Companies Act, 2013. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their <i>Audit Report dated 10 May 2017</i>.</p>	<p align="center">No Comments</p>
<p>I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act of the Financial Statements of <i>Uttar Pradesh Power Corporation Limited for the year ended 31 March 2015</i>. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6)(b) of the Act which have come to my attention and which in my view are necessary for enabling better understanding of the Financial Statements and the related Audit Report:</p>	<p align="center">No Comments</p>

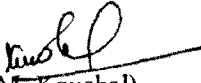


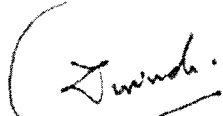

FINAL COMMENT	MANAGEMENT'S REPLY										
<p>B. Comments on Financial position:</p> <p>Balance Sheet</p> <p>Equity and Liabilities</p> <p>Other Current Liabilities (Note 8)</p> <p>1. Liabilities towards UPPCL CPF Trust: ₹. 2.78 lakh</p> <p>The above does not include ₹ 28.08 crore and ₹. 0.57 crore being interest payable on account of delay/non-deposit of General Provident Fund (GPF) and Pension & Gratuity as worked out and accounted for in financial statements of Uttar Pradesh Power Sector Employees Trust for the year 2014-15.</p> <p>This has resulted in understatement of Current Liabilities and Accumulated losses by ₹. 28.65crore.</p> <p>Despite the similar comment of the C&AG on the Accounts for the years 2012-13 and 2013-14, no corrective action has been taken by the Management.</p>	<p>As per the audited balance sheet of UPPCL for F.Y. 2014-15, the outstanding balances against GPF/CPF Trust for GPF, Pension & Gratuity and CPF appearing under Note no-08 and 17 were as under :</p> <table border="1" data-bbox="1119 570 1778 886"> <thead> <tr> <th>Particulars</th> <th>Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>PF liability (Debit balance)</td> <td>-165979717</td> </tr> <tr> <td>Pension & Gratuity Liability (Credit balance)</td> <td>39244698</td> </tr> <tr> <td>CPF liability (Credit balance)</td> <td>278124</td> </tr> <tr> <td>Net Liability (Debit Balance)</td> <td>-126456895</td> </tr> </tbody> </table> <p>From the above it is clear that net liability was negative, hence accountal of interest payable on outstanding dues to Trust, as referred, was not required in the books of UPPCL in 2014-15. Moreover, correspondence with the Trust, in this regard, has been made to review and reconcile the transactions with the UPPCL & TRUST.</p>	Particulars	Amount (Rs.)	PF liability (Debit balance)	-165979717	Pension & Gratuity Liability (Credit balance)	39244698	CPF liability (Credit balance)	278124	Net Liability (Debit Balance)	-126456895
Particulars	Amount (Rs.)										
PF liability (Debit balance)	-165979717										
Pension & Gratuity Liability (Credit balance)	39244698										
CPF liability (Credit balance)	278124										
Net Liability (Debit Balance)	-126456895										





FINAL COMMENT	MANAGEMENT'S REPLY
<p>Assets</p> <p>Non-current Assets</p> <p>2. Non-current Investments (Note 11): ₹ 2286.61 crore</p> <p>The company while calculating diminution in value of investment in an associates {Uttar Pradesh Power Transmission Corporation Limited (UPPTCL)} has included capital reserve (Consumers contribution towards capital works) While working out the net worth of UPPTCL. Section 2(57) of the Companies Act, 2013 defines Net Worth which states that all reserves created out of the profits are to be included in the net worth. As Consumer contribution is a Capital Reserve and not created out of Profits, hence same is wrongly included in working out the Net Worth of the UPPTCL. Thus the diminution in investment in UPPTCL has been worked out excess by ₹ 134.60 crore.</p> <p>This has resulted in overstatement of Non-Current Investment by ₹ 134.60 Crore and understatement of Loss for the year to the same extent.</p>	<p>As advised, the amount of Consumer contribution has been excluded while calculating Net worth of UPPTCL in F.Y.2015-16.</p>


 (I.M. Kaushal)
 Chief General Manager (Accounts)


 (Sudhanshu Dwivedi)
 Director (Finance)