

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Consolidated Financial Statements

Qualified Opinion:

We have audited the accompanying consolidated financial statements of Uttar Pradesh Power Corporation Limited (UPPCL) (hereinafter referred to as the "Holding Company"), and its six Subsidiaries, namely Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL), Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL), Kanpur Electricity Supply Company Limited, Kanpur, (KESCO) and Southern UP Power Transmission Company Limited (SUPPTCL) (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2021, the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India.

- In the case of consolidated balance sheet, of the state of affairs (Financial Position) of the Group as at March 31, 2021.
- In the case of consolidated statement of Profit and Loss, of the consolidated net profit (financial performance including other comprehensive income) of the Group for the year ended on that date;
- In the case of consolidated cash flows and changes in equity of the Group for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to the matters described in "Basis for Qualified Opinion" paragraph of the audit report on standalone financial statements of Holding company, audited by us and the Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL, KESCO and SUPPTCL audited by other auditors. These matters in so far, as it relates to the amounts and disclosures included in respect of Holding and its Subsidiaries, are included in 'Annexure-1', which forms an integral part of our report, the effects of which are not ascertainable individually or in aggregate on the consolidated financial statements that constituted the basis for modifying our opinion. Our opinion on the consolidated financial statements, is qualified in respect of the matters referred to in 'Annexure-1' to this report, to the extent applicable.



We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Information other than the consolidated financial statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Management's responsibility for the consolidated financial statements:

The Holding company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the



consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the consolidated financial statements:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of



which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

- a. We did not audit the financial statements / financial information of Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL, KESCO and SUPPTCL, whose financial statements / financial information reflect the Group's share of total assets, as detailed below, and the net assets as at 31st March, 2020, total revenues and net cash flows for the year ended on that date, and also include the Group's share of net profit for the year ended 31st March, 2021, as considered in the consolidated financial statements in respect of these Subsidiaries, whose financial statements / financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, is based solely on the reports of the other auditors.

(Rs. in Lacs)

Name of the Companies	Total Assets as at 31.03.2021	Net Assets i.e., Total Assets minus Total Liabilities as at 31.03.2021	Total Net Profit/ (Loss) as at 31.03.2021	Net Cash in Flows/ (outflows) as at 31.03.2021
Subsidiaries:				
Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL)	45,03,974.84	5,85,869.94	(92,581.30)	17,250.49
Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL)	60,00,892.79	10,47,489.75	(3,56,613.82)	(10,996.86)
Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL)	38,56,301.80	6,99,620.64	(3,73,597.47)	21,815.43



Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL)	40,93,905.62	45,334.63	(2,24,123.99)	33,385.41
Kanpur Electricity Supply Company Limited, Kanpur, (KESCO)	5,22,185.91	(1,97,545.65)	(17,209.55)	(4,012.73)
Southern UP Power Transmission Company Limited (SUPPTCL)	0.10	0.10	(0.03)	(62.37)
Total	1,89,77,261.06	21,80,769.41	(10,64,126.16)	57,379.37
CFS Adjustment	-	-	(81,874.04)	-
Grand Total	1,89,77,261.06	(21,80,769.41)	(11,46,000.20)	57,379.37

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements:

1. As required by section 143(3) of the Act, based on our audit on the consideration of report of the other auditors on separate financial statements and the other financial information of Subsidiaries, as noted in the 'other matter' paragraph to the extent applicable, we report that:
 - a. Except for the matters described in the "Basis for Qualified Opinion" paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion and except for the matters described in the "Basis for Qualified Opinion" paragraph of our report, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. Except for the matters described in the "Basis for Qualified Opinion" paragraph, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
 - e. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India; provisions of sub-section (2) of section 164 of the Act, regarding disqualification of the directors are not applicable to the Company.
 - f. With respect to the adequacy of the internal financial controls system over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure-II", which is based on the auditors' report of the holding company and its subsidiary companies incorporated in India. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. Except for the effects of the matters described in the "Basis of Qualified Opinion" paragraph, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.M. LALL & CO.,
Chartered Accountants
(FRN: 000932C)



(CA Vikas C Srivastava)
Partner
M. No.: 401216
UDIN: 22401216ADHYOW4519

Place: Lucknow

Date: 22nd February, 2022

Annexure I to Independent Auditors Report

(As referred to in "Basis of Qualified Opinion" paragraph of our audit report of even date to the members of U.P. Power Corporation Limited on the Consolidated Financial Statements of the Group for the year ended 31st March, 2021)

Based on our audit on the consideration of our report of the Holding Company and the report of the other auditors on separate financial statements and the other financial information of Subsidiaries, as noted in the 'other matter' paragraph to the extent applicable, we report that:

1. The Group has not complied with the following Ind AS notified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended):
 - a. Trade Receivable (Note-10), Financial Assets-Other (Note-12), Other Current Assets (Note-13), Trade payable (Current) (Note-19) and Other Financial Liabilities (Note-20) have been classified as current assets/liabilities include balances which are outstanding for realisation/settlement since previous financial years and in the absence of adequate information/explanations regarding the realisability/settlement of such amounts within twelve months after the year end, reasons for not classifying them as non-current assets/liabilities **is inconsistent with Ind AS-1 "Presentation of Financial Statements"**. This has resulted in over statement of respective current assets/liabilities and understatement of the corresponding non-current assets/liabilities.
 - b. Recognition of Insurance and other claims, refunds of Custom duty, Interest on Income Tax & trade tax, license fees, interest on loans to staff and other items of income covered by Significant Accounting Policy no. 2 (c) of Note-1 has been done on cash basis. **This is not in accordance with the provisions of Ind AS-1 "Presentation of Financial Statements"**.
 - c. Accounting for Employee Benefits: Actuarial Valuation of gratuity liability of the employees covered under GPF scheme has not been obtained. (Refer Para 14 Note – 31 "Notes on Accounts"). **This is inconsistent with Ind AS-19 "Employee Benefits"**.
 - d. Inventory which includes stores and spares for capital works, operation and maintenance and others is valued at cost (Refer accounting policy no. 3(VII)(a) of Note-1). Valuation of stores and spares for O & M and others **is not consistent with Ind AS-2 "Inventories"** i.e., valuation at lower of cost and net realizable value. Further, the stores and spares for capital work should be classified as part of Property, Plant and Equipment and recognised, measured and disclosed in accordance with **Ind AS-16 "Property, Plant and Equipment"**.
 - e. "Inventories" includes obsolete stock, unserviceable/ slow-moving stock valued at cost, which is inconsistent **with Ind AS-2 "Inventories"** i.e., it should be valued at its Net Realisable Value.
 - f. Additions during the year in Property, Plant and Equipment include employee cost at a fixed percentage of the cost of each addition to Property, Plant and Equipment in accordance with Note-1 Significant Accounting Policy Para (3)(II)(e). Such employee cost to the extent not directly attributable to the acquisition and/or installation of Property, Plant and Equipment **is inconsistent with Ind AS-16 "Property, Plant and Equipment"**. This has resulted in overstatement of fixed assets and depreciation and understatement of employee cost and loss.
 - g. The auditors of the Subsidiaries reported that depreciation on fixed assets have not been provided on pro-rata basis which **is inconsistent with Schedule – II of the Companies Act, 2013 and Ind AS-16 "Property, Plant and Equipment"** to the extent applicable.



- h. Assessment of the Impairment of Assets has not been done by the Group, **which is inconsistent with Ind AS-36 "Impairment of Assets"**.
- i. Consolidated Cash Flow Statement has been prepared without making any relevant adjustments as per requirements of **Ind AS-7 "Statement of Cash Flows"**. Thus, we are unable to comment on the same.
- j. DVVNL has not yet recognised the Distribution License taken by it, which **is inconsistent with Ind AS-38 "Intangible assets"**. This has resulted in understatement of Intangible assets and amortisation expenses.
- k. The Financial Assets- Trade Receivables (Note-10), Advances to Suppliers/Contractors (O&M) (Note- 13), Employees (Receivables) (Note-12) and Loans (Note-7) have not been measured at fair value as required by **Ind AS-109 "Financial Instruments"** (Refer Para 8 of Note-31 "Notes on Accounts") and proper disclosures as required in **Ind AS-107 "Financial Instruments: Disclosures"** have not been done for the same.
- l. The Borrowing Cost allocated to CWIP by PVVNL and MVVNL is not in accordance with **Ind AS-23 "Borrowing Cost"** as there is no system of identification of qualifying assets and interrupted projects.
- m. PVVNL has not made any disclosure with respect to nature of contingent liabilities and estimate of its financial effects which is not in compliance with disclosure requirement of **Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets"**.
- n. As per the opinion drawn by the auditors of PVVNL, License Fees is not accounted for on accrual basis. License Fees is paid as and when the demand is raised by UPERC and no provision is made for the amount due, which is not in adherence to the provisions of **Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets"**. Accordingly, the impact of non-compliance of the above IND AS on the financial statements is not ascertainable.
2. Inter unit transactions amounting Rs. 4,17,857.02 lacs, are subject to reconciliation and consequential adjustments. (Refer Note-13)
3. Loans and Other Financial Assets (Note-7), Trade Receivables (Note-10), Financial Assets-Others - Employees, Others (Note-12), Other Current Assets - Suppliers & Contractors (Note-13), Financial Liability-Trade Payables (Note-19), Other Financial Liabilities (Current) – except Current maturities of long-term borrowings and Interest accrued but not due on borrowings (Note-20) are subject to confirmation/reconciliation.
The above balances include balances transferred from various transfer schemes, reconciliation and confirmation for the same is under process.
4. Documentary evidence in respect of ownership/title of land and land rights, building was not made available to us and hence ownership as well as accuracy of balances could not be verified. Additionally, the identity and location of Property, Plant and Equipment transferred under the various transfer schemes has also not been identified (Refer Para 6(a) of Note – 31 "Notes on Account").
5. It was observed that the maintenance of party-wise subsidiary ledgers and its reconciliation with primary books of accounts i.e., cash books and sectional journal are not proper and effective.
6. Sufficient and appropriate audit evidences in respect of Contingent liabilities disclosed in Para 18(b) of Note – 31 "Notes on Accounts" were not provided to us.



7. UPPCL had paid an amount of Rs. 13,431.00 lacs against a liability of Rs. 10,871.00 lacs to Madhya Pradesh Power Trading Company. Due to non-creation of additional liability, there was a debit balance (receivable balance) of Rs. 2,560.00 lacs which has been adjusted in liabilities. Hence, liabilities and other equities (Losses) are understated to that extent.
8. Revenue earned from the sale of power through Indian Energy Exchange Limited, India has not been recognised separately in the statement of Profit and Loss, but has been reduced from the cost of purchase of power aggregating Rs. 60,44,916.32 Lacs (Refer Note-24 Purchase of Power). Additionally, details of aggregate units sold during the year and revenue earned from such sale was not made available to us.
9. As per the opinion drawn by the auditors of Subsidiaries, Bank Reconciliation Statement (BRS) in respect of various bank accounts, have not been prepared on regular basis and these contains numerous outstanding unreconciled entries of earlier years including those of stale cheques, uncashed cheques and other debits/credits.
10. As per the opinion drawn by the auditors of Subsidiaries, Revenue collection through NEFT/RTGS and unbilled revenue have not been properly dealt in books of accounts, impact of the same on receivable from consumers is unascertainable.
11. The Group has not maintained proper records showing full particulars including quantitative details and situation of fixed assets. Further, the physical verification of the fixed assets has not been carried out. Hence, we are unable to comment whether any material discrepancy exists or not.
12. Maintenance of records in respect to inventories is not satisfactory. The details of inventories were not provided for verification by the respective zones of Holding Company and its Subsidiaries.
13. The Board of Directors in its meeting no. 159 dated 14th August 2020 vide resolution no. 51 had directed Subsidiaries to correct and write-off their fictitious arrears and irrecoverable dues. No action has been taken by Subsidiaries in this regard.
14. Records for inventories lying with the third parties are not being maintained properly at Zonal Offices of the Holding Company and its Subsidiaries.
15. **Audit observations in Audit report of Zone of UPPCL excluding those which have been appropriately dealt with elsewhere in the report-**

a. Purchase of power

- There is no effective system in place to verify power purchase for completeness, only those bills are accounted in the books of accounts which are received, no system in place for quantitative reconciliation of the power actually purchased vis-à-vis power purchase accounted in the books of accounts, reconciliation of power purchased with suppliers are not done neither provided to us. Balance confirmation and reconciliation with the suppliers was not carried out therefore impact on power purchase and power sales and eventually on position of sundry payables and receivable is not quantifiable, this may consequently impact the profitability of the Subsidiaries.
- Generation based Incentives (GBI) receivable from IREDA amounting to Rs. 1,230.01 lacs (Previous Year – Rs. 1,147.68, lacs) and a sum of Rs. 4,997.55 lacs (Previous Year- Rs. 1,655.78, lacs) from UPNEDA are subject to confirmation and reconciliation and Consequential adjustment.
- The zone of UPPCL has received interest amounting to Rs. 56.33, lacs and TDS of Rs. 4.22 lacs have been deducted there from. But the amount of interest of Rs. 31.16 lacs (Out of Rs. 56.33



lacs) has been netted off in purchase cost in the books. (#Unit-330 EIE&PC) Purchase cost and interest income have, therefore understated to the extent of Rs. 31.16 lacs.

b. Provision for Late Payment Surcharge

There is no proper system to compute the late payment surcharge payable to various power suppliers. We are therefore unable to comment on the amount of overstated profit/understated loss of the zone of UPPCL for the financial year 2020-21 on account of provision of late payment surcharge.

c. Accounting of Accrued Interest for Noida Power Company Limited

The Electricity Import Export & Payment Circle Unit (Unit#330 EIE&PC) of the Zone has accrued interest to the tune of Rs. 1,954.56 lacs during the Financial Year 2020-2021 (Previous Year- Rs.1,700.59 lacs) against advance provided to Noida Power Company Limited. However as explained to us the interest is being accrued for an amount of advance paid for supply of power, further no details including the actual amount of advance paid and status of the transaction including its recoverability were provided to us. Recognizing it as an income when the recovery is uncertain is in contravention to Ind AS 115. In the absence of proper details and information, we are unable to quantify the amount of same and its consequential impact on financial statement.

d. Accounting for Accrued Penal Interest Income

Electricity Import Export & Payment Circle of the zone of UPPCL #Unit-330 has unadjusted late payment surcharge amounting to Rs. 7,045.79 lacs (Previous Year Rs. 6,966.79 lacs till the 31st March, 2021, as explained the unit has not identified the late payment surcharge upon receipt of fund and the process is under reconciliation, hence we cannot comment upon it.

16. Audit observations in Audit Report of the Subsidiary Companies excluding those which have been appropriately dealt elsewhere in the report are reproduced below-

(Notes referred to in the following sub paras form part of the notes on accounts to the standalone financial statements of the respective Subsidiaries)

(i) DVVNL

a. The Company has received Depreciation on Land & Land rights in earlier years through gazette notification amounting to Rs. 39.81 lacs. No depreciation is chargeable on Land & Land Rights hence the company is required to reverse the depreciation on same and treat it as a Prior Period adjustment in Financial Statements. Despite similar comment in Statutory Audit Report for financial year 2018-19, no corrective action has been taken by the Management.

b. The following AG Code in the following zones are having credit balances:

AG CODES	ZONES	AMOUNT (In Rs.)
22.780 (Transformer sent to repairs)	JHANSI	3,33,44,047.00
	ALIGARH	5,59,06,415.00
	AGRA	64,68,67,966.59
22.660	KANPUR	17,18,49,745.33
	JHANSI	3,11,36,855.84



22.662	JHANSI	63,60,69,344.52
22.770 (Scrap Material)	JHANSI	27,11,42,455.70
	KANPUR	90,58,432.42
22.810 (Stock Excess Pending for Investigation)	KANPUR	3011.00
	JHANSI	8,09,549.72
TOTAL		<u>1,85,61,87,823.12</u>

It is impracticable as Stock value cannot be negative. Moreover, these balances have been shown by deduction from inventory therefore assets have been undervalued by Rs. 18,561.88 lacs and need to be reconciled.

- c. In EE Admin Head, we observed that many expenditure heads are not booked on accrual basis. Some instances are given below: 74.809 (OFFICE EQUIPMENTS {OTHERS}), 76.107 (INSURANCE), 76.112 (POSTAGE AND TELEGRAM), 76.121 (LEGAL EXPENSES), 76.153 (PRINTING AND STATIONERY), 76.155 (ADVERTISEMENT EXPENSES), 76.190 (MISC EXPENSES).
- d. As per Para 111 of IND AS 115, "Revenue From Contracts With Customers" the company has not disclosed the total Cash flow realised from the customers, uncertainty of Revenue and timing of realization under Notes to accounts. Company has not complied with the disclosure requirement as per IND AS 115.
- e. As per sub point (c) of Para 39 of IND AS – 20, "an entity shall disclose all conditions and other contingencies attaching to government assistance that has been recognised", but the management has not disclosed about the conditions and contingencies for each government grant received. We recommend the management to comply with these disclosure requirements in their financial statements.
- f. While scrutinizing the Zonal Trial balance it was observed that under AG Head 14(CWIP), various amounts are persisting since long for which no capitalization is made. As per management no reconciliation for the same is available. We recommend the management to reconcile the above at earliest, so that necessary adjustment can be made.

ZONES	AG CODE	NAME	AMOUNT (In Rs.)
AGRA	14.73B	Taj Trapezium	1,53,084.00
ALIGARH	14.72	REC Normal Work	1,38,771.00
	14.73R	Ram Manohar Lohia	24,79,016.00
	14.73B	RGC Works	1,11,260.30
	14.64	11 KV Urban	5,08,740.95
	14.73	RMNP	14,18,999.86
	14.73A	Ambedkar Village Electricity	7,06,003.73
	14.73S	Subhagya Yojana	12,73,59,653



- g. On scrutinising consolidated trial balance, it is found that in AG Code 23.8(REC-Theft of Power) opening balance of Rs. 2,151.54 lacs (Debit) is outstanding for several years which has not been provided for completely. Under AG Code 23.808(Provision for REC- Theft of Power) an amount of Rs. 8.94 lacs (Credit) is outstanding, hence provision is short by Rs. 2,142.60 lacs.
- h. While scrutinizing the Zonal Trial Balance, it has been observed that in case of Kanpur Zone, Aligarh Zone and Jhansi & Banda Zone under AG 28.210 & 28.250 (Income Accrue and Due) following amounts are outstanding: -

AG CODE (28.210 & 28.250)	AMOUNT (IN RS)
KANPUR ZONE	2,80,43,418.29
JHANSI & BANDA ZONE	23,64,876.00
TOTAL	3,04,08,294.29

The amount has neither been received nor adjusted during the year and the same value is carried forward as closing balance, as on 31.03.2021. The management has not provided proper justification for the same.

- i. There are unreconciled entries under AG Code 22.780 (Transformers sent for repairs), AG Code 22.77(Scrap Materials), AG code 31 to 37 (Inter Unit Transfer) and AG Code 46.94 (Goods and Service Tax) as on 31st March, 2021. The unreconciled entries should be reconciled.
- j. Under AG Code 46.910 (Stale Cheques) indicates cheques which have become time barred. Proper adjustments are recommended in this regard.
- k. There are various balances under AG Code 46.929 (Service Tax Liability) amounting to Rs. 152.98 lacs, AG code 46.926 (Central Sales Tax) amounting to Rs. 3.52 lacs and AG Code 46.927(State Sales Tax) amounting to Rs. 160.29 lacs. After introduction of Central Goods State Tax Act, 2017, service tax and sale tax are no more applicable but some credit entries have been passed during the year which does not seems to be justified. Management could not provide any explanation to us.
- l. In the following codes balance are pending since long but management is unable to explain the nature of such accounts. The balance under this head should be identified and necessary rectification entries should be passed:

ZONES	AG CODE	NAME	Amount (In Rs.)
Aligarh	42.2	Supply Control Account	5,20,49,047.00 Cr
Agra	22.710	Workshop Suspense Account	2,87,14,937.79 Dr
Kanpur	38	Liability related UPSEB	96,54,570.00 Cr

- m. Following is liability head which shows debit balance. It seems some entries from some other head have been parked in these codes which are understating Trade Payables, it needs to be reconciled and required entry must be passed.

ZONE	AG CODE	NAME	Amount (In Rs.)
Aligarh	47.410	Railways	16,82,89,324 Dr

During the year company has revised its estimation related to residual value of fixed assets from 5% to 10% as per UPERC letter. The company has credited the differential amount of



assets having less than 10% residual value to depreciation account to make book value of assets equal to salvage value. In our opinion the transfer should have been done from general reserve instead of depreciation account. Due to this depreciation is understated by Rs. 7,193.00 lacs (approx.) resulting in understatement of current year loss.

- o. The company is required to de-recognize assets on their disposal and record gain/loss arising from disposal of assets. However, the company is not recognizing gain/loss arising from disposal of Plant and Equipment. The quantification of total effect on the Profit & Loss Account of the company is not ascertainable as required documents for calculating effect on Profit & Loss Accounts are not maintained properly.
- p. As reported in Audit Report of Agra Zone, "The Fixed assets withdrawn from the active use are taken back in the store after deducting only one year of depreciation from its cost irrespective of its actual use period. Moreover, the cost is also taken on the basis of its replacement cost rather than historical cost. Both above lead to over Valuation of item taken back to store and in some cases also lead to the negative balances in the fixed assets account. In the absence of specific data regarding above we are unable to quantify the effect (IND AS 16)."
- q. During the year, company has sold LED bulb vide AG code-22.791. However, the company has credited the value of sales under the same head, instead of recognizing it as income. Therefore, it leads to understatement of revenue and stock by an amount of Rs. 4.88 lacs.
- r. On checking of cash flow statement, we observed that amortisation of Rs. 16,062.00 lacs is deducted from additions of Property, Plant and Equipment. In our opinion, the presentation of cash flow is not proper. Property, Plant and Equipment should have been shown at full value and amortisation should have been shown separately. Instead of amortisation being reflected separately the same is deducted from Proceeds from consumer's contribution & Go UP capital Subsidy.
- s. As per Ind AS 20, "A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable. A government grant is not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to it, and that the grant will be received." The company has credited the subsidy receivable from government of U.P. amounting to Rs 2,15,969.00 lacs in general reserve by debiting the subsidy receivable from government of U.P. under Financial Assets – Others (Current). Company has disclosed this in Note no.38 of notes to accounts 1B. As explained to us by management, this subsidy amount will be received in future 10 years for which government will make budget in accordance with GO No. 958.24-1-2020-731(Budget)/2020 dated 15.07.2020 and company will amortize this subsidy amount in Statement of Profit & Loss in next 10 years on the basis of budget given by the government. Since company has not provided us detailed explanation of this treatment, hence we are unable to frame proper opinion on this.
- t. The company is in practice of recognizing the amount of UDAY loss subsidy on the basis of credit note issued by UPPCL. The amount of subsidy to be received from government is 50% of losses of FY 2019- 20 which amounts to Rs. 31,452.00 lacs (being 50% of Rs. 62,903.00 lacs). However, the company has accounted for Rs. 38,859.00 lacs in other income in the statement of Profit & Loss for the FY 2020-21 against receivable of Rs. 31,452.00 lacs. Thus, the losses of company have been understated by Rs.7,407.00 lacs (Being difference between Rs. 38,859.00 lacs and Rs. 31,452.00 lacs) and other current assets has been overstated by Rs. 7,407.00 lacs.

In the draft comment no. 4 and 5 of C&AG of 2018-19, it has been informed by the auditee that reconciliation of Uday loss subsidy with UPPCL is under process and necessary adjustment if



any will be made in FY 2020-21. However, no such reconciliation was made available for our verification and no adjustment has been made in this regard.

- v. During the FY 2020-21, the company has reversed the provision for leave encashment of Rs. 12,256.00 lacs in its statement of Profit & Loss. As informed to us by management, the company used to make provision for leave encashment by calculating the same on manual basis upto F.Y.2019-20 at zonal levels. While in current year i.e., 2020-21 calculation of leave encashment has been done through software by the company as a result of which reversal of excess provision of past years has been done. In absence of sufficient appropriate audit evidence and explanation in this regard by the Auditee we are unable to comment on correctness of the calculation.
- w. Energy internally consumed forms part of the revenue from operations, as per management there is a practice of showing energy internally consumed at market value and showing the same in revenue. However, the energy internally consumed can't be treated as regular supply. The result of this practice followed has resulting in overstatement of Revenue by Rs. 21,953.27 lacs for the year. Further this amount has been shown in Note-23 under Administrative, general and other expense and the same amount has also been included in purchase of power in Note-19 at cost, hence there is an overstatement of Administrative, general and other expense by this amount.
- x. In AG code 22.780(Transformer sent to repairs), revenue from sale of such items has not been recorded in Profit & loss account. In absence of sufficient appropriate audit evidence, we are unable to quantify its financial impact.
- y. The company is required to recognize revenue from sale of Scrap material but the company is not recognizing revenue from sale of these items and instead of recognizing revenue the company is showing these items as deduction from its inventory. The result of this is that the inventory and revenue both are understated. The details of scrap sale lying in credit of AG-22.770 is as follows:

Zones	SALE OF SCRAP MATERIAL (AG-22.770)
Agra	184282886.00
Aligarh	69481214.00
Kanpur	60906644.00
Jhansi & Banda	39380713.00
TOTAL	35,40,51,457.00

- z. As per IND AS – 115, "Revenue from Contracts with Customers", Revenue should be recognised in the year in which it is accrued, but in case of supply of power to Torrent Power Ltd. Agra, in the year 2019-20, the company has recorded revenue amounting to Rs. 3,622.00 lacs for the month of March 2020 twice in its books of accounts. As the company booked whole supply of power in the year 2019-20 and has also made a provision for March's last week supply under "provision for unbilled revenue", hence company has overstated the revenue in previous financial year. Further, the company has reversed the provision for unbilled revenue amounting to Rs. 3,622.00 lacs in current year financial statements. As a result of which current year revenue has been understated by this amount. Further the company has not made a provision for unbilled revenue of TIR amounting to Rs. 5,098.00 lacs for the month of February and March 2020 in the financial year 2019-20 and it has recorded this TIR amount in F.Y. 2020-21, which belongs to F.Y. 2019-20. Therefore, current year revenue has been overstated with the same amount.



- aa. As per Para 16 of IND AS 37, "Provisions, Contingent Liabilities and Contingent Assets", the Company is required to disclose Court Cases going on at the end of Financial Year, brief description related to nature of the contingent liability and estimate of its financial Effects and possibility of reimbursement. The company has not made any such disclosure with respect to the above, thus company has not complied with the disclosure requirement of Ind AS 37.
- bb. As per Para 86 of IND AS – 37, "an entity shall disclose for each class of contingent liability at the end of the reporting period a brief description about the nature of contingent liability with estimate of its financial effect and an indication of the uncertainties relating to the amount or timing of any outflow". Management is in practice to disclose the cumulative amount of Contingent Liabilities at the end of reporting period. The management should disclose the detailed breakup of each class of contingent liability with its effect on financial statement and expected future outflow with their timings.
- cc. As per Para 26 of IND AS – 23, "An entity shall disclose the capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation". However, the management has not disclosed the same in notes to accounts.
- dd. On scrutinizing the Trial Balance of Aligarh Zone, a credit balance amounting to Rs.1.62 lacs was observed under the AG CODE 28.210 (Income Accrued & Due on Fund Investment), Rs. 0.65 lacs under AG Code 28.260 (Interest Accrued and Due) and Rs. 12.74 lacs under AG Code 28.290 (Other Income Accrued) which is abnormal as Income Accrued can never be negative. The management could not explain this discrepancy.
- ee. As per the provisions of Section 285ba of Income Tax Act every person who issue shares for a consideration of more than Rs. 10 Laes (Including share application money) is required to file SFT-008. However, company has not filed the form which attracts penal provisions under Income Tax Act.
- ff. As mentioned in Audit report of Kanpur zone, "While checking of the Trial Balance of Units, we have observed that many Codes of Receivables against supply of power (AG-23) are showing excess realization, which do not appear to be correct. Details are given as under":

S.No.	Division Name	Amount appearing in accountcode	Amount (In Rs.)
1	EDD Jhinjhak	Other Misc. Receipts (AG-23.707)	-28975508.37
2	EDD Rania K. Dehat	Reconnection/Disconnection (AG-23.702)	-510610.00
3	EDD Chhibramau	Public water works (AG-23.107) STW upto 100 H.P (AG-23.108) Lift Irrigation (AG-23.111)	-17473848.59 -15190797.87 -21781885.66
4	EDD Ghatampur	Other Misc. Receipts (AG-23.707)	-21252128.01
5	EDD Farrukhabad	Lift Irrigation (AG-23.111)	-119669895.00
6	EDD Kannauj	STW upto 100 H.P (AG-23.108)	-164957281.51
7	EDD Saifai	Public water works (AG-23.107) Large & Heavy Power (AG-23.109)	-194629660.10 -98592595.88
8	EDD Kaimganj	Public water works (AG-23.107) STW Upto 100 H.P (AG-23.108)	-178564039.61 -54160351.51

gg. Prior period expenses of Rs. 7,424.00 lacs have been mentioned, however net adjustment of Rs.10,342.00 lacs has been made in financial statements. Therefore, the amount is wrongly stated in notes to accounts.

hh. Company had disclosed that Material at the year-end lying at the work site is treated as a part of capital work in progress. However, in our view, it should be treated as Inventory at site.



- ii. As mentioned in CAG draft comments of F.Y. 2018-19, "Point no. VII (b) of Note No. IA- Company Information & Significant Accounting Policies stipulates that transmission charges are accounted for on accrual basis on bills raised by the UP Power Transmission Corporation Limited at the rates approved by UPERC. Accordingly, the Company accounts for the bills raised by UP Power Transmission Corporation Limited in the year in which bills are accrued. However, in case of true up bills, the bills are accounted for in the accounts as and when the bills are received by the Company irrespective of the year to which the bills pertain to." This fact has not been disclosed by the Company. Thus, the disclosure of the Company is deficient to this extent.

(ii) **KESCO**

- a. **Property plant and equipment Rs. 103463.18 lacs (refer note no.2)** The land of the Company is on lease from UPPCL at Re.1.00 per month as per the transfer scheme (Refer point no.9(c) of Notes on Accounts). As informed the value of such land is yet to be ascertained by UPPCL. However, we have not been furnished with the lease agreement and other related records pertaining to such land; as a result, we are unable to check whether the lease is of financial nature or operating; hence the financial impact on accounts and Ind AS financial statements is not ascertainable.
- b. **Other Equity: Rs. (-) 3,55,704.82 lacs (refer note no.12)** The above include 'Restructuring Reserve' of Rs.1445.68 lacs in respect of which proper reconciliation and consequential adjustments are lying pending; hence the financial impact on accounts and Ind AS financial statements is not ascertainable.
- c. **Non-current liabilities – Financial liabilities – Borrowings: Rs. 2,30,781.14 lacs (refer note no.13)** The Company has not complied with the disclosure requirements envisaged by Schedule-III of the Act in as much as the following has not been disclosed in respect of non-current borrowings: Nature of security in respect of each case of borrowing Terms of repayment of term loans and other loans

(iii) **PVVNL**

- a. Due to non-availability of proper and complete records of Work Completion Reports, there have been instances of non-capitalization and/or delayed capitalization of Property, Plant and Equipment, resulting delay in capitalization with corresponding impact on depreciation for the delayed period. (Refer to 2(II) and IV(b) of 'Significant Accounting Policies' to the Financial Statements.)
- b. In case of withdrawal of an asset, its gross value and accumulated depreciation is written off on estimated basis. In the absence of sufficient and appropriate audit evidence thereof, we are not in a position to ascertain impact of the same on financial statements
- c. Assets amounting to Rs.4,209.88 lacs, being expenses on construction of Bay are shown as "Assets not in possession of Pashchimanchal Vidyut Vitran Nigam Ltd.". The agreement with Transco is not available with the company. It is informed to us that the company has a right to use these assets. Company has disclosed it as Tangible Assets, which is Intangible Assets, as being rightly disclosed earlier in the financial year 2017-18. This has resulted understatement of intangible assets and overstatement of tangible assets by Rs. 4,209.88 lacs. (Refer to note 2 of financial statements)
- d. The depreciation/amortisation on Bay (Assets not in Possession of Pashchimanchal Vidyut Vitran Nigam Ltd.) is calculated on the opening gross value of the assets with the life of 25 years on SLM basis and on addition during the year has been provided on average 6-month basis instead of actual period of availability of asset for its intended use. In the absence of complete details, we are unable to quantify the impact of the same on



depreciation/amortisation and consequential impact on the financial statements. (Refer to Para 2(IV)(b) of Significant Accounting Policies)

- e. As per UPERC (MYT) Regulation 2013, In case the payment of any bills of Transmission charges, wheeling charges is delayed beyond the period of 60 days from the date of billing, a late payment surcharge @ 1.25% per month shall be levied by the transmission licensee. However, the company has not made any provision for liability for late payment surcharge on account of non-payment of dues in compliance of above regulation. Consequential impact of the same on the financial statements is not ascertained.
- f. Expenses for ERP software implementation amounting Rs. 4,659.92 lacs are shown under Capital work in Progress. However, the same should be classified under the heading "Intangible assets under development" as per provisions of Schedule III of the Companies Act, 2013.
- g. As per the opinion drawn by the auditors of PVVNL, **IND AS-20 Accounting for Government** grants is done on the basis of advice from Uttar Pradesh Power Corporation Ltd., the holding company, which is not in accordance with accrual system of accounting as required by Indian GAAP and also not in consonance with the IND AS 20. Impact of non-compliance of the above IND AS on the financial statements is not ascertainable. (Refer to 2(X) of 'Significant Accounting Policies' to the Financial Statements.

Rs. 1,30,143.00 lacs, for additional subsidy, wrongly transferred by UPPCL. to other Subsidiaries in earlier years, is shown as receivable from UPPCL. as per the letter no. 1526 dated 26.10.2021 of UPPCL. (the Holding company) and credited in General Reserve of the company without impacting statement of Profit and Loss account. In the absence of its complete details and audit trail thereof with appropriate audit evidences with the company, we are not in a position to comment up on the correctness of the same. (Refer to note 11 of financial statements).

Rs.9,14,645.00 lacs for additional subsidy for the years 2007-08 to 2019-20 as per letter no. 1526 dated 26.10.2021 of UPPCL. (The Holding Co.) in compliance of letter/ order 445/24-1-21-731 dated 05.03.2021 of UP State Government, is shown as receivable from Government of UP and credited in General Reserve of the company without impacting statement of Profit and Loss account. In the absence of its complete details and audit trail thereof with appropriate audit evidences with the company, we are not in a position to comment up on the correctness of the same. (Refer to note 11 of financial statements and note No.35 of notes to accounts).

Capital grant of UDAY scheme Rs.1,47,772.00 lacs has been converted into additional subsidy by debiting capital reserve and crediting General Reserve of the company in compliance of letter no. 1526 dated 26.10.2021 of UPPCL. (The Holding Co.) read with letter/ order 445/24-1-21-731 dated 05.03.2021 of GoUP without impacting statement of Profit and Loss account. In the absence of its complete details and reasoning thereof with appropriate audit evidences with the company, we are not in a position to comment upon the correctness of the same. (Refer to note 11 of financial statements)

- h. Interest of Rs. 2,039.22 lacs (AG 51.229) has been charged during the year towards interest on NOIDA loan of Rs. 2,942.75 lacs are booked on the advice received from UPPCL. As informed by the management that interest on all the loans taken by Uttar Pradesh Power Corporation Limited on behalf of DISCOM are booked on the advice received from UPPCL. In the absence of complete details thereof, we are not in position to comment up on the correctness of the same. (Refer to Note 16 interest accrued and due under Other Current Liabilities of Financial Statements)



- i. Refer to Note no. 33 of Notes to accounts; there are various expenses like Employees Expenses, Repair & Maintenance Cost and Administrative & General Expenses etc. occurred at Uttar Pradesh Power Corporation Ltd. (the holding company) which has been allocated to the Company vide Debit/Credit Notes. However, we have not verified the same and relied on the Debit/Credit notes received from the holding company.
- j. Liability for Material received on loan by the Company amounting to Rs. 72.73 lacs from Purvanchal Vidyut Vitran Nigam Limited (AG 22.730) is finally adjusted with Material Stock Account (AG 22.60), resulting no Liability and stock for Rs. 72.73 Lacs is shown in the Balance Sheet of the Company as on 31st March, 2020 and as on 31st March, 2021 in respect of above transaction. This has resulted in understatement of both Other Current Liability and Inventory by Rs. 72.73 lacs. Also, no confirmation has been received from Purvanchal Vidyut Vitran Nigam Ltd. regarding the same. (Refer to in Note No. 4 of Financial Statements).
- k. Power purchase and transmission charges are booked on the basis of bills raised by Uttar Pradesh Power Corporation Ltd. and Uttar Pradesh Power Transmission Corporation Ltd. However, the Company has no scientific method of its measurement for accounting and making provision thereof. Hence, we are not in a position to comment on the possible impact thereof on the financial statements of the company. (Refer Note No. 9 of Notes to accounts.)
- l. Interest accrued but not due Rs. 727.70 lacs under Other Current Assets includes amount of Rs. 723.10 lacs (AG 28.240 & 28.250), which is pending for reconciliation for more than a year, impact of the same is not ascertainable on the financial statements. (Refer to Note 9 of Financial Statements)
- m. Compliance/ Rectification of Zonal Auditor's report on the accounts of their zone for the year ended 31st March, 2021 were not done till finalization of our audit.
- n. **Significant observations of Zonal Auditors are as Under:**

(A) Meerut Zone

- i. Stock Shortage Pending Investigation (A/c Code 22.830): The status of stock shortage amounting to Rs. 112.00 lacs. has remained unchanged and no follow up has been done.
- ii. Subsidy Receivable from Government shows unadjusted negative Balance of Rs. 417.00 lacs The book entry to adjust/set off these balances has not been made.
- iii. The Bank Reconciliation statements (BRS) include Bank charges charged by the bank under other debits but not accounted for in the books of accounts. The amount of these Bank charges, which is very substantial, has not been accounted for and continues to form part of the BRS. The total amount of Other Debit as on 31st March 2021 is Rs. 374.19 lacs and the year wise break up is as under:

Particulars	Amount in Lac
Bank Charges less than 1 year	13.90
Bank Charges from 1 to 3 years	89.13
Bank Charges above 3 years	271.16
Total	374.19

- iv. In EDD II Baghpat, a fraud case of collecting cash Rs. 31.30 lac from customers and not depositing the amount in division is under enquiry against Mr. Sanjay Kumar, cashier.



- v. In EDD I Meerut, 9 receipt books issued on 23-02-2012 to Postmaster Meerut Cantt. for collection of amounts on behalf of PVVNL were not returned back in division. The unit is reportedly in correspondence with the Postmaster for returning the same.
- vi. **REVENUE FROM SALE OF POWER**
Billing is not raised for all the supplies of power till 31-03-2021. The unbilled revenue has been booked only in the cases where bills are generated for the subsequent month of April. The unbilled revenue in case of bills not raised in the subsequent month of April (for any reason) has not been calculated and provided for. The basis of calculation of unbilled revenue is also not uniform- in some cases it is based on actual data whereas in other cases it is done as per average billing.
- vii. Mercantile basis of accounting is not followed properly. Expenses relating to previous years, which are in the nature of "Prior Period Expenses" are booked in the year under audit on payment basis.
- viii. Some units have delayed the deposition of GST and filing of returns beyond the stipulated time. In some cases, units have not charged GST on Miscellaneous receipts components like RO/DO charges, Cheque dishonour charges etc. which are otherwise covered under the provisions of GST.
- ix. The balance of security Deposit has not been verified and reconciled with the Billing Data/Online data of the Consumers. The interest payable on the security deposit forming part of the Trial Balance is not synchronized with the figures generated through Billing Data. Further, the reconciliation of the figures of Security Deposits and Interest payable thereon is not done with the corresponding figures as per the Billing Data.
- x. In few units, it has been reported by Internal Auditors that there is a shortfall in Security Deposit however the demand/notice for the same has been raised by the concerned unit, while the same has not been fully deposited by the consumers.

(B) Moradabad Zone:

- i. Trucks & Tempo and Jeep & Motor Car (AG 10.710 & AG 10.730) Rs. 1.79 laes Dr. and Rs 21.93 laes Dr respectively - All assets lying here are unserviceable / condemn and in our opinion, it should be disposed off.
- ii. Theft of Cash (AG 28.744) Rs. 4.47 laes Dr.- Two cases of cash theft, adequate provision should be made at H.O.
- iii. As informed by Branch Auditor of Moradabad Zone, during the year fraud by the employees has been detected amounting to Rs. 5.64 laes out of which Rs. 5.21 laes is deposited by the person concerned till date. An amount of Rs. 24.43 laes pertaining to cheques sent for collection in State bank of India, Babrala branch but not credited to company account later on Rs. 17.43 laes credited by bank in company account till date balance amount is still retained by bank. In case of EDD-II, Moradabad revenue receipts books issued to employees not deposited by some employee since 2017. In our opinion these cases need close watch.
- iv. Work In Progress Register (WIP Register) is not being maintained in the units except ECWD-MBD which has prepared WIP Register.
- v. Provision for Depreciation A/c (code-12):
The unamortised value/ difference in cost and notional depreciation of the damaged/discarded asset is debited to this account and continued year to year instead of writing off these in the books of account.



- vi. As per Accounting policy, the Company is following the Accrual basis of accounting subject to expenses pertaining to earlier years of Rs.534.80 laes, debited to current year and expenses of current year as well as work done and measured during the year has been provided in current year books of account.
- vii. No deduction for Tax at source under Income Tax Act and under GST Act wherever applicable had been made on Rs. 2,404.26 laes against the provision made in the books of account as on year end. Also, there is a Default Liability as per Traces of Rs. 127.73 laes for which no provision has been made.
- viii. Misc Adv. (Cash) (AG: 28.401A) Rs. 274.19 laes & Misc. Adv. (Stock) (AG : 28.401B) Rs. 139.87 laes – Balances lying are very old and even some cases concerned employees are retired, in our opinion such amounts should be written off.

(C) Ghaziabad Zone:

- i. On scrutiny of main cash book, revenue cash book and works cash book available at Division Office level, we were given to understand that collected cash is being deposited in bank on daily basis. However, in some cases, there is a delay of around 1-2 days in deposit of collected cash to the bank. Further, we were given to understand that all bank accounts are auto-sweep and balance is regularly transferred to the main bank account of UPPCL, Meerut.

On physical verification of Main cash book, Works Cash book available at Division Office level, it is observed that cash book is not being updated on daily basis. Moreover, it is observed that totaling and balancing in cash book is being done roughly using pencil. It is further observed that verification of cash by EE/AE at Division Office level is not being done on regular basis. In furtherance of the aforesaid, during the FY 2020-21, there has been cash embezzlement of Rs.564.00 laes under the division EUDD-7, Ghaziabad by one Mr. Sumit Gupta during the period of July, 2020 to November, 2020 during which he was holding position of Head Cashier Revenue of the division. The accused cashier was the person in charge to collect the cash revenue from collection counters to deposits the same into the bank. We were given to understand that the FIR filed by Sh. Surender Pal Singh, Executive Engineer of division EUDD-7, Ghaziabad, bearing FIR no.1955/2020 dated 15.12.2020 with Police Station Sihani Gate, Ghaziabad in which amount of Rs.295.45 laes were reported misappropriated by the accused head cashier Sumit Gupta and it was also suspected that the quantum of misappropriated amount may go up. The amount misappropriated as per the BRS from July, 2020 to November, 2020 is Rs. 564.00 laes, and amount reported in FIR is Rs.295.45 laes i.e. amount short reported into FIR by Rs.268.73 laes.

We were given to understand that the letter dated 01.10.2020 written by Sh. Surender Pal Singh, Executive Engineer of the division, addressed to the SHO, Sihani Thana in which the amount of Rs. 220.06 laes was also intimated to police for the period of October, 2020 to November, 2020. We were given to understand that the case is currently under investigation.

- ii. On our examination of photocopy of BRS produced before us, out of total uncashed cheques of Rs.12,036.00 laes, most of the cheques have become stale. Further, out of total other credits of Rs.7,750.00 laes, most of the entries are old entries, which also consist entries of more than 15 years old, in support of which, no record/details are provided for our verification and further comments.
- iii. We were given to understand that reconciliation of such old entries is not probable. It is further observed that on our physical visit to EUDD-2, Noida, a case was observed where customer has made payment of dues/bill in cash against which cheque receipt was



issued. Taking into consideration the aforementioned facts and in the absence of requisite information/details/explanations in this regard, possibility of foul play/ fraud cannot be ruled out. Present status of the frauds reported as per branch statutory audit report for the year ended 31.03.2020 conducted by VSD & Associates, chartered accountants, not provided for our verification and further comments. The aforementioned reported fraud as reported in the aforementioned report is reproduced hereunder: "As informed by the management, zone has noticed a case of fraud in its EUDD-II, EUDD-V, EUDD-VII Noida division by few bank officials. Some of ICICI bank officials wrongly credited the cheques amounting Rs. 172.37 lacs related to these division in some other account. Management has duly taken the matter in its notice and has lodged the Police FIR with the authorities."

- iv. On our scrutiny of AG no. 18 of Trial Balance, it is observed that "Intangible Assets" of Rs.1,651.00 lacs include Rs. 107.00 lacs provided for the FY 2020-21. We were given to understand that all the accounting entries related to theft of assets/inventories are passed through this account for which copy of FIR, records pertaining to criminal cases filed, copy of preliminary inquiry reports, internal incident reports prepared by JE/SDO/EE/SE/CE, current case status, insurance details, insurance claim status, other information/details/explanation in this regard is not provided for our verification and further comments.
- v. On our scrutiny of AG no. 23 of Trial Balance, it is observed that "Supply of Power" of Rs.2,63,593.00 lacs include Rs. 37,939.00 lacs of provision of unbilled revenue in support of which proper details, document is not provided for our verification and further comments. We were given to understand that the above figure is the billing amount of sale of power for the month of March, 2021. Further, Rs. 4,455.00 lacs are outstanding since long as Debtors of Regulatory Charges which have now been removed from tariff and is no longer charged from customers. Therefore, current outstanding amount are doubtful for recovery. No provision for doubtful recovery has been made in this respect. We were given to understand that the same is being done at Head Office level. Details/information/explanation in this regard is not provided for our verification and further comments.
- vi. On further scrutiny, it is observed that "Supply of Power" includes arrears outstanding for payment by the consumers. Age wise break up of total arrears outstanding for payment by the consumers are as follows:

Particulars	No. of Consumers	Amount of Arrears (Rs. in Crores)
Upto 3 months	1073354	347.03
More than 3 months and under 6 months	60608	73.40
More than 6 months	197016	1482.32
Total	1330978	1902.74

- vii. On our scrutiny of AG no. 47 of Trial Balance, it is observed that "Deposit for Electrification Service Connections" of Rs.8,995.00 lacs include advance deposits received from consumers in respect of works undertaken against which the zone has raised Invoices on which GST was deposited. However, such invoices are wrongly treated as deposits and not as sales to consumers and consequently, sales have been understated and assets have been overstated by that amount. Details/information/explanation in this regard is not provided verification and further comments.



- viii. On our scrutiny of AG no. 55 of Trial Balance, it is observed that "Contribution towards Capital Assets" of Rs.1,39,448.00 lacs include Rs. 26,205.00 lacs of Deposit which includes advance deposits received from consumers in respect of works undertaken against which the zone has raised Invoices on which GST was deposited. However, such invoices are wrongly treated as deposits and not as sales to consumers consequently, sales have been understated and assets have been overstated by that amount. Details/information/explanation in this regard is not provided for our verification and further comments.
- ix. On our scrutiny of AG no. 61 of Trial Balance, it is observed that "Revenue from Sale of Power" of Rs.7,78,923.00 lacs include Sundry Consumers of Rs. 7,76,350.00 lacs, Theft of Power of Rs.2,693.00 lacs. On sample scrutiny of monthly Electricity bills of high consumption customers, it is observed that system generated monthly electricity bills of Delhi Metro Rail Corporation RSS Arthala, Ghaziabad (under EUDD-4 Ghaziabad) for the audit period has not charged mandatory Electricity Duty which is payable to the state government. However, manual corrections on system generated bills have been made and consequently, Electricity Duty has been less collected by Rs. 14,235.00 lacs and the same is less paid to the government. Further, in cases of system generated monthly electricity bills of Delhi Metro Rail Corporation (under EUDD-7 Noida) and Delhi Metro Rail Corporation Ltd (DMRC) (under EUDD-2 Noida) for the audit period, it is observed that Electricity Duty has not been charged at all. We were given to understand that the same is due to system error and the same is being charged separately. However, no such record/document/details of the aforementioned adjustment are provided for our verification and further comments. Further, in case of system generated monthly electricity bills of Maintenance DMRC Botanical Garden/38A (under EUDD-3 Noida) for the audit period, it is observed that Electricity Duty has been calculated at 5% instead of 7.5% of Demand Charges as per Electricity Tariff rates for FY 2020-21. Taking into consideration the aforementioned facts and on the basis of records produced before us, we are unable to ascertain the correctness of Electricity Duty collected in case of other consumers as well. In the absence of requisite records/documents/explanation to our satisfaction, we are unable to further comment.
- x. On physical inspection of Sub-Division Offices, Division Offices and Zonal Office, it is found that the zone is not complying with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH' Act) and directions/ guidelines of the Hon'ble Supreme Court of India in this regard. Employees working at Sub-Division Offices/ Division Offices/ Zonal Office are not aware of Internal policy of the company, if any formulated in compliance of the POSH Act. No notices informing the employees about the company's stance on sexual harassment has been displayed around the workplace area of the Sub-Division Offices/ Division Offices/ Zonal Office which in violation of the POSH Act. Annual compliance report as per Sec. 21 r.w. Rule 14 of the POSH Act is not provided for our verification and further comments. We were given to understand that the same is being dealt at Head Office level.
- xi. On our examination of photocopy of BRS produced before us, out of total uncashed cheques of Rs.12,036.00 lacs, most of the cheques have become stale. Further, out of total other credits of Rs.7,750.00 lacs, most of the entries are old entries, which also consist entries of more than 15 years old, in support of which, no record/details are provided for our verification and further comments. We were given to understand that reconciliation of such old entries is not probable. It is further observed that on our physical visit to EUDD-2, Noida, a case was observed where customer has made payment of dues/bill in cash against which cheque receipt was issued. Taking into consideration the aforementioned facts and in the absence of requisite information/details/explanations in this regard, possibility of foul play/ fraud cannot be ruled out.



- xii. On the basis of a statement of line loss produced before us, it is observed that in case of some Distribution Divisions, transmission and distribution loss is enormous on comparison with the actual average transmission loss of the Ghaziabad Zone of 8.50% and Noida Zone of 9.20% (approx.) during the audit period:

(in million units)

Division Office	Energy Purchased	Energy Sold	Energy Loss (%)
EDD Greater Noida	257.943	160.363	37.83
EUDD-8 Noida	168.484	107.534	36.18
EDD-3 Loni	241.170	158.996	34.07
EDD Muradnagar	399.188	302.302	24.27
EDD-4 Noida	410.617	313.510	23.65
EDD Modinagar	328.885	251.740	23.46
EDD-1 Loni	344.614	278.208	19.27
EDD-2 Loni	211.304	189.295	10.42

We were given to understand that the primary reason for such exorbitant loss of energy is on account of lack of regulation and regular maintenance of transformers and power lines installed in rural areas. In the absence of requisite records, we are unable to verify the actual reason which are causing such abnormal power loss and to pass further comments.

On further scrutiny of the aforesaid statement produced before us, it is observed that in case of EUDD-6, Ghaziabad, total energy units sold for the audit period is 464.087 MN units which is more than the total energy units purchased at 461.685 MN units for the same period which constitutes "Line Profit" at 0.52% which is not possible as sold units cannot be more than purchased units. We are unable to understand the reason as to how there can be sale of more units of energy than the actual units of energy purchased over a period of time. In the absence of satisfactory explanation and requisite supporting documents/records, we are unable to further comment whether the aforesaid statement/data which is produced before us is reliable.

(D) Saharanpur Zone:

i. Non-Matching of Dues Recoverable from consumers: -

The Commercial Wing raises invoices in the name of consumers on the basis of Energy Supplied but the balance due from consumers does not tally with dues shown by financial wing due to fake arrears/inflated bills in billing software. This bill is to be corrected: -
Division Name: - EDD-1 Saharanpur.

ACC No	Name	OLD DUE Amt	Total Payment
771705547332	Janeshwar PD	(29,022,796.01)	(29,022,355.27)

- ii. **Non Provision of Dues from entities matters of which are pending in NCLT:** -It has been observed that Rs.877.89 lacs are dues from entities (2 Cases) whose matter is pending in NCLT. According to the sequence of payment, the electricity dues do not get preference over bank and other dues. As such recoverability of these dues is in jeopardy and Provision for doubtful debts be made.

- iii. **Non-Provision of House Tax Demand of Rs. 1,264.24 lacs for EUDD-1 Muzaffarnagar:** - The Municipal Corporation has issued a demand notice of Rs.



1,264.24 lacs towards house tax and annual tax of substation no provision has been made pending determination & assessment.

- iv. **As per abstract of Sec.5 Recovery of RC as Land Revenue:** - As per abstract of Sec.5 Recovery certificate issued for recovery as Land Revenue. The Concerned Tehsil's are not taking up recovery of RCs prior to 27th December 2017 and are returning the same. In view of the above all RC's Cases prior to 27th December 2017 have become non-Recoverable and as such provision for doubtful debts should be made for all cases beyond Cut-off date. Amount Involved- 5,183.00 lacs. The Zone has stated that fresh RCs are in the process of being issued in all such cases.
- v. During the year a substantial part of unproductive fixed assets has not been disposed of by the company, which may affect the 'going concern' assumption.
- vi. Arrear of Large and Heavy consumer as on 31.03.2021 are Rs. 3,08,00,00 lacs from 478 consumers.
- vii. There is line loss of 24% of Saharanpur Zone.
- viii. There is short security deposited amounting to Rs. 3,670.00 lacs as on 31.03.2021 in 277 cases of large and heavy consumers.

(E) Bulandshahar Zone:

- i. Various divisions have paid GST on bills to vendors / suppliers without verifying that some vendors do not have valid GSTIN and therefore not depositing CGST & SGST even after receiving the same from PVVNL. Rs. 1.44 lacs is recoverable from 9 vendors for the period of cancellation / surrender of GST registration Whereas these and some other vendors are not depositing their GST returns since long back. It may be a significant & material amount which the vendors have collected from this Zone.
- ii. As informed no fraud was detected during FY 2020-21. But the frauds of embezzlement detected up to FY 2019-20 has involved total amount of Rs. 349.47 Laes out of which Rs. 36.87 Laes has been recovered. And balance sum of Rs. 312.60 Laes are still to be recovered.

(iv) PuVVNL

- a. The Company has categorized cost of bay construction for 33/11 KV substation under "Assets not in possession of Purvanchal Vidyut Vitran Nigam Limited" and disclosed the same under "Property, Plant & Equipment" in the Balance Sheet.
- b. Stock shortage/ excess pending investigation amounting to Rs.92.41 Laes is outstanding as on 31/03/2021. In absence of proper information, we are unable to comment upon its nature and proper accounting. No movement analysis is available to categorize fast moving, slow moving, non-moving and dead stock items.
- c. No provision for obsolete, unserviceable stores and spares has been made. An old provision amounting to Rs. 6,297.00 lacs is lying against obsolete stores since 2003 under Final Transfer Scheme.
- d. In almost all the banks flexi fix facility is available but there are huge balances in current account and amount has not been transferred by the bank to flexi fix account which is resulting into loss of interest.



- e. An amount of Rs. 48,240.00 lacs (Net of Provisions) represent advance to suppliers /Contractors (Capital) which has no details with name and age wise break up. Out of Rs. 48,240.00 lacs (Net of Provisions) there is no movement in AG code 25.1, and 25.6 amounting to Rs. 21.00 lacs which needs immediate attention of management.

(v) MVVNL

- a. We draw attention to para 3 (IV) (b) of General Information and Significant accounting policies stating that depreciation on addition to/ deduction from Property plant and equipment during the year is charged on Pro Rata basis. However, it was noted that capitalization of fixed assets is done at the end of financial year irrespective of actual date of 'Put to use' and depreciation is not charged on assets capitalized during the year. This accounting practice is also not in accordance with provisions of Companies Act and IND AS 16 resulting in understatement of Loss and depreciation for the year and overstatement of Assets. In the absence of complete details, effect of said understatement of depreciation & Loss and Overstatement of fixed assets on financial statement could not be ascertained.
- b. The cost of fixed assets, which are decommissioned, and corresponding accumulated depreciation is reversed on estimated basis, which has no relation with their carrying cost in MTBs. As a result, the cost and accumulated depreciation of assets in use are not correctly reflected in MTB and some of fixed asset accounts reflect credit balances.
- c. It was informed that Billing for sale of electricity to consumers are accounted for on the basis of report generated through Online Billing System implemented by various outsourced agencies. However, system audit of the said billing system, if any, being dealt at UPPCL was not made available to us and as such we are unable to comment on the efficacy of the same.
- d. For the purpose of compilation of consolidated financial statements, only net balances of debit and credit transactions during the year is considered and closing balances as appearing in audited Trial balances of the units is not taken into account. These 'net balances' are then merged with the opening balances as per last year's audited financials to arrive at the final figures for the financial statements as at year end. In view of this, various balances are still outstanding at head office level since earlier years which have not been adjusted / transferred to various zones.
- e. Interest on GOI loan taken through PFC amounting to Rs 13,052.00 Laes have been booked during the current financial year (including Rs 8,675.00 Laes through prior year adjustments). It was noted that these amounts have been booked as expenditures on the basis of demand notes raised by PFC only and without ascertaining the total interest payable. Further, interest during moratorium period amounting to Rs 1,571.51 Laes only have been provided during the year as against total liability of Rs 11,176.26 Laes till 31.03.2021 which has been wrongly shown as contingent liability in Notes to accounts. Accordingly, 'interest expenditure for the year' and 'Other financial liability- current' are understated by Rs 9,604.75 Laes and losses for the year are also understated to that extent.
- f. There are differences in sundry debtors as per billing ledger and amount shown in trial balance as the sales is booked on assessment basis and amount credited to sundry debtors on the basis of actual receipts. Further, credit balances of Rs. 65,811.00 lacs were reflected in 22 units of Ayodhya zone due to non-transfer of outstanding balances from old units to new units
- g. A sum of Rs. 2,437.82 Laes were transferred to fixed assets from capital WIP at head office level based on payment details provided by UPPCL. It was noted that these amounts comprised of part payments for different type of assets/ expenses like desktops, printers.



kiosks and PMC costs etc and were acquired/ put to use at various field units during the year 2015-16. Further, the total work orders for these works were for Rs. 20641.00 Laes but the details of capitalization of remaining amount of 18203.18 Laes were not explained to us. In our opinion, the capitalization of different nature of assets in one head, non-charging of depreciation from the actual period of acquisition and capitalizing all the assets at head office level without identifying the actual location of assets was not proper. The resultant impact of the above on the financial statements for the year could not be ascertained in absence of complete details.

17. For want of complete information, the cumulative impact of our observations in paras 1 to 16 above to this report on assets, liabilities, income and expenditure is not ascertained.

For R.M. LALL & CO.,
Chartered Accountants
(FRN: 000932C)



(CA Vikas C Srivastava)
Partner

M.No.401216

UDIN: 22401216ADHYOW4519

Place: Lucknow

Date: 22nd February, 2022

Annexure II to Independent Auditors Report

(As referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our audit report of even date to the members of U.P. Power Corporation Limited on the Consolidated Financial Statements of the Group for the year ended 31st March, 2021)

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

We have audited the internal financial controls over financial reporting of U.P. Power Corporation Limited ("the Company") as of 31st March, 2021, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and directors of the Group; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations provided to us and based on the reports on Internal Financial Controls Over Financial Reporting of Holding company audited by us and its Subsidiaries, audited by the other auditors, which have been furnished to us by the Management, the following control deficiencies have been identified in operating effectiveness of the Group's internal financial control over financial reporting as at 31st March 2021 -

1. The auditors of DVVNL have reported that -

- a. Temporary Imprest provided to staff needs to be closed at the end of financial year, while we observed in many of the cases Temporary Imprest were not closed.
- b. During the course of audit, we observed that the system of recording of entries is not proper. We observed several instances where the entries which should have been posted in another accounting head, for example, entries parked in AG Code -46 are pertaining to some other accounting heads.
- c. Cashbook is not updated on regular basis. Furthermore, as stated in audit report of Jhansi & Banda zone totalling of cashbook is done by pencil in various divisions.
- d. There are unreconciled entries under AG Code 22.780 (Transformers sent for repairs), AG Code 22.77(Scrap Materials), AG code 31 to 37(Inter Unit Transfer) and AG Code 46.94 (Goods and Service Tax) as on 31st March, 2021. The unreconciled entries should be reconciled.
- e. Under AG Code 46.910 (Stale Cheques) indicates cheques which have become time barred. Proper adjustments are recommended in this regard.

Measurement Book provided to Junior Engineer by the Company are not returned back on



timely basis by the Junior Engineer and Measurement Book are not closed on timely basis.

- g. The Company did not have an appropriate internal control system for reviewing computation and booking of Capital Work in Progress (CWIP) in accounts. This could potentially result in inaccurate CWIP disclosed in the books of accounts, due to non-capitalization and/or delayed capitalization of Property, plant and Equipment.
- h. The company updates financials by belated entries in zonal trial balances audited by Zonal Auditors even after finalisation of Financial Statements which results in difference in opening balance in next year.
- i. On verification of vouchers of GM adjustment, we observed that all the vouchers were not signed by all the authorized signatories.
- j. As mentioned in audit report of Jhansi & Banda zone, log books were not provided in many divisions.
- k. As mentioned in audit report of Jhansi & Banda zone, "Signature and Seal of executive engineer on Expenditure Cash Book not done on whole financial year" in EDD-MAHOBA.

2. The auditors of PVVNL have reported that -

- a. The Company did not have an appropriate internal control system for reviewing computation and booking of Capital Work in Progress (CWIP) in accounts. This could potentially result in inaccurate CWIP disclosed in the books of accounts, due to non-capitalization and/or delayed capitalization of Property, Plant and Equipment.
- b. Internal control in respect of movement of inventories during maintenance and capital works, material issued/ received to/ from third parties and material lying with sub-divisions, need to be reviewed and strengthened. ERP is under implementation phase.
The Branch Auditor of Bulandshahar Zone has also reported that the Biometric System should be installed for keeping the records of attendance of employees and CCTV camera should be placed to protect the assets and records.
- c. Company do not have an effective system for realizing revenue from customers as the amount of receivables as on 31st March, 2021 is Rs. 10,74,249.09 lacs, which is equivalent to around 227 days sale of power by company and reasons of pendency are not examined. It is noticed that the company is not effectively exercising its powers of TD/PD and filing court cases against defaulted customers.
- d. The Company did not have an appropriate internal control system to minimize electricity theft and line losses.
- e. Reconciliation of power received and power sold during year has not been done. Billing is not raised timely and correctly.
- f. The Company has shown Rs. 20,463.80 lacs as Inter Unit Transfer under the head of Other Current Assets and no further details or reconciliation of these amounts are provided to us. Special attention of the management is called for periodical reconciliation of this account and necessary adjustments thereto. Management has informed that the reconciliation of these entries is under process.

3. The auditors of MVVNL have reported that -

- a. Company has system of maintaining various Sectional Journals wherein vouchers relating to day to-day transactions are recorded in these Sectional Journals. The Existing system of



balancing cash book on the monthly basis and posting transactions in different sectional journals, from journals to summaries and from summaries to monthly trial balance, in our opinion is not adequate to give the financial position of different account/s at any given time in an organized manner. The Zones/ units do not have an appropriate internal control system for maintenance of books of account and other subsidiary records to ascertain composition of financial transactions on time basis and party wise balances outstanding at any point of time. The monthly trial balances are compiled from vouchers through an outsourced software, which is not under control of the accounts department and only printouts of MTBs are available. Risk of security of data in accounting through this software has not been assessed. There is also no mechanism to check data entry in this software and to ensure correctness and completeness of the report (MTB) generated.

- b. The internal audit system was not found to be adequate and commensurate with the size and nature of organization and coverage/ scope needs to be enlarged particularly in area of reconciliation of revenue with the online billing system, status of work in progress under various schemes under implementation along with reasons for pendency, reconciliation of pending ATD/ ATC, Inventory records etc. System of timely receipts of internal Audit report and compliance thereof at zonal and HO Level also needs to be streamlines and strengthened.
- c. It was noted that billing of power is generated through IT system but the billing system is independent of account department and reports generated from billing system were not reconciled with the accounts. Further, Consumer wise outstanding and ageing analysis of outstanding amount is not available with account department to reconcile trade receivable as per books of account with the data of commercial department. Further, quantitative reconciliation of power procured, billed and transmission loss is not prepared for reconciliation of actual sale of power with the books of account.

A material weakness is a deficiency or a combination of deficiencies in internal financial control over financial reporting such that there is reasonable possibility that a material misstatement of the Companies' annual or interim financial statements will not be prevented or detected on timely basis.

In our opinion, except for the effects/probable effects of the material weaknesses described in the 'Qualified Opinion' paragraph of this report and in 'Annexure I' on the achievement of the objectives of the control criteria, the Group has maintained in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021 based on the internal control over financial reporting criteria established by the Group considering the essential components of the internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India and except for the need to strengthen the existing internal audit mechanism considering the nature and scale of operations of the Group and the overarching legal and regulatory framework and the audit observations reported above and in 'Annexure I'.

For R.M. LALL & CO.,
Chartered Accountants
(FRN: 000932C)



(CA Vikas C Srivastava)
Partner
M.No.401216

UDIN: 22401216ADHYOW4519

Place: Lucknow

Date: 22nd February, 2022

U.P. POWER CORPORATION LIMITED

CONSOLIDATED BALANCE SHEET

AS AT

31st MARCH 2021

&

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED ON

31st MARCH 2021

Registered Office :- 14, Ashok Marg, Lucknow - 226001

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5	Notes (2-30) of Consolidated Financial Statement
6	Notes on Accounts of Consolidated Financial Statement - Note No. 31
7	Consolidated Statement of Cash Flow


3


U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT
CONSOLIDATED BALANCE SHEET AS AT 31.03.2021


(₹ In Lakhs)

Particulars	Note No.	AS AT 31.03.2021	AS AT 31.03.2020
(I) ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	<u>2</u>	5962575.54	5475133.03
(b) Capital work-in-progress	<u>3</u>	815819.28	1100927.38
(c) Assets not in Possession	<u>4</u>	13313.55	13363.78
(d) Intangible assets	<u>5</u>	1623.50	249.10
(e) Financial Assets			
(i) Investments	<u>6</u>	239572.23	249321.03
(ii) Loans	<u>7</u>	14.27	14.27
(iii) Others	<u>8</u>	49365.47	743.87
(2) Current assets			
(a) Inventories	<u>9</u>	333641.12	329214.14
(b) Financial Assets			
(i) Trade receivables	<u>10</u>	8351936.39	7814548.04
(ii) Cash and cash equivalents	<u>11-A</u>	623781.26	405641.92
(iii) Bank balances other than (ii) above	<u>11-B</u>	237801.14	184680.20
(iv) Others	<u>12</u>	2335141.40	286687.31
(c) Other Current Assets	<u>13</u>	446686.55	356772.02
Total Assets		19411271.70	16217296.09
(II) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	<u>14</u>	10412665.52	9676228.64
(b) Other Equity	<u>15</u>	(5829877.51)	(6344694.85)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	<u>16</u>	7411946.08	5244678.08
(ii) Trade payables			
(b) Other financial liabilities	<u>17</u>	476025.11	421083.80
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	<u>18</u>	0.00	81875.44
(ii) Trade payables	<u>19</u>	3223716.40	3756221.85
(iii) Other financial liabilities	<u>20</u>	3716796.10	3381902.21
(b) Provisions	<u>21</u>	0.00	0.92
Significant Accounting Policies of Consolidated Financial Statement	<u>1</u>		
Notes on Accounts of Consolidated Financial Statement	<u>31</u>		
Note 1 to 31 form integral part of Accounts.			
Total Equity and Liabilities		19411271.70	16217296.09

The accompanying notes form an integral part of the financial statements.


(Dr. Jyoti Arora)
Company Secretary

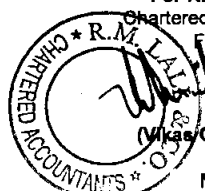

(A. K. Awasthi)
Chief Financial Officer


(A. K. Purwar)
Director
DIN- 08544396


(Pankaj Kumar)
Managing Director
DIN- 08095154

Place: Lucknow
 Date: 22/02/22

Subject to our report of even date
 For R. M. Lal & Co.
 Chartered Accountants
 FRN: 000932C


(Vikas C Srivastava)
Partner
M No. 401216

UDIN: 22401216ADHYOW4519

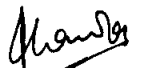
U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON
31.03.2021


(₹ In Lakhs)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
I Revenue From Operations	22	5502802.66	5401239.75
II Other Income	23	1260588.13	1396833.83
III Total Income (I+II)		6763390.79	6798073.58
IV EXPENSES			
1 Purchases of Stock-in-Trade (Power Purchased)	24	6358753.81	5738606.38
2 Employee benefits expense	25	182110.44	164794.50
3 Finance costs	26	632552.72	533939.32
4 Depreciation and amortization expenses	27	242671.93	126425.19
5 Administration, General & Other Expense	28	221548.56	229177.75
6 Repair and Maintenance	29	231824.45	249054.18
7 Bad Debts & Provisions	30	(1697942.60)	369299.96
8 Other expenses			
IV Total expenses (IV)		6171519.31	7411297.28
V Profit/(Loss) before exceptional items and tax (III-IV)		591871.48	(613223.70)
VI Exceptional Items		0.00	0.00
VII Profit/(Loss) before tax (V(+/-)VI)		591871.48	(613223.70)
VIII Tax expense:			
(1) Current tax		0.00	0.32
(2) Deferred tax			
IX Profit (Loss) for the period from continuing operations (VII-VIII)		591871.48	(613224.02)
X Profit/(Loss) from discontinued operations			
XI Tax expense of discontinued operations			
XII Profit/(Loss) from discontinued operations (after tax) (X-XI)			
XIII Profit/(Loss) for the period (IX+XII)		591871.48	(613224.02)
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss- Remeasurement of Defined Benefit Plans (Actuarial Gain or Loss)		(8026.71)	(2018.52)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		583844.77	(615242.54)
XVI Earnings per equity share (continuing operation) :			
(1) Basic		59.23	(64.74)
(2) Diluted		58.87	(64.74)
XVII Earnings per equity share (for discontinued operation) :			
(1) Basic			
(2) Diluted			
XVIII Earnings per equity share (for discontinued & continuing operations)			
(1) Basic		59.23	(64.74)
(2) Diluted		58.87	(64.74)
Significant Accounting Policies of Consolidated Financial Statement	1		
Notes on Accounts of Consolidated Financial Statement	31		
Note 1 to 31 form integral part of Accounts.			

The accompanying notes form an integral part of the financial statements.


(Dr. Jyoti Arora)
Company Secretary



(A. K. Awasthi)
Chief Financial Officer


(A. K. Purohit)
Director
DIN- 08544396


(Pankaj Kumar)
Managing Director
DIN- 08095154

Place: Lucknow
 Date: 22/02/22

Subject to our report of even date
 For R. M. Lal & Co.
 Chartered Accountants
 FRN: 000932C


(Vikas C. Srivastava)
Partner
M No. 401216
UDIN : 2200016ADHYDW4519

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lakhs)

A. EQUITY SHARE CAPITAL AS AT 31.03.2021

Balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Balance at the end of the reporting period
9676228.64	736436.88	10412665.52

B. OTHER EQUITY AS AT 31.03.2021

Particulars	Share application money pending allotment	Capital / Other Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	40192.23	3854741.29	(17582147.16)	(13687213.64)
Changes in accounting policy or prior period errors	0.00	0.00	11193.10	11193.10
Adjustment as per Point no. 37 of Note no. 31	0.00	0.00	0.00	0.00
Restated balance at the beginning of the reporting period	40192.23	3854741.29	(17570954.06)	(13676020.54)
Total Comprehensive Income for the year	0.00	0.00	583844.77	583844.77
Addition during the Year	0.00	660619.17	2212737.64	2873356.81
Reduction during the Year	0.00	(1519993.48)	0.00	(1519993.48)
Share Application Money Received	727624.58	0.00	0.00	727624.58
Share Allotted against Application Money	(736436.88)	0.00	0.00	(736436.88)
Balance at the end of the reporting period	31379.93	2995366.98	(14463601.59)	(11436854.68)
Amount of Reversed Provision on Investment				5439454.69
Amount of Reversed Provision on UPPCL Debtors				158701.67
Amount of Reversed Provision on Financial Assets-Other Current- Subsidiaries (Unsecured)				8820.81
Net Balance at the end of the reporting period				(5829877.51)

(₹ in Lakhs)


A. EQUITY SHARE CAPITAL AS AT 31.03.2020

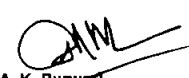
Balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Balance at the end of the reporting period
9118636.32	557592.32	9676228.64

B. OTHER EQUITY AS AT 31.03.2020

Particulars	Share application money pending allotment	Capital / Other Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	214010.08	3427430.47	(16997893.35)	(13356452.80)
Changes in accounting policy or prior period errors	0.00	7334.49	15720.94	23055.43
Adjustment as per Point no. 37 of Note no. 31	0.00	0.00	15267.79	15267.79
Restated balance at the beginning of the reporting period	214010.08	3434764.96	(16966904.62)	(13318129.58)
Total Comprehensive Income for the year	0.00	0.00	(615242.54)	(615242.54)
Addition during the Year	0.00	498292.26	0.00	498292.26
Reduction during the Year	0.00	(78315.93)	0.00	(78315.93)
Share Application Money Received	383774.47	0.00	0.00	383774.47
Share Allotted against Application Money	(557592.32)	0.00	0.00	(557592.32)
Balance at the end of the reporting period	40192.23	3854741.29	(17582147.16)	(13687213.64)
Amount of Reversed Provision on Investment				7150371.49
Amount of Reversed Provision on UPPCL Debtors				185689.60
Amount of Reversed Provision on Financial Assets-Other Current- Subsidiaries (Unsecured)				6457.70
Net Balance at the end of the reporting period				(6344694.85)


(Dr. Jyoti Arora)
Company Secretary


(A. K. Awasthi)
Chief Financial Officer


(A. K. Puri)
Director
DIN - 08544398


(Pankaj Kumar)
Managing Director
DIN - 08095154

Place: Lucknow

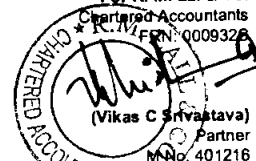
Date: 22/02/22

Subject to our report of even date

For R. M. Lal & Co.

Chartered Accountants

*ICAI/FRN/0009328


(Vikas C Srivastava)
Partner
M.No. 401216

UDIN: 2202216ADHYOW4519

U.P. POWER CORPORATION LIMITED
CIN - U32201UP1999SGC024928

NOTE NO. 1

COMPANY INFORMATION & SIGNIFICANT ACCOUNTING POLICIES OF
CONSOLIDATED FINANCIAL STATEMENT

1. Reporting Entity

U.P. Power Corporation Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U32201UP1999SGC024928). The shares of the Company are held by the GoUP and its Nominees. The address of the Company's registered office is Shakti Bhawan, Ashok Marg, Lucknow, Uttar Pradesh-226001. These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in its Associates. The Group is primarily involved in the purchase and sale/supply of power.

2. GENERAL BASIS OF PREPARATION

- (a) The consolidated 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, in pursuance of Ind AS, and on accounting assumption of going concern.
- (c) 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.

(d) Statement of compliance

These Consolidated financial statements are prepared on accrual basis of accounting, unless stated otherwise, and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorized for issue by Board of Directors on 22.02.2022

(e) Functional and presentation currency

The financial statements are prepared in Indian Rupee (₹), which is the Company's functional currency. All financial information presented in Indian rupees has been rounded to the nearest rupees in lakhs (upto two decimals), except as stated otherwise.



(f) **Use of estimates and management judgments**

The preparation of financial statements require management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of asset, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent Assets and Liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factor considered reasonable and prudent in the circumstances. Actual results may differ from this estimate.

Estimates and Underlying assumptions are reviewed as on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate are reviewed and if any future periods affected.

(g) **Current and non-current classification**

1) The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for the last twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve month after the reporting period.

All other liabilities are classified as non-current.

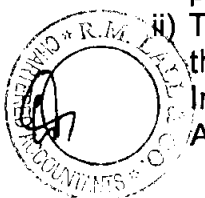
3. SIGNIFICANT ACCOUNTING POLICIES

I- BASIS OF CONSOLIDATION

The consolidated financial statements related to U.P Power Corporation Ltd. (the Company), its Subsidiaries and Associates together referred to as "Group".

(a) Basis of Accounting:

- i) The financial statements of the Subsidiary Companies and Associates in the consolidation are drawn up to the same reporting period as of the Company for the purpose of consolidation.
- ii) The consolidated financial statements have been prepared in accordance with the Indian Accounting Standard, Ind AS-110- 'Consolidated Financial Statements' and Ind AS-28- 'Investments in Associates and Joint Ventures' as specified in Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015.



(b) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

- i) The financial statements of the company and its Subsidiaries are combined on a line basis by adding together the like items of the assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealized profits or losses.
- ii) The consolidated financial statements include the investment in Associates, which has been accounted for using the method of accounting by diminution/impairment in investment in associates.
- iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the significant accounting policies/Notes on accounts.

II- Property, Plant and Equipment

- (a) Property, Plant and Equipment are shown at historical cost less accumulated depreciation.
- (b) All costs relating to the acquisition and installation of Property, Plant and Equipment till the date of commissioning are capitalized.
- (c) Consumer Contribution, Grants and Subsidies received towards cost of capital assets are treated initially as capital reserve and subsequently amortized in the proportion in which depreciation on related asset is charged.
- (d) 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.
- (e) Due to multiplicity of functional units as well as multiplicity of function at particular unit, Employees cost to capital works are capitalized @ 15% on deposit works, 13.50% on Distribution works and @ 9.5% on other works on the amount of total expenditure.
- (f) Borrowing cost during construction stage of capital assets are capitalized as per provisions of Ind AS-23.

III- Capital Work-In-Progress

Property, Plant and Equipment those are not yet ready for their intended use are carried at cost under Capital Work-In-Progress, comprising direct costs, related incidental expenses and attributable interest.

The value of construction stores is charged to capital work-in-progress as and when the material is issued. The material at the year end lying at the work site is treated as part of capital work in progress.

IV- INTANGIBLE ASSETS








Intangible assets are measured on initial recognition at cost. Subsequently the intangible assets are carried at cost less accumulated amortization/accumulated impairment losses. The amortization has been charged over its useful life in accordance with Ind AS-38.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use.

V- DEPRECIATION

(a) In terms of Part-B of Schedule-II of the Companies Act, 2013 the company has followed depreciation rate/useful life using the straight line method and residual value of Property, Plant and Equipment as notified by the UPERC Tariff Regulations.

In case of change in rates/useful life and residual value, the effect of change is recognized prospectively.

(b) Depreciation on additions to/deduction from Property, Plant and Equipment during the year is charged on pro-rata basis.

VI- INVESTMENTS

Financial Assets- investments (Non Current) are carried at cost. Provision is made for diminution/impairment, wherever required, other than temporary, in the value of such investments to bring it on its fair value in accordance with Ind AS 109.

VII- STORES & SPARES

(a) Stores and Spares are valued at cost.

(b) As per practice consistently following by the Company, Scrap is accounted for 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.

VIII- REVENUE/ EXPENDITURE RECOGNITION

(a) Revenue from sale of energy is accounted for on accrual basis.

(b) Late payment surcharge recoverable from consumers on energy bills is accounted for on cash basis due to uncertainty of realisation.

(c) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission.

(d) In case of detection of theft of energy, the consumer is billed on laid down norms as specified in Electricity Supply Code.

(e) Penal interest, over due interest, commitment charges, restructuring charges and incentive/rebates on loans are accounted for on cash basis after final ascertainment.



IX- POWER PURCHASE

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

- (a) In respect of Central Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by Central Electricity Regulatory Commission (CERC).
- (b) In respect of State Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by U.P. Electricity Regulatory Commission (UPERC).
- (c) In respect of Power Trading Companies, at the mutually agreed rates.
- (d) Transmission charges are accounted for on accrual basis on bills raised by the U.P Power Transmission Corporation Limited at the rates approved by UPERC.

X- 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) Medical benefits and LTC are accounted for on the basis of claims received and approved during the year.
- (c) Leave encashment has been accounted for on accrual basis.

XI- 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 assets and liabilities, if any, are disclosed in the Notes on Accounts.
- (c) The Contingent assets of unrealisable income are not recognised.

XII- GOVERNMENT GRANT, SUBSIDIES AND CONSUMER CONTRIBUTIONS

Government Grants (Including Subsidies) are recognised when there is reasonable assurance that it will be received and the company will comply the conditions attached, if any, to the grant. The amount of Grant, Subsidies and Loans are received from the State Government by the UPPCL centrally, being the Holding Company and distributed by the Holding Company to the DISCOMS.

Consumer Contributions, Grants and Subsidies received towards cost of capital assets are treated initially as capital reserve and subsequently amortized in the proportion in which depreciation on related asset is charged.

XIII- FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of transaction. Gains and Losses, if any, as at the year end in respect of monetary assets and liabilities are recognized in the Statement of Profit and Loss.



XIV- DEFERRED TAX LIABILITY

Deferred tax liability of Income Tax (reflecting the tax effects of timing difference between accounting income and taxable income for the period) is provided on the profitability of the Company and no provision is made in case of current loss and past accumulated losses as per Para 34 of Ind AS 12 "Income Taxes".

XV- STATEMENT OF CASH FLOW

Statement of Cash Flow is prepared in accordance with the indirect method prescribed in Ind AS – 7 'Statement of Cash Flow'.

XVI- FINANCIAL ASSETS

Initial recognition and measurement:

Financial assets of the Company comprises, Cash & Cash Equivalents, Bank Balances, Trade Receivable, Advance to Contractors, Advance to Employees, Security Deposits, Claim recoverables etc. The Financial assets are recognized when the company become a party to the contractual provisions of the instrument.

All the Financial Assets are recognized initially at fair value plus transaction cost that are attributable to the acquisition or issue of the financial assets as the company purchase/acquire the same on arm length price and the arm length price is the price on which the assets can be exchanged.

Subsequent Measurement:

A- Debt Instrument:- A debt instrument is measured at the amortized cost in accordance with Ind AS 109.

B- Equity Instrument:- All equity investments in entities are measured at fair value through P & L (FVTPL) as the same is not held for trading.

Impairment on Financial Assets- Expected credit loss or provisions are recognized for all financial assets subsequent to initial recognition. The impairment losses and reversals are recognised in Statement of Profit & Loss.

XVII- FINANCIAL LIABILITIES

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade payables, borrowings and other payables.

Subsequent Measurement:

Borrowings have been measured at fair value using effective interest rate (EIR) method. Effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating interest and other expenses over the relevant period. Since each borrowings has its own separate rate of interest and risk, therefore the rate of interest at which they have been acquired is treated as EIR. Trade and other payables are shown at contractual value/amortized cost.



A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

XVIII- MATERIAL PRIOR PERIOD ERRORS

Material prior period errors are corrected retrospectively by restating the comparative amount for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balance of assets, liabilities and equity for the earliest period presented, are restated.



(Dr. Jyoti Arora)
Company Secretary



(A. K. Awasthi)
Chief Financial
Officer



(A. K. Purwar)
Director
DIN - 08544396



(Pankaj Kumar)
Managing Director
DIN - 08095154

Place : Lucknow
Date : 22/02/22

Subject to our report of even date

For R M Lall & Co.
Chartered Accountants
FRN: 000932C



(Ras C Srivastava)
Partner
M No. 401216

UDIN: 22401216ADHYDW4519

U.P. Power Corporation Limited

CIN:U32201UP1999SGC024928

Note No.31

Notes to Accounts forming part of Consolidated Financial Statements for the F.Y 2020-21

1. The Holding, Subsidiary, and Associate companies considered in the Consolidated Financial Statements are as follows:

S No.	Name of Company	Status	Proportion (in %) of Shareholding as on*	
			31-03-2021	31-03-2020
1	U.P Power Corporation Limited	Holding	NA	NA
2	PurvanchalVidyutVitrان Nigam Limited**	Subsidiary	100	100
3	PashchimanchalVidyutVitrان Nigam Limited**	Subsidiary	100	100
4	MadhyanchalVidyutVitrان Nigam Limited**	Subsidiary	100	100
5	DakshinanchalVidyutVitrان Nigam Limited**	Subsidiary	100	100
6	Kanpur Electricity Supply Company Limited**	Subsidiary	100	100
7	Southern-UP Power Transmission Company Limited (Refer Point-31)	Subsidiary	100	100

* Includes the shares of promoters subsequently held by their Nominees.

** It represents the Distribution Companies (DISCOMs).

***As per order of the Registrar of Companies (MCA), Kanpur, U.P. dated 18.08.2020 and 28.08.2020 Sonebhadra Power Generation Company Ltd. and Yamuna Power Generation Company Ltd. respectively have been struck off from the Register of Companies and the same have been dissolved. (Refer Point no. 29 & 30)

2. The amount of Loans, Subsidies and Grants were received from the State Government by the Uttar Pradesh Power Corporation Limited centrally, being the Holding Company and distributed the same by the Holding Company to the DISCOMs, which have been accounted for accordingly.
3. The loan taken by the Subsidiary Companies during the financial year 2020-21 amounting to ₹ 2901913.78Lacs, out of which ₹2796225.46Lacs received through the Holding Company i.e. UPPCL (The UPPCL takes loan from financial institution for and on behalf of Discoms) as per details given below:-

(₹ InLacs)

Sl. No	Particulars	DVVNL	PuVVNL	PVVNL	MVVNL	Kesco	Loan through UPPCL	Total
Loan directly taken by the Discoms								
1	REC	3531.66	23179.20	29348.63	3810.39		1399225.46	1459095.34



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2	PFC	25539.43	7388.19	1906.05	10984.77		1397000.00	1442818.44
Total		29071.09	30567.39	31254.68	14795.16	0.00	2796225.46	2901913.78

4. The Board of Directors of Discoms have escrowed all the Revenue receipt accounts in favour of U.P. Power Corporation Limited, Lucknow. The Holding Company has been further authorized to these escrowed revenue accounts for raising or borrowing the funds for & on behalf of distribution companies for all necessary present and future financial needs including Power Purchase obligation.
5. Accounting entries after reconciliation (IUT) have been incorporated in the current year. Reconciliation of outstanding balances of IUT is under progress and will be accounted for in coming years.
6. (a) The Property, Plant & Equipment including Land remained with the company after notification of final transfer scheme are inherited from erstwhile UPSEB which had been the title holder of such Non-Current Assets. The title deeds of new Property, Plant & Equipment created/purchased after incorporation of the company, are held in the respective units where such assets were created/purchased.
- (b) Where historical cost of a discarded/ retired/ obsolete Property, Plant & Equipment 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/amortization on Property, Plant & Equipment/Intangible Assets have been calculated taking into consideration the useful life of assets as approved in the orders of UPERC (Multi Year Distribution tariff) Regulations, 2019.
- (d) Depreciation on Computers and peripherals and Software has been provided on the basis of the useful life/Rate as notified in the UPERC (Multi Year Distribution tariff) Regulations, 2019.
7. (a) Capitalisation of Interest on borrowed fund utilized during construction stage of Property, Plant & Equipment (i.e. Capital Assets) has been done by identifying the Schemes/Assets and the funds used for the purpose to the extent established.
- (b) Borrowing cost capitalized during the year is 55147.03Lacs(31st March 2020 ₹ 63992.95Lacs).
8. (a) The Provision for Bad & Doubtful Debts against revenue from sale of power has been made @5% on the incremental debtors during the year.
- (b) The details of provision for doubtful loans & advances are as under:-

(i) Provision to the extent of 10% on the balances of suppliers/ contractors has been made by UP Power Corporation Limited, Purvanchal Vidyut Vitran Nigam Limited, Pashchimanchal Vidyut Vitran Nigam Limited as shown and clubbed in the Note no. 13 (in Rs. 2433.58Lacs) and an amount of ₹ 18.61Lacs by Kanpur



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Electricity Supply Company Limited against the unadjusted advances for more than two year (Net off shown in Note no. 3).

(ii) Provision @ 100% on interest accrued and due during the year on loan of NPCL has been made by UP Power Corporation Limited under the Note No. 07 (Financial Assets-Loans-Non Current).

(c) A provision for doubtful receivables to the extent of 10% on the balances appearing under the different heads of "Financial Assets-Other- Current" Note no. 12 by UP Power Corporation Limited and Pashchimanchal Vidyut Vitran Nigam Limited. 10% Provision on Receivable from Employees by Purvanchal Vidyut Vitran Nigam Limited and an amount of ₹38.91 Lacs by Kanpur Electricity Supply Company Limited against the doubtful receivables from Employees shown in "Financial Assets-Other- Current" Note no. 12 .

(d) The provision for unserviceable store (Note no. 09) has been made @10% of closing balance by Pashchimanchal Vidyut Vitran Nigam Limited and the 100% Provision for loss on account of theft of fixed assets pending investigation (Note no. 12 have been made for balance at the close of financial year by Discoms.

9. Transmission charges are accounted for by the Discoms as per the bills raised by the Uttar Pradesh Power Transmission Corporation Limited.

10. Government dues payable in respect of Electricity Duty and other Levies amounting to Rs. 896616.39 Lacs shown in Note-20 include Rs. 70561.41 Lacs on account of Other Levies realized from consumers.

11. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.

12.(a) Some balances appearing under the heads 'Financial Assets-Other (Current)', 'Financial Assets- Loans (Non-Current)', 'Other Current Assets', 'Other Financial Liabilities (Current)' and 'Financial Liabilities- Trade Payables (Current)' are subject to confirmation/ reconciliation and subsequent adjustments, as may be required.

(b) On an overall basis the assets other than Property, Plant & Equipment and Financial Assets-investments (Non-current) 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.

13. Basic and diluted earnings per share has been shown in the Statement of Profit & Loss in accordance with Ind-AS33 "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).







	(₹inLacs)	
	<u>31.03.2021</u>	<u>31.03.2020</u>
<u>Earning per share:</u>		
(a) Net Profit/(Loss) after tax (numerator used for calculation)	583844.77	(615242.54)
(b) Weighted average number of Equity Shares* (denominator for calculating Basic EPS)	985682252	950370812
(c) Weighted average number of Equity Shares* (denominator for calculating Diluted EPS)	991745794	954085912
(d) Basic earnings per share of Rs. 1000/- each (EPS Amount in Rupees)	59.23	(64.74)
(e) Diluted earnings per share of Rs. 1000/- each (EPS Amount in Rupees)	58.87	(64.74)

(As per para 43 of IndAS-33 issued by Institute of Chartered Accountants of India, Potential Equity Shares for the FY 2019-20 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 Earnings Per Share for FY 2019-20)*Calculated on monthly basis.

14. (a) Based on actuarial valuation report dt. 9.11.2000 submitted by M/s Price Waterhouse Coopers to UPPCL (the Holding Company) provision for accrued liability on account of Pension and Gratuity for the employees recruited prior to creation of the UPPCL i.e. for GPF employees has been made @16.70% and 2.38% respectively on the amount of Basic pay and DA paid to employees.

(b) As required by IND AS 19 (Employee Benefits), the Companies covered under this Consolidated Financial Statements (UPPCL and Discoms) have measured its liabilities arising from Gratuity for the employees covered under CPF Scheme & Leave encashment of all employees and stated the same in Balance Sheet and Statement of P&L in the financial year 2020-21 on the basis of Actuarial Reports.

15. Amount due to Micro, Small and medium enterprises (under the MSMED Act 2006) could not be ascertained and therefore, interest thereon, has not been provided for want of sufficient related information. However, the company is in the process to obtain the complete information in this regard.

16. Debts due from Directors were Rs. NIL (previous year Nil).

17. Payment to Directors and Officers in foreign currency towards foreign tour was NIL (Previous year NIL).

18. Additional Information required under the Schedule-III of the Companies Act, 2013 areas under:-

(a) Quantitative Details of Energy Purchased and Sold:-



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Sl. No.	Details	F.Y 2020-21 (Units in MU)	F.Y 2019-20 (Units in MU)
(i)	Total number of units purchased	120589.94	118140.93
(ii)	Total number of units sold	90371.75	91486.05
(iii)	Distribution Losses	30218.19	26654.88

(b) Contingent Liabilities and Commitments:-

Sl. No.	Details	Amount (₹ In Lacs)	
		F.Y 2020-21	F.Y 2019-20
1	Estimated amount of contracts remaining to be executed on capital	8122.60	5016.19
2	Power Purchase	1400278.56	1317934.36
3	Interest on RAPDRP Loan	47461.37	40985.58
4	Statutory Dues	1867.69	594.40
5	Others Contingencies	70223.75	38844.76
	Total	1527953.97	1403375.29
	Contingent Assets	481.55	481.55

(c) Disclosure as per Schedule III to the Companies Act, 2013

Sl. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities as at 31.03.2021		Share in Profit or Loss for the Year 2020-21		Share in other comprehensive income for the Year 2020-21		Share in Total Comprehensive income for the Year 2020-21	
		As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of Consolidated Total Comprehensive income	Amount (₹ in Lakhs)
A	Parent								
	U.P. Power Corporation Ltd., Lucknow	27.21	815180.25	293.62	1737871.69	0.05	(3.98)	297.66	1737867.71
B	Subsidiaries								
	MadhyanchalVidyutVitrان Nigam Ltd., Lucknow	19.56	585869.94	(15.64)	(92581.30)	0	-	(15.86)	(92581.30)
	PurvanchalVidyutVitrان Nigam Ltd., Varanasi	34.96	1047489.75	(60.25)	(356613.82)	102.06	(8192.35)	(62.48)	(364806.17)
	PashchimanchalVidyutVitrان Nigam Ltd., Meerut	23.35	699620.64	(63.12)	(373597.47)	0	-	(63.99)	(373597.47)
	DakshinanchalVidyutVitrان Nigam Ltd., Agra	1.51	45334.63	(37.87)	(224123.99)	0	-	(38.39)	(224123.99)
	Kanpur Electricity Supply	(6.59)	(197545.65)	(2.91)	(17209.55)	(2.11)	169.62	(2.92)	(17039.93)



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	Company Ltd., Kanpur								
	Southern Power Transmission Corporation Ltd., Lucknow	0.00	0.10	(0.00)	(0.03)	-		0.00	(0.03)
C	CFS Adj								
	Adjustment as per Point no. 37 of Note 31			(13.83)	(81874.04)	0	-	(14.02)	(81874.04)
	Total	100.00	2995949.66	100.00	591871.49	100.00	(8026.71)	100.00	583844.78

19. Since the Company is principally engaged in the business of Electricity and there is no other reportable segment as per IndAS-108 'Operating Segments', hence the disclosure as per IndAS-108 on segment reporting is not required.

20. Disclosure as per IndAS-24 (Related Party): -

A- List of Related Parties

(a) List of Subsidiary & Associates:-

Subsidiary
MadhyanchalVidyutVitrان Nigam Limited
PashchimanchalVidyutVitrان Nigam Limited
PurvanchalVidyutVitrان Nigam Limited
DakshinanchalVidyutVitrان Nigam Limited
Kanpur Electricity Supply Company Limited
Southern-UP Power Transmission Company Limited (Refer Note No. 31)

(b) Key management personnel:-

S. No.	Name	Designation	(For FY 2020-21)	
			Appointment From	To
A- UPPCL (Holding Company)				
1	Shri M. Devaraj, IAS (DIN-08677754)	Managing Director	05.11.2019	01.02.2021
		Chairman & Managing Director	02.02.2021	09.03.2021
		Chairman	10.03.2021	31.03.2021
2	Shri Pankaj Kumar (DIN-08095154)	Managing Director	10.03.2021	31.03.2021
3	Shri Ajay Kumar Purwar (DIN-08544396)	Director (PM&A)	10.07.2019	31.03.2021
4	Shri Ashok Kumar Srivastava (DIN-08189765)	Director (Commercial)	27.06.2018	31.03.2021
5	Shri V.P. Srivastava (DIN-08051823)	Director (Corporate Planning)	04.01.2018	03.01.2021
6	Shri Sudhir Arya (DIN-05135780)	Director (Finance)	30.07.2019	31.03.2021



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7	ShriVijai Kumar (DIN-08051813)	Director (Distribution)	06.01.2018	15.04.2020
8	ShriAshwani Kumar Srivastava (DIN-07677222)	Director (Distribution)	19.01.2021	31.03.2021
9	Shri Anil Kumar Awasthi	Chief Financial officer	05.03.2020	31.03.2021
10	Miss Niharika Gupta	Company Secretary	18.03.2020	31.03.2021
B- Subsidiaries (Having Related Party Transactions)				
I- MadhyanchalVidyutVitrان Nigam Limited				
1	Shri. Arvind Kumar (DIN- 01634887)	Chairman	09.11.2019	01.02.2021
	Shri M. Devaraj, IAS (DIN-08677754)		02.02.2021	31.03.2021
2	Shri. Surya Pal Gangwar (DIN- 07082538)	Managing Director	03.01.2020	31.03.2021
3	Shri. Mahesh Chandra Pal (DIN- 08766010)	Director (Finance)	29.02.2020	31.03.2021
4	Shri. PradeepKakkar (DIN- 09096257)	Director (PM & A)	19.01.2021	31.03.2021
5	Shri. Sudhir Kumar Singh (DIN- 08387334)	Director (Tech.)	03.09.2018	31.03.2021
6	Shri. Brahm Pal (DIN- 08332241)	Director (Comm)	29.06.2018	31.03.2021
7	Dr.SenthilPandian C. (DIN- 08235586)	Nominee Director	10-09-2018	31.03.2021
8	Shri. M. Devaraj (DIN- 08677754)	Nominee Director	05.11.2019	01.02.2021
9	Shri. SudhirArya (DIN- 05135780)	Nominee Director	06.08.2019	31.03.2021
10	Smt. SaumyaAgarwal (DIN- 08049292)	Women Director	28.07.2020	31.03.2021
11	Dr.UmakantYadav	Chief Financial officer	05.09.2017	31.01.2021
12	SmtNeetuAroraTandon	Company Secretary	10.09.2015	15.10.2020
II- PashchimanchalVidyutVitrان Nigam Limited				
1	Shri. Arvind Kumar (DIN- 01634887)	Chairman (Nominee Director)	09.11.2019	02.02.2021
2	Shri M. Devaraj, IAS (DIN-08677754)	Chairman	02.02.2021	31.03.2021
3	Shri M. Devaraj, IAS (DIN-08677754)	Nominee Director	05.11.2019	02.02.2021
4	ShriPankaj Kumar (DIN-08095154)	Nominee Director	10.03.2021	31.03.2021
5	Shri. AravindMallappaBangari (DIN- 08638798)	Managing Director	14.10.2019	31.03.2021
6	Smt. SaumyaAgarwal (DIN- 08049292)	Nominee Director	28.07.2020	31.03.2021
7	Dr.SenthilPandian C. (DIN- 08235586)	Nominee Director	22.09.2018	31.03.2021
8	Shri. SudhirArya (DIN- 05135780)	Nominee Director	10.07.2019	31.03.2021
9	Shri. Raj Kumar Agarwal	Director	11.10.2017	16.09.2020



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10	Shri. Naresh Kumar Arora	Director	06.08.2019	31.12.2020
11	Shri. Ishwar pal Singh (DIN- 08169871)	Director	10.08.2019	31.03.2021
12	Shri. Lalit Kumar Gupta (DIN- 08742955)	Director	29.02.2020	31.03.2021
13	Shri. Rakesh Kumar (DIN- 09114732)	Director	19.01.2021	31.03.2021
14	Shri. H.K. Agarwal	Chief Financial officer	16.02.2018	31.03.2021
15	Shri. S.C. Tiwari	Company Secretary (Additional Charge)	01.04.2019	31.03.2021
III- PurvanchalVidyutVitrان Nigam Limited				
1	Shri. Arvind Kumar (DIN- 01634887)	Add. Chief Secretary (Energy) & Chairman	10.11.2019	01.02.2021
2	Shri M. Devaraj, IAS (DIN-08677754)	Chairman	02.02.2021	31.03.2021
3	Shri. K. Balaji, IAS	Managing Director	12.10.2019	12.09.2020
4	Shri. Surya Pal Gangwar, IAS	Managing Director Additional Charge	14.09.2020	01.10.2020
5	Dr.Saroj Kumar, IAS	Managing Director	02.10.2020	31.03.2021
6	Shri. Prithvi Pal Singh (DIN- 08716256)	Director (Technical)	01.03.2020	31.03.2021
7	Shri. SudhirArya (DIN- 05135780)	Director (Finance) (Additional Charge)	03.01.2020	31.03.2021
8	Shri. Anil Kumar Kohli	Director (P. & A.)	21.06.2017	21.06.2020
9	Shri.Prithvi Pal Singh (DIN- 08716256)	Director (P. & A.) (Additional Charge)	22.06.2020	19.01.2021
10	Shri. Shesh Kumar Baghel (DIN- 09074676)	Director (P. & A.)	20.01.2021	31.03.2021
11	Shri. Om Prakash Dixit	Director (Commercial)	07.08.2018	31.03.2021
12	Shri.PramendraNathSahay	Chief Finance Officer	04.02.2020	30.09.2020
13	Shri. Surendra Kumar	Chief Finance Officer	01.10.2020	31.03.2021
14	Shri. S. C. Tiwari	Company Secretary	01.09.2015	31.03.2021
IV-DakshinanchalVidyutVitrان Nigam Limited				
1	Shri. Arvind Kumar (DIN- 01634887)	Chairman	10.11.2019	01.02.2021
	Shri M. Devaraj, IAS (DIN-08677754)		02.02.2021	31.03.2021
2	Shri M. Devaraj, IAS (DIN-08677754)	Director	05.11.2019	02.02.2021
	ShriPankaj Kumar (DIN-08095154)		10.03.2021	31.03.2021
3	Shri. SudhirArya (DIN- 05135780)	Director	30.07.2019	31.03.2021
4	Dr.SenthilPandian C. (DIN- 08235586)	Director (UPPTCL)	10.09.2018	31.03.2021
5	Smt. SaumyaAgarwal	Managing Director	17.09.2019	05.03.2021
	ShriAmit Kishore (DIN- 07662248)		05.03.2021	31.03.2021



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6	ShriBibhu Prasad Mahapatra	Director (Finance)	01.12.2019	29.05.2020
	Shri Ashok Kumar Gupta		30.05.2020	31.03.2021
7	ShriRakesh Kumar	Director (Technical)	04.01.2018	14.04.2020
	ShriBrij Mohan Sharma (DIN- 09075494)		20.01.2021	31.03.2021
8	ShriSuneel Kumar Gupta (DIN- 08821627)	Director (Commercial)	09.08.2019	31.03.2021
9	ShriRakesh Kumar	Director (P&A)	27.06.2018	31.03.2021
V- Kanpur Electricity Supply Company Limited				
1	Shri M. Devaraj, IAS (DIN-08677754)	Managing Director, UPPCL	05.11.2019	01.02.2021
		Chairman & Managing Director,	02.02.2021	09.03.2021
		Chairman	10.03.2021	31.03.2021
2	Shri. Arvind Kumar (DIN- 01634887)	Additional Chief Secretary (Energy) & Chairman	10.11.2019	01.02.2021
3	ShriPankaj Kumar (DIN-08095154)	Managing Director, UPPCL (Nominee Director)	10.03.2021	31.03.2021
4	Sri Anil Dhingra, IAS (DIN- 09342888)	Managing Director, KESCO	12.02.2021	31.03.2021
5	Sri A. K Srivastav	Managing Director, KESCO	06.02.2021	11.02.2021
6	Sri Ajay Kumar Mathur	Managing Director, KESCO	24.09.2019	30.01.2021
7	Sri Sanjay Srivastava (DIN- 09153926)	Director (Technical)	20.01.2021	31.03.2021
8	Sri Ajay Kumar Mathur	Director (Commercial)	28.06.2018	30.01.2021
9	Shri. SudhirArya (DIN- 05135780)	Director (Finance), UPPCL (Nominee Director)	25.09.2019	31.03.2021
10	Sri AlokTiwari, IAS	DM Kanpur,(Nominee Director)	25.08.2020	31.03.2021
11	Sri Brahmdev Ram Tiwari, IAS (DIN- 02532893)	DM Kanpur (Nominee Director)	13.01.2020	24.08.2020
12	Smt. SaumyaAgarwal (DIN- 08049292)	Women Director	28.07.2020	31.03.2021
	Sri PanakajSaxena	Chief Finance Officer	03.03.2020	31.03.2021
	SmtAbhaSethiTandon	Company Secretary	14.03.2013	31.03.2021
VI- Southern UP Power Transmission Company Limited				



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1	Shri. Vijay Kumar	Nominee Director of UPPCL	16.03.2018	13.07.2020
2	Shri. VinayPrakashSrivastava	Nominee Director of UPPCL	16.03.2018	03.01.2021
3	Shri. A. K. Srivastava (DIN-08189765)	Nominee Director of UPPCL	14.08.2019	31.03.2021
4	Shri. SudhirArya (DIN- 05135780)	Nominee Director of UPPCL	03.01.2021	31.03.2021
5	Shri. S. K. Awasthi	D.G.M. (Fin & Acc.) UPPTCL/SUPPTCL	01.06.2019	31.03.2021
6	Shri. PradeepSoni	Company Secretary (Additional Charge)	01.08.2017	31.03.2021

(c) The Company is a State Public Sector Undertaking (SPSU) controlled by State Government (Uttar Pradesh) by holding majority of shares. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control, or significant influence, then the reporting entity and other entities shall be regarded as related parties. However, in view of the exemption available for Government related entities the Company has made limited disclosures in the financial statements. Such entities which company has significant transactions includes, but not limited to, are as follows:

- (i) UP Power Transmission Corporation Limited
- (ii) Uttar Pradesh RajyaUtpadan Nigam Limited
- (iii) Uttar Pradesh JalVidyut Nigam Limited.

(d) Post-Employment Benefit Plan:-

- 1- Uttar Pradesh Power Sector Employees Trust.
- 2- U.P Power Corporation Limited Contributory Provident Fund.

B- Transactions with Related Parties are as follows:

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

	(₹ InLacs)	
	2020-21	2019-20
Salary & Allowances	692.75	741.69
Leave Encashment	77.91	26.60
Contribution to Gratuity/ Pension/ PF	60.70	71.06



(b) Transaction with related parties under the control of same government:-

(₹ InLacs)

S No.	Name of The Company	Nature of Transaction	2020-21	2019-20
1	UP Power Transmission Corporation Limited	Power Transmission & Misc. Transaction	314624.42	337829.54
2	Uttar Pradesh RajyaVidyutUtpadan Nigam Limited	Power Purchase	865105.42	858055.73
3	Uttar Pradesh RajyaVidyutUtpadan Nigam Limited	Receivable (Unsecured)	229.40	269.64
4	Uttar Pradesh JalVidyut Nigam Limited	Power Purchase	17160.90	8791.11
5	UP Power Transmission Corporation Limited	Employee, Administration and Repair & Maintenance Cost Allocation	1913.23	2076.72
6	Uttar Pradesh RajyaVidyutUtpadan Nigam Limited	Employee, Administration and Repair & Maintenance Cost Allocation	244.61	231.57
7	Uttar Pradesh JalVidyut Nigam Limited	Employee, Administration and Repair & Maintenance Cost Allocation	45.85	44.53

(c) Outstanding balances with related parties are as follows:-

Particulars	(₹ InLacs)	
	31 st March 2021	31 st March 2020
Amount Recoverable		
From Others		
➤ UPRVUNL	858.03	628.63
➤ UPPTCL	52040.49	50761.75
Amount Payable		
To Others		
➤ UPJVNL	8660.38	8777.19
➤ UPPSET	124549.68	117086.68
➤ UPPCL CPF	5301.03	4374.88

21. Due to heavy unused carried forward losses / depreciation and uncertainties to recover such losses/depreciation in near future, the deferred tax assets have not been recognized in accordance with Para 34 of Ind AS-12 issued by ICAI.

22. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets includes borrowings/advances, trade & other receivables and Cash that derive directly from its operations. The Group also holds equity investment.



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The group is exposed to the following risks from its use of financial instruments:

(a) Regulatory Risk: The Group's substantial operations are subject to regulatory interventions, introductions of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the Group.

Regulations are framed by State Regulatory Commission as regard to Standard of Performance for utilities, Terms & Conditions for determination of tariff, obligation of Renewable Energy purchase, grant of open Access, Deviation Settlement Mechanism, Power Market Regulations etc. Moreover, the State Government is notifying various guidelines and policy for growth of the sector. These Policies/Regulations are modified from time to time based on need and development in the sector. Hence the policy/regulation is not restricted only to compliance but also has implications for operational performance of utilities, return of Equity, Revenue, competitiveness, and scope of supply.

To protect the interest of utilities, State Utilities are actively participating while framing of Regulations. ARR is regularly filed to UPERC considering the effect of change, increase/decrease, of power purchase cost and other expenses in deciding the Tariff of Sales of Power to ultimate consumers.

(b) Credit Risk: Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligation resulting in a financial loss to the Group. Credit risk arises principally from cash & cash equivalents and deposits with banks and financial institutions. In order to manage the risk, group accepts only high rated bank/FIs.

(c) Market Risk- Foreign Currency Risk: Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income/loss. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Group has no material foreign currency transaction hence there is no Market Risk w.r.t foreign currency translation.

(d) Market Risk- Interest Rate Risk: The Group is exposed to interest rate risk arising from borrowing with floating rates because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kind of loan arrangements with varied terms (eg. Rate of interest, tenure etc.).

Fair value sensitivity analysis for fixed-rate instruments

The group's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(e) Liquidity Risk: Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to



meet its liabilities when due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the company's reputation.

The Group manage liquidity risk by maintaining adequate FI/Bank facilities and reserve borrowing facilities by continuously monitoring, forecast the actual cash flows and matching the maturity profile of financial assets and liabilities.

23. Capital Management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an appropriate capital structure of debt and equity.

The Group is wholly owned by the GoUP and the decision to transferring the share application money for issuing the shares is lay solely with GoUP. The Group acts on the instruction and orders of the GoUP to comply with the statutory requirements.

The debt portion of capital structure is funded by the various banks, FIs and other institutions as per the requirement of the company.

24. In the opinion of management, there is no specific indication of impairment of assets except Investment in UPPTCL and Southern U.P Power Transmission Company Limited as on balance sheet date as envisaged by Ind AS-36 (Impairment of Assets). 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. The Impairment on UPPTCL and Southern U.P Power Transmission Company Limited have been calculated on the basis of Net Worth of the Company as on 31-03-2021.

25. Statement containing salient features of the financial statements of Subsidiaries and Associates of UP Power Corporation Limited pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, in form AOC-I is attached.

26. Jawaharpur Vidyut Utpadan Nigam Limited (a Subsidiary of UPPCL) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited on 16.06.2015 (Refer GoUP letter No. 836 dated 24.09.2014 read with letter No. 1029 dated 27.11.2014 and the decision of 116th BoD of UPPCL dated 03.06.2015). Thus, Jawaharpur Vidyut Utpadan Nigam Limited (JVUNL) was no more a subsidiary of UPPCL AS ON 31.03.2016. Hence, the balances of JVUNL have not been considered in Consolidated Financial Statements for the F.Y 2015-16 onwards with a corresponding effect in Previous Year.

27. Uttar Pradesh Power Transmission Corporation Limited was Associate of Uttar Pradesh Power Corporation Limited up to Financial Year 2015-16. During the Financial Year 2016-17 the percentage of Shareholding of Uttar Pradesh Power Corporation Limited in Uttar Pradesh Power Transmission Corporation Limited has been reduced below the required limit of Associates disclosure, hence, the Company Uttar Pradesh Power Transmission Corporation Limited is no more Associates of Uttar Pradesh Power Corporation Limited from Financial Year 2016-17 and treated in financial statement accordingly.



28. Disclosure as per Ind AS 112 "Disclosure of Interest in Other Entities"

Subsidiaries

The Group's subsidiaries at 31st March 2021 are set out below. They have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group.

Name of Entity	Place of Business/County of Origin	Ownership interest held by the Group (%)		Ownership interest held by Non-controlling interest (%)		Principal activities
		31-03-21	31-03-20	31-03-21	31-03-20	
MVVNL	India	100	100	-	-	Distribution of energy
DVVNL	India	100	100	-	-	Distribution of energy
PVVNL	India	100	100	-	-	Distribution of energy
PUVNNL	India	100	100	-	-	Distribution of energy
Kesco	India	100	100	-	-	Distribution of energy
Southern UP Power Transmission Company Limited	India	100	100	-	-	Transmission of energy

29. Sonbhadra Power Generation Company Limited was incorporated as per directives of GoUP No. 609/ऊ०(नि०नि०)प्र०/24-60 dated 13.11.2006. As per guidelines issued by Ministry of Power, Government of India for the implementation/development of project, the Company initiated the preparatory activities such as process of land acquisition, arrangement for coal linkage, arrangement of water resources and environmental clearance etc. but Ministry of Coal, GOI did not communicate about allotment of coal to the project, due to resistance from land owners land acquisition process has abandoned, Ministry of Environment & Forest, GOI, finding Singrauli region as critically polluted declared Moratorium on establishing new projects in this area, the concerned department did not communicate regarding allocation of water to the project.

Board of Director took cognizance of the above facts and decided to abandon/close the project with this solution of the Company and directed to present the case before Energy Task Force, Government of UP.

Energy Task Force, Government of UP also recommended to abandon the project with dissolution of this Company and further directed to get the approval by Hon'ble Cabinet, Govt. of UP. The Govt of UP vide its letter no 432/24.ऊ०नि०नि०प्र०/18-20(प्रकोष्ठ) 14 dated 02.07.2018 conveyed its decision to dissolve Sonbhadra Power Generation Company Limited. The Company has been closed with effect from 27.03.2019 in accordance with the provision of section 248(2) of the Companies Act 2013. Resulting to this the treatment of balances of Sonbhadra Power Generation Company Limited has been done as below:



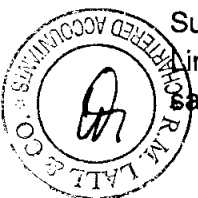
- A. Sonbhadra Power Generation Company Limited has issued its equity share in the name of UP Power Corporation Limited for the amount of Rs. 613.58 Lacs in consideration of converting Sundry Payables to UPPCL during FY 2018-19. Correspondingly UP Power Corporation Limited has shown this equity shares under the head of Investments and the impairment of the same has been made since the subsidiary company is no more in existence.
- B. An amount of Rupees one lakh under the head of Sundry Receivables, arisen after the issuance of Equity Shares mentioned in point no.A above, from Sonbhadra Power Generation Company Limited has been written off during FY 2018-19 in accordance with approval of Board of Directors dated 22nd March, 2019.
- C. Sonbhadra Power Generation Company Limited has transferred the closing balance of Bank Account Rs. 0.42 Lacs, as on the date of closure, to UP Power Corporation Limited and UP Power Corporation Limited has taken over the Statutory or Other Expenses/Dues to that extent of this Company in compliance of the decision of Board of Directors taken in the 146th meeting dated 22nd March, 2019.
- D. The Board has also decided in its 146th meeting dated 22nd March, 2019 to bear Statutory or Other Expenses/Dues by UP Power Corporation Limited arisen over and above transferred from Sonbhadra Power Generation Company Limited as mentioned in Point No. C above.
- E. The Board of the company has decided in its 171th meeting dated 29.09.2021 to write-off the amount of Rs. 620.23 Lacs against the investment in the aforesaid Subsidiary company and accounting against the same has been done in the F.Y 2020-21.

Since the name of the Company has been strike off by the ROC-Kanpur through order dated 18-08-2020, the financial statement of the company has not been incorporated in this Consolidated Financial Statements.

30. Yamuna Power Generation Company Limited was incorporated on 20-04-2010 as a Government Company by UP Power Corporation Limited, Greater NOIDA Industrial Development Authority, New Okhla Industrial Development Authority and Yamuna Expressway Industrial Development Authority as per directives of Government of U.P. vide G.O. no. 2133/24-1-09-1794/09 dated 2nd July, 2009. The Company was formed with the objective to meet out growing demand of electricity during 12th five year plan and was given to perform initial project preparation activities such as acquisition of land, arrangement for fuel linkage, water resources and environmental clearance etc.

Due to non-availability of required land and uncertainty of allocation of fuel (coal/gas) for the project, ultimately lead Energy Task Force (ETF) Govt. of U.P, come to conclusion to abandon the project in its meeting dated 07-05-2012. Subsequently on the recommendation of the said Task Force, Govt. of UP took the decision to abandon the project and wind up the company and conveyed its decision on 05.05.2015. Company has been closed with effect from 25.03.2019 in accordance to the provisions of sec. 248(2) of The Companies Act 2013. Resulting to this the treatment of balances of Yamuna Power Generation Company Limited has been done as below:

- A. Yamuna Power Generation Company Limited has issued its equity share in the name of UP Power Corporation Limited for the amount of Rs. 64.76 Lacs in consideration of converting Sundry Payables to UPPCL during FY 2018-19. Correspondingly UP Power Corporation Limited has shown this equity shares under the head of Investments and the impairment of the same has been made since the subsidiary company is no more in existence.



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- B. Yamuna Power Generation Company Limited has transferred the closing balance of Bank Account Rs. 1.39 Lacs, as on the date of closure, to UP Power Corporation Limited and UP Power Corporation Limited has taken over the Statutory or Other Expenses/Dues to that extent of this Company in compliance of the decision of Board of Directors taken in the 146th meeting dated 22nd March, 2019.
- C. The Board has also decided in its 146th meeting dated 22nd March, 2019 to bear Statutory or Other Expenses/Dues by UP Power Corporation Limited arisen over and above transferred from Yamuna Power Generation Company Limited as mentioned in Point No. B above.
- D. The Board of the company has decided in its 171th meeting dated 29.09.2021 to write-off the amount of Rs. 66.01Lacs against the investment in the aforesaid Associate Company and accounting against the same has been done in the F.Y 2020-21.

Since the name of the Company has been strike off by the ROC-Kanpur through order dated 28-08-2020, the financial statement of the company has not been incorporated in this Consolidated Financial Statements.

31. Southern U.P. Power Transmission Company Limited was incorporated on 08-08-2013 as a Government Company of Uttar Pradesh. The main Objectives of the Company consists transmission of Power generated from Lalitpur TPS to Agra and adjoining districts through 765/400 KV AIS/GIS substation and 765 & 400 KV transmission lines.

The Board of Directors of Southern U.P. Power Transmission Company Limited in its 6th meeting held on 20th September, 2016 has decided that necessary action for the closure of the Company/striking off of the name of the Company as per the provisions of the Companies Act, 2013 may be taken up. Since Southern U.P. Power Transmission Company Limited is a wholly owned subsidiary company of U.P Power Corporation Limited the Board of Directors of U.P Power Corporation Limited in its 139th meeting held on 21st May, 2018 has approved/ratify the above mentioned decision of the Board of Directors of Southern U.P. Power Transmission Company Limited.

The decision Board of Directors of U.P Power Corporation Limited regarding closure of the Company/striking off of the name of the Company as per the provisions of Companies Act, 2013 has been approved by the Share Holders of U.P Power Corporation Limited in its Extra Ordinary General Meeting held on 14th June, 2018.

Subsequently, this matter has been sent to the Energy Task Force (ETF) on 26th June, 2019 for its acceptance/approval. Resulting to this Southern U.P. Power Transmission Company Limited has issued its Equity Shares in the name of U.P Power Corporation Limited for the amount of Rs. 216.63 Lacs in consideration of converting borrowings from UPPCL during FY 2018-19. Correspondingly UP Power Corporation Limited has shown this equity shares under the head of Investments and the impairment of the same has been made since the subsidiary company is in the process of closure/ striking off of the name from the register of the Company.

As informed by the company the closure of the company and striking off the name of the company is under process. In process of closure the company has prepared its financial statements upto 04.01.2021.

32. The sale of Electricity does not include Electricity Duty payable to the State Government.



33. The figures as shown in the Balance Sheet, Statement of Profit & Loss, and Notes shown in (.....) denote negative figures.

34. The Consolidated Annual Accounts of 2018-19 and 2019-20 are yet to be adopted in Annual General meeting.

35. Consequent to the applicability of Ind-AS the financial statements for the year ended 2020-21 has been prepared as per Ind-AS. Accordingly previous year's figures have been regrouped/ rearranged wherever necessary to confirm to this year classification.

36. Effective 01st April, 2018, the Company has applied Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch up transition method, applied to contracts with customers that were not completed as at 01st April, 2018. Accordingly, the comparative amounts of revenue have not been retrospectively adjusted and continue to be reported as per Ind AS 18 "Revenues" and Ind AS 11 "Construction Contracts" (to the extent applicable). The effect on the adoption of Ind AS 115 was insignificant as we supply the power to our ultimate consumers and generate the bills on monthly consumption basis.

Revenue from sale of power is recognized on satisfaction of performance obligation upon supply of power to the consumers at an amount that reflects the consideration (As per UPERC Tariff), adjusted with rebate on timely payment, the Company expects to receive in exchange for those supplied power.

Consumers Contribution received under Deposit Work has been amortized in the proportion in which depreciation on related asset is charged to allocate the transaction price over a period of life of assets.

37. Reconciliation of Inter Company Transactions is as under:

- a. The amount of Rs. 88131.18 Lacs related to sale of Power to Discoms was earlier shown by the UPPCL in year 2018-19 as Unbilled Revenue. The billing has been done by the UPPCL in the year 2019-20 and, accordingly, the Discoms have also accounted for the same in the year 2019-20 in its books of accounts. Hence, the above amount has now been shown as removed item in the note no. 15 (Other Equity) of Consolidated Financial Statements for the FY 2019-20.
- b. The Sale of power to Subsidiary Companies (Discoms) amounting to Rs. 66326.99 Lacs, Rs. (279.26) Lacs and Rs. (15267.79) Lacs could not be billed by UPPCL against power purchased by the company in the F.Y 2020-21, 2019-20 and 2018-19 & before respectively. Hence, the provision for purchase cost against the aforesaid unbilled amount by the company has been adjusted in power purchase cost as well as power purchase liability of the Subsidiary companies (Discoms) in the compilation of the Consolidated Financial Statements of the Company as at the end of F.Y 2020-21.
- c. The amount of ₹ 75.33 Lacs related to sale of power by the UPPCL to the subsidiary companies (DISCOMS) was shown as an un-removed item of intercompany transactions in the note no. 10 (Trade Receivables) and note no. 22 (Revenue from operation) of the Financial Statements for the F.Y 2019-20. The above amount has now been reconciled and necessary accounting has also been done by the respective Discoms in its books of accounts for the F.Y 2020-21.



d. The amount of Rs. 19/- Lacs is under reconciliation with Kesco. Hence, it has been shown separately in Note no. 12 (Financial Assets- Others (Current)).

38. The Company (UPPCL) has decided, vide Board's Meeting dated 14-08-2020, to allocate common expenditure to subsidiaries & others and facility costs to power sector companies owned by GoUP with effect from the year 2019-20. The Company has done the allocation in the following heads Employee Cost, Administrative, General & Other Expense & Repair & Maintenance as at 31.03.2021 and accordingly the same has been taken by the Subsidiaries and other power sector companies owned by GoUP.

39. In accordance with the provisions of Ind AS 08 (Accounting Policies, Changes in Accounting Estimates and Errors), prior period errors/omissions have been corrected retrospectively by restating the comparative amounts for the prior periods to the extent practicable along with changes in basic and diluted Earnings per Shares. If the error/omission relates to a period prior to the comparative figures, opening balance of the Assets, Liabilities and Equity of the comparative period presented have been restated. Statement showing the details of correction and restatement are given below:-

RECONCILIATION OF CONSOLIDATED BALANCE SHEET AS AT 31.03.2020

(Rs. in Lakhs)

Particulars	Note No.	Audited 2019-20	Corresponding of 2019-20 given in Audited 2020-21	Adjustments	Reasons
(I) ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	2	5462874.78	5475133.03	12258.25	PPE Adjustment & Round off
(b) Capital work-in-progress	3	1100927.38	1100927.38	0.00	
(c) Assets not in Possession	4	13363.77	13363.78	0.01	Round off
(d) Intangible assets	5	249.10	249.10	-	
(e) Financial Assets					
(i) Investments	6	249321.03	249321.03	-	
(ii) Loans	7	14.27	14.27	-	
(iii) Others	8	743.97	743.87	(0.10)	Regrouping
(2) Current assets					
(a) Inventories	9	318486.81	329214.14	10727.33	PPE Adjustment
(b) Financial Assets					
(i) Trade receivables	10	7815246.96	7814548.04	(698.92)	PPE Adjustment
(ii) Cash and cash equivalents	11-A	405641.93	405641.92	(0.01)	Round off
(iii) Bank balances other than (ii) above	11-B	184680.20	184680.20	-	
(iv) Others	12	287067.74	286687.31	(380.43)	PPE Adjustment
(c) Other Current Assets	13	348653.71	356772.02	8118.31	PPE Adjustment+ Regrouping
Total Assets		16187271.65	16217296.09	30024.44	

(II) EQUITY AND LIABILITIES

Equity



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(a) Equity Share Capital	14	9676228.64	9676228.64	-	
(b) Other Equity	15	(6376000.36)	(6344C94.85)	31305.51	PPE Adjustment
LIABILITIES					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	16	5245614.83	5244678.08	(936.75)	PPE Adjustment
(ii) Trade payables				0.00	
(iii) Other financial liabilities				0.00	
(b) Other financial liabilities	17	421083.80	421083.80	-	
(2) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	18	81875.44	81875.44	-	
(ii) Trade payables	19	3771769.74	3756221.85	(15547.89)	PPE Adjustment
(iii) Other financial liabilities	20	3366698.64	3381902.21	15203.57	PPE Adjustment
(b) Provisions	21	0.92	0.92	-	
Total Equity and Liabilities		16187271.65	16217296.09	30024.44	

Reconciliation of Statement of Profit & Loss for the Year ended 2019-20

(Rs. in Lakhs)

Particulars	Note No.	Audited 2019-20	Corresponding of 2019-20 given in Audited 2020-21	Adjustments	Reasons
I Revenue From Operations	22	5403799.50	5401239.75	(2559.75)	PPE Adjustment
II Other Income	23	1393961.46	1396833.83	2,872.37	PPE Adjustment
III Total Income (I+II)		6797760.96	6798073.58	312.62	
IV EXPENSES					
1 Cost of materials consumed					
2 Purchases of Stock-in-Trade (Power Purchased)	24	5738886.48	5738606.38	(280.10)	PPE Adjustment
3 Changes in inventories of finished goods, Stock-in-Trade and work-in-progress					
4 Employee benefits expense	25	165591.12	164794.50	(796.62)	PPE Adjustment
5 Finance costs	26	517986.41	533939.32	15952.91	PPE Adjustment
6 Depreciation and amortization expenses	27	126424.17	126425.19	1.02	PPE Adjustment
7 Administration, General & Other Expense	28	236190.20	229177.75	(7012.45)	PPE Adjustment
8 Repair and Maintenance	29	249588.61	249054.18	(534.43)	PPE Adjustment
9 Bad Debts & Provisions	30	370077.31	369299.96	(777.35)	PPE Adjustment
10 Other expenses					
IV Total expenses (IV)		7404744.30	7411297.28	6552.98	
V Profit/(Loss) before exceptional items and tax (III-IV)		(606983.34)	(613223.70)	(6240.36)	
VI Exceptional Items					
VII Profit/(Loss) before tax (V(+/-)VI)		(606983.34)	(613223.70)	(6240.36)	
VIII Tax expense:					
(1) Current tax		0.32	0.32	-	
(2) Deferred tax		-	-	-	



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IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(606983.66)	(613224.02)	(6240.36)
X	Profit/(Loss) from discontinued operations	-	-	-
XI	Tax expense of discontinued operations	-	-	-
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)	-	-	-
XIII	Profit/(Loss) for the period (IX+XII)	(606983.66)	(613224.02)	(6240.36)
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss- Remeasurement of Defined Benefit Plans (Actuarial Gain or Loss)	(2018.52)	(2018.52)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)	(609002.18)	(615242.54)	(6240.36)

40. Previous year's figures have been regrouped/ rearranged wherever necessary to confirm to this year classification.

41. The Expenses allocated by the U.P Power Corporation Limited for the year 2020-21 has been accounted for by all the Discoms in its Financial Statements. All the Discoms have incorporated the same in the respective heads of expenses.

42. Age wise analysis of electricity dues recoverable from Government Department/ State PSUs/ Subordinate offices and Local Bodies by the Discoms as under:

Government Dues Aging

(Rs. In Lacs)

Aging	MVVNL	PurVVNL	PVVNL	DVVNL	KESCO
Less than 90 Days	15490.62	33160.47	35965.60	21196.09	5472.13
90 Days to Less than 180 Days	10297.95	12617.17		16699.52	4863.54
180 Days to Less than 1 Year	233240.54	20176.99		28913.26	8990.74
1 Year and More		408919.07	146945.24	90760.79	126502.00

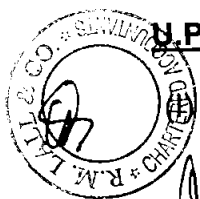
Source: Data as disclosed by the Discoms in its Notes of Accounts for FY 2020-21.

43. The subsidiary companies (DISCOMs) have accounted for subsidies in the financial year 2020-21 (which are receivable in the next 10 years from GoUP by Discoms) and for this reason the provision for impairment of investment in DISCOMs has been reversed by ₹1711854.24 Lakhs in the audited accounts of the UPPCL for the F.Y. 2020-21 against the accumulated provision on this account. Hence, there is the substantial impact on the profit/loss as per standalone statement of profit and loss of UPPCL for the F.Y. 2020-21.

44. Other separate relevant notes given by the Holding and Subsidiary are given below:

U.P Power Corporation Limited (Holding Company)

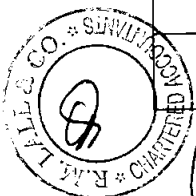
The Disclosure of Employee Benefits is as below:



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S.No	Defined benefit plans:- (Amount ₹ in Lacs)	Gratuity		Leave Encashment	
		As on 31/03/2021	As on 31/03/2020	As on 31/03/2021	As on 31/03/2020
1	Assumptions				
	Discount Rate	6.81%	6.88%	6.41%	6.60%
	Rate of increase in Compensation levels	4.00%	4.00%	4.00%	4.00%
	Rate of return on Plan assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Average future service (in Years)	25.67 Years	25.56 Years	16.40 Years	15.61 Years
2	Service Cost				
	Current Service Cost	11.42	96.92	12.87	98.90
	Past Service Cost (including curtailment Gains/ Losses)	0.00	0.00	0.00	0.00
	Gains or losses on Non Routine settlements	0.00	0.00	0.00	0.00
3	Net Interest Cost				
	Interest Cost on Defined Benefit Obligation	59.75	44.10	496.84	522.89
	Interest Income on Plan Assets	0.00	0.00	0.00	0.00
	Net Interest Cost (Income)	59.75	44.10	496.84	522.89
4	Change in present value of obligations				
	Opening of defined benefit obligations	868.53	567.61	7527.88	7037.51
	Interest cost	59.75	44.10	496.84	522.89
	Service Cost	11.42	96.92	128.87	98.90
	Benefits Paid	(23.74)	(12.04)	(969.91)	(723.57)
	Actuarial (gain)/Loss on total liabilities	3.98	171.93	(285.58)	592.15
	<i>due to change in financial assumptions</i>	11.70	111.69	80.82	359.09
	<i>due to change in demographic assumptions</i>	0.00	0.00	0.00	0.00
	<i>due to experience Changes</i>	(7.72)	60.24	(366.40)	233.05
	Closing of defined benefit obligation	1022.70	868.53	6898.09	7527.88



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5	Change in the fair value of plan assets				
	Opening Fair value of plan assets	0.00	0.00	0.00	0.00
	Actual return on plan assets	0.00	0.00	0.00	0.00
	Employer Contribution	23.74	12.04	969.91	723.57
	Benefits paid	(23.74)	(12.04)	(969.91)	(723.57)
	Closing Fair value of plan assets	0.00	0.00	0.00	0.00
6	Actuarial (Gain)/Loss on Plan Asset				
	Expected Interest Income	0.00	0.00	0.00	0.00
	Actual Income on Plan Assets	0.00	0.00	0.00	0.00
	Actuarial gain/(loss) on Assets	0.00	0.00	0.00	0.00
7	Other Comprehensive Income				
	Opening amount recognized in OCI outside P&L account	0.00	0.00	N/A	N/A
	Actuarial gain/(loss) on liabilities	(3.98)	(171.93)	N/A	N/A
	Actuarial gain/(loss) on assets	0.00	0.00	N/A	N/A
	Closing amount recognized in OCI outside P&L account	(171.93)		(171.93) N/A	N/A
8	The amounts to be recognized in the Balance Sheet Statement				
	Present value of obligations	1022.70	868.53	6898.09	7527.88
	Fair value of plan assets	0.00	0.00	0.00	0.00
	Net Obligations	1022.70	868.53	6898.09	7527.88
	Amount not recognized due to assets limit	0.00	0.00	0.00	0.00
	Net defined benefit liability/(assets) recognized in balance sheet	1022.69	868.53	6898.09	7527.88
9	Expenses recognized in Statement of Profit & loss				
	Service cost	114.17	96.92	128.87	98.90
	Net Interest cost	59.75	44.10	496.84	522.89
	Net actuarial (gain)/loss	0.00	0.00	(285.58)	592.15
	Expenses recognized in	173.93	141.03	340.13	1213.93



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statement of Profit & Loss					
10	Change in Net Defined Obligations				
	Opening of Net defined benefit liability	868.53	567.61	7527.88	7037.51
	Service Cost	114.17	96.92	128.87	98.90
	Net Interest Cost	59.75	44.10	496.84	522.89
	Re-measurements	3.98	171.93	(285.58)	592.15
	Contributions paid to fund	(23.73)	(12.04)	(969.91)	(723.57)
	Closing of Net defined benefit liability	1022.69	868.53	6898.10	7527.88
11	Sensitivity analysis				
	Item	As on 31/03/2021	Impact	As on 31/03/2021	Impact
	Base liability	102,269,692		689,809,111	
	Increase in Discount rate by 0.50%	94,288,191	(7,981,501)	669,008,670	(20,800,441)
	Decrease in Discount rate by 0.50%	111,159,515	8,889,823	712198097	22,388,986
	Increase in salary inflation by 1%	120,468,365	18,198,673	734224331	44,475,720
	Decrease in salary inflation by 1%	87,021,569	(15,248,123)	650862915	(38,946,196)
	Increase withdrawal rate by 0.5%	1,05,564,669	3,294,977	694713534	4,904,423
	Decrease withdrawal rate by 0.5%	98,711,316	(3558376)	684572776	(5,236,335)

(II) The Company is making efforts to recognize and identify the location of land along with its title deed as well as of other Property, Plant & Equipment, transferred under various Transfer Schemes for the purpose of maintaining fixed assets registers.

(III) As per Ministry of Power, Govt of India, order no.23/22/2019-R&R (Part-4) dated 20.08.2020 power generating companies and transmission companies shall not charge late Payment Surcharge(LPS) at a rate exceeding 1% per month for all the payments made under the liquidity infusion scheme of PFC and REC under Atmanirbhar Bharat Scheme.

(IV) As per requirement of section 135 and schedule VII of the Companies Act, 2013 read with companies (Corporate Social Responsibility Policy) Rules 2014 the company has incurred losses during the three immediately preceding financial years, no amount has been spent on CSR, also no provision has been made by the company in this regard.

(V) The receivable from Uttarakhand Power Corporation Ltd. amounting to Rs. 192.61 Crore as on 31.03.2019 has now been mutually settled and the same has been approved by the Board of Directors of the company in their meeting held on 18th December, 2019. Accordingly, the amount of Rs. 160.58 Crore payable to Uttarakhand Power Corporation



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Ltd. by U.P. Power Sector Employees Trust on account of GPF contribution has been adjusted against the above receivable amounting to Rs. 192.61 Crore and the same has been accounted for by the company in the ensuing account in hand i.e. 2018-19 as receivable from U.P. Power Sector Employees Trust (Ref Note-20) and the balance amount of Rs. 32.03 Crore i.e (Rs. 192.61 Crore - Rs.160.58 Crore) has finally been written off and accounted for as Bad Debts.

(VI) (i) Revenue Grants / Subsidies received under different schemes for DISCOMs are treated initially as payable to DISCOMs and subsequently are transferred / adjusted against DISCOMs concerned.

(ii) During the year 2020-21, The Capital Grant of Rs. 109.99 Lacs, Revenue Grant of Rs. 62164.94 Lacs and Revenue Subsidy of Rs. 965717.14 Lacs have been received from Govt. of U.P. on behalf of the DISCOMs and the same have also been distributed to the DISCOMs. The DISCOMS wise details are as below:

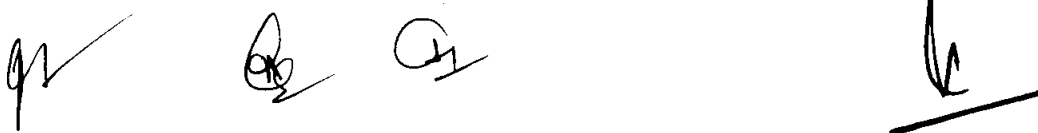
Amount ₹(in Lakhs)

Sr. No.	Name of DISCOM	Capital Grant	Revenue Grant	Revenue Subsidy
1	MVVNL	0.00	10014.18	178368.12
2	PuVVNL	109.99.00	18238.09	333418.52
3	PVVNL	0.00	3585.64	286269.97
4	DVVNL	0.00	28661.13	167557.37
5	KESCO	0.00	1665.91	103.16
Total		109.99.00	62164.94	965717.14

(iii) As per GO No. 445-1-21-731 (Budget)/ 2020 dated 05.03.2021 of Govt. of U.P., the subsidies of Rs. 2094000.00 Lacs is receivable from the Govt. of U.P. in favour of DISCOMS through the company (UPPCL) and the same are to be paid by the Govt. of U.P. in the forthcoming 10 years. DISCOM wise details are as under:

Amount ₹(in Lakhs)

Sr. No.	Name of DISCOM	
1	MVVNL	97808.00
2	PuVVNL	811554.26
3	PVVNL	914644.74
4	DVVNL	215969.00





5	KESCO	54024.00
Total		2094000.00

The DISCOMs concerned have shown the above subsidies as receivable from Govt. of U.P. in its books of accounts for the F.Y. 2020-21.

(iv) The details of Earmarked Balances with banks of UPPCL are as under:

(Amount (Rs.in Lakhs))

Bank Balances & FDR as on 31.03.2021				
Name of Bank	Name of Bank Account	Bank Balance as on 31.03.2021	FDR Balance	Accrued Interest
HDFC	Dsra Series 1 A/C	384.32.00	25139.16	42.05
	Bond Ser Escrow A/S	0.00	23674.92	45.03
	Bond Ser Escrow A/S 2	0.00	4598.84	3.66
	Dsra Series 2 A/C	88.40.00	16520.29	124.01
	TOTAL	472.70	69933.21	214.75
ICICI	UP Power Corporation Limited RPO Regulatory Fund A/C Created In Accordance With The Direction Issued By UPERC In Order To Compliance With Renewable Purchase Obligation.	7657.07	0.00	0.00
	Distribution network rehabilitation a/c	6.24	0.00	0.00
	UPPCL Bond Servicing Series-I A/C	0.22	21817.72	65.08
	UPPCL Debt Service Reserve-I A/C	0.00	45918.04	0.00
	UPPCL Bond Servicing Series-II A/C	0.00	27467.39	81.91
	UPPCL Debt Service Reserve-II A/C	0.00	57813.21	0.00
	TOTAL	7663.53	153016.36	146.99

(VII) Asian Development Loan No. 4025:

- Under the Uttar Pradesh Power Distribution Network Project, the mobilization advance of Rs. 17040.12 Lacs was given to the working agencies/contractors during the year 2020-21 and the reimbursement claim against the above advances has been received through GoUP on dated 29.05.2021.
- The DISCOMs wise details of mobilization advance of Rs. 17040.13 Lacs are as under:

(Amount ₹in Lakhs)

Sr. No.	Name of DISCOM	Fund Released
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1	MVVNL	4964.62
2	PUVVNL	4867.68
3	PVVNL	3766.31
4	DVVNL	3441.52
Total		17040.13

(VIII) The status of Bonds issued by the Company for the Discoms as on 31.03.2021 is as under:-

(Amount ₹ in Lacs)

S. No	Details of Bonds	Amount of Bonds	No. of Bonds	Date of Issue	Face Value	Rate of Interest	Previous due date of interest payment	Paid / or not	Next date of interest payment	Amount of interest payable on next date	Next due date of Principal payment	Principal Amount payable on next due date	Security	Outstanding as at 31.03.2021	Outstanding as at 31.03.2020
Listed															
1	THE COMPANY Bond series III/2016-17	651000.00	65100	17-Feb-2017	10	8.97%	15-Feb-2021	Paid	14-May-2021	12067.48	14-May-2021	23250.00	Govt. Guaranteed and Hypothecated for receivables	558000	651000.00
2	THE COMPANY Bond series IV/2016-17	348950.00	34895	27-Mar-2017	10	8.48%	15-Mar-2021	Paid	15-Jun-2021	6393.04	15-Jun-2021	12462.50		299100	348950.00
3	THE COMPANY Bond series I/2017-18	449820.00	44982	05-Dec-2017	10	9.75%	20-Jan-2021	Paid	20-Apr-2021	8587.72	20-Apr-2021	13230.00		357210	410130.00
4	THE COMPANY Bond series II/2017-18	549100.00	54910	27-Mar-2018	10	10.15%	20-Jan-2021	Paid	20-Apr-21	11317.39	20-Apr-2021	16150.00		452200	516800.00
Unlisted															
1	U.P. Power Corporation Ltd.- 2031	537682	537682	04-Jul-2016	1	9.70%	04-Jan-2021	Paid	05-Jul-2021	25863.24	04-Jan-2022	26884.10	Govt. Guaranteed	537682	537682.00
2	U.P. Power Corporation Ltd.- 2031	469998	469998	28-Sep-2016	1	9.70%	28-Mar-2021	Paid	28-Sep-2021	22982.26	28-Mar-2022	23499.90		469998	469998.00
3	U.P. Power Corporation Ltd.- 2032	29949	29949	30-Mar-2017	1	9.70%	30-Mar-2021	Paid	30-Sep-2021	1342.42	30-Sep-2021	1247.97		27453.05	29949.00
		3036499.00	1237516							88553.54		116724.47		2701643.05	2964509.00

Payment of Principal amount is started from 19.07.2019.

(IX) (a) Disclosure pursuant to Regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The following debentures issued by the Company as on February 17, 2017, March 27, 2017 December 05, 2017 & March 27, 2018 are secured as per the details:-

ISIN	Scrip Code	Maturity	Secured by way of	Amount (₹ In Lacs.)	Date of Creation of Security
INE540P07053,	955767,	15-02-2027	Hypothecation	651000.00	16-02-2017
INE540P07061,	955768,		on Receivable		



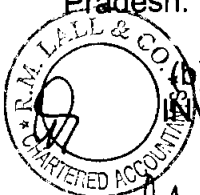
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INE540P07079, INE540P07087, INE540P07095, INE540P07103	955769, 955770, 955771, 955772				
INE540P07129, INE540P07137, INE540P07145, INE540P07152, INE540P07160, INE540P07178	956145, 956146, 956147, 956148, 956149, 956150	13-03-2027	Hypothecation on Receivable	348950.00	30-03-2017
INE540P07202, INE540P07210, INE540P07228, INE540P07236, INE540P07244, INE540P07251, INE540P07269	957203, 957204, 957205, 957206, 957207, 957208, 957209	20-10-2027	Hypothecation on Receivable	449820.00	06-12-2017
INE540P07293, INE540P07301, INE540P07319, INE540P07327, INE540P07335, INE540P07343, INE540P07350	957803, 957804, 957806, 957807, 957808, 957809, 957810	20-01-2028	Hypothecation on Receivable	549100.00	24-03-2018

The extent and nature of security created and maintained w.r.t Secured, Listed Non-convertible bonds:

All the above rated listed bonds are fully secured upto 1.1 times of the outstanding balance of bonds upon receivables of UPPCL and the bonds are also guaranteed by Government of Uttar Pradesh.

The market value of Bonds shown under the head FINANCIAL ASSETS - INVESTMENTS (NON-CURRENT) at note no.06 is as under



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Settlement Date	Security	Valuation date	Original Maturity date	Residual maturity year	FIMMDA Yield as on 31.03.2021	Price	No. of bonds	Total amount/clean price
27.03.2017	7.75% PFC Bonds Series- 164(22.03.2027)	31.03.2021	22.03.2027	6	6.26	107.81	250	269513923
27.03.2017	7.75% PFC Bonds Series- 164(22.03.2027)	31.03.2021	22.03.2027	6	6.26	107.81	250	269513923
27.03.2017	7.75% PFC Bonds Series- 164(22.03.2027)	31.03.2021	22.03.2027	6	6.26	107.81	250	269513923
27.03.2017	7.75% PFC Bonds Series- 164(22.03.2027)	31.03.2021	22.03.2027	6	6.26	107.81	250	269513923
11.05.2017	7.75% PFC Bonds Series- 164(22.03.2027)	31.03.2021	22.03.2027	6	6.26	107.81	230	247952809
Total							1230	1326008501

(X) The guarantee issued by GoUP in favour of various Banks, FI's and bond security stood at ₹ 56453.65 Crore as on 01.04.2020 and ₹ 79053.65 Crore as on 31.03.2021 respectively. During the FY 2020-21 Govt. guarantees of ₹28540.00 Crore were issued and ₹5940.00 Crore were discharged.

(XI) Due to the outbreak of the Covid19 globally and in India the company management has made an initial assessment of likely adverse impact on business and financial risk and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meet its liabilities as and when they fall due.

(XII) As per requirement of section 135 and schedule VII of the Companies Act, 2013 read with companies (Corporate Social Responsibility Policy) Rules, 2014, the company has incurred losses during the three immediately preceding financial years, no amount has been spent on CSR, and no provision has been made by the company in this regard.



(XIII) UP Power Corporation Limited has opted for the option of lower rate of corporate income tax referred to in sub-section (5) of section 115BAA of the Income Tax-Act, 1961 for the Previous Year 2019-20 and subsequent years. It is also mentioned that there was no carried forward MAT credit in the books of the corporation; hence exercise of the option has resulted into zero loss of MAT credit for the Company.

PashchimanchalVidyutVitran Nigam Limited (Subsidiary Company)

I) The Company has large nos. of Stock items located at various divisions/sub-divisions/store centre etc. To establish the realizable value, as such, is practically very difficult. Same has been valued at cost.

(II) The Security deposit collected from the consumers on the basis of 2 month average billing. On overdue of the payment of bills raised, a notice is to be served to the consumers. The company has most of the consumers with capacity to meet their obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are passed due are still collectable. Hence, no impairment loss has been recognised during the reporting period in respect of Trade Receivables.

(III) The following fraud/embezzlements were noticed/detected during the year as disclosed by Branch Auditor of Meerut Zone in its Audit Report are as follows:

S.No.	Name of Zone	Particulars	Amount (Rs. in lacs)
1	Meerut Zone	Mr. Suresh Babu TG 2 for not depositing cash collected through system generated receipts during December 2013 to March 2019 and 36 manual receipt books not returned in divisions is under enquiry & disciplinary action is initiated in EDD I Baghpat.	368.00
2	Meerut Zone	In EDD II Baghpat, a fraud case of collecting cash from customers and not depositing the amount in division is under enquiry against Mr. Sanjay Kumar, cashier	31.30
3	Moradabad Zone	During the year fraud by the employees has been detected amounting to Rs.564411.00 out of which Rs.521253.00 is deposited by the person concerned till date. An amount of Rs.2443324.84 pertaining to cheques sent for collection in State bank of India, Babrala branch but nor credited to company account later on Rs.1743324.84 credited by bank in company account till date balance amount is still retained by bank.	7.43
4	Ghaziabad Zone	During the year cash embezzlement under the division EUDD-7, Ghaziabad by the accused Mr. Sumit Gupta, Head Cash Revenue in the period of July 2020 to November 2020.	564.17

DakshinanchalVidyutVitran Nigam Limited

(I) As per Guidelines issued by Ministry of Power, Government of India dated 02.06.2017, calculation of AT&C losses are given below:-

Table-1

A	Input Energy (MkWh)	25888.025
---	---------------------	-----------

(Handwritten signatures and marks)



B	Transmission Losses (MkWh)	0
C	Net Input Energy (MkWh)	25888.025
D	Energy Sold (MkWh)	19183.003
E	Revenue from Sale of Power(Including Subsidy Booked) (Rs. Cr.)	12564.59
F	Adjusted Revenue from sale of Energy on Subsidy Received basis (Rs. Cr.)	12564.59
G	Opening Debtors for Sale of Energy (Rs. Cr.)	18417.31
H	Closing Debtors for sale of Energy (Rs. Cr.)	19314.76
I	Adjusted Closing Debtors for sale of Energy (Rs. Cr.)	19314.76
J	Collection Efficiency (%) {J= (F+G-I)/E}	92.86%
K	Units Realised (MkWh)= [Energy Sold*Collection efficiency]	17812.805
L	Units Unrealised (MkWh)= [Net Input Energy-Units Realised]	8075.220
M	AT&C Losses (%)= [{Units Unrealised/Net Input Energy}*100]	31.19%

Table-2

	Details of Revenue Subsidy Booked and received	Amount
1	Revenue Subsidy Booked during the year (Rs. Cr.)	1685.78
2	Revenue Subsidy Received during the year (Rs. Cr.)	1685.78
i)	Revenue Subsidy received against subsidy booked for current year (Rs. Cr.)	
ii)	Revenue Subsidy received against subsidy booked for previous year (Rs. Cr.)	

PurvanchalVidyutVitrان Nigam Limited

TABLE-1
Computation of AT & C Losses

	Particulars	Value
A	Input Energy (MkWh)	27,603.457
B	Transmission Losses (MkWh)	94.218
C	Net Input Energy (MkWh)	27,509.239
D	Energy Sold (MkWh)	21,902.645
E	Revenue from Sale of Energy (Rs. Cr.)	14,145.110
F	Adjusted Revenue from Sale of Energy on subsidy Received Basis (Rs. Cr.)	14,145.110
G	Opening Debtors for sale of Energy (Rs. Cr.)	26,323.940
H	Closing Debtors for sale of Energy (Rs. Cr.)	28,425.690
I	Adjusted Debtors for sale of Energy (Rs. Cr.)	28,425.690
	Collection Efficiency (%)	85.140



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K	Units Realised (MkWh)= [Energy Sold*Collection Efficiency]	18,648.242
L	Units Unrealised (MkWh) = [Net Input Energy - Units Realised]	8,955.215
M	AT &C Losses (%) = [{ Units Unrealised/ Net Input Energy }*100]	32.440

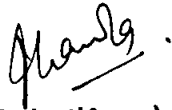
TABLE-2

Details of Subsidy Booked & Received		Amount
1	Subsidy Booked During the Year (Rs. Cr.)	1,163.210
2	Subsidy Received During the Year (Rs. Cr.)	3,517.670
i)	Subsidy Received against Subsidy Booked for Current Year (Rs. Cr.)	
ii)	Subsidy Received against Subsidy Booked for Previous Year (Rs. Cr.)	

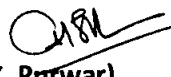
MadhyanchalVidyutVitrans Nigam Limited

(1) Quantitative details of energy purchased and sold: -

S. No.	Details	FY 2020-21	FY 2019-20
		(units in MU)	(units in MU)
1	Total no of Units Purchased	23,520.968	22,851.681
2	Total no of Units Sold	18,765.222	18,426.231
3	Distribution Losses	20.22%	19.37%
4	AT&C Losses	33.81%	33.89%


(Dr. Jyoti Arora)
Company Secretary


(A. K. Awasthi)
Chief Financial Officer


(A. K. Purwar)
Director
DIN - 08544396


(Pankaj Kumar)
Managing Director
DIN - 08095154

Place : Lucknow
Date : 22/02/22

Subject to our report of even date

For R M Lall & Co.
Chartered Accountants
FRN No. 000932C

(Vikas C Srivastava)
Partner
M No. 401216

UDIN: 22401216ADHYOW4519

PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation			Net Block			
	AS AT 01.04.2020	Addition	Adjustment/ Deletion	AS AT 31.03.2021	AS AT 01.04.2020	Addition	Adjustment/ Deletion	AS AT 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020
Land & Land Rights	1,072.76	-	0.88	1,072.76	147.77	-	-	147.77	924.99	924.99
Buildings	1,20,094.94	8,536.37	-	1,28,730.43	29,836.46	3,727.02	9.93	33,553.55	95,176.88	90,258.48
Plant & Pipe Lines	94.98	-	-	94.98	90.24	-	4.75	85.49	9.49	4.74
Other Civil Works	4,075.47	-	-	4,075.47	2,749.05	-	0.14	2,870.37	1,205.11	1,326.42
Plant & Machinery	24,07,437.24	4,81,254.15	2,56,817.65	26,31,873.74	1,84,275.87	1,17,792.40	47,773.93	2,54,294.34	23,77,579.40	22,23,161.37
Lines, Cable Networks etc.	40,68,293.03	5,16,861.61	9,765.16	45,75,389.48	9,23,135.35	1,85,567.37	24.28	11,04,078.13	34,71,311.31	31,45,157.68
Vehicles	1,726.76	-	2.96	1,723.80	1,437.19	-	2.44	1,459.03	264.77	289.57
Furniture & Fixtures	5,334.96	270.55	0.61	5,604.90	2,013.61	293.54	0.56	2,306.59	3,298.31	3,321.31
Office Equipments	25,006.47	3,272.89	-2.27	28,281.63	14,318.94	1,254.25	96.81	15,476.38	12,805.25	10,687.53
Total	66,33,136.61	10,10,295.57	2,66,584.99	73,76,847.19	11,59,604.48	3,08,890.32	52,613.15	14,14,271.65	59,62,575.54	54,75,132.13

Note: The actual total restated Net Block as at 31.03.2020 is Rs. 54,75,133.03 Lacs. The difference of Rs. 0.90 Lacs (Rs. 54,75,133.03 - Rs. 54,75,132.13) is due to the restatement of the figures of vehicles by the M/VNL (Subsidiary) in a different manner for making necessary adjustments related to PPE Error or Omissions.

PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation			Net Block			
	AS AT 01.04.2019	Addition	Adjustment/ Deletion	AS AT 31.03.2020	AS AT 01.04.2019	Addition	Adjustment/ Deletion	AS AT 31.03.2020	AS AT 31.03.2020	AS AT 31.03.2019
Land & Land Rights	1,072.76	-	-	1,072.76	147.77	-	-	147.77	924.99	924.99
Buildings	98,818.85	21,276.69	0.60	1,20,094.94	27,733.26	2,103.27	0.06	29,836.47	90,258.47	71,085.59
Plant & Pipe Lines	94.98	-	-	94.98	85.52	4.71	-	90.23	4.75	9.46
Other Civil Works	4,075.47	-	-	4,075.47	2,669.12	79.92	-	2,749.04	1,326.43	1,406.35
Plant & Machinery	18,79,701.71	7,89,340.58	2,51,605.06	24,07,437.24	1,55,499.03	80,999.41	52,222.57	1,84,275.87	22,23,161.36	17,24,202.68
Lines, Cable Networks etc.	29,51,385.93	11,33,483.60	16,576.50	40,68,293.03	8,07,202.63	1,21,579.51	5,746.79	9,23,135.35	31,45,157.68	21,44,183.30
Vehicles	1,729.28	-	2.52	1,726.76	1,415.87	22.74	2.32	1,436.29	290.47	313.41
Furniture & Fixtures	4,946.19	389.27	0.51	5,334.95	1,712.57	101.50	0.47	2,013.60	3,321.31	3,233.62
Office Equipments	18,031.02	7,027.36	51.91	25,006.47	11,610.98	2,722.27	14.31	14,318.94	10,687.53	6,420.04
Total	49,59,856.19	19,51,517.50	2,78,237.10	66,33,136.59	10,08,076.75	2,07,913.33	57,986.52	11,58,003.56	54,75,133.03	39,51,779.44

NOTE-2

(₹ In Lakhs)



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U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Note-3

CAPITAL WORKS IN PROGRESS

(₹ In Lakhs)

Particulars	AS AT 01.04.2020	Additions	Deductions/ Adjustments	Capitalised During the Year	AS AT 31.03.2021
Capital Work in Progress	5,71,469.00	9,25,926.65	-27,542.58	-10,27,064.11	4,42,788.96
Advance to Supplier/Contractor	5,29,458.38	88,690.75	-2,45,118.81	-	3,73,030.32
	11,00,927.38	10,14,617.40	-2,72,661.39	-10,27,064.11	8,15,819.28

Particulars	AS AT 01.04.2019	Additions	Deductions/ Adjustments	Capitalised During the Year	AS AT 31.03.2020
Capital Work in Progress	9,15,786.59	15,95,015.12	5,096.98	-19,36,344.08	5,79,554.61
PPE Adjustment of CWIP	-8,085.61	-	-	-	-8,085.61
Advance to Supplier/Contractor	11,69,580.57	1,64,694.03	-8,04,816.22	-	5,29,458.38
	20,77,281.55	17,59,709.15	-7,99,719.24	-19,36,344.08	11,00,927.38



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U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN: U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Note-4

ASSETS NOT IN POSSESSION

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Lines, Cable Networks etc.	13,313.55	13,363.78
Total	13,313.55	13,363.78

Note-5

INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Intangible Assets	1,623.50	249.10
Total	1,623.50	249.10

Note-6

FINANCIAL ASSETS - INVESTMENTS (NON-CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
UPPTCL-Investment in Share Capital	2,21,333.52	2,21,333.52
Share Application Money	18,072.31	18,072.31
Provision for Impairment on UPPTCL	-12,133.60	-12,384.80
	2,27,272.23	2,27,021.03
Sonebhadra PGCL	-	620.23
Impairment/Provision for impairment	-	-620.23
Yamuna PGCL	-	66.01
Provision for Impairment YGPCL	-	-66.01
Other investments:-		
(a) 7.75% PFC Bonds	12,300.00	12,300.00
(b) 7.59% HUDCO Bonds	-	10,000.00
	12,300.00	22,300.00
Total	2,39,572.23	2,49,321.03

Note-7

FINANCIAL ASSETS - LOANS (NON-CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Capital Advances		
NPCL LOAN	568.43	568.43
Interest Accrued and Due	14,473.97	12,519.41
Provision for B/D Loan & Interest	-15,042.40	-13,087.84
Advances to Capital Suppliers / Contractors	15.86	15.86
Provision for Doubtful Advances	-1.59	-1.59
	14.27	14.27
Total	14.27	14.27



Four handwritten signatures are present below the table, corresponding to the financial data.

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN: U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Note-8

FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(₹ in Lakhs)

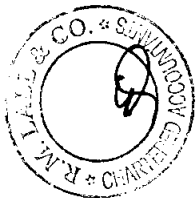
Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Advance paid to State Govt. for freehold title of Land	743.87	743.87
UDAY Loss subsidy receivable from GoUP	48,621.60	-
Total	49,365.47	743.87

Note-9

INVENTORIES

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
(a) Stores and Spares		
Stock of Materials - Capital Works	1,62,676.52	1,92,658.55
Stock of Materials - O&M	1,55,446.09	1,12,756.63
PPE Adjustment	-	10,727.33
(b) Others	38,732.77	37,220.05
B	3,56,855.38	3,53,362.56
Provision for Unserviceable Stores	-23,214.26	-24,148.42
Total	3,33,641.12	3,29,214.14



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U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN: U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Note-10

FINANCIAL ASSETS - TRADE RECEIVABLES (CURRENT)

(₹ In Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Sundry Debtors	52,297.94	52,297.94
Trade Receivables outstanding from		
<u>Customers on account of Sale of Power for a period exceeding six month from the date they are due for payment</u>		
Secured & Considered goods	2,87,893.04	2,99,155.70
Unsecured & considered good	54,39,843.70	58,62,229.58
Unsecured & Considered doubtful	<u>6,94,272.85</u>	<u>64,22,009.59</u>
		6,88,857.74
		68,50,243.02
Trade Receivables outstanding from		
<u>Customers on account of Sale of Power for a period Less than six month from the date they are due for payment</u>		
Secured & considered good	42,119.95	22,688.62
Unsecured & considered good	18,02,105.48	9,05,943.80
Considered doubtful	<u>89,177.39</u>	<u>19,33,402.82</u>
		58,292.14
		9,86,924.56
Trade Receivables outstanding from		
<u>Customers on account of Electricity Duty for a period exceeding six month from the date they are due for payment</u>		
Secured & Considered goods	31,376.96	20,742.48
Unsecured & considered good	5,82,927.96	4,94,767.56
Unsecured & Considered doubtful	<u>34,085.80</u>	<u>6,48,390.72</u>
		49,944.11
		5,65,454.15
Trade Receivables outstanding from		
<u>Customers on account of Electricity Duty for a period Less than six month from the date they are due for payment</u>		
Secured & considered good	2,207.19	1,336.93
Unsecured & considered good	1,41,343.03	1,86,234.10
Considered doubtful	<u>17,757.99</u>	<u>1,61,308.21</u>
		9,903.05
		1,97,474.08
Dabtors-Sale of Power (subsidiary)		
Dabtors Unbilled revenue	66,326.99	-15,547.05
Adjustment as per Point no. 37 of Note 31	-66,326.99	75.33
Add/Less: PPE Adjustment	-	14,848.13
		-623.59
Sub-Total	92,17,409.28	86,51,770.16
Allowance for Bad & Doubtful Debts	-8,65,472.89	-8,37,222.12
Total	83,51,936.39	78,14,548.04

Note: Provision has not been made on Rs. 623.59 Lacs as mentioned above against PPE Adj and Adjustment as per Point no. 37 of Note 31.



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Note-11-A

FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS (CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
(a) Balance with Banks		
In Current & Other Account	4,87,257.26	3,94,489.79
In Earmarked Bank A/c (IPDS)	22.69	492.98
RPO Fund A/c	7,657.07	-
Dep. with original maturity upto 3 months	88,664.57	2,959.01
	5,83,601.59	3,97,941.78
(b) Cash in Hand		
Cash in Hand (Including Stamps in Hands)	39,500.73	6,801.74
Cheque/Drafts in Hand	607.77	570.16
Cash imprest with Staff	71.17	328.24
	40,179.67	7,700.14
Total	6,23,781.26	4,05,641.92

Note-11-B

FINANCIAL ASSETS - BANK BALANCES OTHER THAN ABOVE (CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Deposit with original maturity of more than 3 months but less than 12 months	2,37,801.14	1,84,680.20
Total	2,37,801.14	1,84,680.20



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FINANCIAL ASSETS - OTHERS (CURRENT)

Note-12

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Receivables (unsecured)		
Uttar Pradesh Government	21,86,982.51	1,34,541.60
PPE Adjustment	-	-125.28
Receivable from IREDA	1,230.00	1,147.68
Receivable from UPNEDA	-4,997.55	-1,655.78
Uttaranchal PCL		
Receivable - Uttrakhand PCL	1.41	1.41
Payable - Uttrakhand PCL	-18.70	-16.70
UPRVUNL		
Receivable -UPRVUNL	922.96	693.56
Payable -UPRVUNL	-64.93	-64.93
UPPTCL		
Receivable -UPPTCL	52,310.22	51,030.36
Payable -UPPTCL	-269.73	-268.62
Employees (Receivables)		
Others	90,920.87	90,498.09
Balane Under reconciliation of Kesco	19.00	-
Prov. For Doubtful Receivables	-14,468.32	-14,401.27
Theft of Fixed Assets Pending Investigation		
Prov. For estimated Losses	16,694.14	15,984.90
	-18,694.14	-15,984.90
Total	23,35,141.40	2,86,687.31

OTHER CURRENT ASSETS

Note-13

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Advances (Unsecured/Considered Good)		
Suppliers/Contractors	21,800.05	22,524.87
Less: Provision for Doubtful Advances	-2,433.58	-2,412.23
Tax Deducted at source	4,736.08	4,477.78
Tax Collected at Source	1,529.01	-
Advance income Tax	13.28	13.28
Fringe Benefit Tax Advance Tax	52.78	52.78
Provision	-41.03	-41.03
Advances recoverable in Cash or in kind of value to be received		
Unsecured Considered Good	45.44	135.78
Unsecured Considered Doubtful	315.84	297.23
Provision for Doubtful Loans & Advances	-315.84	-297.23
Misc. Recovery		
Unsecured Considered Good	493.53	109.23
Unsecured Considered Doubtful	389.30	372.65
Provision for Doubtful Loans & Advances	-389.30	-372.65
Income Accrued & Due	1,226.76	1,332.92
Income Accrued & but not Due	1,307.23	1,705.37
Prepaid Expenses	99.98	102.41
Inter Unit Transfers	4,17,159.60	3,20,006.75
PPE Adjustment	697.42	8,764.11
Total	4,46,686.55	3,56,772.02



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Note-14

EQUITY SHARE CAPITAL

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
-------------	------------------	------------------

(A) AUTHORISED :

1250000000 (Previous Year 1250000000 respectively) Equity shares of par value of Rs. 1000/- each	12500000.00	12500000.00
---	-------------	-------------

(B) ISSUED SUBSCRIBED AND FULLY PAID UP

967622864 (Previous Year 911863632) Equity shares of par value Rs. 1000/- each	10412665.52	9676228.64
--	-------------	------------

(of the above shares 36113400 were allotted as fully paid up pursuant to UP Power Sector Reform Schema for consideration other than cash)
 (It includes 2000 shares of 1000/- each of Promoter's Share of Discom)

Total	10412665.52	9676228.64
--------------	--------------------	-------------------

- a) During the year, The Company has issued 55759232 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 2020, no dividend has been declared by board due to heavy accumulated losses.

d) Detail of Shareholders holding more than 5% share in the Company;

Shareholder's Name	AS AT 31.03.2021		AS AT 31.03.2020	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Government of UP	1041266552	100	967622864	100

e) Reconciliation of No. of Shares

No. of Shares as on 01.04.2020	Issued During the Year	Buy Back during the Year	No. of Shares as on 31.03.2021
967622864	73643688	0	1041266552

Note-15

OTHER EQUITY

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
-------------	------------------	------------------

A. Share Application Money (Pending For Allotment)		31,379.93		40,192.23
B. Capital Reserve				
(i) Consumers Contributions towards Service Line and other charges	8,82,468.60		8,49,546.29	
(ii) Subsidies towards Cost of Capital Assets.	6,28,469.58		27,76,755.74	
(iv) APDRP Grant/Other Grants	690.81		729.32	
(v) Restructuring Reserve	55,476.24		55,476.24	
(vi) Uday Grant	-		1,52,500.56	
(vii) Amount Received Under IPDS	138.00		138.00	
(vii) Others	19,595.12	15,86,838.35	19,595.12	38,54,741.27
C. Surplus in Statement of P&L				
Opening Balance	-1,75,82,147.14		-1,69,97,893.33	
PPE Adjustment for year	11,193.10		10,687.55	
Add: Subsidy under Atmanirbhar Scheme	3,10,770.06		-	
Add: Adjustment against Reserves & Surplus	14,04,461.58		-	
Add: impact of Ind AS adjustment to retained earnings	-		5,033.39	
Add: Profit/(Loss) for the year	5,83,844.77		-6,15,242.54	
Add: Transferred from Capital Reserve	6,08,337.76		-	
Adjustment as per Point no. 37 of Note 31	-		15,267.79	
Other Reserves	-61.70	-1,44,63,601.57	-	-1,75,82,147.14
D. General Reserve				
Opening Balance of General Reserve	-		-	
Add: Received during the year	14,08,528.61		-	
Less: Transfer to statement of P&L	-	14,08,528.61	-	
Add: Provision for impairment of Subsidiaries Reverse	-	54,39,454.69	-	71,50,371.49
Add: Amount of Reversed Provision on UPPCL Debtors	-	1,58,701.67	-	1,85,689.60
Add: Amount of Reversed Provision on Financial Assets-Dther Current- Subsidiaries (Unsecured)	-	8,820.81	-	6,457.70
Total		-58,29,877.51		-63,44,694.65



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Note-16

FINANCIAL LIABILITIES - BORROWINGS (NON-CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020	
(A) SECURED LOANS			
TERM LOANS			
Rural Electrification Corporation Ltd.	1,45,926.86	1,32,786.61	
R-APDRP(PFC)	1,68,193.91	1,67,350.01	
R-APDRP Part-B (PFC)	35,315.18	35,315.18	
R-APDRP(REC)	1,49,220.29	1,53,110.92	
REC(Kasco)	-	1,750.00	
Sub Station Loan (REC)	1,824.01	2,107.18	
RAPDRP SCADA Part B	27,483.12	31,108.46	
Saubhagya (REC)	62,860.23	61,129.28	
DDUGGY (PFC)	49,771.54	42,700.00	
IPDS (PFC)	15,392.72	11,375.17	
IPDS(ERP)	214.49	-	
AB CABLE	92,683.85	60,019.31	
WORKING CAPITAL LOANS	-	-	
Rural Electrification Corporation Ltd.(SAUBHAGYA)	68,330.69	66,482.20	
Rural Electrification Corporation Ltd.(NON-SAUBHAGYA)	7,008.87	4,000.00	
Power Finance Corporation Ltd. (IPDS)	65,253.55	67,111.71	
REC (DDUGJY)	89,157.81	81,526.00	9,17,872.03
(B) UNSECURED LOANS			
9.70% Uday Bonds/Bonds	9,82,253.10	10,35,133.25	
REC	18,64,602.21	6,09,196.43	
PFC	20,30,976.86	8,62,701.41	
U.P. State Industrial Development Corporation Ltd.	0.54	0.54	
Housing Development Finance Corporation Ltd.	0.07	0.07	
UP Government Loan (Others)	49,236.00	55,390.50	25,62,422.20
(C) BONDS/ LOANS RELATE TO DISCOMS(Secured)			
8.97% Ratad Listed Bond	4,65,000.00	5,58,000.00	
10.15% Rated Listed Bonds	3,87,600.00	4,52,199.99	
9.75% Rated Listed Bonds	3,04,290.00	3,57,210.00	
8.48% Rated Listed Bonds	2,49,250.00	2,99,100.00	16,66,509.99
(D) Other than Bank			
REC	-	-	
PFC	1,00,100.18	97,873.86	97,873.86
Total	74,11,946.08	52,44,678.08	



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Note-17

FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Security Deposits From Consumers	3,63,792.46	3,37,969.48
Liability/Provision for Leave Encashment	68,930.16	52,291.27
Liability for Gratuity on CPF Employees	38,397.85	25,918.41
Staff related Liabilities-(others Non-Current)	4,904.64	4,904.64
Total	4,76,025.11	4,21,083.80

Note-18

FINANCIAL LIABILITIES - BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
<u>Secured Loan</u>		
<u>Overdraft from Banks</u>		
<u>(Paripassu charge on Receivables on Corporation)</u>		
Central Bank of India	-	382.24
Punjab National Bank	-	2,932.52
Punjab National Bank (MID)	-	28,568.33
Allahabad Bank	-	10.88
ICICI Bank	-	225.50
Bank of India	-	28,297.64
	-	60,417.11
Rural Electrification Corporation	-	6,458.33
NOIDA Loan	-	15,000.00
Total	-	81,875.44

Note-19

FINANCIAL LIABILITIES - TRADE PAYABLE (CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Liability for Purchase of Power	26,00,335.59	31,98,893.99
Liability for Power Purchase from Others	1,922.95	1,276.21
Liability for Wheeling charges	6,21,400.75	5,56,005.70
Liability for Power Purchase from UHBVN Ltd.	57.11	45.95
	32,23,716.40	37,56,221.85
Total	32,23,716.40	37,56,221.85



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Note-20

OTHER FINANCIAL LIABILITIES(CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2020
Interest accrued & due (Loans through PCL)	-	16,963.05	
Interest accrued & due on borrowings	13,885.25	13,885.25	11,029.97
Current Maturity of Long Term Borrowings (Other)	47,603.93	47,603.93	41,025.15
Current Maturity of Long Term Borrowings through UPPCL	7,21,805.40	7,69,409.33	5,14,422.48
Liability for Capital Supplies/works	6,89,114.48	6,89,114.48	7,89,387.64
PPE Adjustment	-	-	1.74
Liability for O&M Supplies/works	95,487.15	7,84,601.63	99,652.80
Deposits & Retentions from Suppliers & others	-	5,11,872.92	5,41,074.82
Electricity Duty & other levies payable to govt.	-	8,96,616.39	6,92,568.26
Deposit for Electrification works	1,31,453.28	1,31,453.28	1,29,810.37
Deposit Works	5,112.37	1,36,565.65	4,515.04
Liabilities towards UPPCL CPF Trust	5,301.03	5,301.03	4,373.82
PPE Adjustment	-	5,301.03	1.06
Liabilities for Gratuity on CPF Employees	1,664.88	1,664.88	1,022.73
Liability for Leave Encashment	2,015.24	3,680.12	2,385.19
Interest Accrued but not Due on Borrowings	1,22,484.17	1,22,484.17	96,322.71
PPE Adjustment	-	1,22,484.17	8,675.55
Staff related Liabilities	1,32,091.52	1,32,091.52	1,39,829.78
PPE Adjustment	-	1,32,091.52	149.65
Sundry Liabilities	1,56,501.33	1,56,501.33	1,06,071.87
PPE Adjustment	-	-	-357.06
Liabilities for GST	41.74	1,56,543.07	30.17
Payable to UPJVNL			
Payable	8,745.11	8,745.11	8,790.97
Receivable	-84.73	8,660.38	-13.78
Liabilities for Expenses	-	17,773.40	21,280.63
Liabilities towards UP Power Sector Employees Trust			
Provident Fund	75,489.62	75,489.62	70,451.48
PPE Adjustment	-	-	45.60
Provision for Interest on GPF Liability	7,821.69	7,821.69	7,310.88
Pension & Gratuity Liability	41,238.37	1,24,549.68	39,278.72
Provision VII Pay Commission (Current)	-	-	6,177.51
Interest on Security Deposits from Consumer	-	32,761.56	29,623.41
Total	37,16,796.10	37,16,796.10	33,81,902.21

Note-21

PROVISIONS (CURRENT)

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Legal & Professional Charges	-	0.92
Total	-	0.92



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Note-22

REVENUE FROM OPERATIONS (GROSS)

(₹ In Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Supply In Bulk		
Torrent Power Ltd.	91,054.74	1,02,780.75
Unbilled amount of Sale of Power	66,326.99	-
Adjustment as per Point no. 37 of Note 31	-66,402.32	75.33
	90,979.41	102856.08
Large Supply Consumer		
Industrial	11,12,035.08	12,14,999.34
Traction	12,592.07	7,125.36
Irrigation	62,241.36	58,549.26
Public Water Works	1,42,324.04	1,26,432.11
	13,29,192.55	14,07,106.07
Small & Other Consumers		
Domestic	22,45,461.29	20,34,301.62
PPE Adjustment	-	-2,519.16
Commercial	6,51,906.07	6,23,481.21
Industrial Low & Medium Voltage	2,25,445.94	2,44,003.61
Public Lighting	68,929.48	66,794.86
STW & Pump Canals	3,11,967.96	2,88,838.55
PTW & Sewage Pumping	2,15,695.94	2,11,712.40
Institution	45,357.08	47,649.80
Small Power (LMV VI)	27,765.58	28,415.03
Water Work (LMV VII)	12,909.69	12,306.82
Temp Connection (LMV IX)	1,865.74	215.73
Prepaid	269.23	933.71
Large & Heavy (HV I)	17,293.09	25,222.21
Large & Heavy (HV II)	42,177.21	43,503.95
Railways	6,815.91	9,367.43
Miscellaneous Charges form Consumers	97,930.86	1,37,628.63
PPE Adjustment	-	-40.59
Energy Internally Consumed	1,10,078.09	1,18,006.41
Electricity Duty	3,45,622.19	3,09,486.77
	44,27,491.35	41,99,308.99
Other Operating Revenue		
Extra State Consumer	761.54	1,455.38
	58,48,424.85	57,10,726.52
Less: Electricity Duty	-3,45,622.19	-3,09,486.77
Total	55,02,802.66	54,01,239.75



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Note-23

OTHER INCOME

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020	
From U.P. Govt.			
RE Subsidy from Govt. of U.P.	1,19,999.99	1,20,000.00	
Revenue Subsidy from Govt. of U.P.	6,46,123.58	8,92,000.00	
Subsidy for Operational Losses	3,71,832.00	2,39,999.99	
Subsidy Against Loan/Interest	3,274.22	2,700.85	
PPE Adjustment	-	5,744.76	
Subsidy for repayment of interest on loan	2,443.02	6,048.55	
PPE Adjustment	-	-2,552.71	
Cross Subsidy	2,315.16	63.75	
Subsidy from Govt.	2,221.23	5,541.98	
Subsidy against UDAY/Govt. Guarantee Loan	3,123.52	6,167.77	12,75,714.94
(a) Interest from :			
Loans to Staff	0.57	1.64	
Loans to NPCL (licencee)	1,954.56	1,700.59	
Fixed Deposits	15,089.67	16,094.63	
PPE Adjustment of Interest	-	516.88	
Banks (Other than on Fixed Deposits)	937.30	703.14	
Bonds	1,123.10	1,712.25	
Others	1,637.19	1,413.72	22,142.85
(b) Other non operating income			
Delayed Payment Charges	77,343.74	89,308.21	
PPE Adjustment	-	-784.69	
Income from Contractors/Suppliers	4,325.23	2,791.07	
PPE Adjustment	-	-169.03	
Rental from Staff	140.52	115.11	
Miscellaneous Income/ Receipts	8,751.95	6,409.78	
PPE Adjustment	-	-1.78	
Excess found on Verification of Stores	0.39	0.53	
Other Recoveries from Consumers	304.19	460.52	
Sale of Scrap	65.79	313.66	
Penalty from Contractors	182.76	506.77	
Balance Write/off	-	9.72	
Sale of Tender Forms	12.14	17.93	
Interest on Income Tax Refund	20.44	-	
Reversal of UDAY subsidy for repayment of int on loan	-2,634.13	-	
Prior Period Adjustment of other non operating income	-	-1.76	98,976.04
Total	12,60,588.13	13,96,833.83	



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Note-24

PURCHASE OF POWER

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Transmission Charges	3,13,150.77	3,36,461.14
Power Purchase from UHBVN Ltd.	39.99	36.67
PURCHASE FROM OTHERS	<u>646.73</u>	<u>857.44</u>
Power Purchase from:		3,37,355.25
Generating Units	52,54,853.15	48,02,491.19
Surcharge	3,38,440.49	1,44,588.52
Unsheduled Interchange & Reactive Energy Charges	-4,466.12	16,407.60
PPE adjustment of Purchase of Power	-	-280.10
Inter-state Transmission & Related Charges to	4,83,204.54	4,66,322.88
Sub Total	63,85,869.55	57,66,885.34
Rebate/Subsidy against Power Purchase	-27,115.74	-28,278.96
Total	<u>63,58,753.81</u>	<u>57,38,606.38</u>

Note: Rebate against Power Purchase includes the Subsidy of Rs. 19696.67 Lacs (for 2020-21) and Rs. 19925.97 Lacs (for 2019-20) received from Central Government for Solar Power.



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN: U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Note-25

EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Salaries & Allowances	2,03,354.35	2,03,304.79
PPE Adjustment	-	174.75
Dearness Allowance	26,581.58	25,520.47
Other Allowances	10,739.62	12,011.12
Bonus/Ex.Gratia	298.08	1,067.25
Medical Expenses (Reimbursement)	3,820.83	4,112.99
Leave Travel Assistance	0.22	0.30
Earned Leave Encashment	10,308.25	17,227.24
Compensation	145.48	155.07
Staff Welfare Expenses	336.81	497.13
Pension & Gratuity	29,986.30	28,585.81
Other Comprehensive income of Gratuity	-8,192.35	-1,868.87
Other Terminal Benefits	6,202.21	5,743.77
Interest on GPF (General Provident Fund)	5,899.17	5,846.30
Gratuity (CPF)	185.82	3,114.32
Other Terminal Benefit (CPF)	6,110.17	6,069.89
Contributions to provident and other funds	369.46	361.64
PPE Adjustment	-	-971.37
Others/Compensation	22.09	338.98
Sub Total	2,96,166.09	3,11,291.56
Expense Capitalised	-97,940.84	-1,28,435.92
Employee Cost Allocated to DISCOMs and Others	-16,116.61	-18,061.16
Total	1,82,110.44	1,64,794.50

Note-26

FINANCE COST

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
(a) Interest on Loans		
Working Capital	1,133.10	4,172.33
Interest expenses on Borrowings	20,624.27	15,863.78
Less- Rebate of Timely Payment of Interest	-28.74	-10.75
	21,728.63	20,025.36
(b) other borrowing costs		
Finance Charges/Cost of Raising Fund	11,237.79	5,324.63
Bank Charges	10,581.65	648.22
Guarantee Charges	2.24	0.15
	21,821.66	5,973.00
(c) Interest on Loans		
Interest on Govt Loan	3,922.31	2,774.00
Interest on Bonds	2,58,121.92	2,72,936.38
NOIDA	9,663.53	-
PFC	1,55,113.94	1,09,189.01
PPE Adjustment	-	7,956.57
R-APDRP	11,432.82	11,241.75
REC	1,54,983.02	1,14,496.04
PPE Adjustment	-	7,979.86
Interest on CPF	4.59	5.37
Interest to Consumers	16,196.99	19,352.57
Provision of Int. on ED/Licence Fee/GPF	567.26	787.81
Interest on Secured Loan	29,274.92	25,198.07
Interest/Stamp Duty on Bill Discounted for PP	4,868.14	-
PPE Adjustment	-	16.48
	6,44,149.44	5,71,933.91
Sub Total	6,87,699.75	5,97,932.27
Interest Capitalised	-55,147.03	-63,992.95
Total	6,32,552.72	5,33,939.32



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U.P.POWER CORPORATION LIMITED
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CONSOLIDATED FINANCIAL STATEMENT

Note-27

DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
<u>Depreciation on -</u>		
Buildings	3,673.17	2,072.31
Other Civil Works	175.30	115.53
Plant & Machinery	1,70,923.77	1,14,417.91
Lines Cables Networks etc.	1,32,383.93	83,375.54
Vehicles	41.85	23.64
PPE Adjustment for Vehicle	-	-0.90
Furnitures & Fixtures	296.24	301.50
Office Equipments	1,430.49	2,722.27
Intangible Assets	69.17	63.77
PPE Adjustment for Depreciation	-	1.92
Equivalent amount of dep. on assets aquired out of the consumer's contribution & GoUP subsidy	-67,078.96	-77,270.47
PPE Adjustment of Amortization	197.38	186.48
Capital Expenditure Assets not pertains to Corporation/Nigam	559.59	415.69
Total	2,42,671.93	1,26,425.19



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

Note-28

ADMINISTRATIVE, GENERAL & OTHER EXPENSES

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Interest Expense on Electricity duty	8,335.92	7,352.44
Rent	299.13	318.53
Rates & Taxes	147.13	322.50
Insurance	478.16	369.38
Communication Charges	2,357.44	3,967.36
Legal Charges	2,977.93	2,544.28
Prior Period Adjustment	-	-0.28
Auditors Remuneration & Expenses	185.05	216.24
Consultancy Charges	5,587.39	6,193.14
Licence Fees	1,650.04	1,234.56
Technical Fees & Professional Charges	2,360.65	1,632.72
Travelling & Conveyance	4,314.68	4,303.52
Printing & Stationary	2,111.15	2,072.23
Advertisement Expenses	1,427.16	1,779.62
Electricity Charges	80,164.15	81,014.42
Prior Period Adjustment	-	-7,284.91
Water Charges	73.15	71.14
Entertainment	7.89	12.00
Expenditure on Trust	22.62	78.11
Incentive Amount (Incentive Scheme to prevent the theft of Electricity)	-	54.42
Miscellaneous Expenses	18,265.65	14,023.67
Prior Period Adjustment	-	235.20
Expenses incurred for Revenue Realisation	13,082.40	17,553.61
Compensation	903.07	928.79
Compensation(Other than Staff)	4,023.26	3,428.83
Vehicle Expenses	4,375.04	1,712.43
Fees & Subscription	936.91	465.95
Online, Spot Billing & Camp Charges	23,330.64	22,684.51
Loss on sale of Assets Scrapped	-	0.83
Security charges	1,719.89	1,685.87
Rebate to consumer	172.57	932.18
Payment to Contractual Persons	16,739.44	19,571.27
Honorariums	7.34	27.66
Professional Charges	346.52	192.04
Revenue Expenses	28,178.06	41,817.41
Prior Period Adjustment of Admin. , General & Other Exps	-	2.79
Sub Total	2,24,580.45	2,31,514.46
Expenses Allocated to DISCOMs and Others	-3,031.89	-2,336.71
Total	2,21,548.56	2,29,177.75



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U.P. POWER CORPORATION LIMITED
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CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Note-29

REPAIRS AND MAINTENANCE

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020	
Plant & Machinery	70,836.68	95,293.21	
PPE Adjustment	-	-578.45	
Buildings	4,924.41	4,077.69	
Other Civil Works	860.83	685.37	
Lines, Cables Networks etc.	1,28,231.96	1,28,985.17	
Energy Internally Consumed	26,490.92	20,426.66	
Vehicles - Expenditure	30,201.32	27,789.48	
Less: Transferred to different Capital & O&M Works/ Administrative Exp.	-30,201.32	2,31,344.80	-27,789.48
Furnitures & Fixtures	17.42	27.73	
Office Equipments	945.69	713.06	
Payment to Contractual Persons	15,286.68	13,275.27	
Transferred to different Capital & O&M Works/ Administrative Exp.	-15,286.68	963.11	-13,275.27
Sub Total	2,32,307.91	2,49,630.44	
Expenses Allocated to DISCOMS and Others	-483.46	-576.26	
Total	2,31,824.45	2,49,054.18	

Note-30

BAD DEBTS & PROVISIONS

(₹ in Lakhs)

Particulars	AS AT 31.03.2021	AS AT 31.03.2020	
PROVISIONS			
Doubtful Debts (Sale of Power)	1,262.85	82,675.58	
Doubtful Loans and Advances			
Other Current Assets	57.52	1,100.85	
Loans (Non Current)	1,954.56	1,700.59	
Short Term	10.76	-129.56	
Bad and Doubtful Debts	-	63.48	
Provision (Other)/Loss in Land acquisition process	-934.16	-552.07	
Adjustment of Provision as per Actuarial Valuation Report	7,779.85	10,131.38	-905.80
<u>Doubtful Advances(Suppliers/ Contractor)</u>			
Doubtful Other Current Assets (Receivables)	2,407.91	2,447.24	
Provision For Impairment of Assets	-17,11,168.00	2,81,847.27	
Advances to Supplier/Contrator	-23.13	162.22	
Provision for Theft of Fixed Assets/Estimated Losses(Fixed Assets)	709.24	-17,08,073.98	890.16
	-16,97,942.60	3,69,299.96	



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U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31.03.2021

PARTICULARS	(Rs. in Lakhs)	
	2020-21	2019-20
CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before Taxation & Extraordinary Items	591871.49	-813224.02
Adjustment For:		
a Depreciation and Amortization Expenses	257481.67	138583.24
b Finance Cost	640698.94	553210.37
c Bad Debts & Provision	-1714088.43	354213.75
d Interest income (Other income)	-18800.96	-20743.12
e Other Comprehensive Income	-8084.43	-1846.59
f PPE Adjustments	11194.00	5857.65
Sub Total	-831589.21	1029075.30
Operating Profit Before Working Capital Change	-239717.72	415851.28
Adjustment for:		
a Inventories	-4426.99	19825.03
b Financial Assets - Trade Receivable (Current)	-16406.43	-1638199.55
c Other Current Assets	-988714.52	64191.31
d Financial Assets - Others(Current)	-4056335.37	-965218.04
e Financial Assets - Bank Balance other than Financial Assets - Cash and Cash Equivalent (Current)	-107273.77	-107281.48
f Other Financial Liabilities (Current)	552698.65	690990.74
g Financial Liabilities - Borrowings(Current)	-89119.80	-87438.27
h Financial Liabilities - Trade Payable (Current)	-1154082.77	1525035.56
i Provisions (Current)	0.00	0.00
j CFS Adjustment	81874.04	-86410.44
k Income Tax Paid (Net of TDS)	-0.04	0.00
l Amount paid for provision of Previous Year	-0.80	0.00
Sub Total	-5781767.60	-566503.14
NET CASH FROM OPERATING ACTIVITIES (A)	-6021485.32	-150651.86
CASH FLOW FROM INVESTING ACTIVITIES		
a Decrease (increase) in Property,Plant And Equipment	-752557.63	-1463167.63
b Decrease (increase) in Work in Progress/Capital Advance	278718.79	641668.22
c (Increase)/Decrease in Financial Assets - Investments (Non-Current)	-380121.68	-309342.37
d Decrease/(Increase) in Financial Assets - Others(Non-Current)	29786.52	124742.23
e Decrease/(Increase) in Other Non-Current Assets - Assets Not in Possession	0.00	0.00
f Decrease/(Increase) in Intangible assets	-44.04	-25.05
g Decrease/(Increase) in Financial Assets - Loans(Non-Current)	594678.26	1250698.39
h Interest incomes (Other Income)	18800.96	20743.12
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	-212740.82	265516.91
CASH FLOW FROM FINANCING ACITIVITIES		
a Proceeds from Financial Liabilities - Borrowings(Non - Current)	4120357.24	-939676.62
b Proceeds from Share Capital	844114.82	1145076.59
c Proceed from Other Equity	2104031.25	-31380.68
d Financial liabilities - Others(Non-Current)	24581.11	59252.74
e Finance Cost	-640698.94	-553193.90
f PPE Adjustments	0.00	10813.10
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	6452365.48	-399106.75
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	218139.34	-194241.70
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	405641.92	599883.62
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note No. 11-A)	623781.26	405641.92

This Statement has been prepared under indirect method as prescribed by Ind AS-07
Cash and cash equivalent consists of cash in hand, bank balances with scheduled banks and fixed deposits having maturity less than three months with banks.
Previous year figures have been regrouped and reclassified wherever considered necessary.

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(Signature)
(Dr. Jyoti Arora)
Company Secretary

(Signature)
(A. K. Awasthi)
Chief Financial Officer

(Signature)
(A. K. Purwar)
Director
DIN - 88544396

(Signature)
(Pankaj Kumar)
Managing Director
DIN-08095154

Place: Lucknow
Date: 22/02/22

Subject to our report of even date
For R. M. Lal & Co.
Chartered Accountants
FAN No. 000932C
(Signature)
(Wikas C Srivastava)
Partner
M. No. 401216

UDIN: 2240216ADHYDW45F9

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN: U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures as at 31st March 2021

Part A:- Subsidiaries

Sl. No.	Particulars	1	2	3	4	5
1	Name of the subsidiary	MVVNL, Lucknow	PurVVNL, Varanasi	PVVNL, Meerut	DVVNL, Agra	KESCO, Kanpur
2	The date since when subsidiary was acquired	12.08.2003	12.08.2003	12.08.2003	12.08.2003	15.01.2000
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N/A	N/A	N/A	N/A	N/A
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N/A	N/A	N/A	N/A	N/A
5	Share capital (including Share Application Money pending Allotment)	1923430.26	2075190.24	1598923.15	2020523.97	198476.50
6	Reserves and surplus	(1067561.91)	(792321.55)	(313116.31)	(1592802.28)	(356760.09)
7	Total assets	502375.35	6000892.79	3856301.80	4043905.67	522185.91
8	Total Liabilities	3646504.99	4718024.10	2570494.96	3666183.93	680469.50
9	Investments	-	-	-	-	-
10	Turnover	1266846.73	1169085.66	1727399.84	1087881.31	251664.45
11	Profit/(Loss) before taxation	(92581.30)	(364806.17)	(373597.47)	(224123.99)	(17039.93)
12	Provision for taxation	-	-	-	-	-
13	Profit/(Loss) after taxation	(92581.30)	(364806.17)	(373597.47)	(224123.99)	(17039.93)
14	Proposed Dividend	-	-	-	-	-
15	Extent of shareholding (in percentage)	100%	100%	100%	100%	100%

Note:- Southern UP Power Transmission Corporation Ltd. is inoperative and under the closure.



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN: U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures as at
31st March 2021

Part B:- Associates and Joint Ventures

(₹ In Lakhs)

Name of Associates or Joint Ventures	
1. Latest audited Balance Sheet Date	N.A
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates or Joint Venture	
Extent of Holding (in percentage)	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Networth attributable to shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

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U.P. POWER CORPORATION LIMITED
 14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
 CIN: U32201UP1999SGC024928
 CONSOLIDATED FINANCIAL STATEMENT

Disclosure as per Schedule III to the Companies Act, 2013

Sl. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities as at 31.03.2021		Share in Profit or Loss for the Year 2020-21		Share in other comprehensive income for the Year 2020-21		Share in Total Comprehensive Income for the Year 2020-21		Net Cash Inflows/ (Outflows)
		As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of Consolidated Total Comprehensive income	Amount (₹ in Lakhs)	
A	Parent									
	U.P. Power Corporation Ltd., Lucknow	27.21	815180.25	293.62	1737871.69	0.05	(3.98)	297.66	1737867.71	160759.97
B	Subsidiaries									
	Madhyanchal Vidyut Vitran Nigam Ltd., Lucknow	19.56	585869.94	(15.64)	(92581.30)	0	-	(15.86)	(92581.30)	17250.49
	Purvanchal Vidyut Vitran Nigam Ltd., Varanasi	34.96	1047489.75	(60.25)	(356613.82)	102.06	(8192.35)	(62.48)	(364806.17)	(10996.86)
	Pashchimanchal Vidyut Vitran Nigam Ltd., Meerut	23.35	699620.64	(63.12)	(373597.47)	0	-	(63.99)	(373597.47)	21815.43
	Dakshinanchal Vidyut Vitran Nigam Ltd., Agra	1.51	45334.63	(37.87)	(224123.99)	0	-	(38.39)	(224123.99)	33385.41
	Kanpur Electricity Supply Company Ltd., Kanpur	(6.59)	(197545.65)	(2.91)	(17209.55)	(2.11)	169.62	(2.92)	(17039.93)	(4012.73)
	Southern Power Transmission Corporation Ltd., Lucknow	0.00	0.10	(0.00)	(0.03)		-	0.00	(0.03)	(62.37)
C	CFS Ad									
	Adjustment as per Point no. 37 of Note 31			(13.83)	(81874.04)	0	-	(14.02)	(81874.04)	
	Total	100.00	2995949.66	100.00	591871.49	100.00	(8226.71)	100.00	583844.78	218139.34

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