



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 five 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) and Kanpur Electricity Supply Company Limited, Kanpur (KESCO (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2023, 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 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, 2023.
- In the case of consolidated statement of Profit and Loss, of the consolidated **Net Loss** (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 and KESCO 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.

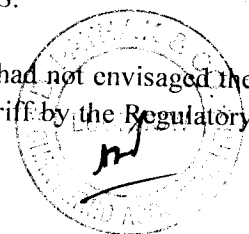
We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial 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.

Emphasis of Matter

Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, we draw attention to the following matters in the notes to the Consolidated Financial Statements:

A. U.P Power Corporation Ltd. Holding Company

1. Tax deducted at source Rs.92.64 Crore (Note 12- Other Current Assets) includes Rs. 7.09 Crore refunds pending with Income Tax Department relating to financial year 2007-08 to 2019-20 **which have not been adjusted till the close of the financial year.**
2. a. As per information provided to us Receivable from generators includes Rs.707.68 Crore debit balance pertaining to M/s Rosa Power Company Ltd towards debit notes raised by the Company against which, as explained to us, stay order have been issued by Appropriate Authorities, but **which have not been reversed like other cases** as mentioned in Para no. 30 of Notes to Accounts relating to M/s Lalitpur Power Generation Company.
b. Note 6- Loans & Others Financial Assets (Non-Current) includes Rs.118.21 Crore a commitment advance for share in generation in Ultra Mega Power Project. As per information and explanation given to us, Company has decided to opt out of these projects due to closure of the projects and requested Nodal Agency (PFC) for status of return of money. **Being old advances, Management should take necessary action for recovery/adjustments of this Advances.**
3. As per Note no.-14 to the Notes to Accounts, average billing rate mythology has been used as per decision of higher management of UPPCL instead of Differential Bulk Supply Tariff (DBST) adopted in the previous years. Reasons of such change has not been disclosed in the Notes to Accounts although it has impact on cost allocation to individual DISCOMS.
4. Accounting Policy No. VIII of the Company regarding power purchases had not envisaged the method for accounting of power purchases where final approval of the tariff by the Regulatory Commission has not been granted.



5. **Placement of Fixed deposit:**

Total fixed deposit of Rs 2869.84 crore include Rs 2185.96 crore placed with ICICI bank only. Company has disclosed the same as a risk factor Para No. 24(v) in the Notes to Accounts. Proper monitoring of same needs to be done by the management.

6. **The Annual Accounts of F.Y 2021-22 are yet to be adopted in Annual General Meeting (Refer Para 32 of Note - 30 "Notes on Accounts").**

Specific Observations given by Discoms Statutory Auditors given below: -

A. Pashchimanchal Vidut Vitran Nigam Ltd.

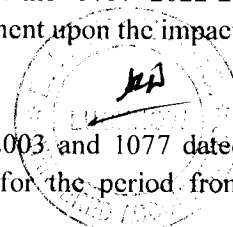
1. There is no accounting policy regarding method of accounting of unbilled revenue of Rs.735.36 Crore, which has been done on estimated basis and relied upon by us. (Refer Note no 8 of financial statement)
2. IND AS-8: In the current financial year, management has made several adjustments/corrections relating to prior period errors/omission. Rs. 2668.33 crores have been adjusted with surplus in the statement of Profit and loss as disclosed in Note 13 of Financial Statements in accordance with IND AS-8.
3. As referred to in Point No. 10 of Notes to accounts a sum of Rs. 4510.73 Crores and Rs. 38.20 Crores is payable as electricity duty and compounding charges respectively to UP State Government. No provision has been made for interest and penalty for late payments. It has been explained to us by the company that no interest and penalty is levied for such late payments in past years and we have relied on the same.

It is observed that the payment of Electricity Duty is booked on the basis of Debit/Credit Note raised by Uttar Pradesh Power Corporation Ltd and compounding charges is collected at division level and sent directly to the U.P. Treasury. 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.

4. Tax Collected at Source (Asset) amounting to Rs. 8.13 crores and Tax Deducted at Source (Asset) amounting to Rs. 6.98 Crores are showing as on 31.03.2023 not reconciled with amount Rs. 4.75 Crore as shown in 26AS of the company for current financial year. Management has informed that the balances shown in the books of accounts reflect pending refund amount of TDS/TCS. We have relied upon the same. (Refer to Note No. 11 "Other Current Assets" of the financial statements).

B. Kanpur Electricity Supply Company Ltd.

1. Replies of the management / compliance report of various observations pointed out by the Internal Auditor in their Internal Audit Report dated 16th June,2023 for the "F.Y." 2022-23 has not been made available to us so far, hence, we are unable to comment upon the impact, if any, arising in the "Ind AS-FS" of the company to that extent
2. The Government of UP has, vide its order nos. 3188 dated 24.10.2003 and 1077 dated 17.04.2008 decided that the electricity duty and interest payable for the period from



15.01.2000 to 31.03.2003 and from 01.04.2003 to 31.03.2008 respectively would be adjusted against the balance subsidy payable to UPPCL by the State Government. Accordingly, the amount of electricity duty and interest thereon payable due to pending adjustment by the State Government has been shown under the head 'Electricity Duty and Other Levies Payable to Government' grouped under "Other Current Liabilities" (**Refer note no.17 of Ind AS FS**).

3. As per MCA data the Company is an **active non-compliant company**. Further, the master data of the company revealed following:
 - a. Charges column disclosed in the Company Master Data includes old satisfied charges.
 - b. The Company has not complied with the Order dt 22.01.2019 issued under section 405 of the Act, in respect to filling of MSME Form I.
The Company has calculated Interest on Security Deposit (Consumer) @4.25% on the outstanding balance of Total Ledger Balance as per the books. However, the said interest is not reconciled with actual Interest allowed/adjusted by **MPower** (software used for recording sale of energy) in the Customer bills raised during the "F.Y." 2022-23.

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. However, the financial impact of the same on IND AS "F.S." is not ascertainable (**Refer Para No.3 I (d) of Note No. 1A of "IND AS-FS"**).

Our opinion is not modified in respect of these matters

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.

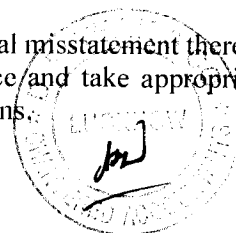
Information other than the consolidated financial statements and Auditor's Report thereon:

The Board of Directors of Holding Company along with its subsidiaries 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.

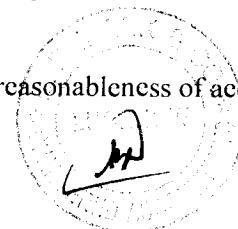
The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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 and KESCO, whose financial statements / financial information reflect the Group's share of total assets, as detailed below, and the net assets as at 31st March, 2023, total revenues and net cash flows for the year ended on that date, and also include the Group's share of net loss for the year ended 31st March, 2022, 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 reproduced 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 31.03.2023	Net Assets i.e., Total Assets minus Total Liabilities as at 31.03.2023	Total Net Profit/ (Loss) as at 31.03.2023	Net Cash in Flows/ (outflows) as at 31.03.2023
Subsidiaries:				
Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL)	43106.23	3045.97	(4824.57)	(361.86)
Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL)	57091.18	6804.65	(6602.49)	(420.60)
Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL)	37088.24	8433.92	985.64	(101.50)
Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL)	37057.57	(4314.36)	(5078.78)	(505.28)
Kanpur Electricity Supply Company Limited, Kanpur, (KESCO)	5048.01	(1755.65)	(1.50)	(36.28)
Total	179391.23	12214.53	(15521.70)	(1425.52)
CFS Adjustment			(364.34)	

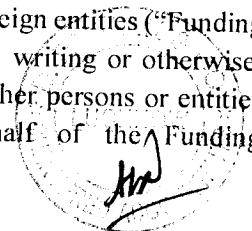
Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information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

Report on Other Legal and Regulatory Requirements:

1. As required by Paragraph 3(XXI) of the Companies Act, (Auditor's report) order 2020 ("the order") issued by the Central Government of India in terms of section 143(11) of the Act, we have given the Qualification/ Adverse remarks in **Annexure II** as reported by respective Statutory Auditors of Subsidiaries.
2. 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

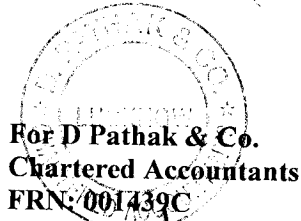
Consolidated Statement of Changes in Equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

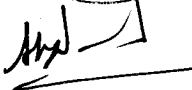
- d. Except for the matters described in the “Basis for Qualified Opinion” paragraph, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
- e. Being a Government 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–III**”, 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 except for MVVNL and PVVNL (kindly refer relevant Para mentioned under “**Report on other legal and regulatory Requirements**”) 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 Group.
- iv. (a). Based on the representation made by management of UPPCL and as reported by Discoms Statutory Auditors and to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether, directly or indirectly lend or invest in other persons or entities, identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) Based on the representation made by management of UPPCL and as reported by Discoms Statutory Auditors and to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Group from person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that Group shall, whether, directly, lend or invest in other persons or entities identified in any manner whatsoever by or behalf of the Funding



Part("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on audit procedures performed that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that caused us to believe that the representation referred under clause (iv)(a) and (b) contain any material mis-statement.
- (d) The Group has not declared or paid any dividend during the year, therefore compliance with section 123 of the Companies Act, 2013 was not applicable.
- (e) Proviso to Rule 3(1) of the Group (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.


For D Pathak & Co.
Chartered Accountants
FRN: 001439C


(A K Dwivedi)
(Partner)
M No.: 071584
UDIN: 23071584BGWZLF2793
Place: Lucknow
Date: 15/09/2023

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, 2023)

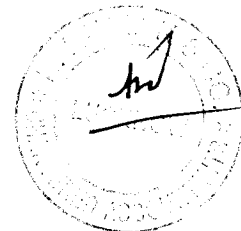
Based on our audit on the consideration of our report of the Holding Company and the report of the other auditors on separate financial statements and the other financial information of Subsidiaries, as noted in the 'other matter' paragraph to the extent applicable, we report that:

1. Uttar Pradesh Power Corporation Limited (UPPCL)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. Note- 12 Other (Current Assets) Rs.1567.90 Crore include Rs 431.68 crore Receivable from Generators as mentioned in Para 24 of Notes to Accounts-30 for which no confirmation and reconciliations are available. Same has been reported in last year Audit for making suitable Provision.
We are of the opinion that Provision for Rs 431.68 crore "Receivable from Generators" should be made in accounts.
2. Company has made a provision for impairment of investment in Subsidiaries, associate and others [Note-5 except Para II (b) Bonds] on the basis of Net worth of Investee Subsidiaries as on 31st March, 2023 (Refer Para 29 of Note – 30 "Notes on Accounts"), **which is not in accordance with Ind AS 36 Impairment of Assets.**
3. Loans and Other Financial Assets (Note-6), Trade Receivables-Others (Note-8), Financial Assets- Others (Note-11), Other Current Assets - (Note-12), Financial Liability-Trade Payables (Note-18), Other Financial Liabilities (Current)-except Current maturities of long-term borrowings and Interest accrued but not due on borrowings (Note-19) includes certain old balances under various heads of assets and liabilities **which are carrying over since last so many years and have not been reviewed/reconciled during the financial year.**

As informed to us, above heads include balances transferred from transfer schemes, reconciliation and confirmation for the same has not been done by Company which needs to be reviewed/reconciled and suitably adjusted in the books of accounts. Similar issues also were brought to the notice of management in previous audit report but no corrective actions seem to have been taken in the financial year 2022-23. Major Balances include a) Rs 15.55 Crore (Note No. 6)- Loans & other financial Assets (Non-Current) including Rs. 5.19 Crore (Security Deposits) and Overlay Charges Rs 10.36 Crore and b) Sundry Receivable (Rs.685.13 Crore)-Financial Assets – Other (Current), Note No-11 including Rs. 408.24 Crore relating to Unscheduled Interchanges Charges Pool a/e, Reactive Energy Charges Rs. 123.79 Crore, and Misc. deposits/balances Rs. 29.26 Crore respectively. **In absence of complete details and balance confirmation, we are of the view that provision should be made in the accounts to the extent of Rs.576.84cr. for old balances as reflected in Note-11 financial Assets-Other (Current Assets) and Note No. 6, Loans & other financial Assets (Non-Current). Loss of the company is understated and other receivable is overstated to that extent.**



4. Purchases as per Note No-22 for Rs.68653.93 Crore, includes Sales to Indian Energy Exchange for Rs 2581.77 Cr, **which has resulted into reduction/understatement of Purchases and consequent understatement of Sales of Energy** (Note No-20, Revenue for Operation).
5. a.) **Restructuring Reserve:**
A Credit balance of Rs. 540.31 Crore is included in "Other Equity Note-14 as restructuring reserve. As confirmed to us, the balances are old and has been transferred through transfer scheme. No detail was available for aforesaid Reserves.
- b.) **Capital Reserve:**
No details have been provided to us regarding capital reserve Rs 195.95 Crore.
6. Note-19 Other Financial Liabilities- Current includes Deposits and Retentions from Suppliers & Others Rs 264.65 crore for which no detail is available.
7. Details of charges filed with ROC against borrowing from bank and few generators have not been disclosed in the respective Notes to Accounts.

On examination of search report furnished to us, it was known that pari-passu charges has been registered on receivables /Current assets of the company against borrowings sanctioned by the bankers, while Debenture Trust deed executed with the trustees of the bonds shows that there is an exclusive charge on Current assets/ receivables of the company including book-debts which is in contravention of the terms of the hypothecation deed executed with the bankers. Company has to take up the matter suitably with the Lenders. Appropriate disclosure for the same has not been given in the Notes to accounts.

Non-Compliances of Ind-AS

8. **The Company 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) Financial Assets- Financial Assets-Other (current) (Note-11), Other Current Assets (Note-12), Financial Liabilities-Trade payable (Note-18) and Other Financial Liabilities (Note-19) 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 realis ability/settlement/ confirmation of balances for such amounts within twelve months after the year end, classification of same as 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. Few specific instances include Unscheduled Interchanges Charges Pool a/c is Rs 514.86 Cr and Reactive Energy Charges Rs 123.79 Cr as on 31st march 2023 included in "Current Assets-Other" Note -11.
- (b) Recognition of Insurance and other claims, refunds of Income Tax, Interest on Income Tax & Trade Tax/GST, interest on loans to staff and other items of income covered by Significant Accounting Policy No. B (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) 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 C (I) (d). 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. However, impact is not quantifiable at this stage.

- (d) Inventory which includes stores and spares for capital works, operation and maintenance and others is valued at cost (Refer accounting policy no.(VI) 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**. Further, the company has not formulated any accounting policy in respect of provision for unserviceable stores & spares and slow-moving stores
- (e) Accounting for Employee Benefits: Actuarial Valuation of gratuity liability of the employees covered under GPF scheme has not been obtained. (Refer Para 5 (a) Note – 30 “Notes on Accounts”). **This is inconsistent with Ind AS 19 Employee Benefits.**
- (f) The Financial Assets (Note-6, 8 and 11) have not been measured at fair value as required by **Ind AS 109 Financial Instruments** and proper disclosures as required in **Ind AS 107 Financial Instruments: Disclosures**, have not been done for the same.
- (g) Further Company has not disclosed the reasons for non- compliance of various Ind AS as required by IND AS-1 Presentation of Financial Statements.
9. Inter unit transactions amounting Rs.148.17 Cr, are **subject to reconciliation and consequential adjustments.** (Refer Para 8 Note – 30“Notes on Accounts”).
10. Note-16 “**FINANCIAL LIABILITIES OTHERS (NON-CURRENT)**” includes Rs 804.87 Crore **Liabilities against Loan**, the nature of loan and its terms and conditions are not disclosed.

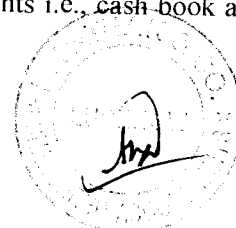
11. Non- compliance of Accounting Policies:

Company has to review certain accounting policies which are in contradiction with accounting treatment given in the financial statements. Major instances are given below.:-

- a) **INVESTMENTS:** Provision for impairment is not being made at its Fair Value as per IND AS-109 as mentioned in the respective accounting policy.
- b) **FINANCIAL ASSETS:** Financial assets on subsequent measurement are not recorded at amortized cost as per IND AS- 109. as mentioned in respective accounting policy.
Impairment on financial assets are not being made based on Expected loss.
- c) **FINANCIAL LIABILITIES:** Borrowings are not measured at Fair value using effective rate of Interest as mentioned in the accounting policy.

12.Maintenance of Proper Books of Accounts:

The company has systems of maintaining various sectional journals wherein vouchers relating to day-to-day transactions are recorded in these Sectional Journals. The existing systems of balancing cash book on the monthly basis and posting in different sectional journals to summaries and from summaries to monthly trial balances is not adequate enough to give financial position of different account at any given time in an organized manner. It was observed that the maintenance of party-wise subsidiary ledgers and its reconciliation with primary books of accounts i.e., cash book and sectional journals are not proper and effective.



13. Non-Disclosures in Notes to Accounts: -

Following disclosures have not been made in accounts: -

- a. Disclosure regarding amount of subsidy not accounted for in case of disputed solar power cases.
- b. Allotment date for Share application money placed with DISCOMS.
- c. Risk Management factor do not include Matrix of Age Wise Borrowings and Liabilities due.

14. Major Non-Compliances of Law

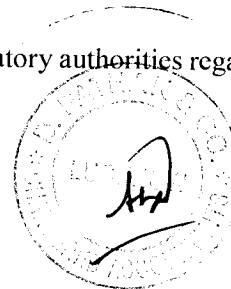
- i) Company has not appointed any Company Secretary as required u/s 203 of Company Act 2013.
- ii) As per section 177 of the companies acts 2013, following major compliances/ issues were not placed before Audit committee.as also delegated by the Board of Directors:
 - a. Approval or any subsequent modification of transactions of the company with related parties.
 - b. Scrutiny of inter-corporate loans and investments.
 - c. Evaluation of internal financial controls and risk management systems.
 - d. Monitoring the end use raised through public offers and related matters.
- iii) Company has not held meeting of Risk Management committee, Stakeholder committee etc. during the year under review.

15. Major Audit observations in Material Management Zone Audit Report: -

A. Property Plant and Equipment: -

- a) Branch Auditors trial balance is showing Buildings under the head AG Code 10.208 "Building CONTA DIST INST" amounting to Rs. 48,34,196.68 and under AG Code 10.211 Office building amounting to Rs. 11,65,227.05, but information regarding the Land of corresponding assets not provided to us. **#Units645 – Elec Civil ConstDiv - 1**
- b) Branch Auditors trial balance is showing Buildings under the head AG Code 10.211 "Office Building" amounting to Rs. 42,08,722.10 but information regarding the Land of corresponding assets not provided to us. **#Units641 – Civil**
- c) An amount of Rs 36506.76 is shown under the head Scrap Materials A/c (A/c Code 22 770), on review of the said account we were explained that these are group of assets which has been fully depreciated and are being carried at its residual value. Further, since fixed assets register is not being maintained these assets cannot be identified. Furthermore, no report of any committee who identified the above assets as scrap was provided to us. Further, as per Ind AS 16 (Property, Plant and Equipment) which requires measurement of such kind of assets at its net realizable value which has not been worked out. Therefore, we cannot comment upon the value at which these assets are carried. **#Units330 – EIE&PC**
- d) The zone is not evaluating the Property Plants and Equipment (PPE) for impairment as required under INDAS 36, as explained to us revaluation of PPE is not permitted by the Electricity (Supply) (Annual Accounts) Rules, 1985, the exception may be because the PPE cost is built in the Fixed Cost of the tariff but as explained to us the cost of PPE of the Company is not approved under the tariff approved by the regulator neither Depreciation is allocated to the Distribution companies.

The company has not sought any clarification from relevant regulatory authorities regarding the same.



B. Payment of Lease

- i) Unit #972 (UP Vigilance Ccell) and #unit 327 (Electricity Store Procurement Circle) are being maintained at rental premises. As explained to us the rent of Unit 972 is being deposited to Court as the ownership of the premises is sub-judice. Further latest lease agreement and the rent receipt were not being provided to us for premises with Unit 327, further Compliances of Ind AS 116 is not done at zone level.

C. Investments

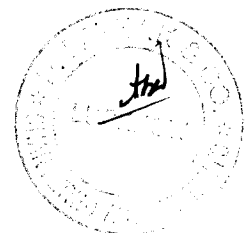
The company has entered in to arrangement with MPPMCL for 18.15 MW share in the project of Rajghat HPP at an equity contribution of Rs 66.74 crore which works out to 40.32% share in the total cost of capital of Rs 165.50 crore, however the unit is unaware of the existence of the equity contribution paid to MPPMCL as explained to us the amount of Equity contribution is not identified in books of accounts further necessary detail on the same is required from Fund section of the company by the EIE&PC which remained unclarified till date, therefore in absence of information and adequate explanation we cannot comment upon it.

- D. The balances in account of party, contractors, Governments Departments, etc., including those balances appearing under loan and advances & other receivables are subject to confirmation and reconciliation. The impact of adjustment if any, which may arise out of the confirmation and reconciliation process cannot be commented upon.
- E. Branch Auditors observed lack of proper system of review for identifying doubtful dues, especially those arising out of disputes pending before respective judicial forums and absence of regular follow ups with the respective parties for recoverability of outstanding balances In the absence of which we are unable to quantify the amount of provision which is required for irrecoverable or doubtful dues and its consequential impact on the financial statements. . #Units330 – EIE&PC

F. TDS Receivables-

As observed the zone has following balances as TDS receivable appearing in the books of the zone, in the absence of year wise breakup and status of completion of the assessment, we cannot comment upon the genuineness of the same. Branch Auditors following balances were outstanding on 31.03.2023

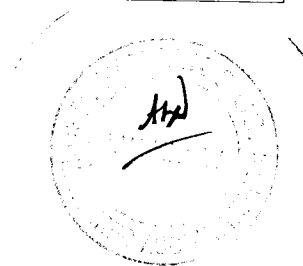
S. no	Unit Code	Unit Name	AG Code	Amount Outstanding (Rs.)
1	982	ETI	27.425	19,47,440.00
2	973	Service Commission	27.425	-12,04,953.00
3	646	Maintenanc	27.425	5,730.00
4	645	Civil Const. Aliganj	27.425	11,98,908.00
5	641	Civil	27.421	-3,38,872.00
6	641	Civil	27.425	1,79,519.00
7	330	Import and Export	27.422	76,99,77,097.64
8	330	Import and Export	27.425	9,61,37,377.20
9	327	ESPC	27.425	13,848.00
Total TDS Receivables				86,79,16,094.84



G. Trade payables

H. Trade payable having debit balances for power purchase of following parties, in several cases **excess payment** of Rs.3917614447.47 has been made to the parties namely NHPC-Rs. (-)3432723674.00, TEESTA URJA LTD. Rs. (-)3722.00, NOAR-Rs. (-)3633710.00, POWERGRID RAMPUR SAMBHAL TRANSMISSION LTD. Rs. (-)16432986.00, M/S SIMBHAULI SUGAR MILLS Rs. (-)76155192.24, M/S DWARIKESH SUGAR MILLS LTD. Rs. (-)2216562.75, TRIVENI ENG.& IND.LTD DEOBAND Rs.(-)74915812.07, TRIVENI ENGINEERING LTD., MILAK NARAIYAN Rs.(-)69228689.50, BAJAJ HINDUSTAN LTD. UTRAULA Rs. (-)10440643.57, BAJAJ HINDUSTAN LTD, (GANGAULI) Rs. (-)34873409.42, BAJAJ HINDUSTAN LIMITED, BARKH Rs. (-)1662752.45, BAJAJ SUGAR LIMITED, BARKHERA, Rs. (-)36495325.42, BAJAJ HIND.L., KUNDARKHI Rs.(-)11714482.31, & BAJAJ HIND.L., PALIAKALAN, LAK Rs. (-)147117485.74 and other includes old balances which are under reconciliation, year of advance if any is not provided to us neither was available with the unit, neither current status was explained to us further it should be emphasized that the advances and excess payments are not interest bearing therefore loss to the corporation if any cannot be determined in the absence of clarification and adequate details. Bearing lack of documentation and adequate information, the recoverability or provision for doubtful amount cannot be commented upon at this stage (Unit#330 EIE&PC).

OLD BALANCES		
AG Code	Name of The Generator	Total Balance
41.106	MADHYA PRADESH	-255974601.81
41.110	BHAKRA PROJECT MANAGEMENT BOARD	-16575376.60
41.128	KARNATAKA P.C.L.	-2088110.00
41.134	MSEDCL	-15502004.00
41.405	LANKO EU LIMITED	-9705040.12
41.411	G.M.R. ENERGY PVT. LTD.	-60719.00
41.420	MANIKARAN	-1534738.00
41.422	M/S A.C.C. LTD.	-775440.00
41.427	MITTAL PROC.PVT.LTD.GHAZIABAD	-46511195.00
41.432	TECH. ASSOCIATES	-6931463.93
41.743	WAVE INDUSTRIES PVT. LTD. (ERS	-1660526.78
41.205	HIMACHAL PRADESH	-1688774.00
Total		-359007989.24



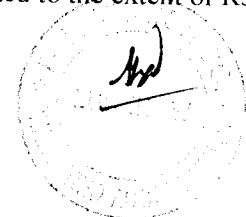
I. Staff and Other Liabilities

The Zone has not provided relevant details of the following outstanding balances, (above more than Rs 1.00 Crore) which are quit old and details of same could not furnished to Branch Auditors:-

UNIT CODE	AG CODE	HEAD OF ACCOUNT	Dr.	Amount (INR)
983	44.620	CPF EMP Recovery	Cr.	(15618278.00)
971	44.412	Liability to Madhyanchal – EC/ED	Cr.	(8227668.67)
	44.610	Liability to Trust For EMP - GPF	Cr.	(208115768.53)
	44.620	CPF Employee Share	Cr.	(16982312.00)
	44.621	CPF Employer Share Contribution	Cr.	(11031894.00)
330	46 936	AMT PAYBL-OTHER EB/ST GOVT./LB	Cr.	(6,01,50,278.05)
	46 936E	GL PAYABLE UPJVNI,	Cr.	(90,81,65,774.00)
	46 98	RECEIVABLE ACCOUNT	Cr.	(48,15,483.00)
	46 989	U.P.P.T.C.L.	Cr.	(62,00,56,928.13)

J. Power Purchase

- i) There is no effective system in place to verify power purchase for completeness, 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 DISCOMs.
- ii) During our audit we were explained that the reconciliation with Power Generator Companies from F.Y 2018-19 till FY 2022-23 is being carried out by M/S Mercados Marketing Energy Private Limited contracted in January 2021, at a fees of Rs 2,39,48,100.00 adjustment if any upon reconciliation will be done upon submission of final report by the contractor, Furthermore, the reconciliation for balances pertaining to financial years before 2018-19 will be handled by additional staff, but no cost comparison between the two reconciliation methods was provided to us, which created a gap in understanding the efficiency and effectiveness of each approach between the contractor-led reconciliation and the additional staff-led reconciliation.
- iii) Generation based Incentives (GBI) receivable from IREDA amounting to INR9,66,31,925.88 (Previous Year – Rs 9,77,33,211.20) and a sum of Rs (265,13,53,853.51) (Previous Year - Rs (85,62,65,550.77) from UPNEDA are subject to confirmation and reconciliation and Consequential adjustment. (Unit#330 EIE&PC)
- iv) The zone has received interest amounting to Rs. 38,17,77,874 and TDS receivable of Rs. 38177789.20 thereon, the amount of interest has been netted off from the purchase cost in the books. Purchase cost and interest income, therefore are understated to the extent of Rs. 38,17,77,874 (Unit#330 EIE&PC)



K. Provision for Late Payment Surcharge

Unit has accounted total late payment surcharge Rs.5695614955.00 out of which an amount of Rs1123754841.00 is for bills remained unverified. Accounting system adopted by the unit is in diversion of accepted accounting policy on accounting on accrual basis where the LPS should be accrued after the specified time period of unpaid bills as specified in their PPA, whereas only bills are accounted which is received by EI&PC unit. No system was observed where bill wise LPS pending overdue for payment is accrued and accounted. It is further observed there is no system in place which could provide information regarding outstanding and overdue bills details over which LPS need to be accrued and whether the accrual has been accounted or not. Therefore, we cannot comment upon on the amount of overstated profit/understated loss of the zone for the financial year 2022-2023 on account of provision of late payment surcharge.

L. Bank Reconciliation Statement: -

On review of the bank reconciliation statements we observed that old Un-reconciled balance of INR Rs. 138164.34 for which no adjustment /reversal has been made in the books of accounts.
Unit983 – DG Vigilance

M. Pending legal cases at different forums

On our query during test check audit of liabilities on pending legal cases at different forums, we were explained that the status of court cases received from PPA unit, Planning unit Power Management Cell and SPAT unit has been considered by the Zone and the same has been disclosed as contingent liability. However, no details were provided to us during our audit and as explained to us the zone has no information relating to the cases and the same is dealt at HQ level. Therefore, we cannot comment upon the status of the cases and its financial implication on the books of accounts.

N. Provision for Power Purchase and Unverified LPS and Power Purchase cost: -

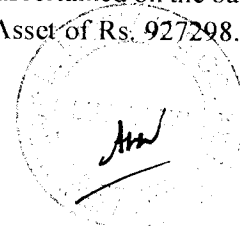
The Zone has booked an amount of Rs. 807.32 crore, as unbilled and unverified power purchase cost and Rs. 112.37 crore, as LPS Charges (unverified), on our examination and explanation provide to us, we observed that these charges are unverified and booked under expenditure on reasonable estimate, further as explained necessary deviation on their verification will be accounted at the time of verification. Therefore, impact if any on account of verification cannot be commented upon at this stage. However, Management has confirmed total amount of unbilled and unverified Power Purchase cost for Rs 9437 crore as on 31st March 2023.

O. Rental from Contractor

The unit has accounted Rental Income from Contractor M/S PrayagRaj Power Generation Corporation Limited of Rs 2,29,927.00 further as explained to us the said amount is on account of Lease of Land to the contractor, however unit did not had any information of Land is being recorded in the books of which unit.

P. Sale of Scrap

The Zone has sold old/unserviceable asset for Rs. 1734359.00 during the Financial Year, however as explained the assets sold were very old and gross value was ascertained on the basis of committee report, therefore the correctness of the Profit on sale of Asset of Rs. 927298.00 cannot be commented upon due to lack of details.



2. Common observations in Audit Report of Subsidiaries

1. Trade Receivable on account of supply of Power:

As per Para No. 9 of Notes to Accounts, Company has changed its policy for provisioning of bad and doubtful debts against trade receivable considering the simplified approach as envisaged as per Ind AS-109 pertaining to expected losses method quantifying its consequential impact for Rs 12658.27 Cr, but it has followed graded provisioning over the period of four years commencing 40% in Financial Year 2022-23 with incremental provisioning of 20% each successive year which have resulted in deficient provisioning of bad and doubtful debts. Discoms Auditors were of the view that deferment of graded provision behind 31.03.2023 is the violation of Ind- As 109. Auditors of DVVNL has quantified the impact of short provision for Rs 5111.34 cr but other Auditors have not quantified the impact of deficient provisions.

However as per Age wise analysis given in the notes to accounts, a sum of Rs. 70398.95 Cr is outstanding from Non-Government Consumers for more than three years pertaining to group which constitute 65 % of total Trade Receivable. There is difference of Rs 1635.77 cr between amount of trade Receivable shown in Note No. 10 and as per Para 43(a) of Notes to Accounts.

Company needs to review its policy for provisioning considering the comments of statutory Auditors of Discoms, age-wise analysis of Non-Government consumers and other relevant factors mentioned in Ind As 109 relating to expected losses. However, in absence of complete details, total deficient provision of the group is not quantifiable at this stage.

2. Subsidiaries wise brief observations on above issue are furnished below: -

a. Madhyanchal Vidyut Vitran Nigam Ltd.

- i. 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 Rs.27.27 Crores were reflected in 4 divisions of Ayodhya zone due to wrong classification of accounting entries in MTB.
- ii. We draw attention to Note 10 and para 42 of Note 31 to Notes to financial Statements relating to disclosures of trade receivables wherein the company has not ascertained and classified the Trade Receivables into 'Disputed/ Undisputed', 'significant increase in credit risk' and 'credit impaired', as required by amended Schedule III to the Companies Act, 2013.
- iii. The segregation of 'Trade Receivable (Current)' into Government/ Non-Government and ageing into different age buckets as per para 36(B) of note 1B have been made only on the basis of online billing data provided to the zonal auditors in excel form. However, in many cases, the same did not match with the amounts shown as recoverable in the books of concerned zones and was subject to reconciliation.

Further, the total trade receivables as per the data provided by the commercial section as on 31st March 2023 did not match with the total 'trade receivables' as shown in the books of accounts of the company and the same has been reduced under the category of 'Non-Government consumers' under 'Receivables outstanding for more than 3 years' while categorizing the age buckets.

The data used while calculating the rates of provisions like 'collection of receivables' and determining the unpaid amount against the 'assessment made in the base period' by the age buckets etc., were not verified by the concerned

zonal auditors and hence have been relied upon by us based on management's certification.

b. Purvanchal Vidyut Vitran Nigam Ltd

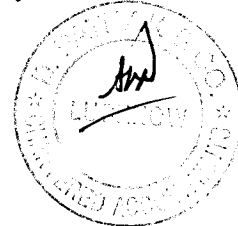
- i. The age-wise classification done by the management is not appropriate. As per explanation and information given to us, the age-wise classification of debtors has been done on the basis of last payment date of the consumer and not on the basis of actual date of bills.

There is a staggering increase in the level of trade receivables from year to year. As per age-wise breakup of trade receivables provided by the Company, against total revenue from Sale of Power of Rs. 13660.98 Crore, total outstanding trade receivable for 1 year and less is Rs. 7790.83 crores, which shows that the realization of trade receivables is very poor. Further, total Trade Receivable outstanding at the yearend is Rs. 38634.44 Crore which is higher than cumulative figure of last 2 years revenue from sale of power. It is not feasible to identify and quantify the amount which is unrecoverable but it needs a serious perusal and provision.

- ii. On direction of Hon'ble High Court, the UPPCL has directed the Company to get the special audit conducted at Distribution Division level of revision done in consumer's bills and accounting of its recovery in the cash book during the financial year 2021-22 and 2022-2023. As per information provided to us by the management, total No. of 36,02,611 bills and 11,92,487 bills have been revised during the financial year 2021-22 and 2022-23 respectively. However, the management has failed to provide the quantum of total amount involved. Since, the matter is at preliminary stage, the ultimate outcome of the same and its impact on the financial statement could not be ascertained

c. Pashchimanchal Vidyut Vitran Nigam Ltd.

- i. No revaluation loss has been recognized during the reporting period in respect of Trade Receivables based on security deposit equivalent to 45 days billing to cover the outstanding dues. In absence of adequate security deposit cover for customers under Government sponsored schemes, no provision for likely impairment loss has been provided against such receivables by the company. Under the circumstances, we are not in a position to comment on the possible impact thereof on the financial statements of the company. (Refer to Note No. 8 of Notes to Accounts)
- ii. The company has not furnished the details of advance deposit received from consumers against temporary connection and the entire security deposits from them has been shown as non-current liabilities. In absence of such details, quantification of current and non-current liabilities therefrom is not possible and ascertained.
- iii. During the course of audit, we observed that a huge amount is lying as debtors, which has been classified into secured/unsecured and good/doubtful/ Govt./Non-Govt. Age wise analysis of outstanding is done in Note No. 8 of Financial statements, however, details thereof is not provided to us for the audit. Moreover, the classification into disputed and undisputed debtors are not done at all in Note No. 8 of Financial statements, which is not in accordance with amended Schedule III to the Companies Act 2013. Time barring/non-recoverable cases are not identified, in absence of any such classification, we are unable to comment there upon.



d. **Dakshinanchal Vidyut Vitran Nigam Ltd.**

- i. In our opinion, substantial un-reconciled amount of Rs. 4,508.08 Crores (Total Debtors as per Balance Sheet – 22,701.94 Crores (excluding KESCO 203.77 Crores, Torrent Power Limited 57.70 Crores, Prov. Of Unbilled Revenue 526.71 Crores & Theft of Power 0.69 Crores) less Total Debtor as per Billing Software – 18,193.86 Crores), of trade receivable as on 31.03.2023, as per billing software and Books of account, should be eligible for 100% written off as unidentified debts.
- ii. There is substantial un-reconciled difference of Rs. 1,109.83 Crores between revenue assessment of billing software and revenue booked in financial statements, for which inappropriate explanations were offered, the company should have identified reconciliation and recognised correct revenue in Profit & Loss account. Even Hon'ble Allahabad High Court has taken cognizance of such variances in some other cases for which information was not made available to us.

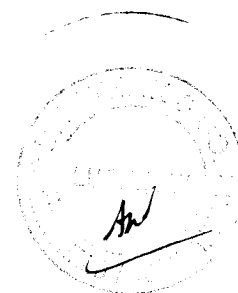
3. Comments on Old Balances

As per report of Subsidiaries' Auditor's there are certain old balances which have not been reviewed since long. Summarized position of major balances Subsidiary-wise is reproduced below:

a. **Dakshinanchal Vidyut Vitran Nigam Ltd.**

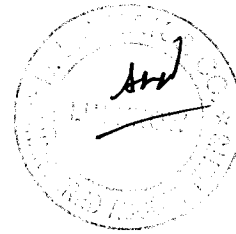
i. There is no reasonable certainty for the recovery/payment of following amounts outstanding since long period of time without any balancing/reconciliation, hence should be reconciled and dealt accordingly:

S. No.	AG Code and Name	Amount (in Crores)
a.	46.302 Other Levies	Rs. 28.19
b.	46.330 Other State Levies Payable	Rs. 1.32
c.	44 Staff Related Liabilities (Debit Balance)	Rs. 3.06
d.	44 Staff Related Liabilities (Credit Balance)	Rs. 0.77
e.	U.P Rajya Vidyut Utpadan Nigam Limited	Rs. 0.95
f.	U.P Power Transmission Corporation Limited	Rs. 7.34
g.	AG Code-28 (Transfer scheme balances)	Rs. 12.22
h.	AF Code 25.5 Advance Interest Free (Capital)	Rs. 9.38
	(Under EE Admin)	
i.	AG Code 44.350A 7 th Pay Commission	Rs. 16.35



ii. Details of transfer scheme balances for more the Rs 1 lakhs as reported by statutory Auditors id furnished below:

ZONES	AG CODES	NAME	AMOUNT (In Rs.)
ALIGARH			
	23.703	Pub Light Maintenance Charges	15,28,406.50 Dr
	25.1	Advance to Suppliers	1,13,696.00 Dr
	25.6	Ad pay to Stores	17,33,772.75 Dr
	28.744	Theft of Cash	16,55,861.15 Dr
	28.UFF	UTT	3,86,349.00 Dr
	44.310	Net salary payable sundry liabilities and provision	4,30,182.92 Cr
	53.612	Rural Deposit Scheme	52,88,176.05 Dr
	53.620	Financial Part Con	1,33,588.74 Dr
KANPUR	23.110	Railway Traction	9,16,04,948.13 Cr
	23.110A	Cess Lucknow	3,03,000.75 Dr
	23.110C	Kesco	81,71,24,383.56 Dr
	23.707K	Other Recovery From Consumer	122,06,09,198.57 Dr
	28.101	Sundry Debtor For Sale of Energy	68,95,705.94 Dr
	46.567	IUT Cash Within Zone	10,83,716.75 Dr
JHANSI	23.3	Others	82,72,08,850.07 Cr



b. Purvanchal Vidyut Vitran Nigam Ltd.

Details of major odd balances as reported by statutory Auditors is furnished below:

DD CLOSING BALANCES IN AG CODES

ASSETS CR BALANCE			LIABILITIES DR BALANCE		
AG		Balances (Rs.)	AG		Balances (Rs.)
14	64	2,61,72,455.12	42	1	7,56,38,238.11
14	85A	54,60,208.34	44	220	1,29,77,048.00
14	85Y	1,87,75,087.56	44	320	63,67,640.04
22	760	30,48,98,186.00	44	410	2,14,39,000.26
23	112	7,52,95,528.72	44	504	97,26,879.38
23	2	2,06,00,141.00	44	505	92,55,430.90
23	214	71,18,256.00	44	507	3,80,71,518.03
23	705	2,83,17,850.00	45	58	2,48,16,58,995.44
24	308	65,03,605.38	46	101	99,95,67,262.50
24	409B	35,79,26,602.71	46	123	88,33,412.52
28	610	3,74,10,04,794.00	46	2	1,08,63,96,130.84
31		7,03,25,49,602.28	46	3	1,04,85,720.03
33		7,72,85,10,430.30	46	922	1,31,42,44,856.20
34		71,09,06,173.38	46	94101	2,72,09,862.73
36		10,87,27,166.69	46	94102	2,51,65,221.65

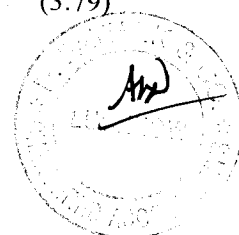
c. Madhyanchal Vidyut Vitran Nigam Ltd.

i. In many cases at zones and head office, party wise breakup, ageing of outstanding amounts, actual nature of transactions and reconciliation/ balance confirmation from the parties under following major heads were not available for verification.

Account Head	Amount (Rs. in Crores)
Deposit & Retention from suppliers	476.48
Advances to Suppliers	113.10
Sundry Liabilities	188.17
Sundry Receivables	25.32

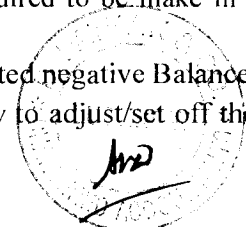
ii. It was noted that the following balances pertaining to various zones are outstanding in the books of Head Quarter since many years which have not been identified, reconciled and transferred to the respective units/zones.

Account Head	Amount (Rs. in Crores)
Other Liabilities and Provisions	8.34
Provision for depreciation	669.33
Stock Related Accounts (net)	11.30
Deposit for Electrification	35.21
Capital Work in Progress	(3.79)



d. Pashchimanchal Vidyut Vitran Nigam Ltd.

- i. Balances of trade receivables, trade Payables, Suppliers, Contractors, loans and advances, staff related liabilities & advances and other various debit/credit balances, dues from government and reconciliation in respect of certain Bank balances are subject to respective confirmations, reconciliation and consequential adjustments thereof. In absence of proper records/details, we are unable to ascertain the effect of the adjustments arising from reconciliation and settlement of old dues, possible loss/profit that may arise on account thereof, non-recovery or partial recovery of such dues and non-settlement of liabilities. Various debit and credit opening balances are lying unadjusted, including the account received under transfer scheme. Under these circumstances, we are not in a position to comment on the possible impact thereof on the financial statements of the company.
- ii. **As referred in Note 10** to the financial statements receivables from Uttar Pradesh Jal Vidyut Nigam amounting Rs 0.832 crore and Rs. 35.03 crore from Uttar Pradesh Power Transmission Corporation Limited are shown under Current Assets, which are outstanding for more than 12 months. As results of this other current assets are overstated and other Non- Current assets are understated by Rs.35.86crore.
- iii. As referred to in Note 18 to the financial statements, Payables to Uttar Pradesh Rajkiya Vidyut Utpadan Nigam Ltd. amounting Rs.33080.00, Uttarakhand Power Corporation Ltd. Rs.0.17crore, are shown under Current liabilities. However, these balances are outstanding for more than 12 months. As a result of this, current liabilities (Other financial liabilities) are overstated and non-current liabilities (Other financial liabilities) are understated by Rs.0.17 Crores.
- iv. **Non Provision of Dues from entities matters of which are pending in NCLT:-**
- a. Matter relating **Trimurti Concast Private Limited** in this case outstanding in the tune of INR. 9.24 crore, the present status is the resolution plan has seen been approved. And no further proceeding is pending. **It is therefore suggested that the outstanding claim of Rs. 9.24 crore should be written off.**
- b. It has been observed that Rs.4.04 crore are dues from **M/S. Chaudhary Ingot Private Limited** 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 must be made @ 100% i.e., 4.04 Crore. In this case the Pashchimanchal has adjusted Rs. 1.04 crore from security deposit from due as such the balance of Rs. 4.04 crore needs to be provided for.
- c. Interest accrued and due Rs.7.37 Crores under Other Current Assets (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 11 of Financial Statement.
- d. **AG Code 26.7** represent Cont. Mat. Control A/C having balance as on 31.03.2023 is INR 1,13,84,537.54 belongs to material advanced to contractor Mr. Shailesh Kumar Since 2010. This material is required to be recovered from the contractor immediately otherwise provision is required to be make in the books of the accounts.
- e. Subsidy Receivable from Government shows unadjusted negative Balance of Rs. 4.90 Cr (Previous Year 4.17 Cr). The book entry to adjust/set off these balances has not been made.



4. Cash and Cash equivalents

Subsidiaries' Auditors have reported various deficiencies in Internal Control System in preparation of bank reconciliation statement which are reproduced below:

a. Dakshinanchal Vidyut Vitran Nigam Ltd.

In our opinion following long pending un-reconciled differences between bank balances as per bank passbook/statements vs. bank balance, as declared in AG 24, should be reconciled and dealt accordingly.

(Rs. In Crores)

S. No.	Name of Zone	Balance as per bank passbook	Balance as per cashbook/MTB/AG24	Difference
1.	Agra Zone	9.19	10.03	-0.84
2.	Aligarh Zone	1.37	14.13	-12.76
3.	Kanpur Zone	12.00	6.74	5.26
4.	Jhansi & Banda Zone	18.73	-5.28	24.02
	Total	41.29	25.62	15.67

AG 28.919 Other Deposits of Rs. 1.34 Crores included in Deposits & Retention from Suppliers & other of Rs. 1,211.66 Crores in Note 18, is on account of FDR deposited with appellate authorities, in our opinion it should be classified under Cash & Cash Equivalent Note 9-B.

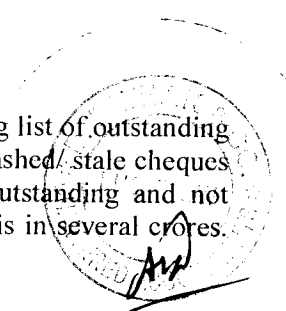
b. Madhyanchal Vidyut Vitran Nigam Ltd.

Bank reconciliation statements at some of the divisions/ units have not been prepared and various old un-reconciled entries are appearing in the bank reconciliation statements in various units at zones/ head office since long periods which require adjustments and appropriate accounting in the books of account. Similarly, the copies of bank statements were available but proper balance confirmation certificates/statements, duly authenticated by the bank were not available in many cases.

Further, in Ayodhya zone, the divisions have bank balance of Rs.119.95 Crores, while balances as per Bank Statements is Rs.15.77 Crores. Similarly, BRS at the divisions of LESA Ciss zone reflect unidentified debit entries amounting to Rs.1.29 Crores and credit entries amounting to Rs.87.94 Crores outstanding for long period which require adjustments and appropriate accounting in the books of account.

c. Purvanchal Vidyut Vitran Nigam Ltd

- (a) As reported by the Zonal Auditors, though BRS has been prepared, a long list of outstanding entries are being carried forward from last many years and even the uncashed/stale cheques and other entries pertaining to revenue accounts have been shown outstanding and not accounted for in the cash book. The cumulative amount of such entries is in several crores.



There are many entries which has been wrongly debited by the bank twice which has not been rectified by the bank.

- (b) It has also been observed by us that in bank reconciliation statement of ICICI Bank maintained for establishment related payments at Central Payment Office, Headquarter, an amount of Rs. 79.26 Lacs pertaining to stale cheques has been shown outstanding and not reversed.

d. Pashimanchal Vidyut Vitran Nigam Ltd.

Bank Reconciliation Statement (BRS) in respect to bank accounts in some divisions, contains outstanding of earlier years entries, which includes stale cheques, un-cashed cheques, other debits and credit, which requires special attention of the management for necessary adjustments and impact thereof is not ascertainable on the financial statements.

Zone Wise details are furnished below:-

Merrut zone

Bank Reconciliation Statement (BRS)

- i. The BRS includes Bank Charges and the amount withdrawn directly by authority against court cases, reflected under other debits but not accounted for in the books of account. The amount of Bank Charges and other debits has been substantial but still not forming part of the books of account and continues to be reported in BRS.

(Rs. in lac)

Particulars	Other Debits (Total)	Bank Charges (included in the Total)
Less Than 1 year	3.91	3.91
1 to 3 years	12.59	0.03
More than 3 years	168.01	14.10
Total	184.51	18.04

In our opinion suitable provision need to be made in accounts for debits as mentioned above.

- ii. Reconciliation statements available in of divisions carry uncashed cheques, dishonoured cheques and other credits given by bank in previous years but not recorded in books of divisions. In few cases Time barred/stale uncashed/dishonoured cheques not reversed and are shown in bank reconciliation statements.
- iii. Accrued Interest on Fixed Deposits has not been accounted for in the Books.
- iv. In few Cases, the Bank statements are not provided to confirm the substantial balances appearing in the Books and subsequently in the Bank Reconciliation Statements. As informed, the bank accounts are no more operational. In the absence of the Bank Statements, the updated status of these balances could not be confirmed.

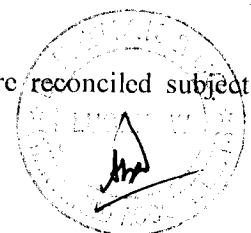
Bulandshahar Zone

Bank reconciliation statements (BRS) in respect to Bank accounts of mostly divisions of Bulandshahr zone contains outstanding old entries which includes stale cheques, uncashed cheques, other debits and credits more than three month which requires reversal after proper & exact reconciliation and may have impact on trial balance.

Ghaziabad Zone

In the Bank Reconciliation statement, the bank accounts were reconciled subject to following items:

- uncashed cheques of Rs 24.39 Cr;
- Old difference Rs 28.35 Cr



- Other credits not traced Rs 47.77 crores.

No details, age and explanations could be provided to us hence we are unable to comment on its impact on the accounts

Shahrampur Zone

Bank Reconciliation Statement (BRS) in respect to bank accounts in case of few divisions of Saharanpur Zone contains outstanding of previous years entries (even some entries are more than 10 years old) which are seizure by various authorities in respect to Court and other cases.

5. Capital Work in Progress

- Capital work in progress includes Rs 1389.61cr (refer notes-3) being “Advances to suppliers and contractors” to be reflected as Advance against capital expenditure as per provision of “the schedule III to the companies Act 2013” as Non- Current Assets. Consequently, capital work in progress is overstated and “Advance against capital expenditure” is understated to that extent.
- Group Company has not disclosed age-wise details of the Capital work in progress including projects in progress/projects temporary suspended as per requirement of Schedule III to the companies Act 2013.

Subsidiaries wise observation as reported by the Auditors as given below:

a. Madhyanchal Vidyut Vitran Nigam Ltd.

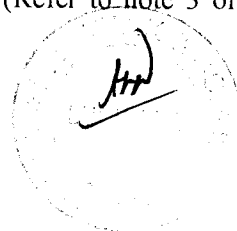
At Ayodhya Zone, a sum Rs.337.61 Crores and revenue expenses of Rs.40.25 Crores has been capitalized during the year but the details of material & labour consumed, assets created and completion certificates of capital works completed were not available. Further, Details of projects under ‘Capital Work in Progress’ amounting to Rs.11.55 Crores does not contain item-wise details of consumption.

b. Purvanchal Vidyut Vitran Nigam Ltd.

- As reported by the Zonal Auditors, the status, situation and condition of Capital Work in Progress is not available for verification.
- Capital work in progress includes advance to Suppliers/ Contractors (Capital) amounting to Rs. 825.24 Crores. As reported by the zonal auditors, name and age-wise break-up of the same is not available, hence we are not able to comment upon the same.
- The time period of ABD funded UPPDNRP Project has expired on September, 2022. The approval of time extension not available on record for verification. However, as per UPPCL Letter dated 06/02/2023, the Company has been imposing liquidated damages on vendors w.c.f. 01/01/2023.

c. Pashimanchal Vidyut Vitran Nigam Ltd.

The details of CWIP, whose completion is overdue or has exceeded its cost compared to its original plan is not disclosed as per the requirement of amended schedule iii of the Companies Act 2013. No documents / calculations and methodology opted for this purpose is provided to us for our audit. 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 and its consequential impact on the financial statements. (Refer to note 3 of financial statements and point no 43 of notes on accounts)



Moradabad Zone:

WIP

Amount Outstanding Rs. 3.52 Crores - Contract awarded to M/s Ishan Earthing Ltd. on 25.08.2018 . Not yet Capitalized and still stated in WIP. If the asset is commissioned to business operations, no depreciation is being charged. No explanation was offered at ZO level.

d. **Kanpur Electricity Supply Company Ltd.**

Capital work in progress Rs 29.14 crore

The disclosure requirement as envisaged by para L (vi)(b) under “Additional Regulatory information of Schedule III of the Act has not been complied with.

6. Inventories

Inventory which includes stores and spares for capital works, operation and maintenance and others is valued at cost. 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. Accordingly, the impact of non-compliance of the above IND AS on the financial statements is not ascertainable.

Major comments observed by Subsidiaries Auditors are reproduced below:

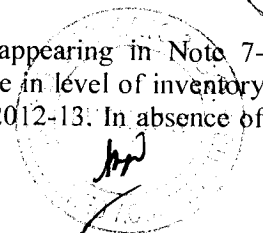
a. Dakshinanchal Vidyut Vitran Nigam Ltd.

Inventories of the Company of Rs. 427.62 Crores as at 31.3.2023, are erroneous considering our opinion expressed in Point No. (ii) of Annexure 1 to our audit report (In absence of physical verification) read with followings:

- i. Fixed Assets identified as not fit for use, are de-recognised from AG 10 & 12 and are recognised under AG 22 at Written Down Value. New material procured/issued for repair is debited to AG 22, while labour charges are recognised as revenue expenditure under AG 74. After repair the repaired asset is recognised by debiting AG 10 and credited AG 22 at selfly estimated valuation of brand new asset, instead of historic cost of repaired asset. This results into incorrect presentation of inventory wherein, exaggerated imaginary credit (new asset value – (WDV + Repair Material)) remains parked in inventories. This may have been resulted as aggregate impact of multiple crores of undervaluation of inventories. Company needs to stop this practice immediately and identified it's consolidated impact on inventory valuation to arrive at correct valuation.
- ii. Otherwise also, if the assets de-recognised is not repairable, it is further debited to AG 22.770 'Scrap Material' at realisable value, instead of book value and declaring loss on sale of asset to Profit & Loss account. This practice resulted loss on sale of scrap in AG 22 (other than AG 22.770).

b. Madhyanchal Vidyut Vitran Nigam Ltd.

- i. Ageing of inventory was not done and obsolete items were also not identified and adjusted in the books of account in some cases. Further, in respect of inventories of Rs. 272.37 Crores in Ayodhya zone, inventory records, item wise details of inventory and its valuation (except inventory worth 102.74 Crores pertaining to (Workshop and Store divisions) as at the year end we're not available.
- ii. Provision for Unserviceable store of Rs. 41.76 Crores as appearing in Note 7- Inventories continues since 2012-13 despite substantial increase in level of inventory to Rs 723.11 Crores in 2022-23 as against Rs. 230 Crores in 2012-13. In absence of



complete details, we are unable to comment on the adequacy of provision on this account and its impact on financial statements.

c. Purvanchal Vidyut Vitran Nigam Ltd.

- i. The Company has carried out valuation of stores as on 31/03/2023 by an independent Firm. As per Zonal Auditors' Report, the physical verification of stores and its valuation is pending at Varanasi Zone and some of the Units of Gorakhpur Zone.
- ii. Stock shortage/ excess pending investigation amounting to Rs. 72.40 Lacs is outstanding as on 31/03/2023. In absence of proper information, we are unable to comment upon its nature and proper accountal.
- iii. No movement analysis is available to categorize fast moving, slow moving, non-moving and dead stock items.
- iv. No provision for obsolete, unserviceable stores and spares has been made. An old provision amounting Rs. 62.97 Crores is lying against obsolete stores since 2003 under Final Transfer Scheme.
- v. There is no system for identification of scrap and its valuation at fair value.

d. Pashimanchal Vidyut Vitran Nigam Ltd.

- i. Inventory consists of stock items, which are used interchangeably for capital expenditure or for regular repairs and maintenance purposes. Since ultimate use of such stock items is indeterminate at initial recognition, the Company classifies such items as inventory. These items are classified subsequently either in property, plant and equipment through capital work in progress or expense in the Statement of Profit and Loss as and when it is so used, which is not in accordance with requirement of IND AS-2 'Inventories' and IND AS-16 'Property, Plant and Equipment'. The effect of such non-compliance on PPE, inventory, depreciation, spares consumption is not ascertainable.
- ii. Liability for Material received on loan by the Company amounting to Rs. 0.73 Crores 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. 0.73 Crores is shown in the Balance Sheet of the Company as on 31st March, 2020, as on 31st March, 2021, as on 31st March, 2022 and as on 31st March, 2023 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. 7 of Financial Statements).

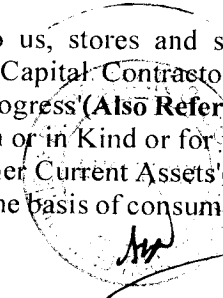
Merrut Zone

No system for identifying and segregating un-serviceable/slow-moving/non-moving items forming part of the inventories is in place other than ETD- Baghpat, ETD-I Meerut, ETD-II Meerut and EUTD Meerut. However, such items are mixed with the regular stock and are valued as normal stock in all units. Impairment in value of inventory is neither computed nor accounted.

e. Kanpur Electricity Supply Company Ltd.

Inventory Dr. ₹ 50.11 Crores

According to the information and explanations given to us, stores and spares (inventory) lying with the third parties i.e. 'Advance to Capital Contractors' of ₹104.31 Crores grouped under the head 'Capital Work in Progress' (Also Refer Note No. 3 of "IND AS FS") and 'Advances Recoverable in Cash or in Kind or for value to be received' of ₹0.67 Crores grouped under the head 'Other Current Assets' (Also Refer Note No. 10 of "IND AS - FS") are accounted for on the basis of consumption



statements received in this regard. However, no confirmation and reconciliation of the said inventory lying with the said third parties has been done at the year end. Due to non-furnishing of complete information in this regard, the financial impact on the 'Inventories' under 'Current Assets' is not ascertainable.

7. Property Plant & Equipment

General Comments given by the Discoms statutory Auditors on Property Plant and Equipment are given below:-

i. We draw attention to para ii(e) of Company Information and Significant accounting policies stating that employee cost to capital works are capitalized @ 15% on deposit works, 13.50% on distribution works and 9.5% on other works. Further, it was noted that a sum of Rs. 1040.30 Crore of Employee benefit expenses has been capitalized to fixed assets out of total establishment expenditure of Rs. 3580.04 Crore incurred during the year.

In our opinion, capitalizing Employee benefit expenses on fixed percentages of 'direct costs' instead of Employee benefit expenses directly attributable for such construction, is neither in accordance with generally accepted accounting practices nor as per Ind AS-16. The impact of over capitalization of Employee benefit expenses to fixed assets, as above, on the financial statements is not ascertainable at this stage in absence of complete details.

ii. Group has not disclosed accounting policy for Assets not in possession for Rs 128.04 Cr as per Note No 4 to the financial statements. Statutory Auditors of PVVNL have made following comments the same.-

"Assets amounting to Rs.51.55 Crore, 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."

Specific observation given by the Discoms statutory Auditors on Property Plant and Equipment are given below:-

a. Pashchimanchal Vidyut Vitran Nigam Ltd.

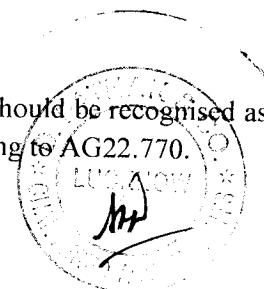
- i. Due to non-availability of proper and complete records of Work Completion Reports, there have been instances of non-capitalization and / or delayed capitalization of Property, Plant and Equipment, resulting delay in capitalization with corresponding impact on depreciation for the delayed period.. In the absence of sufficient and appropriate audit evidences, we are not in a position to comment on the correctness of the same (Refer to 2(II) and IV(b) of 'Significant Accounting Policies' to the Financial Statements).
- ii. 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 the financial statements.

Merrut Zone:-

Confirmation for Assets of Rs. 11.97 Cr. (Previous year 11.97 Cr.) shown under the head AG 11 as on 31-03-2023 are reported as under the possession of M/s U.P. Power Transmission Corporation Limited is not available on records.

b. Dakshinanchal Vidyut Vitran Nigam Ltd.

Sale of Scrap Rs. 50.59 Crores generated from unrepaired fixed assets should be recognised as Revenue in Profit & Loss account, in place of present practice of crediting to AG22.770.



c. Purvanchal Vidyut Vitran Nigam Ltd.

- i. As reported by the Zonal Auditors, the Fixed Assets Register stating nature of assets, date of addition, its location, actual cost etc. is not up to date except for Mirzapur and Azamgarh Zone.
- ii. As reported by the zonal auditors, physical verification has not been done at Azamgarh, Gorakhpur, Prayagraj, Mirzapur and Varanasi zones during the year under consideration.
- iii. As reported by the Zonal Auditors, completion certificate has not been produced for verification for transfer of Capital Work in Progress to Fixed Assets by some of the units.

d. Kanpur Electricity Supply Company Ltd.

Property, Plant And Equipment Dr. ₹1026.57 crores

The land of the Company is on lease from UPPCL at ₹1.00 per month as per the transfer scheme (Also Refer point no. 10(c) of Note no. 1-B to "IND AS-FS"). 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 or operating nature, Hence, the financial impact on "Ind AS F.S." of the aforesaid is not ascertainable.

e. Madhyanchal Vidyut Vitran Nigam Ltd.

- i. In case of fixed assets, which are decommissioned, the 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 MTBs in several cases. Such practice of determination of carrying cost on estimated basis and charging depreciation thereon is not in accordance with IND AS 16. In the absence of complete details, effect of the said deviation, from Ind AS, on financial statement could not be ascertained.
- ii. A sum of Rs. 28.07 Crores were capitalized as fixed assets (Computer & Printers) by transferring amounts from 'Capital WIP' on centralized basis at head office level. It was noted that these amounts comprised of various type of computers/hardware/Accessories etc. purchased in earlier years and delivered/ being used at various zones/ field units and hence capitalizing the same on centralized basis was not proper. Further, item/ location wise entries of these assets were not made in the Fixed Assets register.
Similarly, payments of 27.98 Crores made for ERP software during 19-20 and 20-21 were capitalized as 'Intangible Assets' during the year. However, the completion report, date of completion, useful life etc. were not available for verification. Further, no amortization of these intangible assets has been done during the year.
- iii. During the year, 'GOI Loans' under 'RAPDRP' of Rs 230.25 Crores were converted into 'Capital Grants'. The un provided interest liability on 'Loans converted into grant' amounting to Rs 144.87 Crores (Including Rs 102.26 Crores up to the period 30.09.2017 and Rs 42.61 Crores up to 31.3.2017), have been transferred to 'Capital Grants' and 'Interest pending capitalization' head by treating the same as 'borrowing cost'. Accordingly, an amount of Rs. 170 Crores pertaining to 'interest pending capitalization' (Including Rs 25.14 Crores of interest for the period 1.10.2017 to 31.3.2019) has been transferred to field units through 'Inter Unit Transactions' as on 31.3.23.

However, due to non-acceptance of these debit advices by the concerned units, the capitalization of this amount in 'Property Plant & Equipment's' and

corresponding 'Provision for depreciation' for the period from F.Y. 2017-18 to 2022-23 has not been done resulting in overstatement of 'Inter Unit Transactions' and understatement of 'Fixed assets' and 'Depreciation'. The resultant impact of not charging depreciation on the profits for the year could not be ascertained in absence of complete details.

8. Non Provision of Expenditure/Losses

Group has not provided for Expenditure/Losses as reproduced below

a. Madhyanchal Vidyut Vitran Nigam Ltd.

Advances to suppliers amounting to Rs 113.10 Crores at the HO level are outstanding since more than 7-8 years. It also included Rs 40.61 Crores for which even party wise/ date wise details were not available with the concerned unit. No documentary evidence or explanations were made available to us regarding the recoverability of these amounts. Accordingly, in our opinion, these amounts are doubtful of recovery and provision should have been made against these advances.

Non provisioning of these amounts has resulted in overstatement of advances and understatement of losses for the year by Rs 113.10 Crores.

b. Pashchimanchal Vidyut Vitran Nigam Ltd.

i. 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 statement is not ascertained.

ii. PVVNL has disclosed prior period adjustment in its para no. 34 to the notes to the account for Rs 94.57 cr restating the loss to Rs 793.86 cr from Rs 699.29 cr. But, restated amount of pervious year 2021-22 has not been reflected in financial statements.

9. Subsidies Received under Atmnirbhar Bharat Scheme.

Group has shown Rs. 14940.00 Crore Subsidy Receivable from U.P Government as Non-Current Assets Note No.8 towards Atmnirbhar Bharat Scheme which is receivable in 10 years as per G.O. no 445-1-21-731 (Budget)/2020 dated 05.03.2021 of Govt. of U.P. The corresponding amount is credited in "Other Equity" (Retained Earnings). Considering the principle of Revenue Recognition and IND-AS-20, Subsidy should be accounted for on annual basis based on the Budget provision/release subsidy by the Govt. of Uttar Pradesh. In view of above, subsidy receivable as mentioned in Non-Current assets is overstated and Other Equity (negative) is understated to that extent. It is learnt from management Representation Letter that company is referring the issue for the opinion of Expert Advisory Committee, of ICAI. Pending receipt of such opinion its impact on accounts cannot be ascertained at this stage.

10. Non-Reconciliation of Inter Unit transactions.

Inter unit transactions amounting Rs.1366.49 crore (Note No. 13- Other Current Assets), has not been reconciled till closed of the financial year.



11. Non-Compliances of Ind AS/Schedule-III And Other Provisions Of The Companies Act-2013 (other than those mentioned above)

Following accounting policies of the Group are not in compliance with Ind AS/Companies Act 2013:

- i. "Other Equity"-Note-15 includes Rs 18767.69 Cr as consumer contribution towards capital Assets/Capital Grants which are to be reflected as "Deferred income" under "Non-Current Liabilities. "as per Ind As 20. In view of above "Deferred income" is understated and "Other Equity" (negative) is also understated to that extent.
- ii. Policy no. VIII(B) regarding accounting of late payment charges on cash basis and (viii)f regarding penal interest over dues, interest etc. on cash basis are against the accrual concept of accounting.
- iii. Policy no. XVI -Financial Assets regarding subsequent measurement on debt instrument at amortized cost in accordance with Ind as 109.
- iv. Policy no. XVII- Financial Liabilities regarding subsequent measurement of borrowings using effective interest rate method.
- v. Subsidiaries have not identified the Accounts relating to Micro Small and Medium Scale Enterprises (MSME) and not disclosed the amount payable to them along with interest, if any and other requisite details in the Notes to Accounts as required by Schedule III to the Companies Act, 2013 as well as MSMED Act, 2006.
- vi. Unbilled revenue Receivable has not been disclosed in the Notes to Accounts except DVVNL and MVVNL Similarly, unbilled Trade Payable has not been disclosed except UPPCL (Holding Company) as required by Schedule-III of Companies Act, 2013.
- vii. Group has not conducted actuarial valuation relating for pension and Gratuity pertaining to employces of erstwhile UPSEB during the financial year 2022-23. (para no. 15(a) to the notes to accounts referred).
- viii. Group has not made necessary disclosures and information as required by Ind As 19 pertaining to Actuarial Valuations in respect of KESCO, PuVVNL, DVVNL and PVVNL. respectively.

Specific observations given by statutory Auditors of Discoms on the subject are given below: -

a. Pashchimanchal Vidyut Vitran Nigam Ltd.

- i. As per Para 16 of IND AS 37, the company is required to disclose Court Cases going on at the end of financial year, brief description related to nature of the contingent liabilities and estimate of its financial effects and possibility of reimbursement. The company has not made required disclosure with respect to above. Thus, company has not complied with disclosure requirement of IND AS 37. Accordingly, the impact of non-compliance of the above IND AS on the financial statements is not ascertainable. (Refer to Note No. 18(b) of Notes on Accounts).
- ii. Amount as disclosed in respect of claims/pending court/ arbitration/legal/tax cases have not been properly compiled and ascertained as per IND AS-37 "Provisions, Contingent Liabilities and Contingent Assets". No amount of capital commitments in respect of estimated amount of contract remaining to be executed on capital accounts ascertained. In the absence of details thereof, impact of the same upon the financial statements is not ascertained. (Refer Note No. 18(b) of Notes to accounts, regarding contingent liabilities)
- iii. Refer Point No. 1(c), 2(VI)(b) and 2(VI)(f) of Significant Accounting Policies, wherein disclosure has been made for certain items which have been accounted for on cash basis/cut-off date basis, which is not in consonance with the accrual basis of accounting required by the Indian GAAP. Due to cut off date basis of accounting, the accounting for provisions in the books of accounts is not in consonance with IND AS-37 "Provisions, Contingent Liabilities and Contingent Assets" is not verifiable. Accordingly, the impact of non-compliance of the above IND AS on the financial statements is not ascertainable.

Ans

- iv. 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 statement is not ascertained.
- v. Auditor of Moradabad Zone has reported that Moradabad ZO has not disclosed the impact of pending litigations on its financial position in its financial statements amounting Rs.1363.57 Lakhs.

- IND AS-1: Policies relating to provision made against (i) advances to suppliers/contractors (ii) Slow/non-moving and unserviceable stores, (iii) bad and doubtful debts (iv) advance to employees and others are not disclosed under Annexure "Significant Accounting Policies" annexed with Financial Statements as required in IND AS-1. Accordingly, the impact of non-compliance of the above IND AS on the financial statements is not ascertainable.
- IND AS-36: All the assets of the company are recorded at their historical values without arriving at their recoverable amounts and arriving at amount of impairment of loss. Company's submission that "their recoverable amount is higher of the assets' net selling price", has not been substantiated. In the absence of fixed assets physical verification, fixed assets register, techno-economic viability assessment and calculation and determination of Cash Generating Unit, we are unable to comment whether any impairment loss has remained un-assessed or un-provided for in accordance with IND AS-36 "Impairment of Assets". Impact of non-compliance of the above IND AS on the financial statements is not ascertainable.

vi. Depreciation/Amortisation

We have observed that the depreciation on Property, Plant and Equipment has not been worked out properly as there are discrepancy/ variation in date of put to use of various assets. The depreciation on addition in Property, Plant & Equipment during the year was provided as per the order of UPERC/Secy./ (MYT for distribution and transmission) Regulations, 2019/408, Lucknow, dated: September 23, 2019, on monthly basis instead of actual period of availability of asset for its intended use on addition. This is not as per provisions of Schedule-III of the Companies Act, 2013 and also against accounting policy of the Company as stated in Para 2(IV)(b) under the head depreciation. In the absence of proper audit trail, we are unable to quantify the impact of the same on depreciation and consequential impact on the financial statements.

b. **Kanpur Electricity Supply Company Ltd.**

Note no. 13 of the "IND AS-FS"

The Company has not complied with the disclosure requirements envisaged by Schedule-III of the Act except the following:

In respect of non-current borrowings:

- (i) Nature of security in respect of each case of borrowing.
- (ii) Terms of repayment of term loans and other loans.

c. **Madhyanchal Vidyut Vitran Nigam Ltd.**

- a. The 'liabilities for capital works', 'liabilities for O&M works' and 'Liability for expenses' etc. have been categorized under 'Other Financial Liability(current)' instead of showing them under 'Financial liability (Trade payable)'. Further, the disclosures/ ageing of 'trade payables' as per 'Para 36 of Note 1B', have been



done without taking into account the amounts shown under the heads 'Other Financial Liability' / figures certified by the zonal auditors.

- b. Financial Assets-Other – Current (Note-10) and Other Financial Liabilities-Current (Note-18) have been classified as 'current' but include balances which are outstanding for realization/ settlement since previous financial years and in the absence of adequate information/explanations regarding the realizability /settlement of such amounts within twelve months after the year end, not classifying them as non-current assets/ liabilities is not in accordance with Ind AS-1 "Presentation of Financial Statements.
- c. Additional Disclosures relating to maturity / redemption or conversion date of bonds, repayment of term loan & Other loans, nature of security etc. in respect of various borrowing appearing in Note 14- 'Financial Liability – Borrowing' and current maturity of Long term borrowing in Note 16 have not been made as required by Companies Act 2013.
- d. **Purvanchal Vidyut Vitran Nigam Ltd.**

The Company has not complied with the provisions of section 42 of the Companies Act, 2013 as well as The Companies (Acceptance of Deposits) Rules 2014 relating to Share Application Money pending Allotment.

There is no system at Zones and ESDs of the Company to prepare the Balance Sheet and Statement of Profit and Loss. The Zonal auditors have only been provided Trial Balances (MTB) for the purpose of their audit which is non-compliance of Schedule III of the Companies Act, 2013.

Impairment of assets has not been done, which is in contravention of Ind AS-36 of ICAI.

The Company has disclosed contingent liabilities to the tune of Rs. 168.77 Crores at para 28(b) of Notes to Account of Balance Sheet. Since, the status of contingent liability has not been provided to us, we are unable to comment upon the provision required as per Ind AS-37.

e. **Dakshinanchal Vidyut Vitran Nigam Ltd.**

- i. The Company is marked as Active Non-Complaint by the Registrar of Companies, consequence to which the Company is unable to file necessary form with the registrar for Change in Authorised Share Capital (Form SH 7), Change in Paid-up Share Capital (Form PAS 3), Changes in Director (Form DIR 12) etc. The Company may end-up paying heavy late fees for the above non-compliances. This has led to difference in, Authorised Share Capital as per MCA website is Rs. 24,000/- Crores and as per balance sheet is Rs. 30,000/- and Paid up share capital as per MCA website 20,87,72,198 no. of share of Rs. 20,877.22 Crores and as per balance sheet 23,46,17,381 no. of share of Rs. 23,461.74 Crores.
- ii. The Company has failed to produced/maintained statutory registers prescribed under Companies Act, 2013.
- iii. The Company has not filed creation/modification/satisfaction of charges with registrar of companies consistently since past 3 years.

f. **Kanpur Electricity Supply Company Ltd.**

As per MCA data the Company is an active non-compliant company. Further, the master data of the company revealed following:

- Charges column disclosed in the Company Master Data includes old satisfied charges.

- There is no full-time company secretary and Chief Financial Officer in accordance with the requirements of Section 203 of the Companies Act, 2013.
- The Company has not complied with the Order date 22.01.2019 issued under section 405 of the Act, in respect to filling of MSME Form I.

12. Specific observations in Audit Report of Subsidiaries

a. Pashchimanchal Vidyut Vitran Nigam Ltd.

Borrowings

There is no system of identification of qualifying assets and interrupted projects which are being financed from the borrowed funds in accordance with IND AS-23. During the year under audit, the company has not capitalised any interest on borrowing, while balance still persist in CWIP and there are payment of interest by the company. Management has informed us that the all-capital projects under scheme for which fund was borrowed has been closed prior to the FY 2022-23. However, Capital projects, running other than schemes, are not identified. Hence, In the absence of complete details of qualifying assets vis a vis uses of interest paid money by the company, we are unable to quantify the impact of the same on the financial statements. (Refer to note 23 of financial statements).

Accrual System of Accounting

During the course of our audit, we have come across some expenses, which have been accounted for on cash basis instead of accrual/mercantile basis. The same is not in accordance with the basic accounting assumptions and the company's accounting policy. In absence of the complete audit trails, we are not in position to ascertain the Impact of the same on the Financial Statements of the company. (Refer to 1(b) and 2(VI) of 'Significant Accounting Policies' to the Financial Statements)

Statutory Compliances

- The company has corrected Interest on RAPDRP Loan previously accounted as Income instead of transfer to Grants amounting to Rs. 110.64 crore. In FY 2022-23, further company also corrected interest on RAPDRP Loan accounted as expenses which is to be capitalized by Rs. 279.06 crore. In absence of complete documents/calculation of conversion into Grant, we are unable to comment upon the correctness of the same.
- GST reconciliation with books of accounts and return is not made available to us and stated by the management that the same is under process. Hence, we are unable to comment upon the impact of same on financial statements.

Others

- No subsidiary ledgers have been maintained by the company for Consumer Security Deposit, Meter Security Deposit and Advance consumption charges. In absence of same, correctness of the figures appearing in the financial statements under these head could not be verified.
- As during the course of audit we observe that the late payment surcharge recoverable from customers is accounted for on cash basis due to uncertainty of realization however, the company does not have record related to actual realization of the late payment surcharge actually collected, the amount of late payment surcharge was being accounted for on ad-hoc basis by the divisions thus, late payment surcharge is not accounted for in line with the accounting policy & due non availability of proper records we are unable to ascertain the effect of the transactions on the financial statement.

Merrut Zone:-

- Following are very old unreconciled/unexplained outstanding appearing in trial balance of the zone having substantial amounts, which should be squared up/settled at regular intervals:

(Rs. in lac)		
CODE	HEAD OF ACCOUNT/GROUP	AMOUNT
		<i>hp</i>

28.87	Receivable from related companies	2528.34
31.0288	MEERUT ZONE	1153.76
31P.01	WITHIN ZONE	23.58
46.56	LIAB.FOR I.U.T (UPSEB)	3118.92
46.981	UPP.CORP.LTD.	-1459.29
46.999	UPP.CORP.LT	-9517.74
46.989	UP POWER TRANS MISSION	-175.70

- ii. Party wise details of amount outstanding under those accounting heads are not available. Balances outstanding under these heads could not be verified from any record available in unit/ Zone. The age wise analysis for advances and liabilities is not done. In the absence of any analysis of time barring cases and chances of recovery, no provisions are made for non- recoverable cases.
- iii. In absence of complete details i.e. party wise & age wise outstanding, their names, addresses etc. The procedure prescribed under SA 505 for obtaining balance confirmations directly to statutory auditors could not be initiated.

STATUTORY NON-COMPLIANCES

i. Income Tax and Tax Deduction at Source (TDS):

- The provisions for expenses made at the year-end consisting of Interest on Consumer security deposits, Professional Expenses, Contractors etc. are subject to TDS but tax has not been deducted. Also, Tax has been deducted on payments basis whereas as per Income Tax provisions, Tax should be deducted on booking of expenses or on payment, whichever is earlier. The practice should be amended to fall in line with the provisions of Income Tax Act.
- Pending TDS demand for Rs. 5.48 laes (Previous Year Rs.22.41 lac) are appearing at TRACES (Income Tax TDS portal). The basis of these demands needs to be identified and the same need to be removed or paid on its merit. The Contingent Liability arising due to this demand need to be recognised.

ii. Goods & Services Tax (GST):

- In some cases, units have not charged GST on Miscellaneous receipts components like RO/DO charges etc which are otherwise covered under the provisions of GST. There are other receipts which need to be identified and GST should be charged accordingly. We have identified receipts (in the nature of RO/ DO charges) amounting to Rs. 167.80 lac (Previous Year Rs. 4.37 lac) on which GST have not been claimed and deposited.
- Miscellaneous Receipts cover receipts of different nature. It is advised to identify receipts on the basis of its nature and should be booked under separate heads rather than clubbing as Miscellaneous. We observed that on some receipts, GST has been claimed such as LD and Tender charges Receipts whereas on some other receipts, GST has not been claimed. In view of the same it is important to classify these receipts to identify and charge GST.

SECURITY DEPOSIT FROM CONSUMERS AND INTEREST PAYABLE (AG CODE 78)

As per the practice, Interest on customer deposits have been provided on average balance basis and the prevailing Bank Rate is considered for making the provision for Interest. The actual payment of Interest to the customers are not reconciled /adjusted with the provision made during the year. The effect of difference between the provision made for Interest and actual Interest paid has not been taken in the Profit & Loss Account but instead adjusted against the Debtors/ recoverable.

Security Deposit/EMD/ Retention Amount

We observed that the details of accumulated amount of Security Deposits/EMD/retention money forming part of the trial balance are not available and hence are subject to confirmation and reconciliation. The accumulated amount needs to be reviewed to demarcate the confirmed amount which may be retained and the unidentifiable part needs to be adjusted/setoff.

Internal Audit Reports

The format of the Internal Audit Report needs to be reviewed. Most of the Auditors are confining their report to standard formats of the Report given. They should be asked /encouraged to report on other Unit related substantial issues over and above the Standard Format given to them. The formats should also be reviewed to include relevant clauses and remove clauses which are not applicable at Unit Level.

Moradabad Zone:

i. Ed And Other Levies

During the year Total ED & Other Levies Collected-18278.65 Lakhs however ED & Other Levies Paid- 13114.32 Lakhs. That mean either 5164.32 Lakhs amount is excess collected or not paid to the government. If excess collected, it is income and if correctly collected, why not full amount of duty paid to the government? In such a way the liability is accumulated over the years and reached to such alarming level 66670.76 lakhs.

ii. Accounting System

During the course of auditing we observed that no sub-ledgers of Accounts Receivables and Accounts Payables are prepared. Hence party wise receivables and payables cannot be ascertained.

Ghaziabad Zone

- i. The Branch has two categories of customers i.e. prepaid customers and posts paid customers. In the case of prepaid customers, the collection goes to HO which in turn inform the branch of the amount collected by them on its behalf. The Zone could not produce the records related to accounting of unadjusted portion out of prepaid recharge of meter and recognition of revenue out of such prepaid amount for the period upto 31st March, 2023. Also it could not be explained how the accounting is done of the cases of negative balance in the case of prepaid meter. No record could be produced before us to verify the accrual of income and realization thereof, hence we are unable to comment thereon and quantify its impact on the accounts;
- ii. The Company has not laid down its accounting policy on recognition of income in the case of theft of power (dishonest abstraction of power) and the income is recognized based on consumption estimated in report of JE/SDO etc. During the year, the Branch has recognized such income of Rs.68.43 Crores (Code AG-61.6) where against only Rs.7.13 Crore (Code-AG-23.8) have been realized and rest has been accounted for a Receivable. Further, such accounting treatment is not in accordance with IndAs-18 which stipulates recognition of income only when the realization thereof is certain. Hence, the Zone has not provided for the doubtful amount. However it is informed by the officials that the provision is made at the HO level in their books, the details and basis thereof, however, could not be explained. In view thereof, its impact on the accounts of the Zone could not be ascertained and quantified.
- iii. The Branch had engaged Primcon Workforce Pvt Ltd for providing skilled Unskilled manpower for operation /maintenance of 33/11KV substation and HT/LT distribution lines. This party was awarded contract with higher profit margin of 6% compared to other similar contract with 3.8136%. Similarly it was noticed that the party has claimed excess rate of wages by Rs.83.86 Lakhs during the year.
- iv. In yet another case, Mool chand om sai enterprise Pvt Ltd was awarded contract for 2 years for Rs 23.85 crore for manpower supply for operation /maintenance of 33/11KV substation and HT/LT distribution lines wherein the party has excess charged by 16,30,439.64.



- No explanation was given to us in respect of the above.
- v. As a policy, the branch does not deduct TDS at the time of making provision for expense as the same is deducted at the time of payment. This is not accordance with the provision of Income Tax Act. Similarly, in the case of TCS u/s 206C of the Income Tax Act, tax is not collected at the specified rate;
 - vi. The security deposit from customers under code AG 48.1 is Rs. 998.88 crores whereas the same as per customer's master data for all divisions, it is Rs. 1620 crore. No explanation could be offered for such a huge difference hence we are unable to comment on its impact on the accounts.
 - vii. In the case of Division IV Noida (Code AG 23.1), the payment received from debtors during the year is Rs 241.68 crores as against the sale of Rs 75.05 crores. No explanation/details were given for excess collection of Rs 166.62 crores hence we are unable to comment on its impact on the accounts. It was explained that in the case of collection received directly at the head office, the details of such payment pertaining to the Zone is received with an interval even of 2 years hence the figure of debtors as reported in Trial Balance is subject to such collection at HO, consequently, in the absence of information of such collection, the impact on debtors could not be ascertained and quantified.
 - viii. During July'20 to November'20, there was a cash embezzlement of Rs 5.64 crores under the division EUDD-7, Ghaziabad by Mr. Sumit Gupta, Head Cashier Revenue of the division. Similarly, Cashier of EDD Greater Noida Satender Pal Singh TG-II embezzled cash of Rs 82,21,974/- during March'21, April'21 and June'21. In yet another case, Cashier of EUDD-IV, Ghaziabad.
 - ix. Harinath TG-II during the year 2018-19 embezzled Rs.19,19,767/-(net of recovery of Rs.89,3287). Despite the above cases having been declared fraud in respective years, the same has not been provided for

Saharanpur Zone:

As explained to us that Fixed Assets created out of these deposit works are not depreciated through the profit and loss account instead these assets are depreciated through the consumer contribution liability head.

In respect of Receivables (Big Consumers) :-

- i. Report on short security collected from large and heavy consumers: Following is the detail of the large and heavy consumers from whom due security is not collected which is to be collected immediately:

Sr. No	Name of Consumer	Security Due (In Rupees)
1	M/S RAVI ORGANICS	18,17,160.00
2	D L S PAPERS PVT. LTD	33,06,440.00

- ii. On the basis of data given to us related to the heavy consumers, following are the cases where either there are payments pending since long or there are irregular payments or partial payments:

S. No	Consumer Name	Account No.	Last Payment	Total Amt due as on 31.03.2023
1	Executive Eng.	DB00805136188	04-05-2018	52,50,763.38
2	Harminder Singh	6116971000	24-10-2009	40,90,365.00

3	Dishnet Wireless	3435671000	20-09-2013	38,83,056.00
4	Muspkeem Ahmed	5422204000	Never Paid	34,89,852.00
5	Kisaan Dass Rice Mill	439043000	10-03-2015	32,76,868.00

Although, the Management of Saharanpur zone has informed that the outstanding dues against Sh. Harminder Singh and Sh. Mustakeem Ahmed has been fully recovered.

iii. The Comprehensive ERP is under implementation in the Zone. Our Comments are as follows: -

- The Trial balance of the all divisions are not aligned with ERP.
- The Due Diligence of Migration of Software not undertaken
- Partial Migration to new ERP from Old working software (Excel)

It has come to our notice that the zone has since shifted payment module w.e.f. 1 Jan 2022. Under the system the payments are centralized at HQ Meerut UP wherein they are understood to maintain separate ledger Accounts in the New ERP.

Under this arrangement the zone will continue to show liability to the vendor whereas the vendor has already been paid during the period from 01 Jan 2022 to 31st March 2023. The consolidated Trial Balance presented to us is showing a liability is INR 491,54,18,830.67/-. The payments against these liabilities are made by the Head office directly to the Vendors. But effect of these payments are not reflected in the trail balance of the Zone. In the trail balance only balance payments should have been reflected. Therefore, this point has to be taken into the account at the time of finalization of the Company Balance Sheet.

A/c Code	Account Name	TB Closing Balance as on 31.03.2023
42.1	Supply of Material/ Cap.	262,37,44,037.30
43.1	Supply of Material (O&M)	229,16,74,793.37

Remarks: Out of this Liability of Rs.491.54 Crore, some payments already made to the vendors by HQ. These payments must be lying at debit balance in these heads in HQ accounts.

Observation:

In our opinion these payments must be considered while financialization of the financial statements of the company as a whole.

- iv. AG Code 26.7 represent Cont. Mat. Control A/C having balance as on 31.03.2023 is INR 1,13,84,537.54 belongs to material advanced to contractor Mr. Shailesh Kumar Since 2010. This material is required to be recovered from the contractor immediately otherwise provision is required to be make in the books of the accounts.

b. Dakshinanchal Vidyut Vitran Nigam Ltd.

- i. During the year, Loan of PFC R-APDRP Part A (Rs. 77.53 Crores and accrued Interest Rs. 28.38 Crores) and Loan PFC R-APDRP Part B (Rs. 181.70 Crores accrued Interest Rs. 46.76 Crores) was converted to grant. Total accrued interest of Rs. 75.15 Crores, being interest during construction period, has been capitalised to assets during FY 2022-23, which was erroneously omitted to be capitalised during FY 2016-17. The company has erroneously, by imagining capitalisation in 2016-17, charged total

depreciation Rs. 39.47 Crores, current depreciation to profit and loss and accumulated would be deprecation of preceding 5 years as prior period adjustments and failed to correspondingly amortised Rs. 65.42 Crores out of total Grant of Rs. 334.18 Crores for the expired life of the corresponding assets in this way Profit of the company is understated by the equivalent amount.

- ii. Balance of Rs. 30.18 Crores under AG 46.301 ED Payable to State Govt., Rs. 2.77 Crores under AG 44.412 EC Payable (Out of Nigam) and Rs. 20.07 Crores under AG 46.922 Adv. Recd. For Sale of Scrap, parked in other liabilities/ other assets and Rs. 2.56 Crores in BRS-BOB under EE Admin, duly acknowledged by the company, should have been transferred to Inter Unit Transfer (IUT)
During the year the Company has capitalised ERP Software of Rs. 29.32 Crores which should have been capitalised on 12.08.2020. On this capitalisation the company has erroneously declared an amount of Rs. 7.18 Crores as previous years amortisation by restating the opening balance of Retained Earnings. In our opinion adopted/audited financial statement of preceding years cannot be restated incorrectly for such ignored adjustments. Resulting Loss of this year is understated by equivalent amount.
- iii. We have observed, accounting head AG 44.410 'Other Misc. Recovery Payable' balance of Rs. 11.27 Crores (as at 31.03.2023), is increased from 3.73 Crores (as at 31.03.2021), majorly in Jhansi Zone (by Rs. 3.97 Crores in FY 2021-22 and by Rs. 6.00 Crores in FY 2022-23), which is not substantiated to the satisfaction about the nature and reason substantial increase. Appropriate efforts should be made.
- iv. Though the Company has retained an amount of Rs. 15.12 Crores of M/s Pace Computers Services in AG Code 46.124 under EXECUTIVE ENGINEER (ADMN.) outstanding since April 2022, wherein the Company has not assessed the exact amount of claims against the supplier and credited his Profit and Loss account for the same.

c. Purvanchal Vidyut Vitran Nigam Ltd.

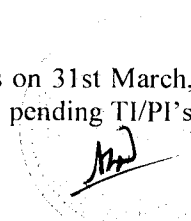
- The Inter unit balance has not been reconciled due to which net amount of 699.87 Crores having debit balance has been shown as Inter unit transfers in the Balance Sheet.
- In case of advances under T.I. and P.I. and adjustment thereof, amount aggregating to Rs. 57.90 Lacs is outstanding. It needs serious perusal and timely settlement.

Azamgarh Zone-

- v. During audit it was noticed that in almost every unit huge amount aggregating to Rs. 7,43,36,967 is shown as outstanding against cash and against materials to employees. The amount is quite significant in some of the units. These advances should be recovered and properly accounted for.
- vi. As on date there stands a demand of Rs. 1,34,820 for late filing/ late deposit/short deduction of Income Tax TDS. This liability should be disposed off either through necessary corrections or through recovery from concerned responsible persons.
- vii. At units, records like Cheque Dishonour Register, Log Books of Vehicles, Receipt Book issued & Received Register, Stamp & Postage Register, TDS Register are not being properly maintained & found incomplete except in few cases.
- viii. Since, the work register being incomplete, the amount debited in capital work in progress is not verifiable.

Basti Zone-

- i. TI/PI which is open earlier year/during the year and still pending as on 31st March, 2023. Some of which are pending from more than 10 years. Hence all pending TI/PI's

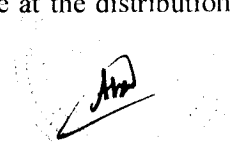


should be closed as per prevailing circular of the corporation or recovered from the official concerned.

- ii. Out of total Capital WIP of Rs. 57.64 Crores appearing in 4 units of the Zone, Rs. 5.60 Crores relates to more than 3 years old.
- iii. Some records like dishonor cheque register, electricity theft register, PD Register, Vigilance Register, log books of vehicles, receipt book issue & received register, stamp & postage register are not produced by Some of the units.

Gorakhpur Zone

- i. TI & PI are requested to be closed timely from the date of its issue but the same is not being followed. Some Units are not following proper system for its timely adjustment to avoid its misappropriation/ misutilization. Also it was observed that adequate internal controls with respect to T.I/P.I. were weak in some of the units.
- ii. At the time of issuing No Dues Certificate due course has not been followed and proper record for such certificate has not been maintained. In result, unnecessary litigation and financial loss occurred. Management may take notice and strictly implement the due course of issuing no dues certificate
- iii. Civil Distribution division has failed to provide Hydel Colony residents occupancy, maintenance and unauthorized occupancy in the campus while some unauthorized encroachments and occupancy have been noticed. It involves financial loss to the Company, which required to be ascertained.
- iv. In most of the Units it is found that M.B. issue register is not properly maintained and direction in this respect not followed. In some cases, it is found MB Book not returned even after retirement or transfer of concerned employees and no serious efforts taken by Division to return back that MB. Further after utilization of M.B in many cases it is not returned to unit/custodian.
- v. Solar based net metered billing system is not working smoothly and feeding of meter reading (import/export) in solar based net meters are not being done at all. If done only based on consumers awareness and pursuance, thus it shows loss of revenue on regular basis.
- vi. In many tender cases, while checking financial statements certified by CA, UDIN based certificate not found. It creates reasonable doubt on the genuineness of the statement.
- vii. In most of units Log Book of Vehicles either not maintained or not produced before us for checking.
- viii. At some units, earnest money deposit/security deposit register was not maintained properly hence it is not possible to make any comment on whether earnest money deposit/security deposit was taken from any contractor or not and also refund of earnest money deposit/security deposit to any contractor was made or not. It is evident from the above that there is chances of twice payment to contractor
- ix. The Gorakhpur Zone have pending litigations of involving more than Rs. 504.00 lacs which would impact its financial position.
- x. At many of the unit's records like log books of vehicles and TDS register are either not maintained or not properly updated.
- xi. There is subsequently huge difference between Debtors of Distribution Units that appears in the online data base of the company and that appears in the trial balance of the units. The reconciliation of the same has not been prepared by the units. As explained, this is because fictitious billing and not accounting of Late Payment Surcharge due in consumers bill as per company policy.
- xii. Remittance of cash into bank is not done within the prescribed time at the distribution units. Cash is usually deposited into bank after delay of 2 – 5 days.



Mirzapur Zone

- i. At some of the units, records like dishonor register, log books of vehicles, receipt book, issue & received register, stamp & postage register, TDS register are either not properly maintained or not updated.
- ii. Most of the Bank reconciliation has been prepared with opening differences, which is not correct. In overall, the Bank reconciliation prepared by the Unit is not fully satisfactory & up to the mark and it does not serve main purpose of Bank Reconciliation
- iii. Some of the units have shown advances to employees as outstanding against materials. The amount is quite significant in some of the units and outstanding is in crores. The employee wise list of such outstanding is not made available to us showing the date since when such outstanding stands. It was also noted that advances against material have been debited to the account of J. E's and they have submitted the details of consumption and balance of stock in the form of JE Stock Accounts in form of 1S/2S/3S/4S.
- iv. Some units MB was issued to various JEs since long time but was not deposited back to the units till the date. It was observed that some JEs were transferred from the unit without submitting MB and no dues were also issued from the unit. It is strongly recommended to management to identify the JEs who has not submitted the MB and take necessary action for submission of the same
- v. This is the corporation practice to accept payment in Cash/Demand Draft only in case where cheque of the consumer was dishonored. But it is observed that again cheque has been received against dishonor cheque from consumer, which is against the corporation norms and the unit must avoid and follow the norms of accepting Cash/DD in case of dishonor of cheque.
- vi. Completion certificate has not been shown for completed job which has been transferred to Fixed Assets from Capital Work in Progress except for some of the units.
- vii. Some of the units do not maintain a separate register for SJ-1, SJ-2, SJ-3 & SJ-4. They are directly making entries either in only one or two register. As per corporation norms separate register should be maintain. And also, unit is required to prepare manual SJ's register on their own and then it should be tallied with SJ's prepared by the hired accounting agency. This will vouch & cross check the accuracy of work done from both the end, but in almost all the case manual SJ's have not been prepared and the computerized SJ's prepared by such external agency is pasted in manual SJ's register.

Varanasi Zone-

- i. The disclosure requirement as envisaged by para L (vi)(b) under 'Additional Regulatory Information' of Schedule III of the Act has not been complied with
- ii. Total demand of Rs. 28.38 Lacs is pending for TDS defaults in various units of Varanasi Zone.
- iii. Records of Log Book of Vehicles, WIP Register, T&P Register, Contractor's Ledger, WMDR/WMCR, MB Movement Register, Additional Security Tools & Plant Register, Incumbency Register etc., not made available/provided
- iv. Service Books not maintained properly i.e., nominee details, caste certificate and re-attestation not maintained
- v. Bills continued to be raised to Permanent Disconnection Consumers
- vi. ERD/Suspense register not maintained
- vii. Non- Submission of Receipt Book by collecting agent on regular basis.
- viii. In many cases it is noticed that additional security for additional load in case of HV Consumer category has not been taken.



ix. Line Losses reported in many divisions.

d. Kanpur Electricity Supply Company Ltd.

Deposit for Electrification (AG Code 47) Cr. ₹48.26Crores

Party-wise break-up of the above sum with respect to: -

- i) Amount lying on account of incomplete project &
- ii) Amount unspent which is refundable to parties against completed projects was not made available to us for our verification.

Hence, we are unable to verify the above liability as on 31.03.2023.

Security Deposit From Consumer Cr. ₹181.16Crores

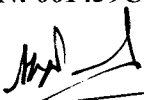
The above sum includes the sum of ₹16 Crores diverted from the revenue received from the consumers account received against electricity charges. Despite of C&AG comments on the accounts of the company for the F.Y.2020-21 & 2021-22, no corrective measurement taken in the "IND AS- FS" for the F.Y.2022-23.

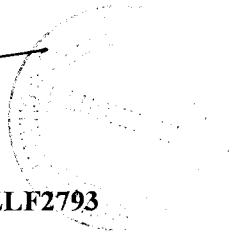
Statement Of Profit And Loss

Exceptional Item (AG Code 79.501) Dr. 3.59Crores

The sum represents reversal of ₹2.89Crores on account of "KESCO's" share in the loss of principal / unrealised interest / notional interest allocated during the F.Y 2021-22 & ₹ 6.48 Crores of notional interest for the F.Y 2022-23 for earlier years invested by the CPF/GPF Trust in the Fixed Deposits of a Public Ltd. Company. The documents / information available was not adequate for forming an opinion. (Also Refer Para No. 33 of Note No. 1B of "IND AS- FS")

For D Pathak & Co
Chartered Accountants
FRN: 001439C


(A K Dwivedi)
Partner
M No.: 071584
UDIN: 23071584BGWZLF2793
Place: Lucknow
Date: 15/09/2023



Annexure II to Independent Audit Report

As required by para XXI of CARO (2020) Order under Companies Act, 2013, adverse remarks as reported by respective Auditors are furnished below:

Holding Company -Uttar Pradesh Power Corporation Ltd.

- i. Para No. 1 Relating to property, Plant & Equipment
- ii. Para No. 2 a & b relating to physical verification of Inventory and submission of quarterly statements to Bank regarding working capital limits.
- iii. Para No. 3c regarding terms & conditions for repayment of loans debited to subsidiaries.
- iv. Para No. 4 Regarding Board approval for investment made / loan granted to subsidiaries.
- v. Para No. 6 Related to Cost Records.
- vi. Para No. 7 Related to Non-Payment of Statutory dues.
- vii. Para No. 11c Relating to not establishing whistle blower mechanism.
- viii. Para No. 13 Relating to approval of related parties' transaction.
- ix. Para No. 14 Relating to internal audit system.

Subsidiaries

a. Dakshinanchal Vidyut Vitran Nigam Ltd.

- i. Para No. (i) Relating to property, Plant & Equipment.
- ii. Para No. (ii) a Relating to physical verification of Inventory.
- iii. Para No. (vii) Regarding Statutory dues
- iv. Para No. (x)(b) Regarding private placement of equity shares.
- v. Para No. (xi) Related to Fraud /deficiencies in internal control system.
- vi. Para No. (xiii) Related to Non compliances of Section 177 and section 178 of Companies act.

b. Madhyanchal Vidyut Vitran Nigam Ltd.

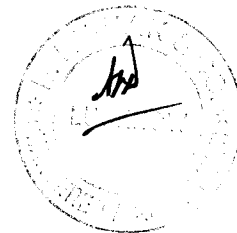
- i. Para No. (i) Relating to property, Plant & Equipment.
- ii. Para No. (ii) a Relating to physical verification of Inventory.
- iii. Para No. (vii) a Regarding statutory dues.
- iv. Para No. (xi) Relating to embezzlement of cash.
- v. Para (xiv) Regarding deficiencies in Internal Audit system in Ayodhya Zone.

c. Purvanchal Vidyut Vitran Nigam Ltd.

- i. Para No. (i) Relating to property, Plant & Equipment.
- ii. Para No. (ii) a Relating to physical verification of Inventory.
- iii. Para No. (vi) Non-Maintenance of cost records.
- iv. Para No. (vii) Regarding Statutory Dues.
- v. Para No. (xi) a and c Relating to fraud and relating to whistle blower mechanism.
- vi. Para No. (xiv) a Regarding deficient internal audit system.

d. Kanpur Electricity Supply Company Ltd.

- i. Para No. (i) Relating to property, Plant & Equipment.
- ii. Para No. (ii) a) Relating to physical verification of Inventory.



- iii. Para No. (vi) Regarding Cost Records.
- iv. Para No. (vii) a) Regarding Statutory Dues.
- v. Para No. (x) b regarding disclaimer of section 42 and section 62 of companies act 2013.
- vi. Para No. (xiv) a Regarding Strengthening of Internal Audit system.

c. Pashchimanchal Vidyut Vitran Nigam Ltd.

- i. Para No. (i) Relating to property, Plant & Equipment.
- ii. Para No. (ii) a) Regarding a Relating to physical verification of Inventory.
- iii. Para No. (vii) a) Regarding Statutory Dues.
- iv. Para No. (x) b regarding disclaimer of section 42 and section 62 of companies act 2013.
- v. Para No. (xi) a Relating to fraud at Meerut, Ghaziabad and bulandsahar Zone.

For D Pathak & Co
Chartered Accountants
FRN: 001439C

(A K Dwivedi)
Partner
M No.: 071584
UDIN: 23071584BGWZLF2793
Place: Lucknow
Date: 15/09/2023

Annexure III to Independent Auditors Report

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

We have audited the internal financial controls over financial reporting of U.P. Power Corporation Limited (“the Company”) as of 31st March, 2023, 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.

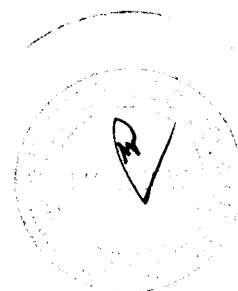
Auditors’ Responsibility

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

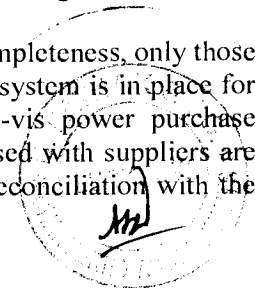
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control 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 reproduced 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 2023.

A. Holding Company (UPPCL)

- 1) Company has no internal control policies over payment to Generators. Branch Auditors have reported excess payment of Rs. 391.76Cr and old debit balances of Rs. 35.90 cr. It is also observed that no subsidiaries ledger is maintained by the company and payment to generators are made without considering outstanding balances in their accounts. Besides, no bill wise details of payment made to generators are available with the company.
- 2) Company has not devised a system for placement of fixed deposit for approval by the competent authority by placing the comparative rates of interest, periodicity of fixed deposits and renewal proposal with revised interest rates in line with the prevailing market trends to ensure accrual of better revenue to the company.
- 3) Internal control system with regard to Cash transactions, Procurement /Works transactions, maintenance of inventory, maintenance of Books of accounts, Fixed Assets register, delegation of powers to various employees etc. requires to be further strengthened.
- 4) 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 is 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 it was provided to us. Balance confirmation and reconciliation with the



suppliers was not carried out therefore, the impact on power purchase, power sales and eventually on the position of sundry payables and receivable cannot be commented upon.

- 5) There is no system for review of old balances relating to various assets and liabilities heads which needs to be reviewed, reconciled and require necessary adjustment in the books of account.
- 6) Reconciliation of inter Unit section: the present system of identification and reconciliation of Inter Unit transaction between unit to unit, unit to head office is not adequate. The reconciliation need to be done on a regular basis with complete details of the nature and particulars of the unmatched items.
- 7) There is no system of confirmation and reconciliation of balances in accounts of parties, contractors, Government Department etc. including those balances appearing under receivables, payables, loan and advances.
- 8) During the course of our Audit, it was observed that payments are being released by Single signatory without fixing any threshold limit. It is suggested that all payments should be released after fixing threshold limit only by joint signatory.

B. Subsidiaries

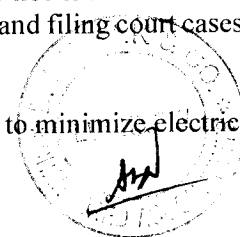
1. The Auditors of **DVVNL** have reported that -

1. The Company did not have an appropriate internal control system for recording of financial transactions into books of accounts commensurate to size and nature of business of the Company. Books of accounts are not maintained on any accounting software rather are manually, which might results posting of entries to wrong accounting heads and any unauthorized changes subsequently.
2. The Company did not have an appropriate internal control system for consolidation of books of accounts of different accounting level hierarchy viz., Divisions, Zones, Government Aided Schemes, Financial Units and Head Office. There is absence of integrity of accounting data between different accounting hierarchy wherein manual accounts (Trail Balances) of divisions are consolidated manually at Zones, which are further consolidated at Head Office with Head Office, Schemes/Units accounts. These had resulted in unexplained consolidation suspense in the nature of Inter Unit Transfer (IUT Difference) of Rs. 0.94 Crores, subject to matters reported Basis of Qualified Opinion section of our report, and could potentially result in misstatement in consolidated figures.
3. The Company did not have an appropriate internal control system for maintaining record of audit trail (edit log) for all transactions recorded in the books of accounts, which could potentially result in unauthorized or unwanted changes in the Company's financial figures.
4. The Company did not have an appropriate internal control system for integrating billing software data with accounting data, which could potentially result in material misstatement in the Company's revenue from operation, trade receivables and provision for bad debts balances.
5. The Company did not have an appropriate internal control system for valuation of inventories, which could potentially result in material misstatement in the Company's inventories balances.
6. The Company did not have an appropriate internal control system for recording of dates of additions and deletions of fixed assets. The company has not considered actual dates of additions and deletions to fixed assets for computing depreciation, this could result in misstatement in the Company's depreciation figure.
7. The Company did not have an appropriate internal control system for physical verification of fixed asset and identification of discarded assets, which could potentially result in misstatement in the Company's fixed assets balances.

8. The Company did not have an appropriate internal control system for making assessment of completion of Capital Work in Progress (CWIP), which could potentially result in material misstatement in Company's CWIP and Fixed assets balances due to non-capitalization of completed projects.
9. The Company did not have an appropriate internal control system for obtaining periodic external balance confirmation, which could potentially result in misstatement in Company's trade receivable, other receivables, and other payables figures.
10. The Company did not have an appropriate control for identifying the parties from whom amounts arising out of transfer scheme are receivables and/or payables. These could result in misstatement in the Company's Financial Assets-Others (Current), Other Current Assets, Other Financial Liabilities (Current).
11. The Company did not have an appropriate internal control system for making independent assessment of power purchases and transmission charges. Further such expenses are booked on the basis of advice/invoices received from UPPCL & UPPTCL respectively.
12. The Company internal control system over preparation of fixed assets register was not operating effectively which could result in misstatement in the Company's fixed assets and depreciation balances.
13. The Company internal control system over reconciliation of bank accounts was not operating effectively. We have observed substantial difference in balance as per bank vs balance as per cash book as reported in Basis of Qualified Opinion section of our report.
14. The Company internal control system over preparation of accounting vouchers was not operating effectively wherein our test check revealed all the vouchers were not signed by the authorized signatories, which could result Company recording an unauthorized transaction.
15. The Company internal control system over provisioning of expenses, capitalisation of assets in EE Admin (HQ Payment) Unit was not operating effectively, which could potentially result in misstatement of Company's financial statement. Our test check observations in this regard were duly rectified during the course of audit.
16. The Company internal control system over recording of expense on accrual basis was not operating effectively.

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, 2022 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 –

- 1) Company has system of maintaining various Sectional Journals wherein vouchers relating to day to day transactions are recorded. 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.

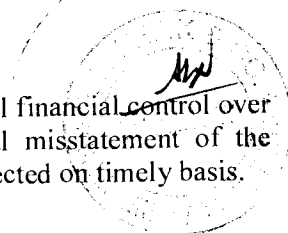
The Zones/ units do not have an appropriate internal control system for maintenance of books of account and other subsidiary records to ascertain composition of financial transactions on time basis and party wise balances outstanding at any point of time. The monthly trial balances are compiled from vouchers through an outsourced software/ outsourced agencies, which are not under control of the accounts department. Neither the risk of security of data in accounting system has been assessed nor is there any mechanism to check data entries and to ensure correctness and completeness of the accounting reports generated.

- 2) System of compilation of Bank Reconciliation statement is weak in as much as various old un-reconciled entries are pending in BRS for adjustment and its appropriate accounting in the books of account.
- 3) The company is under the process of reconciliation of inter unit transactions at zones/ head office level. It was noted that large number of un-reconciled IUTs are persisting since previous year which are still under reconciliation.
- 4) Party wise details/ sub-ledgers of advances to supplier, contractors, staff, security deposits and other parties was generally not maintained and hence the system of reconciliation and balance confirmation with the concerned parties is not in vogue.
- 5) 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.

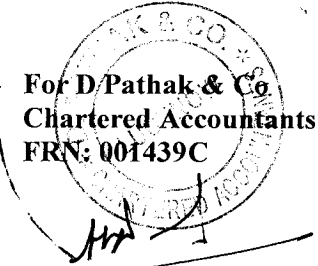
It was also noted that billing for sale of electricity to consumers are accounted for on the basis of report generated through Online Billing System implemented by various outsourced agencies. However, system audit of the said billing system, if any, being dealt at UPPCL was not made available and as such we are unable to comment on the efficacy of the same.

- 6) It was noted that various payments for AMCs/ online billing system are done by UPPCL on behalf of the company and its accounting is done in the books on the basis of debit notes raised by UPPCL. However, there was no system in the company to ascertain and ensure the provisioning of total expenditures pertaining to the financial year.

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, 2022 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 D/Pathak & Co
Chartered Accountants
FRN: 001439C

(A K Dwivedi)

Partner

M No.: 071584

UDIN: 23071584BGWZLF2793

Place: Lucknow

Date: 15/09/2023

U.P. POWER CORPORATION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS for the F.Y. 2022-23

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

CONTENTS

Sl. No.	Particulars
1	Consolidated Balance Sheet
2	Consolidated Statement of Profit & Loss
3	Statement of Changes in Equity of Consolidated Financial Statement
4	Significant Accounting Policies of Consolidated Financial Statement - Note No. 01
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

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.
CIN:U32201UP1999SGC024928
CONSOLIDATED FINANCIAL STATEMENT
CONSOLIDATED BALANCE SHEET AS AT 31.03.2023

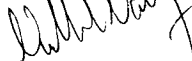
(₹ in Crore)

Particulars	Note No.	AS AT 31.03.2023	AS AT 31.03.2022
(I) ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	<u>2</u>	67945.59	65161.39
(b) Capital work-in-progress	<u>3</u>	3812.10	3381.71
(c) Assets not in Possession	<u>4</u>	128.04	132.58
(d) Intangible assets	<u>5A</u>	150.91	82.53
(e) Intangible Assets Under Development	<u>5B</u>	1.29	60.36
(f) Financial Assets			
(i) Investments	<u>6</u>	2168.64	2170.86
(ii) Loans	<u>7</u>	0.00	0.00
(iii) Others	<u>8</u>	16335.06	18444.62
(2) Current assets			
(a) Inventories	<u>9</u>	2419.15	3784.94
(b) Financial Assets			
(i) Trade receivables	<u>10</u>	78493.53	87244.59
(ii) Cash and cash equivalents	<u>11-A</u>	4226.29	5977.58
(iii) Bank balances other than (ii) above	<u>11-B</u>	754.97	647.55
(iv) Others	<u>12</u>	5097.30	4955.26
(c) Other Current Assets	<u>13</u>	3641.25	2731.82
Total Assets		185174.12	194775.79
(II) EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	<u>14</u>	118467.77	109679.38
(b) Other Equity	<u>15</u>	(79698.92)	(63296.68)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	<u>16</u>	63936.82	71111.30
(ii) Trade payables			
(iii) Other financial liabilities (other than those specified in item (b) to be			
(b) Other financial liabilities	<u>17</u>	6535.31	6104.99
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	<u>18</u>	15449.52	11985.66
(ii) Trade payables	<u>19</u>	32271.48	29992.11
(iii) Other financial liabilities	<u>20</u>	28212.14	29199.03
(b) Provisions	<u>21</u>	0.00	0.00
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		185174.12	194775.79

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

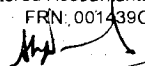

(Jitesh Grover)
 Company Secretary
 (Additional Charge)


(Nitin Nijhawan)
 Chief Financial Officer


(Nidhi Kumar Narang)
 Director (Finance)
 DIN- 03473420


(Parkaj Kumar)
 Managing Director
 DIN- 08095154

Place: Lucknow
 Date: 15/09/2023

Subject to our report of even date
 For D. Pathak & Co.
 Chartered Accountants
 FRN: 001439C

(A. K. Dwivedi)
 Partner
 M No. 071584

UDIN: 23071584 BGWZLF 2793

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON
31.03.2023

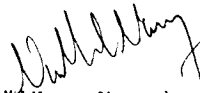
(₹ in Crore)

Particulars		Note No.	For the year ended 31.03.2023	For the year ended 31.03.2022
I	Revenue From Operations	22	64461.32	56846.02
II	Other Income	23	25810.31	23486.65
III	Total Income (I+II)		90271.63	80332.67
IV	EXPENSES			
1	Purchases of Stock-in-Trade (Power Purchased)	24	71955.76	58048.72
2	Employee benefits expense	25	2410.00	2241.90
3	Finance costs	26	8062.29	8382.57
4	Depreciation and amortization expenses	27	3577.75	2862.13
5	Administration, General & Other Expense	28	2973.37	2552.11
6	Repair and Maintenance	29	2491.13	2457.49
7	Bad Debts & Provisions	30	14561.18	7744.98
8	Other expenses			
V	Total expenses (IV)		106031.48	84289.90
VI	Profit/(Loss) before exceptional items and tax (III-IV)		(15759.85)	(3957.23)
VII	Exceptional Items		(98.68)	(1620.04)
VIII	Profit/(Loss) before tax (V(+/-)VI)		(15858.53)	(5577.27)
IX	Tax expense:			
	(1) Current tax		0.00	0.00
	(2) Deferred tax			
X	Profit (Loss) for the period from continuing operations (VII-VIII)		(15858.53)	(5577.27)
XI	Profit/(Loss) from discontinued operations			
XII	Tax expense of discontinued operations			
XIII	Profit/(Loss) from discontinued operations (after tax) (X-XI)			
XIV	Profit/(Loss) for the period (IX+XII)		(15858.53)	(5577.27)
XV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss- Remeasurement of Defined Benefit Plans (Actuarial Gain or Loss)		(11.20)	(39.84)
	(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			
XVI	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		(15869.73)	(5617.11)
XVII	Earnings per equity share (continuing operation) :			
	(1) Basic		(138.09)	(52.97)
	(2) Diluted		(138.09)	(52.97)
XVIII	Earnings per equity share (for discontinued operation) :			
	(1) Basic			
	(2) Diluted			
XIX	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		(138.09)	(52.97)
	(2) Diluted		(138.09)	(52.97)
	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.

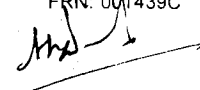

(Jitesh Grover)
Company Secretary
(Additional Charge)


(Nitin Nijhawan)
Chief Financial Officer


(Nidhi Kumar Narang)
Director (Finance)
DIN- 03473420


(Parikaj Kumar)
Managing Director
DIN- 08095154

Place: Lucknow
Date: 15/09/2023

Subject to our report of even date
For D. Pathak & Co.
Chartered Accountants
FRN: 001439C

(A. K. Dwivedi)
Partner
M No. 071584

UDIN: 23071584 BGWZLF 2793

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Crore)

A. EQUITY SHARE CAPITAL AS AT 31.03.2023

Balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Change in Equity Share Capital due to Prior Period Errors	Balance at the end of the reporting period
109679.39	8788.39	0.00	118467.78

B. OTHER EQUITY AS AT 31.03.2023

Particulars	Share application money pending allotment	Capital Reserve	Restructuring Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	2533.01	16155.20	554.77	13005.43	(95545.09)	(63296.68)
Changes in accounting policy or prior period errors	0.00	110.64	0.00	(2779.15)	2668.33	(0.18)
Restated balance at the beginning of the reporting period	2533.01	16265.84	554.77	10226.28	(92876.76)	(63296.86)
Profit/(Loss) for the Period	0.00	0.00	0.00	0.00	(30448.35)	(30448.35)
Other Comprehensive Income for the Period	0.00	0.00	0.00	0.00	(11.20)	(11.20)
Reversal of Provisions of Impairment on investment, Trade Receivable & Others through P&L	0.00	0.00	0.00	0.00	14589.82	14589.82
Net Total Comprehensive Income/(Loss) for the Year	0.00	0.00	0.00	0.00	(15869.73)	(15869.73)
Subsidy under Atmnirbhar Scheme	0.00	0.00	0.00	0.00	0.00	0.00
Addition during the Year	0.00	3457.46	0.00	0.00	0.00	3457.46
Reduction during the Year	0.00	(759.66)	0.00	(1079.86)	(775.12)	(2614.64)
Share Application Money Received	7413.24	0.00	0.00	0.00	0.00	7413.24
Share Allotted against Application Money	(8788.39)	0.00	0.00	0.00	0.00	(8788.39)
Balance at the end of the reporting period	1157.86	18963.64	554.77	9146.42	(109521.61)	(79698.92)
Net Balance at the end of the reporting period						(79698.92)

(₹ in Crore)

A. EQUITY SHARE CAPITAL AS AT 31.03.2022

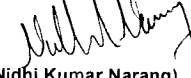
Balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Change in Equity Share Capital due to Prior Period Errors	Balance at the end of the reporting period
104126.46	5552.93	0.00	109679.39

B. OTHER EQUITY AS AT 31.03.2022

Particulars	Share application money pending allotment	Capital Reserve	Restructuring Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	313.80	15313.61	554.77	14085.29	(89179.66)	(58912.19)
Changes in accounting policy or prior period errors	0.00	35.12	0.00	0.00	26.80	61.92
Restated balance at the beginning of the reporting period	313.80	15348.73	554.77	14085.29	(89152.86)	(58850.27)
Profit/(Loss) for the Period	0.00	0.00	0.00	0.00	(12158.28)	(12158.28)
Other Comprehensive Income for the Period	0.00	0.00	0.00	0.00	(39.84)	(39.84)
Reversal of Provisions of Impairment on investment, Trade Receivable & Others through P&L	0.00	0.00	0.00	0.00	6581.01	6581.01
Net Total Comprehensive Income/(Loss) for the Year	0.00		0.00	0.00	(5617.11)	(5617.11)
Subsidy under Atmnirbhar Scheme	0.00	0.00	0.00	0.00	0.00	0.00
Addition during the Year	0.00	1456.26	0.00	0.00	0.00	1456.26
Reduction during the Year	0.00	(649.79)	0.00	(1079.86)	(775.12)	(2504.77)
Share Application Money Received	7772.14	0.00	0.00	0.00	0.00	7772.14
Share Allotted against Application Money	(5552.93)	0.00	0.00	0.00	0.00	(5552.93)
Balance at the end of the reporting period	2533.01	16155.20	554.77	13005.43	(95545.09)	(63296.68)
Net Balance at the end of the reporting period						(63296.68)


(Jitesh Grover)
 Company Secretary
 (Additional Charge)


(Nitin Nijhawan)
 Chief Financial Officer

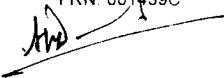

(Nidhi Kumar Narang)
 Director (Finance)
 DIN- 03473420


(Pankaj Kumar)
 Managing Director
 DIN- 08095154

Place: Lucknow

Date: 15/09/2023

Subject to our report of even date
 For D. Pathak & Co.
 Chartered Accountants
 FRN: 001439C


(A. K. Dwivedi)
 Partner
 M No. 071584

UDIN: 23071584BGWZLF2793

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, LPSC 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 15-09-2023

(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.

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(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

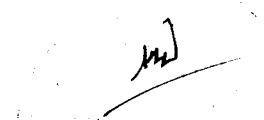
- (a) Property, Plant and Equipment are shown at historical cost less accumulated depreciation.
- (b) All costs relating to the acquisition and installation of Property, Plant and Equipment till the date of commissioning are capitalized.
- (c) Consumer Contribution, Grants and Subsidies received towards 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) The sale of Electricity does not include Electricity Duty payable to the State Government.

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

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

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- (f) 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

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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.


(Jitesh Grover)
Company Secretary
(Additional Charge)


(Nitin Nijhawan)
Chief Financial Officer



(Nidhi Kumar Narang)
Director (Finance)
DIN - 03473420


(Pankaj Kumar)
Managing Director
DIN - 08095154

Place : Lucknow
Date : 15/9/23

Subject to our report of even date

For D. Pathak & Co.
Chartered Accountants
FRN: 001439C


(A. K. Dwivedi)
Partner
M No. 071584

UDIN: 23071584BGWZLF2793

NOTE-2

PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation			Net Block		
	AS AT 01.04.2022	Addition	Adjustment/ Deletion	AS AT 31.03.2023	Addition	Adjustment/ Deletion	AS AT 31.03.2023	AS AT 31.03.2023	AS AT 31.03.2022
	(₹ in Crore)								
Land & Land Rights	10.73	-	-	10.73	-	0.40	1.08	9.65	9.25
Buildings	1,416.64	139.86	3.80	1,552.70	359.49	65.63	421.56	1,131.14	1,057.15
Plant & Pipe Lines	0.95	0.02	-	0.97	0.85	-	0.85	0.12	0.10
Other Civil Works	40.75	-	-	40.75	29.71	0.95	30.66	10.09	11.04
Plant & Machinery	28,184.33	5,400.43	3,082.18	30,502.58	4,022.31	1,979.71	5,485.41	25,017.17	24,162.02
Lines, Cable Networks etc.	52,529.49	4,250.17	247.47	56,532.19	12,760.67	2,254.62	14,925.27	41,606.92	39,768.82
Vehicles	17.41	0.30	0.50	17.21	14.59	0.29	14.16	3.05	2.82
Furniture & Fixtures	59.86	1.81	-	61.67	26.27	3.12	28.38	33.29	33.59
Office Equipments	302.12	39.52	0.14	341.50	185.52	22.73	207.34	134.16	116.60
Total	82,562.28	9,832.11	3,334.09	89,060.30	17,400.89	4,327.05	21,114.71	67,945.59	65,161.39

Note-4

Assets not in Possession

Assets not in Possession of Company	173.99	4.98	-	178.97	41.41	9.52	50.93	128.04	132.58
Total	173.99	4.98	-	178.97	41.41	9.52	50.93	128.04	132.58

NOTE-2

PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation			Net Block		
	AS AT 01.04.2021	Addition	Adjustment/ Deletion	AS AT 31.03.2022	Addition	Adjustment/ Deletion	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2021
	(₹ in Crore)								
Land & Land Rights	10.73	-	-	10.73	1.48	-	1.48	9.25	9.25
Buildings	1,287.30	129.34	0.00	1,416.64	335.77	23.75	359.49	1,057.15	951.53
Plant & Pipe Lines	0.95	-	-	0.95	0.85	-	0.85	0.10	0.10
Other Civil Works	40.75	-	-	40.75	28.72	0.99	29.71	11.04	12.03
Plant & Machinery	26,453.28	4,645.06	2,914.01	28,184.33	2,569.74	1,716.09	4,022.31	24,162.02	23,883.54
Lines, Cable Networks etc.	45,754.40	7,050.82	275.73	52,529.49	11,041.16	1,729.98	12,760.67	39,768.82	34,713.24
Vehicles	17.24	0.28	0.11	17.41	14.63	0.03	14.59	2.82	2.61
Furniture & Fixtures	56.05	3.81	-	59.86	23.14	3.14	26.27	33.59	32.91
Office Equipments	282.83	19.30	0.01	302.12	164.32	21.24	185.52	116.60	118.51
Total	73,903.53	11,848.61	3,189.86	82,562.28	14,179.81	3,495.22	17,400.89	65,161.39	59,723.72

Note-4

Assets not in Possession

Assets not in Possession of Company	174.73	-0.74	-	173.99	33.18	8.23	41.41	132.58	141.55
Total	174.73	-0.74	-	173.99	33.18	8.23	41.41	132.58	141.55

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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 Crore)

Particulars	AS AT 01.04.2022	Additions	Deductions/ Adjustments	Capitalised During the Year	AS AT 31.03.2023
Capital Work in Progress	2,445.68	9,901.96	-97.89	-9,827.26	2,422.49
Advance to Supplier/Contractor	936.02	1,082.12	-628.53	-	1,389.61
	3,381.70	10,984.08	-726.42	-9,827.26	3,812.10

Particulars	AS AT 01.04.2021	Additions	Deductions/ Adjustments	Capitalised During the Year	AS AT 31.03.2022
Capital Work in Progress	4,373.08	9,695.27	297.94	-11,920.61	2,445.68
Advance to Supplier/Contractor	3,154.61	1,645.47	-3,864.04	-	936.03
	7,527.69	11,340.74	-3,566.10	-11,920.61	3,381.71

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Note- 5A

Intangible Assets

Particulars	Gross Block		Adjustment/ Deletion	AS AT 31.03.2023	Amortisation		Adjustment/ Deletion	Net Block	
	Addition	118.84			AS AT 01.04.2022	AS AT 31.03.2023		Addition	AS AT 31.03.2022
Software	91.88	118.84	0	210.72	9.35	40.03	0	49.38	82.53
Total	91.88	118.84	0.00	210.72	9.35	40.03	0.00	49.38	82.53

Intangible Assets under Development

Note 5B

Particulars	Gross Block		Adjustment/ Deletion	AS AT 31.03.2023
	Addition	16.04		
Software	60.36	16.04	75.11	1.29
Total	60.36	16.04	75.11	1.29

Note- 5A

Intangible Assets

Particulars	Gross Block		Adjustment/ Deletion	AS AT 31.03.2022	Depreciation		Adjustment/ Deletion	Net Block	
	Addition	72.05			AS AT 01.04.2021	AS AT 31.03.2022		AS AT 31.03.2022	AS AT 31.03.2021
Software	19.83	72.05	0	91.88	3.6	5.75	0	9.35	16.23
Total	19.83	72.05	0.00	91.88	3.60	5.75	0.00	9.35	16.23

Intangible Assets under Development

Note 5B

Particulars	Gross Block		Adjustment/ Deletion	AS AT 31.03.2022
	Addition	11.72		
Software	48.64	11.72	0	60.36
Total	48.64	11.72	0.00	60.36

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CONSOLIDATED FINANCIAL STATEMENT**Note-6****FINANCIAL ASSETS - INVESTMENTS (NON-CURRENT)***(₹ in Crore)*



Particulars	AS AT 31.03.2023	AS AT 31.03.2022
A. Investment in UPPTCL	2,213.34	2,213.34
Provision for Impairment on Investment	<u>-167.70</u>	<u>-165.48</u>
	2,045.64	2,047.86
B. Investment in Southern U.P. Power Transmission Co. Ltd.	2.22	2.22
Provision for Impairment on Investment	<u>-2.22</u>	<u>-2.22</u>
	-	-
C. Other Investments-		
7.75% PFC Bonds	123.00	123.00
Total	2,168.64	2,170.86

Note: provision for the impairment of the investments in UPPTCL is based on the net worth calculated on the basis of unaudited financial statements of UPPTCL for the period ending 31.03.2023

Note-7**FINANCIAL ASSETS - LOANS (NON-CURRENT)***(₹ in Crore)*

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
Capital Advances		
NPCL LOAN	5.69	5.69
Interest Accrued and Due	193.03	167.21
Provision for Bad & Doubtful Debts Loan & Interest	<u>-198.72</u>	<u>-172.90</u>
	-	-
Total	-	-

* Refer Point no. 8 (iii) (b) of Note No. 31 Notes to Accounts.

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Note-8

FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
Advance paid to State Govt. for freehold title of Land	7.44	7.44
Share Application Money Pending Allotment- UPPTCL	180.72	180.72
Deposits having maturity more than 12 months:		
a. Earmarked:		
Debt Service Reserve Accounts (against bond issued)	1,055.87	1,069.77
Deposit with BSE for REF	0.25	0.25
UPNEDA Corpus Fund	-	44.05
b. Other Deposits	<u>1,056.12</u>	<u>42.85</u>
		1,156.92
Receivable from Govt. of U.P (Aatmnirbhar Scheme) Non Current	14,940.01	16,940.00
UMPP (Considered Good)**	118.21	126.98
UMPP (Considered Doubtful)**	12.02	-
Less: Provision for Doubtful Advances(UMPP)	<u>-12.02</u>	<u>-</u>
Other Deposits	17.01	17.01
Securities from Suppliers/Contractors	5.19	5.19
Overlay Charges	10.36	10.36
Total	<u>16,335.06</u>	<u>18,444.62</u>

1. The reclassification of deposits having maturity of more than twelve months has been done in the previous year to comply with the requirements of Schedule III to the Companies Act, 2013.
2. In compliance to SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated 22nd October, 2021, the Company has deposited the fund with the Bombay Stock Exchange towards contribution to Recovery Expense Fund (REF).
3. The date of maturity of the deposits related to UPNEDA and Others is in the next year i.e. 2023-24, hence the same have been classified/ shown as current financial assets this year in Note No. 11B
4. **It includes commitment advance of ₹ 126.98 Crore given to Ultra Mega Power Projects for the development of power projects and interest of ₹ 3.25 Crore.



Note-9

INVENTORIES

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
(a) Stores and Spares		
Stock of Materials - Capital Works	1,825.90	1,576.30
Stock of Materials - O&M	<u>551.26</u>	<u>1,927.17</u>
(b) Others*	287.75	513.75
B	<u>2,664.91</u>	<u>4,017.22</u>
Provision for Unserviceable Stores	-245.76	-232.28
Total	<u>2,419.15</u>	<u>3,784.94</u>

* It include material to fabricators, scrap, transformers sent for repair and store excess/shortage for investigation.



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Note-10

FINANCIAL ASSETS - TRADE RECEIVABLES (CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022	
<u>Trade Receivables outstanding from Customers on account of Sale of Power</u>			
Secured & Considered goods	3,755.21	3,514.12	
Unsecured & considered good	67,473.60	75,739.32	
Unsecured & Considered doubtful	27,549.05	14,424.61	93,678.05
<u>Trade Receivables outstanding from Customers on account of Electricity Duty</u>			
Secured & Considered goods	367.48	324.40	
Unsecured & considered good	6,897.24	7,666.76	
Unsecured & Considered doubtful	2,800.90	1,406.86	9,398.02
<u>Others</u>			
Sundry Debtors	522.98	522.98	
Sub-Total	1,09,366.46	1,03,599.05	
Allowance for Bad & Doubtful Debts	-30,872.93	-16,354.46	
Total	78,493.53	87,244.59	

Note-11-A

FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS (CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022	
<u>(a) Balance with Banks</u>			
In Current & Other Account**	3,038.48	4,791.67	
In Earmarked Bank A/c	691.25	694.74	
Dep. with original maturity upto 3 months #	409.01	434.16	5,920.57
<u>(b) Cash in Hand</u>			
Cash in Hand (Including Stamps in Hands)	83.85	49.48	
Cheque/Drafts in Hand	2.19	6.28	
Cash imprest with Staff	1.51	1.25	57.01
Total	4,226.29	5,977.58	

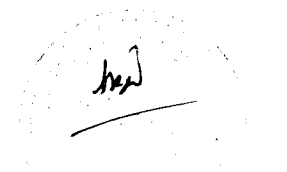
* The reclassification of deposits has been done in the previous year to comply with the requirements of Schedule III to the Companies Act, 2013.

** Including earmarked balances amounting ₹ 65.32 Crore in UPPCL SFS.

It includes Rs. 372.88 Crore FD other than earmarked.

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Note-11-B

FINANCIAL ASSETS - BANK BALANCES OTHER THAN ABOVE (CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
Deposit with original maturity of more than 3 months but less than 12 months*	754.97	647.55
Total	754.97	647.55

* This includes RPO Fund Account Balance in prev year Rs. 6.23 Crore, UPNEDA Corpus Fund Rs. 46.02 Crore in current year and Debt Service Reserve Account (against Bonds issued) Rs. 531.51 Crore in current year and Rs. 452.77 crore in prev year.

Other than Earmarked Balance is Rs. 172.31 Crore (Prev Year 142.19 Crore).

1) The reclassification of deposits having maturity of more than three months but less than twelve months has been done in the previous year to comply with the requirements of Schedule III to the Companies Act, 2013.

2) In compliance to UPERC's order separate bank account has been created for Renewable Purchase Obligation (RPO).

3) UPNEDA Corpus Fund relates to the Corpus fund received from UP New and Renewable Energy Development Agency (UPNEDA) for providing the facility of Letter of Credit to solar energy developers.



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Note-12

FINANCIAL ASSETS - OTHERS (CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
<u>Receivables (unsecured)</u>		
Uttar Pradesh Government	1,405.95	1,407.49
Receivable from Govt. of UP (Aatm Nirbhar Scheme)	2,000.00	2,000.00
Receivable from IREDA	11.50	9.16
Uttar Pradesh jal Vidyut Nigam Ltd.	0.85	0.85
<u>UPRVUNL</u>		
Receivable -UPRVUNL	11.08	10.34
Payable -UPRVUNL	-0.65	-0.65
<u>UPPTCL</u>		
Receivable -UPPTCL	557.36	542.34
Payable -UPPTCL	-2.71	-2.70
Receivable from GoUP	-	-
<u>Employees (Receivables)</u>		
Provision for Doubtful receivables from Employees	-25.59	-3.58
Other Receivables	1,072.74	995.13
Prov. For Doubtful Receivables	-99.69	-148.13
Theft of Fixed Assets Pending Investigation	188.21	177.62
Prov. For estimated Losses	-188.21	-177.62
Total	5,097.30	4,955.26

Note-13

OTHER CURRENT ASSETS

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
<u>Advances (Unsecured/Considered Good)</u>		
Suppliers/Contractors	491.73	367.85
Less: Provision for Doubtful Advances	-8.40	-8.35
Other Deposits*	2.95	-
Energy Exchange	20.00	46.08
Tax Deducted at source	125.18	98.07
Tax Collected at Source	41.58	88.32
Fringe Benefit Tax Advance Tax	0.25	0.25
Provision	-0.25	-
Receivable from GST Department #	4.65	-
Receivable against Power Purchase ##	1,567.90	0.51
<u>Misc. Recovery</u>		
Unsecured Considered Good	0.36	0.75
Unsecured Considered Doubtful	4.39	3.99
Provision for Doubtful Loans & Advances	-4.39	-3.99
Income Accrued & Due	7.32	8.10
Income Accrued & but not Due	18.49	17.33
Prepaid Expenses	3.00	1.76
Inter Unit Transfers	1,366.49	2,111.15
Total	3,641.25	2,731.82

* The deposit has been made in compliance to the direction of the Hon'ble Supreme Court in the case of UPPCL vs M/s Jaiprakash Power Ventures Ltd.

The refund application of the same is pending before Commissioner (Appeal) CGST, Lucknow

Refer Point no. 49 (4) of Note no. 31 "Notes on Accounts".

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Note-14

EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
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(A) AUTHORISED :

1250000000 (Previous Year 1250000000 respectively)
Equity shares of par value of Rs. 1000/- each 125000.00 125000.00

(B) ISSUED SUBSCRIBED AND FULLY PAID UP

1184677704 (Previous Year 1096793838) Equity shares of par value Rs. 1000/- each 118467.77 109679.38

(Out of the above shares 36113400 were allotted as fully paid up pursuant to UP Power Sector Reform Scheme 2000 for consideration other than cash)

Total	118467.77	109679.38
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a) During the year, The Company has issued 87883866 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. The holders of the equity shares are entitled to receive dividend as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

c) During the year ended 31st March 2023 (Prev year 31st March 2022) , 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 31.03.2023		AS AT 31.03.2022	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Government of UP	1184677704	100	1096793838	100

e) Reconciliation of No. of Shares

No. of Shares as on 01.04.2022	Issued During the Period	Buy Back during the Period	No. of Shares as on 31.03.2023
1096793838	87883866	0	1184677704

No. of Shares as on 01.04.2021	Issued During the Period	Buy Back during the Period	No. of Shares as on 31.03.2022
1041264552	5529286	0	1096793838

f) Details of shareholding of promoters:

Promoter Name	Shares held by Promoters					
	AS AT 31.03.2023			AS AT 31.03.2022		
	No. of shares	%age of total shares	%age changes during the year	No. of shares	%age of total shares	%age changes during the year
Government of UP	1184677704	100%	NIL	1096793838	100%	NIL

Note-15

OTHER EQUITY

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022	
A. Share Application Money (Pending For Allotment)			
B. Capital Reserve*			2,533.01
(i) Consumers Contributions towards Service Line and other charges	11,259.83	9,409.36	
(ii) Subsidies towards Cost of Capital Assets.	7,375.09	6,416.78	
(iii) APDRP Grant/Other Grants	131.39	131.73	
(iv) Amount Received Under IPDS	1.38	1.38	
(v) Others	195.95	195.95	
C. Restructuring Reserve			16,155.20
D. Surplus in Statement of P&L			554.77
Opening Balance	-95,545.09	-89,179.66	
PPE Adjustment for year	-	26.80	
Restated Opening Balance	-95,545.09	-89,152.86	
Add: Adjustment against Reserves & Surplus	-775.12	-775.12	
Add: Profit/(Loss) for the year	-15,858.53	-5,577.27	
Add: Other Comprehensive Income/(Loss)	-11.20	-39.84	
Less: Prior Period Expenditure/(Income)	2,668.33	-	
E. General Reserve			-95,545.09
Opening Balance of General Reserve	13,005.43	14,085.29	
Add: Received during the year	-2,985.42	-	
Less: Transfer to statement of P&L	-873.59	-1,079.86	
	9,146.42	-	13,005.43
Total	-79,698.92	-63,296.68	

Note: The shares against Share Application Money amounting to ₹ 1157.86 crore have been allotted to the GoUP vide Board's Meeting dated 10th April, 2023.

*Movement has been shown in Statement of Change in Equity.

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Note-16

FINANCIAL LIABILITIES - BORROWINGS (NON-CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022	
(A) Loans directly availed by subsidiaries (Discoms)			
(1) SECURED LOANS			
(i) Rural Electrification Corporation Ltd.(REC)			
R-APDRP Part-A (REC)	400.80	480.54	
R-APDRP Part-B (REC)	1,239.88	1,491.52	
Sub Station Loan	11.20	14.71	
Saubhagya	1,802.92	2,116.05	
DDUGGY	742.10	860.19	
AB CABLE	479.27	503.49	
(ii) Power Finance Corporation Ltd.(PFC)			
R-APDRP Part-A (PFC)	175.37	277.05	
R-APDRP Part-B (PFC)	949.15	1,601.50	
IPDS	1,127.12	1,223.42	
DDUGGY	939.09	924.56	
AB CABLE	639.44	665.92	
(iii) Others			
UPSIDC	-	8,506.34	10,158.96
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(B) UNSECURED LOANS			
9.70 % UDAY Bond / Bonds	7,757.28	8,789.89	
REC (Unsecured Loans)	15,003.25	17,121.28	
PFC (Unsecured Loans)	16,376.74	19,263.00	
UP GOVERNMENT LOAN (OTHERS)*	-	39,137.27	45,543.44
	<hr/>	<hr/>	
(C) BONDS/ LOANS RELATE TO DISCOMS(Secured)			
9.70% Non Convertible Bonds	3,951.20	3,951.20	
8.97% Rated Listed Bond	2,790.00	3,720.00	
10.15% Rated Listed Bonds	2,584.01	3,230.00	
9.75% Rated Listed Bonds	1,984.50	2,513.71	
8.48% Rated Listed Bonds	1,495.50	1,993.99	
9.95% Rated Listed Bonds	3,488.00	16,293.21	15,408.90
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Total	63,936.82	71,111.30	

* The repayments against loan from GoUP (on behalf of DISCOMs) has been made and now there is no balance of loan as on 31.03.2023.



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

₹ (Crore)

Name of Financier	Repayment Terms						Outstanding as on 31.03.2023				Default as on 31.03.2023				Aggregate Amount of Guarant	Security	
	Drawl Date	Installment (Months)	Repayment Due From	ROI (%)	Guarant By	Total	Principal	Interest	Total	Current Maturity	After Current Maturity	Principal	Interest	Principal			Interest
Loans directly availed by subsidiaries (Discoms)																	
(I) Rural Electrification Corporation Ltd.(REC)																	
PuVNL	31.03.2014,	Quarterly		9.75% 10% 10.75 10.35% 10.50% 11% 11.50%		1308.05			1308.05	168.48	1139.57				1308.05	Hypothecation of Assets	
	12.03.2019																
MVVNL	01-10-2016 /1-10-2013 /	Monthly, Yearly Installments		10.5% / 11% / 11.4%		1082.72	0	1082.72	126.18	956.54					1082.72	Hypothecation of Assets	
	07-03-2019																
DVVNL	08.10.13/29.10.13/ 04.11.13/29.11.13/ 30.01.14/13.03.14/ 28.03.14/29.03.14/ 31.03.14/21.07.14/ 27.07.14/25.08.14/ 12.09.14/20.10.14 21.10.14/25.11.14/ 27.11.14/03.12.14/ 12.01.15/27.01.15/ 24.02.15/12.03.15/ 13.03.15/08.04.15/ 07.05.15/09.06.15/ 18.06.15/24.06.15/ 23.07.15/02.09.15/ 22.09.15/07.12.15/ 28.01.16/02.04.16/ 17.06.16/22.06.16/ 13.02.17/05.06.17/ 06.06.17/23.07.17	Monthly, Quarterly, Yearly Installments		10.25% TO 10.85% /10.34% TO 11% 10.34% TO 11.36%		959.54	0	959.54	151.63	807.91						Hypothecation of all the movable assets of the project	
PVVNL	09.10.13, 30.12.13, 21.07.14, 31.07.14, 05.03.15, 22.12.15, 02.04.16, 31.03.17, 22.08.17, 19.09.18, 20.09.19, 30.01.20, 31.08.20, 14.06.21, 29.04.22, 22.06.22	Monthly, Quarterly, Yearly Installments		9.75% to 11.50%		2,012.51		2,012.51	240.35	1,772.16						Hypothecation of existing as well as newly financed assets including movable machinery, spares, tools etc. at project site	
KESCO	NIL																
TOTAL (I)						5362.82	0.00	5362.82	686.64	4676.18							
(II) Power Finance Corporation (PFC)																	
PuVNL	19.06.2015/ 02.12.2016/ 31.08.2018	Monthly, Quarterly		9.83% 10.08% 10.75% 10.50% 10.59% 11.50% 10.33%		969.32		969.32	50.49	918.82					969.32	Hypothecation of Assets	
MVVNL	01.03.11/01.09.15/ 29.01.19/24.03.21 03.03.22/04.11.19	Monthly, Quarterly		9% a, 9.85% a, 10.50% a, 11.40% a, 10.90% a		969.94		969.94	77.03	892.91					969.94	Hypothecation of Assets	

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	14.11.18/08.05.19/ 31.05.19/27.01.20/ 30.03.20/25.09.20/ 31.03.21/21.01.222-/ 17.02.22/10.05.22/ 28.06.19/30.12.19/ 30.01.20/21.02.20/ 11.06.20/10.07.20/ 19.02.21/31.03.21/ 21.02.19/23.09.19/ 12.05.20/25.09.20/ 17.11.20/31.03.21/ 10.06.21/ 03.12.21/ 16.05.19/13.09.21/ 01.06.22	Monthly, Quarterly, Yearly Installments	Jan-19	10.50% on first disbursal(variable as per loan agreement)	1422.68	0	1422.68	64.58	1358.1								Hypothecation of all the movable assets of the project
DVVNL				9.93% TO 10.08% 10.5% TO 11.40% 10.25% 10.5% TO 11.5% 9.85% TO 11.10% 9%													
PVVNL	31.03.11, 19.06.15, 21.03.16, 26.03.18, 20.06.18, 25.09.19, 22.10.19, 24.12.19, 20.02.20, 24.01.23	Monthly, Quarterly Installments	Jan-19	9% to 10.33%	622.71	-	622.71	47.97	574.74								Hypothecation of existing as well as newly financed assets including movable machinery, spares, tools etc. at project site
KESCO	18.02.2019 to 24.12.2019	60 quarterly installments	15.10.2019	10.50% on first disbursal(variable as per loan agreement)	93.75	-	93.75	8.16	85.59								Hypothecation of Assets
TOTAL (II)					4,078.40	-	4,078.40	248.23	3,830.16								
Grand Total I+II							9,441.22	934.87	8,506.34								
Long Term Borrowing																	
SECURED																	
BONDS																	
PVVNL					6051.90	-	6,051.90	825.52	5,226.38								Hypothecation on Current Assets including receivables, ESCROW, and Govt Guarantee (as per terms of DOH of respective issuances)
MVVNL					4882.14	-	4,882.14	554.68	4,327.46								
DVVNL	17.02.17/ 27.03.17/ 05.12.17/				5313.90	-	5,313.90	854.98	4,458.92								
PVVNL					1731.96	-	1,731.96	284.62	1,447.34								
KESCO	27.03.18/03.03.22/07.10.22	28/32/34 Quarterly	Jul-19	8.48% to 10.15%	917.00	-	917.00	83.90	833.10								
Sub-Total					18896.90	-	18,896.90	2,603.70	16,293.20								
UNSECURED																	
BONDS-																	
PVVNL					2029.03	-	2,029.03	238.33	1,790.70								
MVVNL					1637.64	-	1,637.64	192.38	1,445.26								
DVVNL					3410.34	-	3,410.34	400.77	3,009.57								Guarantee of GoIP
PVVNL					1230.79	-	1,230.79	144.52	1,086.27								
KESCO	28.09.16/ 30.03.17	20/24 Half Yearly	Sep-20	9.70%	482.11	-	482.11	56.63	425.48								
Sub-Total					8789.91	-	8,789.91	1,032.63	7,757.28								

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U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN: U32201UP1999SGC024928

CONSOLIDATED FINANCIAL STATEMENT**FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)**

Note-17

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
Security Deposits From Consumers	4,122.69	3,840.47
Liability/Provision for Leave Encashment	1,423.83	1,310.24
Liability for Gratuity on CPF Employees	696.68	603.68
Corpus Fund from UPEDA*	46.02	44.05
Interest accrued but not due on borrowings (Non Current)	246.09	306.55
Total	6,535.31	6,104.99

* It relates to the Corpus fund received from UP New and Renewable Energy Development Agency (UPNEDA) for providing the facility of Letter of Credit to solar energy developers.

FINANCIAL LIABILITIES - BORROWINGS (CURRENT)

Note-18

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
A. CC/ Overdraft from Banks:		
Punjab National Bank	50.68	0.03
Bank of India	0.01	-
	50.69	0.03
B. Working Capital Short Term Loan:		
Indian Bank	150.00	-
C. Other		
Current Maturity of Long Term Borrowings (Other)	934.86	730.98
Current Maturity of Long Term Borrowings through UPPCL	13,385.18	10,093.59
Interest accrued & due on borrowings	49.06	66.80
Interest Accrued but not Due on Borrowings	879.73	1,094.26
	15,248.83	11,985.63
Total	15,449.52	11,985.66

FINANCIAL LIABILITIES - TRADE PAYABLE (CURRENT)

Note-19

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022
Liability for Purchase of Power	25,610.16	23,364.96
Liability for Power Purchase from Others	32.75	28.00
Liability for Wheeling charges	6,628.57	6,599.15
	32,271.48	29,992.11
Total	32,271.48	29,992.11

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CONSOLIDATED FINANCIAL STATEMENT

Note-20

OTHER FINANCIAL LIABILITIES(CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022	
Liability for Capital Supplies/works	4,184.21	5,683.32	
Liability for O&M Supplies/works	679.96	713.38	
Deposits & Retentions from Suppliers & others	3,638.78	4,056.12	
Electricity Duty & other levies payable to govt.	12,584.71	11,221.02	
Deposit for Electrification works	1,031.79	1,471.93	
Deposit Works	48.26	52.54	1,524.47
Liabilities towards UPPCL CPF Trust	49.78	62.06	
Liabilities for Gratuity on CPF Employees	16.44	20.13	
Liability for Leave Encashment	94.33	82.61	102.74
Staff related Liabilities	651.16	639.73	
Sundry Liabilities	1,160.12	1,150.50	
Liabilities for GST	4.57	1.28	1,151.78
Payable to UPNEDA*	11.17	85.63	
Payable to UPJVNL			
Payable	86.76	87.03	
Receivable	-	-	87.03
Uttaranchal PCL			
Receivable - Uttrakhand PCL	-0.01	-0.01	
Payable - Uttrakhand PCL	0.17	0.17	0.16
Liabilities for Expenses	220.87	215.57	
Liabilities towards UP Power Sector Employees Trust			
Provident Fund**	884.12	815.00	
Provision for Interest on GPF Liability	88.40	83.31	
Pension & Gratuity Liability	422.56	441.29	1,339.60
Provision for Loss incurred by GPF Trust	1,033.48	963.23	
Provision for Loss incurred by CPF Trust	685.25	656.81	1,620.04
Provision for Interest on CPF Liability	2.91	2.30	
Interest on Security Deposits from Consumer	342.43	363.55	
Inter Company Balances under Reconciliation***	289.92	330.53	
Total	28,212.14	29,199.03	

*Amount received in advance from UP New and Renewable Energy Development Agency towards subsidy against purchase of power from new and renewable energy generators.

** It includes ₹ 160.58 Crore receivable from U.P. Power Sector Employees Trust on account of settlement of amount payable by UPPSET to Uttarakhand Power Corporation Ltd and balance towards GPF contribution amounting to ₹ 17.96 Crore.

*** This includes rounding off of Inter Company Balances and Rs. 0.20 Crore of Nominee shares of Discoms which has been reconciled during the FY 2022-23. Also includes Rs. 289.94 crore (Prev Yr Rs. 330.25 crore) adjustment of unclassified Revenue.

Note-21

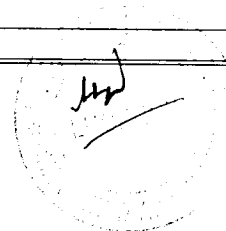
PROVISIONS (CURRENT)

(₹ in Crore)

Particulars	AS AT 31.03.2023	AS AT 31.03.2022	
Legal & Professional Charges	-	-	
Provision for Income Tax	-	-	
Total	-	-	

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U.P. POWER CORPORATION LIMITED
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CONSOLIDATED FINANCIAL STATEMENT

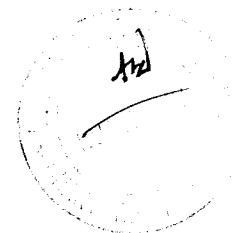
Note-22

REVENUE FROM OPERATIONS (GROSS)

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023		For the Year Ended on 31.03.2022	
<u>Supply in Bulk</u>				
Torrent Power Ltd.		1,026.06		935.36
Adjustment of purchased cost	-11.59		-294.24	
Adjustment as per Point no. 37 of Note 31	11.59	-	294.24	-
<u>Large Supply Consumer</u>				
Industrial	14,368.65		12,637.53	
Traction	90.32		123.21	
Irrigation	720.23		604.88	
Public Water Works	1,642.77	16,821.97	1,442.07	14,807.69
<u>Small & Other Consumers</u>				
Domestic	26,514.41		22,223.51	
Commercial	8,747.68		7,517.42	
Industrial Low & Medium Voltage	2,661.01		2,378.88	
Public Lighting	656.27		713.48	
STW & Pump Canals	1,454.66		2,075.51	
PTW & Sewage Pumping	2,753.25		2,300.49	
Institution	621.89		494.28	
Small Power (LMV VI)	288.62		327.37	
Water Work (LMV VII)	122.16		113.37	
Temp Connection (LMV IX)	12.62		8.37	
LMV-XI	0.07		0.85	
Large & Heavy (HV I)	240.94		197.99	
Large & Heavy (HV II)	674.54		605.38	
Miscellaneous Charges form Consumers	650.41		1,106.06	
Energy Internally Consumed	1,190.17		1,036.28	
Electricity Duty	3,459.22	50,047.92	3,272.61	44,371.85
<u>Other Operating Revenue</u>				
Extra State Consumer		24.59		3.73
		67,920.54		60,118.63
Less: Electricity Duty		-3,459.22		-3,272.61
Total		64,461.32		56,846.02

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U.P. POWER CORPORATION LIMITED
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CONSOLIDATED FINANCIAL STATEMENT

Note-23

OTHER INCOME

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022		
From U.P. Govt.				
RE Subsidy from Govt. of U.P.	1,142.71	1,105.00		
Revenue Subsidy from Govt. of U.P.	13,469.21	13,410.65		
Subsidy for Operational Losses	8,007.72	5,372.51		
Subsidy Against Loan/Interest	-	11.35		
Subsidies for Government Guarantee Loan	-	13.91		
Subsidy for repayment of interest on loan	9.22	12.03		
Cross Subsidy	111.28	106.01		
Subsidy from Govt.	-	122.45		
Subsidy Under Atmnirbhar Bharat Scheme	1,854.98	1,854.98	24,595.12	22,008.89
<u>(a) Interest from :</u>				
Loans to Staff	0.03	-		
Loans to NPCL (licencee)	25.82	22.46		
Fixed Deposits	139.36	116.15		
Banks (Other than on Fixed Deposits)	10.77	7.47		
Bonds	9.53	9.53		
Others	14.56	16.78	200.07	172.39
<u>(b) Other non operating income</u>				
Delayed Payment Charges	711.39	1,014.77		
Income from Contractors/Suppliers	104.98	51.54		
Rental from Staff	1.72	3.98		
School fee/ Recruitment Examination Fee	26.11	10.21		
Miscellaneous Income/ Receipts	155.57	211.65		
Excess found on Verification of Stores	-	0.05		
Other Recoveries from Consumers	3.56	2.81		
Sale of Scrap	0.42	0.45		
Penalty from Contractors	8.34	8.42		
Sale of Tender Forms	2.27	1.39		
Interest on Income Tax Refund	0.76	0.10	1,015.12	1,305.37
Total	25,810.31	23,486.65		

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U.P. POWER CORPORATION LIMITED
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CONSOLIDATED FINANCIAL STATEMENT

Note-24

PURCHASE OF POWER

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022
Transmission Charges	3,296.26	3,160.97
PURCHASE FROM OTHERS	<u>5.21</u>	<u>7.95</u>
Power Purchase from:		3,169.36
Generators & Traders*	61,805.10	51,214.55
Surcharge**	583.47	-60.08
Unsheduled Interchange & Reactive Energy Charges #	-67.89	-513.94
Inter-state Transmission & Related Charges	6,846.55	4,559.00
Sub Total	72,469.06	58,368.89
Rebate/Subsidy against Power Purchase	-513.30	-320.17
Total	71,955.76	58,048.72

* It includes the transactions through Indian Energy Exchange Ltd towards the purchases of ₹1074.73 crore and sale of ₹ 3656.50 crore. It also includes start-up sale of ₹ 11.59 crore to M/s Neyveli Uttar pradesh Power Ltd.

** Negative figure in F.Y. 2021-22 is due to reversal of excess provision of late payment surcharge made during the F.Y. 2020-21.

Due to nature of transaction under unscheduled interchanges, the figure can be negative or positive.

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U.P. POWER CORPORATION LIMITED
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Note-25

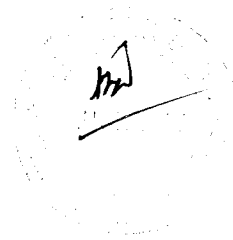
EMPLOYEE BENEFIT EXPENSES

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022
Salaries & Allowances	2,076.43	2,025.51
Dearness Allowances	665.92	422.49
Other Allowances	111.94	102.63
Bonus/Ex.Gratia	16.86	2.90
Medical Expenses (Reimbursement)	43.73	37.01
Earned Leave Encashment	197.68	222.99
Compensation	0.31	0.33
Staff Welfare Expenses	1.88	1.16
Pension & Gratuity	193.61	244.49
Other Comprehensive income of Gratuity	7.78	-0.51
Other Terminal Benefits	87.31	86.59
Interest on GPF (General Provident Fund)	74.33	68.22
Interest on CPF (Contributory Provident Fund)	2.47	1.70
Gratuity (CPF)	26.72	30.13
Other Terminal Benefit (CPF)	1.02	0.23
Contributions to provident and other funds	70.96	69.19
Others	0.58	0.27
Others/Compensation	0.51	0.28
Sub Total	3,580.04	3,315.61
Expense Capitalised	-1,040.30	-948.06
Employee Cost Allocated to DISCOMs and Others by UPPCL	-129.74	-125.65
Total	2,410.00	2,241.90







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CONSOLIDATED FINANCIAL STATEMENT

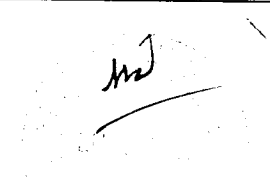
Note-26

FINANCE COST

Particulars	For the Year Ended on 31.03.2023		For the Year Ended on 31.03.2022	
<u>(a) Interest on Loans</u>				
Working Capital	0.05		0.24	
Interest expenses on Borrowings	10.29		11.35	
Less- Rebate of Timely Payment of Interest	-0.25	10.09	-0.26	11.33
<u>(b) other borrowing costs</u>				
Finance Charges/Cost of Raising Fund	76.33		102.95	
Bank Charges	67.82	144.15	42.51	145.46
<u>(c) Interest on Loans</u>				
Interest on Govt Loan	23.77		32.27	
Interest on Bonds	2,660.52		2,428.50	
PFC	2,353.09		2,449.02	
R-APDRP	90.96		406.85	
REC	2,303.76		2,500.22	
Interest to Consumers	174.35		149.73	
Provision of Int. on ED/Licence Fee/GPF	0.32		0.35	
Interest on Secured Loan	276.50		293.53	
Interest/Stamp Duty on Bill Discounted for PP	24.78	7,908.05	33.17	8,293.64
Sub Total		8,062.29		8,450.43
Interest Capitalised		-		-67.86
Total		8,062.29		8,382.57







U.P. POWER CORPORATION LIMITED
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CONSOLIDATED FINANCIAL STATEMENT

Note-27

DEPRECIATION AND AMORTIZATION EXPENSE

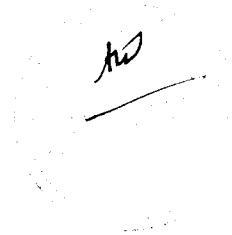
(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022
<u>Depreciation on -</u>		
Buildings	52.35	42.50
Other Civil Works	5.56	1.62
Plant & Machinery	1,647.41	1,266.65
Lines Cables Networks etc.	2,534.96	2,159.39
Vehicles	3.87	0.37
Furnitures & Fixtures	3.95	3.21
Office Equipments	25.91	21.91
Intangible Assets	32.85	5.76
Equivalent amount of dep. on assets aquired out of the consumer's contribution & GoUP subsidy*	-738.64	-647.51
Capital Expenditure Assets not pertains to Corporation/Nigam	9.53	8.23
Total	3,577.75	2,862.13

* Rs. 21.03 crore of amortization has been adjusted from retained earnings due to Prior Period Errors/Omissions by PVVNL.







U.P. POWER CORPORATION LIMITED
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CONSOLIDATED FINANCIAL STATEMENT

Note-28

ADMINISTRATIVE, GENERAL & OTHER EXPENSES

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022
Interest Expense on Electricity duty	103.97	94.08
Rent	3.76	3.93
Rates & Taxes	3.54	4.54
Insurance	4.31	4.65
Communication Charges	35.03	25.13
Legal Charges	28.13	21.25
Auditors Remuneration & Expenses	2.08	1.73
Consultancy Charges	38.59	55.21
Licence Fees	22.61	22.53
Technical Fees & Professional Charges	58.48	42.74
Travelling & Conveyance	70.55	50.04
Printing & Stationary	23.24	16.74
Advertisement Expenses	9.86	13.73
Electricity Charges	1,010.38	808.01
Water Charges	0.71	0.07
Entertainment	0.02	0.03
Expenditure on Trust	0.01	0.27
Miscellaenous Expenses	375.99	290.62
Expenses incurred for Revenue Realisation	81.39	129.72
Compensation	7.45	5.16
Compensation(Other than Staff)	46.30	40.58
Vehicle Expenses	83.15	59.42
Fees & Subscription	10.49	10.63
Online, Spot Billing & Camp Charges	665.80	626.08
Loss on sale of Assets Scrapped	-	1.76
Security charges	19.21	17.88
Rebate to consumer	13.82	15.45
Payment to Contractual Persons	292.92	234.30
Honorariums	0.08	0.01
Professional Charges	3.14	4.26
Sub Total	3,015.01	2,600.55
Expenses Allocated to DISCOMs and Others by UPPCL	-41.64	-48.44
Total	2,973.37	2,552.11

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CONSOLIDATED FINANCIAL STATEMENT

Note-29

REPAIRS AND MAINTENANCE

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022	
Plant & Machinery	639.29	658.84	
Buildings	39.28	32.86	
Other Civil Works	14.85	10.89	
Lines, Cables Networks etc.	1,598.26	1,555.62	
Energy Internally Consumed	186.01	189.38	
Vehicles - Expenditure	69.66	53.50	
Less: Transferred to different Capital & O&M Works/ Administrative Exp.	-69.66	-53.50	2,447.59
Furnitures & Fixtures	1.23	0.20	
Office Equipments	14.36	11.67	
Payment to Contractual Persons	166.80	152.55	
Transferred to different Capital & O&M Works/ Administrative Exp.	-166.80	-152.55	11.87
Sub Total	2,493.28	2,459.46	
Expenses Allocated to DISCOMS and Others by UPPCL	-2.15	-1.97	
Total	2,491.13	2,457.49	

Note-30

BAD DEBTS & PROVISIONS

(₹ in Crore)

Particulars	For the Year Ended on 31.03.2023	For the Year Ended on 31.03.2022	
(A) Provision for Bad & Doubt Debts on			
(i) Non Current Assets			
Financial Assets- Investments (Impairment)	2.21	44.76	
Financial Assets-Loans (Non-Current)	25.82	22.46	
Financial Assets-Others (Non-Current)	12.02	-	67.22
(ii) Current Assets			
Current Assets- Inventories	13.49	-0.22	
Financial Assets- Trade Receivables	14,518.47	7,683.22	
Financial Assets-Others (Current)	-11.51	-5.05	
Other Current Assets	0.68	-0.49	7,677.46
(B) Bad Debts Written Off			
Loss of Material			0.30
Total (A+B)	14,561.18	7,744.98	

U.P. Power Corporation Limited
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Note No.31

Notes to Accounts forming part of Consolidated Financial Statements for the F.Y 2022-23

1. **Brief:**

1.1 Under the U.P. Electricity Reforms Act, 1999 by Govt. of Uttar Pradesh (GoUP), the erstwhile Uttar Pradesh State Electricity Board (UPSEB) was unbundled into the following three separate entities through the first reforms Transfer Scheme dated January 14, 2000:

- Uttar Pradesh Power Corporation Limited (UPPCL): vested with the function of Transmission and Distribution within the State.
- Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL): vested with the function of Thermal Generation within the State.
- Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL): vested with the function of Hydro Generation within the State.

1.2 U.P. Power Corporation Limited (the "Company") was incorporated under the Companies Act, 1956 (now 2013) on 30.11.1999 and commenced the business w.e.f. 15.01.2000 in terms of Government of U.P. Notification No. 149/P-1/2000-24 dated 14.01.2000.

1.3 Under another transfer scheme dated January 15, 2000 the distribution business of Kanpur Electricity Supply Authority (KESA) under UPSEB was transferred to Kanpur Electricity Supply Company Limited (KESCO), a company registered under the companies' act, 1956, as a wholly owned subsidiary company of the UPPCL. The assets, liabilities and personnel of KESA were transferred to KESCO w.e.f. January 15, 2000, vide GoUP notification no. 186/ XXIV- I-2000 dated, January 15, 2000.

1.4 Due to division of State of Uttar Pradesh a separate State named as Uttaranchal (now Uttarakhand) came into existence w.e.f. November 09, 2001 and a separate company as Uttaranchal Power Corporation Ltd.(now Uttarakhand Power Corporation Ltd.) (UPPCL) had taken over commercial operations in the state of Uttarakhand as per Govt. of India's notification no. 42/7/2000-R&R dated November 05, 2001. The assets and liabilities and personnel relating to UPPCL w.e.f November 11, 2001 were transferred vide agreement dated October 12, 2003 with Uttarakhand Power Corporation Ltd.

1.5 After the enactment of the Electricity Act, 2003, the further unbundling of the UPPCL (Responsible for business of both transmission and distribution) was done. Therefore, the following four new distribution companies (DISCOMs) were created as per the Uttar Pradesh Power Sector Reforms(Transfer of Distribution Under Takings) Scheme, 2003 issued vide GoUP's Notification No. 2740/P-1-2003-24-14P/2003 Dated. 12.08.2003

- Purvanchal Vidyut Vitran Nigam Ltd. (PuVVNL).
- Madhyanchal Vidyut Vitran Nigam Ltd. (MVVNL).
- Dakshinanchal Vidyut Vitran Nigam Ltd. (DVVNL).
- Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL).

Under this Scheme the role of UPPCL was specified as Bulk Supply Licensee "as per the license granted by the commission and as "State Transmission Utility" under sub-section (1) of section 27- B of the Indian Electricity Act, 1910.

1.6 Subsequently, the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL), a Transmission Company (TRANSCO), was incorporated under the Companies Act, 1956 (now 2013) by an amendment in the 'Object and Name' clause of the Uttar Pradesh Vidyut Vyapar Nigam Limited. The Transco is entrusted with the business of transmission of electrical energy to various utilities and open access consumers within the State of Uttar Pradesh. This function was earlier vested with UPPCL. Further, Government of Uttar Pradesh (GoUP), in exercise of power under the Section 30 of the EA 2003, vide notification No. 122/U.N.N.P/24-07 Dated. July 18, 2007, notified Uttar Pradesh Power Corporation Limited as the "State Transmission Utility" of Uttar Pradesh. Subsequently, on December 23, 2010, the Government of Uttar Pradesh notified the Uttar Pradesh Electricity Reforms (Transfer of Transmission and Related Activities Including the Assets, Liabilities and Related Proceedings) Scheme, 2010, which provided for the transfer of assets and liabilities from UPPCL to UPPTCL with effect from April 01, 2007.

1.7 Thereafter, on January 21, 2010, as the successor Distribution companies of UPPCL (a deemed Licensee), the Distribution Companies, which were created through the notification of the UP-Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 were issued fresh Distribution Licenses, which replaced the UP-Power Corporation Ltd. (UPPCL) Distribution, Retail & Bulk Supply License, 2000.

1.8 As per Final Transfer Schemes of DISCOMs and Transco issued vide notification no. 1528/24-P-2-2015-SA(218)-2014 Dated November 03, 2015, and notification no. 1529/24-P-2-2015-SA(218)-2014 dated November 03, 2015 respectively, the final balances of assets and liabilities were given to 'DISCOMs' as on 11.08.2003, 'TRANSCO' as on 01.04.2007 and to the UPPCL as on 01.04.2007 as against the balances earlier notified by Provisional Transfer Schemes of DISCOMs and TRANSCO which were referred to in point 1.5 and 1.6 above.

Consequent upon the above notification the necessary adjustments in this regard were done in the annual accounts of the company for F.Y. 2014-15.

2. 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*	
			31-03-2023	31-03-2022
1	U.P Power Corporation Limited	Holding	NA	NA
2	Purvanchal Vidyut Vitran Nigam Limited**	Subsidiary	100	100
3	Pashchimanchal Vidyut Vitran Nigam Limited**	Subsidiary	100	100
4	Madhyanchal Vidyut Vitran Nigam Limited**	Subsidiary	100	100
5	Dakshinanchal Vidyut Vitran Nigam Limited**	Subsidiary	100	100
6	Kanpur Electricity Supply Company Limited**	Subsidiary	100	100

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

** It represents the Distribution Companies (DISCOMs).

3. 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

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distributed the same by the Holding Company to the DISCOMs, which have been accounted for accordingly.

4. The loan taken by the Subsidiary Companies through REC, PFC & Bonds during the financial year 2022-23 amounting to ₹ 7,963.37 crore, out of which ₹ 7,861.61 crore 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:-

(₹ In crore)

Sl.No.	Particulars	DVVNL	PuVVNL	PVVNL	MVNNL	Kesco	UPPCL	Total
							Total	
1	REC	-	-	28.34	4.51	-	1,911.00	1,943.85
2	PFC	3.81	43.88	0.90	20.32	-	3009.61	3078.52
3	Bond	-	-	-	-	-	3488.00	3488.00
Total		3.81	43.88	29.24	24.83	-	8,408.61	8,510.37

5. 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.
6. 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.
7. (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.

8. (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 NIL. (31stMarch 2022 Rs. 67.86 crore).

9. Provision for Bad & Doubtful Debts on Trade Receivables

(i) The Company has reviewed the policy of provision of Bad & Doubtful Debts followed for the year 2021-22, in order to ensure compliance as well as accounting in accordance with the provisions contained in the Ind AS-109 and companies Act, 2013. The objective of introducing/implementing new policy is to provide a scientific approach and logical mode of calculation for creating provision on the receivable reflecting at the Financial Year end i.e. 31.03.2023. The Company has adopted simplified approach described in the above Ind AS to calculate the expected credit loss as tabulated below:

(₹ In crore)			
Ageing Bucket	Arrear Amount	Provisioning %	Provisioning Amount
PuVVNL			
Up to 6 Months	2997.00	0%	0.00
Greater than 6 months and up to 1 year	1755.00	18%	309.00
Greater than 1 year and up to 2 years	1005.00	20%	198.00
Greater than 2 year and up to 3 years	1094.00	26%	289.00
Greater than 3 years	23366.00	40%	9346.00
Total Provision	30217.00		10142.00
MVVNL			
Up to 6 Months	769.44	0.00%	-
Greater than 6 months and up to 1 year	644.81	18.78%	121.10
Greater than 1 year and up to 2 years	1902.40	21.94%	417.34
Greater than 2 year and up to 3 years	952.41	29.19%	278.02
Greater than 3 years	18685.37	40.00%	7474.15
Total Provision	22954.43		8290.61
DVVNL			
Up to 6 Months	891.09	0%	0.00
Greater than 6 months and up to 1 year	556.58	19%	105.75
Greater than 1 year and up to 2 years	470.16	21%	98.73
Greater than 2 year and up to 3 years	571.57	27%	154.33

Greater than 3 years	16017.38	40%	6406.95
Total Provision	18506.78		6765.76
PVVNL			
Up to 6 months	1211.77	0%	0.00
Greater than 6 months and up to 1 year	-860.33	9%	-77.74
Greater than 1 year and up to 2 years	1306.95	11%	138.28
Greater than 2 year and up to 3 years	661.28	17%	109.92
Greater than 3 years	10103.12	40%	4041.24
Total Provision	12422.79		4211.70
*Dues receivables from Government Consumers have not been considered for provisioning for Bad & Doubtful Debts.			
KESCO			
Upto 6 months	(9.01)	0%	0.00
Greater than 6 months and upto 1 year	74.32	12.08%	8.97
Greater than 1 year and upto 2 years	162.01	13.85%	22.43
Greater than 2 years and upto 3 years	86.71	20.34%	17.64
Greater than 3 years	2227.08	40%	890.83
Total Provision	2541.10		939.88

Note: - Following assumption/management estimate has been considered while formulating the above mentioned provisioning rates:

- Electricity dues/receivables from Government Consumers as at the financial year end has not been considered for provisioning towards Bad & Doubtful Debts considering that the GoUP makes the provision regularly in its budget towards payment against electricity dues/receivables from the Departments of GoUP based on the decision taken to release payment of electricity dues/receivables centrally. Further, the Central Government's Departments generally make regular payment of electricity dues/receivables.
- Under age bucket upto 6 month:- As company believes that the consumers in this category are in the phase of temporary disconnection for 6 months until it becomes permanently disconnected and would pay their dues within 6 months from the date of being temporarily disconnected based on the collection efforts and initiatives being taken. The chances of recovery during this period are significantly higher. Therefore it has been assumed that the expected loss amount would be zero in this age bucket.
- Under age bucket greater than 3 year:- As per IND AS 109 under this age bucket as per the simplified approach calculation loss amount would be the total outstanding amount which expects provisioning at the rate of 100 percent. However, based on the collection efforts and the current and future initiatives being undertaken for collection it has been decided to follow a graded provisioning over a period of four years from the current financial year i.e F.Y. 2022-23. Under these assumptions, in the current financial year provisioning @ 40%

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on trade receivables is proposed under this age bucket for F.Y. 2023 and the same would be increased by another 20% each year till FY2026. From F.Y. 2026 onwards, 100% provision would be applicable under this age bucket.

(ii) As required in the Ind AS-8, the effect of changes due to revised estimation towards provision for Bad & Doubtful Debts on Trade Receivables in the current year is as under:-

(Rs. In Crores)			
Particulars	Amount as per Revised Estimate Amount (₹ in crore)	Amount as per Previous Estimate Amount (₹ in crore)	Additional amount of Provision (₹ in crore)
MVNNL	4,174.32	840.59	3333.73
PuVVNL	5084.00	1022.00	4062.00
PVVNL	2203.38	(60.79)	2264.17
DVVNL	2666.82	26.40	2640.42
Kesco	390.36	32.41	357.95
Total	14518.88	1860.61	12658.27

• The effect of changes due to above accounting estimate in future reporting periods could not be ascertained as it is impracticable to determine the future outstanding balance of Trade Receivable.

(iii) The details of provision for doubtful loans & advances are as under:-

(a) 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 and an amount of Provision ₹ 0.04 Crore increased by Kanpur Electricity Supply Company Limited against the unadjusted advances for more than two year as shown and clubbed in the Note no. 13 (in Rs. 8.40 Crore).

(b) 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).

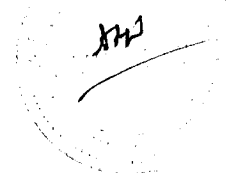
(iv) A provision for doubtful receivables to the extent of 10% on the balances appearing under the different heads of "Financial Assets-Other- Current" Note no. 12 by UP Power Corporation Limited and Pashchimanchal Vidyut Vitran Nigam Limited. 10% Provision on Receivable from Employees by Purvanchal Vidyut Vitran Nigam Limited and an amount of ₹0.39 Crores increased by Kanpur Electricity Supply Company Limited against the doubtful receivables from Employees for more than two years as shown in "Financial Assets-Other- Current" Note no. 12.

(v) 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.

10. (a) Transmission charges are accounted for by the Discoms as per the bills raised by the Uttar Pradesh Power Transmission Corporation Limited.

(b) As per the UPERC's Tariff/True-Up order dated 24.05.2023 for the F.Y. 2021-22, the UPPTCL has raised the Supplementary Bills of ₹ 113.76 crore against the bills earlier raised for the F.Y. 2021-22. The bills have been received before finalization of Financial Statements of the Company for the F.Y. 2022-23. Hence, in accordance with

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the provisions contained in the Ind AS-10 (Events after the reporting period), the company has considered the same as material adjusting event and recognized/accounted for in the financial statements for the F.Y. 2022-23.

11. Government dues payable in respect of Electricity Duty and other Levies amounting to Rs12584.71 crore shown in Note-20 include Rs.913.04 crore on account of Other Levies realized from consumers.
12. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.
13. (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 Asset 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.
14. 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). (₹ in crore)

	<u>31.03.2023</u>	<u>31.03.2022*</u>
<u>Earning per share:</u>		
(a) Net Profit/(Loss) after tax (numerator used for calculation)	(15869.73)	(5617.11)
(b) Weighted average number of Equity Shares* (denominator for calculating Basic EPS)	1149194985	1060503625
(c) Weighted average number of Equity Shares* (denominator for calculating Diluted EPS)	1156627615	1066980407
(d) Basic earnings per share of Rs. 1000/- each (EPS Amount in Rupees)	(138.09)	(52.97)
(e) Diluted earnings per share of Rs. 1000/- each (EPS Amount in Rupees)	(138.09)	(52.97)

*Figure of loss has been restated considering the Ind AS-08.

(As per para 43 of IndAS-33 issued by Institute of Chartered Accountants of India, Potential Equity Shares are treated as Anti-Dilutive as their conversion to Equity Share would decrease loss per share, therefore, effect of Anti-Dilutive Potential Equity Shares are ignored in calculating Diluted Earnings Per Share)*Calculated on monthly basis.

15. (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

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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 2022-23 on the basis of Actuarial Reports.

16. Amount due to Micro, Small and medium enterprises related to Subsidiaries (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.

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

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

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

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

Sl. No.	Details	F.Y 2022-23 (Units in MU)	F.Y 2021-22 (Units in MU)
(i)	Total number of units purchased	137289.92	123406.88
(ii)	Total number of units sold	108409.93	93744.87
(iii)	Distribution Losses	28879.99	29662.01

(b) Contingent Liabilities and Commitments:-

Sl. No.	Details	Amount (₹ In crore)	
		F.Y 2022-23	F.Y 2021-22
1	Estimated amount of contracts remaining to be executed on capital	2.51	5.39
2	Power Purchase	6488.21	10083.93
3	Interest on RAPDRP Loan	0.00	0.00
4	Statutory Dues	1.03	3.63
5	Others Contingencies*	694.59	704.87
	Total	7186.34	10797.82
	Contingent Assets**	0.00	4.82

* In UPPCL Standalone, the amount of Other Contingencies earlier shown in previous year (F.Y. 2021-22) of ₹ 1630.23 crore has been restated to ₹ 14.20 crore as the difference amount of ₹ 1616.03 crore (1630.23-14.20) is already included in the amount of contingent liabilities against the Power Purchase of ₹ 10083.93 above.

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** In F.Y. 2018-19, M/s NHPC had provisionally deducted and deposited TDS of ₹ 0.48Crore in relation to interest payable amounting ₹ 4.82 Crore to UPPCL which was neither billed nor due in 2018-19. Hence, the amount of ₹ 4.82 Crore as reflected in 26AS of UPPCL for the year 2018-19 had been disclosed as Contingent Assets since F.Y. 2018-19 till the F.Y. 2021-22. In F.Y. 2022-23 whole amount of interest has been billed by NHPC and the same has been accounted for in the books of the company. Hence, it has been deleted from Contingent Assets in the F.Y. 2022-23.

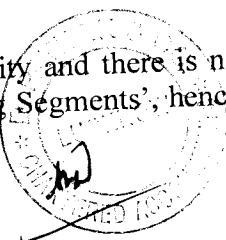
C-Disclosure as per Schedule III to the Companies Act, 2013

Sl. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities as at 31.03.2023		Share in Profit or Loss for the Year 2022-23		Share in other comprehensive income for the Year 2022-23		Share in Total Comprehensive income for the Year 2022-23	
		As % of Consolidated Net Assets	Amount (₹ in Crore)	As % of Consolidated Profit or Loss	Amount (₹ In Crore)	As % of Consolidated other comprehensive income	Amount (₹ in Crore)	As % of Consolidated Total Comprehensive income	Amount (₹ in Crore)
A	Parent								
	U.P. Power Corporation Ltd., Lucknow	36.55	7035.91	91.89	(14572.24)	11.34	(1.27)	91.83	(14573.51)
	Add: Reversal of Provision through P&L	0.00	0.00	(92.00)	14589.82	0.00	0.00	-91.93	14589.82
	Restated Balance	36.55	7035.91	(0.11)	17.58	11.34	(1.27)	(0.10)	16.31
B	Subsidiaries (Restated)								
	Madhyanchal Vidyut Vitran Nigam Ltd., Lucknow	15.82	3045.97	30.39	(4819.92)	41.52	(4.65)	30.40	(4824.57)
	Purvanchal Vidyut Vitran Nigam Ltd., Varanasi	35.35	6804.65	41.68	(6610.27)	-69.46	7.78	41.60	(6602.49)
	Pashchimanchal Vidyut Vitran Nigam Ltd., Meerut	43.81	8433.92	(6.25)	991.67	53.84	(6.03)	-6.21	985.64
	Dakshinanchal Vidyut Vitran Nigam Ltd., Agra	(22.41)	(4314.36)	31.99	(5073.77)	44.73	(5.01)	32.00	(5078.78)
	Kanpur Electricity Supply Company Ltd., Kanpur	(9.12)	(1755.65)	(0.00)	0.52	18.04	(2.02)	0.01	(1.50)
C	CFS Adjustments								
	CFS Adjustments (refer Note 15)			2.30	(364.34)			2.30	(364.34)
	Total	100.00	19250.44	100.00	(15858.53)	100.00	(11.20)	100.00	(15869.73)

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

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21. RELATED PARTY DISCLOSURE:

Part-I

Names of the Related Parties and Description of Relationship:

(a) Related Parties where control exists:

- i. Subsidiaries (DISCOMs)
 1. Purvanchal Vidyut Vitran Nigam Ltd. (PuVVNL)
 2. Madhyanchal Vidyut Vitran Nigam Ltd. (MVVNL)
 3. Dakshinanchal Vidyut Vitran Nigam Ltd. (DVVNL)
 4. Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL)
 5. Kanpur Electricity Supply Company Ltd. (KESCO)
- ii. Employment Benefit Funds
 1. U.P. Power Sector Employees Trust (GPF)
 2. U.P. Power Corporation Employees Contributory Provident Fund Trust (CPF)

(b) Other Related Parties (Where Transactions have been taken place during the year or previous year/balances outstanding)

1. Associates and Related Entities -*Nil*
2. Joint Venture Corporation -*Nil*

(c) Go UP-Related Power Sector Entities (under the same government):

1. U.P. Rajya Vidyut Utpadan Nigam Ltd.(UPRVUNL)
2. U.P. Jal Vidyut Nigam Ltd.(UPJVNL)
3. U.P. Power Transmission Corporation Ltd.(UPPTCL)
4. U.P. State Load Dispatch Center Limited (UPSLDC)

(d) Disclosure as per Ind AS 27 (Separate Financial Statements):

i. Key Management Personnel:-

Name	Name of Post	Date of Appointment	Date of Cessation
U.P Power Corporation Limited.			
(b) Key Management Personnel: -			
Shri M. Devaraj	Chairman	02.02.2021	Till Date
Shri Pankaj Kumar	Managing Director	10.03.2021	Till Date
Shri Nidhi Kumar Narang	Director (Finance)	01.06.2022	Till Date
Shri Amit Kumar Srivastava	Director (Commercial)	24.05.2022	Till Date
Shri KamaleshBahadurSingh	Director (Corporate Planning)	18.06.2022	Till Date
Shri SourajitGhosh	Director (I.T.)	18.06.2022	Till Date
Shri MrugankShekhar Dash Bhattamishra	Director (Personnel and Administration)	12.07.2022	Till Date
Shri Ajay Kumar Purwar	Director (P & A)	10.07.2019	09.07.2022

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Shri Ashwani Kumar Srivastava	Director (Distribution)	19.01.2021	23.07.2022
Shri Anil Kumar Awasthi	Chief Finance Officer	05.03.2020	30.11.2022
Shri Nitin Nijhawan	Chief Finance Officer	01.12.2022	Till Date
Smt Jyoti Arora	Company Secretary	30.07.2021	16.07.2022
Shri Jitesh Grover	Company Secretary (Additional Charge)	22.08.2022	Till Date
Nominee Directors :			
Shri Guru Prasad Porala	Nominee Directors	23.07.2021	Till Date
Shri Anupam Shukla	Nominee Directors	10.08.2022	Till Date
Smt. Neha Sharma	Nominee Directors	02.09.2022	Till Date
Shri Neel Ratan Kumar	Nominee Directors	16.04.2013	Till Date
Shri Jawed Aslam	Nominee Directors	17.07.2020	06.06.2022
Shri Kanhaiya Lal Verma	Nominee Directors	06.06.2022	Till Date
Shri Ranjan Kumar Srivastava	Nominee Directors	17.07.2021	01.06.2022
Shri Anil Kumar	Nominee Directors	13.01.2022	30.06.2022
Shri Sanjai Kumar Singh	Nominee Directors	14.02.2023	Till Date
Purvanchal Vidyut Vitran Nigam Limited			
List of Directors & Key Managerial Personnel			
Shri M Devaraj	Chairman	02-Feb-21	Till Date
Shri Vidya Bhushan	Managing Director	28-Jun-21	01-Sep-22
Shri Shambhu Kumar	Managing Director	08-Oct-22	Till Date
Shri Prithvi Pal Singh	Director(Technical)	01-Mar-20	28-Feb-23
Shri Mahesh Chandra Pal	Director(Finance)(Additional Charge)	20-Jul-21	23-May-22
Shri Santosh Kumar Jadia	Director(Finance)	23-May-22	Till Date
Shri Shesh Kumar Baghel	Director(P&A)	20-Jan-21	07-Jan-23
Shri Rajendra Prasad	Director(Commercial)	27-May-22	Till Date
	Director (P&A) (Additional Charge)	22-Mar-23	Till Date
Shri Mahesh Chandra Pal	Chief Finance Officer	13-Oct-21	23-May-22
Shri Santosh Kumar Jadia	Chief Finance Officer	23-May-22	13-Jan-23
Shri Amit Rohila	Chief Finance Officer	13-Jan-23	Till Date
Shri S.C. Tiwari	Company Secretary	01-Sep-15	Till Date
Madhyanchal Vidyut Vitran Nigam Ltd: -			
Shri M. Devraj	Chairman	01.02.2021	Till Date
Shri Chandra Vijay Singh	Managing Director	27.01.2022	02.04.2022
		05.04.2022	08.06.2022
		08.06.2022	Till Date
Shri Bhawani Singh Khangraut	Director (PM & A)	19.01.2021	03.09.2022
Shri Pradeep Kakkar		07.10.2022	Till Date
Shri Yogesh Kumar		05.02.2021	21.05.2022
Shri Pradeep Kakkar	Director (Commercial)	21.05.2022	Till Date
Shri Yogesh Kumar			

Shri PradeepKakkar	Director (Technical)	21.09.2021	07.06.2022
Shri Ajay Kumar Srivastava		07.06.2022	Till Date
Shri Mahesh Chandra Pal	Director (Finance)	29.02.2020	08.07.2022
Shri Nidhi Kumar Narang		13.07.2022	26.09.2022
Shri Santosh Kumar Jadia		26.09.2022	Till Date
Shri Santosh Kumar Jadia		28.07.2020	29.08.2022
Smt. SaumyaAgarwal	Women Director	29.08.2022	Till Date
Smt. SandeepKaur		22.12.2022	Till Date
Sri. Sanjeev Kumar Verma	Chief Financial officer	10.03.2021	Till Date
Shri Pankaj Kumar	Nominee Director	23.07.2021	Till Date
Shri P. Guruprasad	Nominee Director	17.07.2021	01.06.2022
Shri Ranjan Kumar Shrivastava	Nominee Director	01.06.2022	Till Date
Shri Nidhi Kumar Narang			
Dakshinanchal Vidyut Vitran Nigam Ltd: -			
Key management personnel of the Company			
Shri AmitKishor (IAS)	Managing Director	05.03.2021	Till Date
Shri Hamendra Kumar Agarwal	Director (Finance)	21.05.2022	Till Date
Shri Rajeev Sharma	Director (PM & A)	20.05.2022	Till Date
Shri Brij Mohan Sharma	Director (Technical)	19.08.2021	Till Date
Shri S.K. Gupta	Director (Commercial)	09.08.2019	30.06.2022
Shri Hamendra Kumar Agarwal	Chief Financial officer	14.07.2022	Till Date
Smt. J. Reebha (IAS)	Nominee Director	28.08.2022	Till Date
Smt. NamrataSrivastava	Company Secretary	22.03.2023	Till Date
Pashchimanchal Vidyut Vitran Nigam Ltd.			
Key management personnel of Parent Company			
Shri M. Devaraj	Chairman	05.11.2019	Till Date
Shri P. Guruprashad	Nominee Director	23.07.2021	Till Date
Shri Pankaj Kumar	Nominee Director	10.03.2021	Till Date
Shri Aravind Mallappa Bangari	Managing Director	14.10.2019	20.01.2023
Miss Saumya Agarwal	Nominee Women Director	28.07.2020	29.08.2022
Smt. Nidhi Srivastava	Nominee Women Director	29.08.2022	Till Date
Smt. Chaitra V.	Managing Director	20.01.2023	Till Date
Shri Nidhi Kumar Narang	Nominee Director	01.06.2022	Till Date
Shri Ranjan Kumar Srivastava	Nominee Director	17.07.2021	01.06.2022
Shri Anupam Shukla	Nominee Director	02.02.2023	Till Date
Shri Rakesh Kumar	Director	19.01.2021	02.06.2022
Shri Ishwar Pal Singh	Director	10.08.2019	31.07.2022
Shri Lalit Kumar Gupta	Director	29.02.2020	28.02.2023
Shri Shachindra Kumar Purvar	Director	21.05.2022	Till Date
Shri Sachin Kamboj	Chief Financial Officer	28.05.2022	Till Date
Shri Jitesh Grover	Company Secretary	19.05.2021	Till Date

KESCO			
Key managerial personnel of KESCO			
Shri M Devaraj ,IAS	Chairman	10.03.2022	Till Date
Shri Pankaj Kumar, IAS	Managing Director, UPPCL (Nominee Director)	10.03.2022	Till Date
Shri Anil Dhingra, IAS	Managing Director, KESCO	12.02.2022	22.02.2023
Shri Samuel Paul N., IAS	Managing Director, KESCO	23.02.2023	Till Date
Shri NidhiNarang	Director (Finance), UPPCL (Nominee Director)	01.06.2022	Till Date
Shri HK Agarwal	Director (Finance), KESCO	12.12.2022	Till Date
Shri Sanjay Srivastava	Director (Technical)	20.01.2021	Till Date
Shri Ranjan Kumar Srivastav	Director (Finance), UPPCL (Nominee Director)	17.07.2021	01.06.2022
Shri Vishakh G, IAS	DM Kanpur,(Nominee Director)	08.06.2022	31.03.2022
Smt Neha Sharma, IAS	DM Kanpur,(Nominee Director)	23.01.2022	08.06.2022
Smt Saumya Agarwal, IAS	Women Director	28.07.2020	29.08.2022
Smt Yashu Rustagi	Women Director	29.08.2022	Till Date
Shri Anand Kumar	Chief Finance Officer	22.12.2022	Till Date
Smt Abha Sethi Tandon	Company Secretary	14.03.2013	03.02.2023
Smt Pallavi Malhotra Khurana	Company Secretary	03.02.2023	Till Date

ii. Relative of Key Managerial Personnel (if any)
(Where transaction have taken place during the year or previous year/balances outstanding)
-NIL

Part-II

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: -

Particulars	(₹ In crore)	
	2022-23	2021-22
Salary & Allowances	8.68	6.79

Leave Encashment	1.04	0.57
Contribution to Gratuity/ Pension/ PF	0.80	0.14

(b) Transactions with GoUP Related Power Sector Entities

(₹ In crore)

S.No	Particulars	GoUP Related Power Sector Entities (Under Same Government)		
		UPRVUNL	UPJVNL	UPPTCL
1.	Purchase of Power	12,400.61	95.03	-
2.	Transmission Charges	-	-	3296.26
3.	Allocation of Common Expenditure	0.81	0.31	18.42
4.	Investment in Equity	-	-	-
5.	Share Application Money	-	-	-
6.	Other Receivables	0.74	-	16.79
7.	Other Payables	(885.54)	60.34	-

Part-IV

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


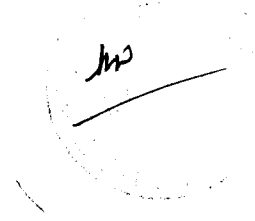
(₹ In crore)

Particulars	31 st March 2023	31 st March 2022
Amount Recoverable		
From Others		
➤ UPPTCL	557.36	542.34
Amount Payable		
To Others		
➤ UPJVNL (Note no. 12 Rs. -0.85, Note- 20 Rs. 86.76 and Rs. 637.65 crore refer point no. 42(B) of Notes on Accounts)	723.56	783.90
➤ UPPSET	1395.08	1339.60
➤ UPRVUNL (Note no. 12 Rs. -10.43 And Rs. 7809.58 crore refer point no. 42(B) of Notes on Accounts)	7799.15	6914.35
➤ UPPCL CPF	49.78	62.06

22. **Government Grants and Subsidies:**

- a. Grants / Subsidies received under different schemes for DISCOMs are treated initially as payable to DISCOMs and subsequently are transferred to DISCOMs concerned.
- b. During the period Capital Grant ₹ 498.00 Crore, Revenue Grant/Subsidy of ₹21802.37Crore and Additional Subsidy for Operational Loss funding (RDSS) of ₹8007.72Crore have been received from Govt. of U.P. (including other department) on behalf of the DISCOMs and have also been distributed to the DISCOMs. Necessary entries are accounted for in the books of DISCOMs in the respective functional heads. The DISCOMs wise details are furnished below:



(₹ in Crore)

Particulars	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total
Capital Grant/ Subsidy	127.00	130.50	148.50	92.00	-	498.00
Revenue Grant/ Subsidy*	6101.68	4751.03	4825.10	6053.28	71.28	21802.37
Additional Subsidy for Operational Loss funding (RDSS)	2681.12	2404.36	957.04	1588.96	376.24	8007.72
Total	8909.80	7285.89	5930.64	7734.24	447.52	30308.09

*This includes Tariff Subsidy of PTW consumers Rs. 1250 Crore, Power Loom consumers Rs. 3750 Crore and RGGY Rs. 182.14 Crore. This also includes Rs. 1000 Crore as mentioned in Point no. 22 (f).

(₹ in Crore)

Particulars	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total
Capital Grant/ Subsidy	-	-	6.00	-	-	6.00
Revenue Grant/ Subsidy	5369.45	3895.96	3124.50	4632.76	(5.72)	17016.95
Additional Subsidy for Operational Loss funding (Action Plan)	1709.75	1417.50	1120.31	846.43	278.51	5372.50
Total	7079.20	5313.46	4250.81	5479.19	272.79	22395.45

- c. It has been clarified by the GoUP; vide its circular no. 1772/24-1-2023-03/2023 dated. 05 July, 2023, that the provision of ₹ 5372.50 Crore and ₹ 8007.72 Crore made in the Budget for the year 2021-22 and 2022-23 are not related to UDAY Scheme but are related towards funding against losses as per ACTION PLAN and Revamped Distribution Sector Scheme (RDSS). The details of Subsidy/Fund received from GoUP under the above schemes and distributed the same to the subsidiaries (DISCOMs) are as under:

(₹ in Crore)

S.No.	Name of DISCOMs	Amount Allocated and Distributed	
		Year 2022-23 RDSS	Year 2021-22 Action Plan
1	PuVVNL	2681.12	1709.75
2	MVVNL	2404.36	1417.50
3	DVVNL	957.04	1120.31
4	PVVNL	1588.96	846.43
5	KESCO	376.24	278.51
Total amount received from GoUP		8007.72	5372.50

- d.
- As per GO no. 445-1-21-731 (Budget)/2020 dated 05.03.2021, GoUP has accepted to provide additional revenue subsidy of ₹ 39,743 Crore to the DISCOMs (subsidiaries) for the period 2007-08 to 2019-20 as approved by the UPERC through its Tariff/ True-up orders issued from time to time.
 - The above GO also provided that, out of total additional revenue subsidy of ₹ 39,743 Crore, ₹ 25,081.46 Crore shall be deemed to be paid from the grants provided to the DISCOMs by the GoUP under UDAY in earlier years. The balance amount of ₹ 14,661.54 Crore shall be paid to the DISCOMs by GoUP in the next 10 years, commencing from 2021-22. The company allocated the above additional revenue subsidy to DISCOMs as below:

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S.No.	Name of DISCOM	Amount (₹ in Crore)
1	PuVVNL	12,367.00
2	MVVNL	3,490.00
3	DVVNL	9,213.00
4	PVVNL	14,673.00
5	KESCO	0.00
	Total	39,743.00

- iii. As per the above GO, the subsidies of ₹ 20940.00Crore (₹ 14661.54 Crore of revenue subsidy and ₹6258.46 Crore of UDAY loss) is receivable from the GoUP in favour of DISCOMs through the company (UPPCL) and the same are to be paid by the GoUP in 10 years beginning from 2021-22. DISCOM wise details are as under:

S.No.	Name of DISCOM	Amount (₹ in Crore)
1	PuVVNL	8115.54
2	MVVNL	978.08
3	DVVNL	2159.69
4	PVVNL	9146.45
5	KESCO	540.24
	Total	20,940.00

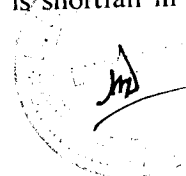
- iv. The details of the amount received against the subsidiaries of ₹ 20940.00 Crore are as under:

(Amount ₹ in Crore)						
Particulars	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total
Balance as on 31.03.2021	8115.54	978.08	2159.69	9146.45	540.24	20940.00
Received during 2021-22	775.12	93.42	206.27	873.59	51.60	2000.00
Balance as on 31.03.2022	7340.42	884.66	1953.42	8272.86	488.64	18940.00
Received during 2022-23	775.12	93.42	206.27	873.59	51.60	2000.00
Balance as on 31.03.2023	6565.30	791.25	1747.14	7399.27	437.04	16940.00

- e. Grants/Subsidies received under different schemes for DISCOMs (subsidiaries) are treated initially as payable to DISCOMs and subsequently are transferred to/ adjusted against DISCOMs.
- f. As per approved ARR and Tariff for State DISCOMs for FY-2022-23-ARR for FY-2021-22 and true up for 2020-21, the UPERC has observed that there is shortfall in subsidy of

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₹1170.75 Crore that is required by DVVNL, MVVNL and PVVNL whereas in PuVVNL, there is surplus as detailed below:-

Name of DISCOMs	Deficit/ Surplus Subsidy (₹ in Crore)
PuVVNL	-404.58
MVVNL	531.62
DVVNL	423.00
PVVNL	620.72
KESCO	-
Total	1170.76

In respect of the above, UPERC has directed to approach the GoUP for the aforesaid subsidy. Accordingly, UPPCL approached the GoUP and the GoUP has approved ₹ 1000 Crore in its budget for the year 2022-23 against the shortfall in subsidy of ₹ 1170.76Crore. The UPPCL has proportionately allocated ₹ 1000 Crore amongst the DISCOMs as under: -

Name of DISCOMs	Amount (₹ in Crore)
PuVVNL	-345.57
MVVNL	458.08
DVVNL	361.30
PVVNL	530.19
Total	1000.00

- g. The DISCOMs (subsidiaries) have accounted for ₹39743.00 Crore and ₹6278.00 Crore towards revenue subsidy and UDAY loss Grant respectively, as stated above, in their account for the year 2020-21, and, therefore, due to impact on the net worth of the DISCOMs for the FY-2020-21, the company (UPPCL) has reversed the provision for impairment in investment of DISCOMs amounting to ₹17109.17 Crore in the year 2020-21 from the accumulated provision of ₹ 71502.12 Crore created up to 2019-20, for the same.
- h. In compliance of the Supreme Court order, provisions have been made in accounts in respect of differential tariff claim of two Solar Power Generators (M/s Adani Green Energy (UP) Ltd. and M/s Sahastradhara Energy Pvt Ltd.). Further, the accounting for subsidy portion receivable from UPNEDA against claimed amounts has not been done in compliance of Prudence Principle of accounting.

23. Due to heavy accumulated losses i.e. ₹ 109521.61 Crore on 31.03.2023 and uncertainties to recover such losses in near future, the deferred tax assets have not been recognized in accordance with Para 34 of Ind AS-12 (Income Taxes) issued by ICAI.

24. Financial Risk Management

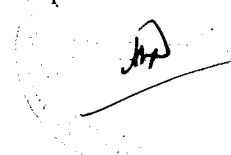
The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes borrowings/advances, trade & other receivables and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

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

- i. **Credit Risk:** Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligation resulting in a financial loss to the Company. Credit risk arises principally from cash & cash equivalents and deposits







with banks and financial institutions. In order to manage the risk, company accepts only high rated bank/FIs.

ii. **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 Company'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 Company has no material foreign currency transaction hence there is no Market Risk w.r.t foreign currency translation.

iii. **Market Risk- Interest Rate Risk:** The Company 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 Company manages the interest rate risks by entering into different kind of loan arrangements with varied terms (eg. Rate of interest, tenure etc.)

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments are as under:

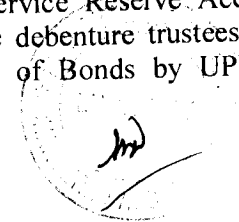
		(₹ in Crore)
		2022-23
INTEREST RATE RISK	Particulars	Total
Financial Assets		
	Fixed Interest Rate Instruments- Deposits with Bank	3666.35
	Total	3666.35
Financial Liabilities		
	Fixed Interest Rate Instruments- Financial Instrument Loan	78258.88
	Variable Interest Rate Instruments- Cash Credit from Banks	200.70
	Total	85792.28
		2021-22
INTEREST RATE RISK	Particulars	Total
Financial Assets		
	Fixed Interest Rate Instruments- Deposits with Bank	4316.86
	Total	4316.86
Financial Liabilities		
	Fixed Interest Rate Instruments- Financial Instrument Loan	81869.60
	Variable Interest Rate Instruments- Cash Credit from Banks	0.03
	Total	90503.35

* It includes Short Term Loan, Overdraft and Cash Credits.

iv. **Fair value sensitivity analysis for fixed-rate instruments:** The Company's fixed rate instruments are carried at amortized 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.

v. **Liquidity Risk:** Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company'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. Further fixed deposit in Note-8, 11-A and 11-B, of ₹2869.84 crore includes ₹2185.96 crore placed with ICICI bank out of which ₹1665.39 crore are in terms of Debt Service Reserve Account (DSRA)/Bond Service Reserve Account (BSRA) as per bond issuance terms/agreements executed with the debenture trustees M/s Beacon Trusteeship Ltd./M/s Vistra ITC Ltd. for various issues of Bonds by UPPCL.



However, there is a risk factor associated with placement of major portion of deposits with any one bank.

The Company manages 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.

25. Capital Management

The Company'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 Company is wholly owned by the GoUP and the decision of injecting the equity in the company lies solely with the GoUP. The company 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.

26. In the opinion of management, there is no specific indication of impairment of assets except Investment in Subsidiaries & Associates as on balance sheet date as envisaged by Ind AS-36 (Impairment of Assets). Further, the assets of the company 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 in Investment in Subsidiaries and Associates is calculated on the basis of Net worth of Subsidiaries & Associates since consistent basis.

27. 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-1 is attached.

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

Subsidiaries

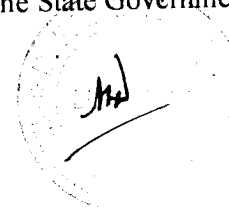
The Group's subsidiaries at 31st March 2023 are set out below. They have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group.

Name of Entity	Place of Business/ Country of Origin	Ownership interest held by the Group (%)		Ownership interest held by Non-controlling interest (%)		Principal activities
		31-03-23	31-03-22	31-03-23	31-03-22	
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

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

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30. Consequent to the applicability of Ind-AS the financial statements for the year ended 2022-23 has been prepared as per Ind-AS. Accordingly previous year's figures have been regrouped/ rearranged wherever necessary to confirm to this year classification.
31. 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 31.03.2023 and accordingly the same has been taken by the Subsidiaries and other power sector companies owned by GoUP.
32. The Expenses allocated by the U.P Power Corporation Limited for the year 2022-23 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.
33. 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 evacuation/ transmission of Power 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 the Company, the Board of Directors of the Company in its 139th Meeting held on 21st May, 2018 has approved/ratify the above mentioned decision of the Directors of Southern U.P. Power Transmission Company Limited.

The decision Board of Directors of the Company 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 the Company 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 the Company for the amount of Rs. 2.22 Crore in consideration of converting borrowings. The Board of the company, in its meeting dated 13.09.2018, has accorded to apply under section 248 of the Companies Act 2013, read with rule 4(1) of the companies (Removal of Name of Companies from Register of Companies) Rule, 2016 to strike off its name from Register maintained by the Registrar of Companies, Uttar Pradesh. Correspondingly the Company has shown this equity shares under the head of Investments and full impairment has been provided. Further, the Southern U.P. Power Transmission Company Limited has been struck off in the records of the register of the companies in the month of May 2022.

34. The figures as shown in the Balance Sheet, Statement of Profit & Loss, and Notes shown in (.....) denote negative figures.
35. Previous year's figures have been regrouped/ rearranged/ reclassified wherever necessary to make them comparable/ better presentation with the current year figures.
36. **Exceptional Items:**

The company presents the information excluding exceptional items which allows a better understanding of underlying performance of the company. Exceptional items are identified by

virtue of nature so as to facilitate, the comparison with prior period and to assess underlying trends in financial performance of the company. Accordingly, the company has shown the amount of loss incurred by the Trusts (CPF & GPF) on investment in DHFL as 'Exceptional Items' in the profit and loss account as detailed below:

Breakup of Exceptional Item for the FY 2021-22								
(Rs. in Crore)								
Letter No	Name of Item	UPPCL	PuVVNL	MVVNL	DVVNL	PVVNL	Kesco	Total
CPF 1021 dated 11-07-2022	Principal & Interest	25.13	191.11	154.36	108.04	161.17	17	656.81
GPF 787 dated 11-07-2023	Principal & Interest	118.57	236.41	222.6	135.61	172.94	77.1	963.23
								1620.04
Breakup of Exceptional Item for the FY 2022-23								
(Rs. in Crore)								
Letter No	Name of Item	UPPCL	PuVVNL	MVVNL	DVVNL	PVVNL	Kesco	Total
CPF 455 dated 06-05-2023	Interest	1.78	13.57	10.96	7.67	11.44	1.21	46.63
GPF 637 dated 31-05-2023	Interest	7.11	7.27	9.18	19.43	6.7	2.38	52.06
								98.69

37. Reconciliation of Inter Company Transactions is as under:

A. Investment in Subsidiaries (DISCOMs)									
(a) The details of Investment and Share Application Money Pending for Allotment in subsidiary DISCOMs are as under:									
Sl. No.	Name of DISCOM	As at 31.03.2023				As at 31.03.2022			
		Investment	Provision of Impairment of Investment	Investment After Impairment	Share Application Money Pending For Allotment	Investment	Provision of Impairment of Investment	Investment After Impairment	Share Application Money Pending For Allotment
1	2	3	4	5	6	7	8	9	10
1	PuVVNL	25,193.58	19,080.93	6,112.65	691.99	21,234.79	11,687.75	9,547.04	2,870.30
2	MVVNL	22,784.46	20,345.04	2,439.42	606.56	20,352.24	15,489.31	4,862.93	1,157.43
3	DVVNL	23,461.74	23,461.74	-	526.73	21,443.52	21,443.52	-	993.04
4	PasVVNL	17,127.92	10,570.27	6,557.65	1,876.17	16,176.39	10,571.45	5,604.94	1,462.17
5	KESCO	2,249.31	2,249.31	-	181.97	1,984.76	1,984.76	-	264.55

	Total	90,817.01	75,707.29	15,109.72	3,883.42	81,191.70	61,176.79	20,014.91	6,747.49
(b) Provision for impairment of investment for the current year is Rs. 14,530.50 crore (previous year- Rs. 6783.88 crore)									
(c) The above Investment and Share Application Money Pending for Allotment have been eliminated/ removed in CFS against the Share Capital and Share Application Money Pending For Allotment shown in the SFS of the DISCOM concerned.									
(d) As per practice had been upto the year 2020-21, the Provision of Impairment of Investment was being reversed through the Retained Earnings (Under the Other Equity). From the year 2021-22, the practice of reversal of the Provision of Impairment of Investment through the Profit & Loss Account has been started. Accordingly, the corresponding Provision of Impairment of Investment of Rs.14,530.50 crore for the current year(previous year- Rs. 6,783.88 crore) has been reversed from the Profit & Loss Account.									

B.

a) Other Adjustments made in CFS (F.Y. 2022-23) as tabulated below:

(Rs. in Crore)

Note	Name of Note	Balance/Amount Before Adjustments	Adjustments Made	Balance/Amount After Adjustments	Particulars of Adjustments made
10	Financial Assets-(Trade Receivables)	78,484.15	9.38	78,493.53	It relates to the unadjusted power purchase cost of Rs. 9.38 crore (Rs. 11.59 crore for the current year and Rs. 2.21 crore for the prior period) after issuing the bills of sale of power to the DISCOMs. Since the adjustments of the above power purchase cost has remained unadjusted, unbilled, the same has been eliminated in CFS and shown under the respective head in the CFS.
15	Other Equity/Profit & Loss	-79,711.31	9.38	-79,701.93	
22	Revenue from operation	64,449.73	11.59	64,461.32	
13	Other Current Assets	5,330.08	-1570.37	3,759.71	It relates to the Receivables from UPPCL of Rs. 1570.37 crore, which has wrongly been shown/depicted by the PVVNL under the Head of IUT. Hence, it has been transfer from IUT to Receivable from UPPCL and the same has also been eliminated as a group transaction.
30	Bad Debts & Provisions	29151.00	-14,589.82	14,561.18	It relates to the corresponding reversal entries against group transactions made by the UPPCL as follows: (i) Rs. 14,530.50 crore- towards impairment of investment in DISCOMs. (ii) Rs. 50.81 crore- towards reversal of provision for doubtful receivables against sale of power to DISCOMs. (iii) Rs. 8.51 crore- towards reversal of provision for other doubtful receivable from DISCOMs. Total: 14,589.82 crore.

b) Other Adjustments made in CFS (F.Y. 2021-22) as tabulated below:

(Rs. in Crore)

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Note	Name of Note	Balance/Amount Before Adjustments	Adjustments Made	Balance/Amount After Adjustments	Particulars of Adjustments made
10	Financial Assets-Trade Receivables (Current)	86,870.88	373.71	87,244.59	It relates to the unadjusted power purchase cost of Rs. 373.71 crore (Rs. 294.24 crore for the year 2021-22 and Rs. 79.47 crore for the prior period before 2021-22) after issuing the bills of sale of power to the DISCOMs. Since the adjustments of the above power purchase cost had remained unadjusted, unbilled in the year 2021-22, the same has been eliminated in CFS and shown under the respective head in the CFS for the F.Y. 2021-22.
22	Revenue from operations	56,551.78	294.24	56,846.02	
15	Other Equity/Profit & Losses	63,673.65	373.71	63,299.94	
30	Bad Debts & Provisions	14,325.99	-6,581.01	7,744.98	It relates to the corresponding reversal entries against group transactions made by the UPPCL as follows: (i) Rs. 6783.88 crore- towards impairment of investment in DISCOMs. (ii) Rs. +226.83 crore- towards reversal of provision for doubtful receivables against sale of power to DISCOMs. (iii) Rs. 23.96 crore- towards reversal of provision for other doubtful receivable from DISCOMs. Total: 6581.01 crore.

38. The Company has not created Regulatory Assets as Ind AS 114 Regulatory Deferral Accounts has not been applied by the Company by availing the exemption given and availed during the year in which Ind AS first adopted by the Group.

39. The Consolidated Annual Accounts of 2021-22 is yet to be adopted in Annual General meeting.

40. Equity share capital includes ₹1075.55Crore received from GoUP under the Uttar Pradesh Power Distribution Network Project (UPPDNP) against which company has already invested ₹1258.19Crore with DISCOMs.

DISCOM wise break up of investment is given below:

(₹in Crore)

r. No.	Name of DISCOM	Equity received from Govt as on 31.03.23 against UPPDNP	Fund released as investment in equity of DISCOMs (F.Y. 2022-2023)	Fund released as investment in equity of DISCOMs (F.Y. 2021-22)	Fund released as investment in equity of DISCOMs (F.Y. 2020-21)	Total
	PuVVNL	381.47	307.80	114.21	48.68	470.69
	MVVNL	263.98	184.16	79.27	49.65	313.08
	DVVNL	352.45	292.37	68.91	34.42	395.70
	PVVNL	77.65	18.09	22.97	37.66	78.72
	Total	1075.55	802.42	285.36	170.41	1258.19

The balance amount of ₹182.64Crore (₹1258.19Crore - ₹1075.55 Crore) is to be reimbursed by the Government of U.P. and shown as Equity Investment in DISCOMs.

41. 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

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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 31.03.2023

(Rs. in Crore)

Particulars	Note No.	Audited 2021-22	Adjustments	Corresponding of 2021-22 given in Audited 2022-23	Remarks
(I) ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	2	65074.06	87.33	65161.39	PPE PPE & Regrouping
(b) Capital work-in-progress	3	3776.57	(394.86)	3381.71	PPE
(c) Assets not in Possession	4	124.21	8.37	132.58	Regrouping
(d) Intangible assets	5	104.92	37.97	142.89	PPE & Regrouping
(e) Financial Assets			0.00		
(i) Investments	6	2340.41	(169.55)	2170.86	
(ii) Loans	7		0.00	-	
(iii) Others	8	16947.69	1496.93	18444.62	Regrouping
			0.00		
(2) Current assets					
(a) Inventories	9	3794.58	(9.64)	3784.94	PPE
(b) Financial Assets			0.00		
(i) Trade receivables	10	87195.19	49.40	87244.59	PPE & Regrouping
(ii) Cash and cash equivalents	11-A	5240.28	737.30	5977.58	PPE & Regrouping
(iii) Bank balances other than (ii) above	11-B	2541.56	(1894.01)	647.55	Regrouping PPE & Regrouping
(iv) Others	12	4995.06	(39.80)	4955.26	PPE & Regrouping
(c) Other Current Assets	13	2503.24	228.58	2731.82	Regrouping
Total Assets		194637.77	138.02	194775.79	

(II) EQUITY AND LIABILITIES

Equity

(a) Equity Share Capital	14	109679.38	-	109679.38	
(b) Other Equity	15	(63694.44)	397.76	(63296.68)	PPE & Regrouping

LIABILITIES

(1) Non-current liabilities

(a) Financial liabilities			-		
(i) Borrowings	16	71102.77	8.53	71111.30	PPE
(ii) Trade payables			-		
(b) Other financial liabilities	17	5083.33	1,021.66	6104.99	Regrouping

(2) Current liabilities

(a) Financial liabilities			-		
(i) Borrowings	18	12333.12	-347.46	11985.66	PPE & Regrouping PPE & Regrouping
(ii) Trade payables	19	30345.02	-352.91	29992.11	Regrouping

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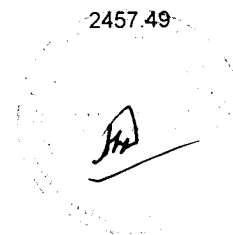
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(iii) Other financial liabilities	20	29788.59	-589.56	29199.03	PPE & Regrouping
(b) Provisions	21		-	0.00	
Total Equity and Liabilities		194637.77	138.02	194775.79	

Reconciliation of Statement of Profit & Loss for the Year ended 2022-23 (Rs. in Crore)

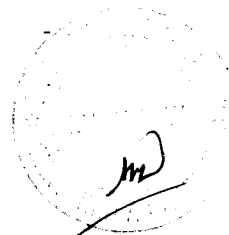
A	B	C	D	E		F	G	H	I=F
Particulars	Note No.	Audited 2021-22	Adjustment of Prior Period Errors/Regrouping			Total	Restated Corresponding of 2021-22 given in Audited 2022-23	Equity (Reserve & Surplus) restated for the period ended 31.03.2022 and before	
			Related to the Year ended 31.03.2022	Related to the Year ended 31.03.2021 and before					
I Revenue From Operations	22	56837.64	8.38	(142.08)	(133.70)		56846.02	(142.08)	
II Other Income	23	23487.21	(0.56)	(9.59)	(10.15)		23486.65	(9.59)	
III Total Income (I+II)		80324.85	7.82	(151.67)	(143.85)		80332.67	(151.67)	
IV EXPENSES									
1 Cost of materials consumed									
2 Purchases of Stock-in-Trade (Power Purchased)	24	58321.49	(272.77)	(79.47)	(352.24)		58048.72	(79.47)	
3 Changes in inventories of finished goods, Stock-in-Trade and work-in-progress					0.00	0.00			
4 Employee benefits expense	25	2270.13	(28.23)	0.43	(27.80)		2241.90	0.43	
5 Finance costs	26	8388.22	(5.65)	(97.28)	(102.93)		8382.57	(97.28)	
6 Depreciation and amortization expenses	27	2853.46	8.67	38.95	47.62		2862.13	38.95	
7 Administration, General & Other Expense	28	2497.36	54.75	17.43	72.18		2552.11	17.43	
8 Repair and Maintenance	29	2473.02	(15.53)	0.00	(15.53)		2457.49	0.00	



9	Bad Debts & Provisions	30	7782.83	(37.85)	(3.97)	(41.82)	7744.98	(3.97)
10	Other expenses							
IV	Total expenses (IV)		84586.51	(296.61)	(123.91)	(420.52)	84289.90	(123.91)
V	Profit/(Loss) before exceptional items and tax (III-IV)		(4261.66)	304.43	(27.76)	276.67	(3957.23)	(27.76)
VI	Exceptional Items		1,620.04				1,620.04	
VII	Profit/(Loss) before tax (V(+/-)VI)		(5881.70)	304.43	(27.76)	276.67	(5577.27)	(27.76)
VII	Tax expense:							
I	(1) Current tax		-	-			-	
	(2) Deferred tax		-	-			-	
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		(5881.70)	304.43	(27.76)	276.67	(5577.27)	(27.76)
X	Profit/(Loss) from discontinued operations		-	-			-	
XI	Tax expense of discontinued operations		-	-			-	
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-			-	
XII	Profit/(Loss) for the period (IX+XII)		(5881.70)	304.43	(27.76)	276.67	(5577.27)	(27.76)
XI	Other							
V	Comprehensive Income							
	A (i) Items that will not be reclassified to profit or loss-							
	Remeasurement of Defined Benefit Plans (Actuarial Gain or Loss)		(8.47)				(39.84)	
	(ii) Income tax relating to items that will not be reclassified to profit or loss			(31.37)		(31.37)		
	B (i) Items		-	-			-	

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	that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
X	Total					
V	Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)	(5890.17)	273.06	(27.76)	245.30	(5617.11) (27.76)
	EPS	(55.54)	2.57			(52.97)

42. Disclosure as per Ind AS-37 is as under:-

Particulars	Opening balance as on 01.04.2022	Provision made during the year	Withdrawal/ adjustment of provision during the year at UPPCL & Discoms through PL	Withdrawal/ adjustment of provision during the year at UPPCL & Discoms through Other	Closing Balance at UPPCL & Discoms as on 31.03.2023
CWIP- Capital Advance	11.69	0	0	0	11.69
Provision for Trade Receivable Note- 10	16354.46	14518.47	0	0	30872.93
Provision for impairment in investment Note- 06	165.48	2.22	0	0	167.7
Provision for bad & doubtful debts- Financial Assets-Loans (Non-current) Note- 7	172.9	25.82	0	0	198.72
Provision for Financial Assets-Others (Non-Current) Note-8	0	12.02	0	0	12.02
Provision of Obsolete stores Note-9	232.26	13.49	0	0	245.75
Provision for estimated loss on theft of fixed assets pending investigation Note 12	177.62	14.38	0	3.79	188.21
Provision for bad & doubtful debts- Financial Assets-others (current) Note-12	151.71	31.17	57.6		125.28
Sub-Total- Note-12	329.33	45.55	57.6	3.79	313.49
Provision for Other Current Assets Note-13	12.34	0.7		0	13.04

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Total	17278.46	14618.27	57.6	3.79	31835.34
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43. Disclosures required under Schedule III of the Companies Act, 2013 are given below:

a) The ageing schedule of trade receivables of the company is under:

(Rs. In Crore)

Particulars	UPPCL	MVNNL	PuVVNL	PVVNL	DVVNL	Kesco	Total
Less than 6 months	0.00	1466.27	5269.46	4341.07	2391.70	76.61	13545.11
6 months and 1 year	0.00	863.20	2521.37	730.43	970.73	86.36	5172.09
1 to 2 years	0.00	2370.62	2315.94	858.74	1826.17	430.11	7801.58
2 to 3 years	0.00	1894.45	1135.62	633.81	724.21	534.15	4922.24
more than 3 years	522.98	21918.73	25756.26	7642.91	17051.29	2870.79	75762.96
Unbilled Dues					526.71		526.71
Total	522.98	28513.27	36998.65	14206.96	23490.81	3998.02	107730.69

Note:- Unbilled Trade Receivables amounting ₹ 818.39 Crore in MVNNL.

b) The ageing schedule of trade payable of the company is under:

Particulars							Total
	UPPCL*	MVNNL	PuVVNL	PVVNL	DVVNL	Kesco	
Less than 1 year	24654.62	692.73	822.24	989.06	717.9	98.45	27975.00
1 to 2 years	355.77	627.70	773.49	930.25	698.78		3385.99
2 to 3 years	242.07		145.82	15.05	149.85		552.79
more than 3 years	357.70						357.7
Total	25610.16	1320.43	1741.55	1934.36	1566.53	98.45	32271.48

Note:- Unbilled Trade Payables amounting ₹ 9439.45 Crore in UPPCL.

*This Includes Rs. 7809.58 Crore payable to UPRVNL and Rs. 637.65 Crore payable to UPJVN.

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	3.32				3.32
(ii) Others	27937.38	3385.99	552.79	357.7	32233.86
(iii) Disputed dues-MSME	6.72				6.72
(iv) Disputed dues- Others	28.99				28.99
(v) Outstanding with Debit Balance	-1.41				-1.41
Total	27975.06	3385.99	552.79	357.7	32271.48

44. **Disclosures related to Additional Borrowing space of 0.50 percent of GSDP linked to performance in power sector scheme and Revamped Reform-linked Results-Based Distribution Sector Scheme of the Central Govt. of India.**

A. Regulatory Assets:

No new Regulatory Assets (Or uncovered losses or any other similar provisions) have been created by the company in the financial year 2022-23.

B. Guarantees:

- (i) No guarantee has been issued by the state through Govt. (GoUP) or any of its PSUs in support of the Loans taken by the Discoms. However, the state Govt. (GoUP) has issued guarantees in support of fund arrangement through loans/bonds taken/issued by the Holding Company (UPPCL) on behalf of the company as given below:

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Details of guarantees issued by GoUP in support of above borrowings arranged by the Holding Company (UPPCL):

Guarantee taken by UPPCL (Holding company) on behalf of Discoms & UPPTCL	
Particulars	Amount (₹) Cr
PuVVNL	34217.86
MVNNL	21924.46
DVVNL	24507.51
PVVNL	11780.94
Kesco	3782.22
Total	96212.99

C. Electricity Dues

Total Electricity Dues recoverable from the Govt. departments/State PSU's/Subordinate offices and Local Bodies as on 31.03.2023 is as follows: (₹ in Crore)

Particulars	MVNNL	PuVVNL	PVVNL	DVVNL	Kesco	Total
upto 6 months	696.82	2272.02	416.31	1500.61	85.62	4971.38
Greater than 6 months and upto 1 year	218.40	766.37	99.59	414.14	12.04	1510.54
Greater than 1 year and upto 2 years	468.22	1311.04	82.61	1356.01	268.1	3485.98
Greater than 2 year and upto 3 years	942.03	41.44	128.54	152.64	447.45	1712.10
Greater than 3 years	3233.36	2390.68	388.79	1033.90	643.71	7690.44
Total	5558.83	6781.55	1115.84	4457.30	1456.92	19370.44

D. Subsidy:

(a) Status of Subsidy paid by the GoUP is as under :-

(₹ in Crore)

DISCOMS	Name of subsidized consumer category	Subsidy Receivable as on 01.04.2022	Subsidy Received against Receivable as on 01.04.2022	Subsidy Claimed during the year 2022-23	Subsidy received against subsidy claimed during the year	Closing balance as on 31.03.2023
PuVVNL	LMV-1 (Domestic Light & Fan) and LMV-5 (Private Tube Well)			3570.00	3570.00	0.00
MVVNL				3238.01	3238.01	0.00
DVVNL				3242.91	3241.91	0.90
PVVNL		0.00	0.00	3562.92	3561.00	1.92
KESCO				0.00	0.00	0.00

E. AT & C Losses:

The details of AT & C losses are given below:

S.No.	Particulars	MVNNL	PuVVNL	PVVNL	DVVNL	Kesco	Total
A	Input Energy (MkWh)	27347.21	31132.496	39043.244	28307.186	4228.568	1,30,059
B	Transmission Losses (MkWh)	0	-		-	-	-
C	Net Input Energy (MkWh)	27347.21	31132.496	39043.244	28307.186	4228.568	1,30,059
D	Energy Sold (MkWh)	23228.10	25714.197	33437.008	22195.403	3835.670	1,08,410

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E	Revenue from sale of Power(Including subsidy booked)(₹ Cr.)	13707.74	16885.41	28117.310	16052.02	3161.48	77,924
F	Adjusted revenue from sale of energy on subsidy received basis (₹ Cr.)	17399.83	16885.41	28117.31	16051.02	3161.48	81,615
G	Opening debtors for sale of energy (₹ Cr.)	24276.40	32520.68	12721.10	20342.94	3744.44	93,606
H	Closing debtors for sale of energy (₹ Cr.)	26194.03	34485.71	13471.60	20844.88	3815.50	98,812
I	Adjusted Closing debtors for sale of energy (₹ Cr.)	26194.03	34485.71	13471.60	20844.88	3090.42	98,087
J	Collection Efficiency (%) {J=(F+G-I)/E}	88.98%	88.36%	97.33%	96.87%	97.75%	98.06%
K	Units Realised (MkWh)=[Energy sold*Collection efficiency]	20668.13	22721.720	32544.52	21499.979	3749.46	1,01,184
L	Units Unrealised (MkWh)=[Net Input Energy - Units realised]	6679.08	8410.78	6498.72	6807.21	479.11	28,875
M	AT & C Losses (%)=[{Units Unrealised/Net Input Energy}*100]	24.42%	27.02%	16.64%	24.05%	11.33%	22.20%

F. Average Cost of Supply & Average Realisable Revenue:

The details of Average cost of supply (ACS) – Average Realisable Revenue (ARR) Gap are given below:

S.No.	Particulars	Unit	MVNNL	PuVVNL	PVVNL	DVVNL	Kesco	Total
A	Total Input Energy	MU	27347.21	31132.00	39043.244	28307.186	4228.568	130058.21
B	Total Expenditure	Rs. Crore	25117.73	27099	27339.64	22470.380	3601.16	105627.91
C	Average Cost of Supply (B/A*10)	Rs.	9.18	8.70	7.00	7.94	8.52	8.12
D	Total Revenue	Rs. Crore	17399.83	13661.00	28117.31	16051.020	3537.720	78766.88

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	from Sale of Power (Excluding Subsidy plus subsidy received)							
E	Subsidy Booked	Rs. Crore	3692.08	3224.00	6634.01	3604.21	376.24	17530.54
F	Subsidy Received	Rs. Crore	2840.89	3224.00	6634.01	3603.21	376.24	16678.35
G	Other Income (Excluding regulatory income & UDAY Grant)	Rs. Crore	20240.72	152.00	232.14	1138.12	63.95	21826.93
H	Revenue (Subsidy Received Based) (D-E+F+G)	Rs. Crore	20240.72	13813.00	28349.45	17188.14	3601.67	83192.98
I	Average Realisable Revenue (H/A*10)	Rs.	7.40	4.44	7.26	6.07	8.52	6.40
J	ACS-ARR Gap (C-I)	Rs.	1.78	4.27	-0.26	1.87	0.00	1.72

*Total Input Energy here means Input Energy before making any adjustments like Transmission Loss, Inter State Energy Traded etc.

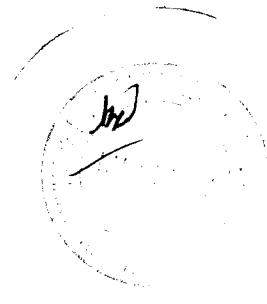
G. Creditors Days:

Discoms	Trade Payables (Power Purchase Dues) as on 31.03.23 (Rs. in Crore)	Total Power Purchase and Transmission Cost as on 31.03.23 (Rs. in Crore)	Creditors Days (in Days)
	A	B	A/B*365
MVNNL	9886	16370	220
PuVVNL	11296	16031	257
PVVNL	1934.36	21514.2	33
DVVNL	10688.34	15210.53	256
Kesco	1344.51	2465.67	199

H. Debtors Days:



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DISCOMS	Net Trade Receivables as on 31.03.23 (Rs. in Crore)	Revenue from Operations (inclusive of ED) as on 31.03.23 (Rs. in Crore)	Debtors Days (in Days)
	A	B	A/B*365
MVNNL	20223	13708	538
PuVVNL	28492	14415	721
PVVNL	9995.26	22692.18	161
DVVNL	16725.05	12447.81	490
Kesco	3058.14	3354.25	333

45. OTHER STATUTORY INFORMATION IN TERMS OF NOTIFICATION DATED 24.03.2021 ISSUED BY MCA IN TERMS OF SECTION 467 OF THE COMPANIES ACT 2013

1. The company does not have any Benami property.
2. The company has not traded or invested in crypto currency or virtual currency during the financial year.
3. The company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - b. (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
4. The company has not received any fund from any person(s) or entity (ies), including foreign entities (funding parties) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) except to the following equity received from GoUP invested in the subsidiary(DISCOMs) as per its requirement and loans are taken and bonds are issued on behalf of the Subsidiaries(DISCOMs)or
 - b. (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
5. The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provision of the Income Tax Act, 1961).
6. The company has invested in equity of its wholly owned subsidiaries and other companies.

7. The company is not being declared wilful defaulter by the bank or financial institution or lender during the year.
8. The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
9. The company has obtained fund/ based/ non-fund based credit limits from multiple banks aggregating to ₹ 1930 Crore against security of receivables. Accordingly, as per the terms of sanction, Quarterly /Half Yearly statements (on the basis of unaudited balance sheet) in respect of gross receivables (including both current and non-current receivables) have been submitted to respective banks which stood as below in different quarters of F.Y 2022-2023 :-
1. Q1- Apr to Jun 2022 Total Receivables - ₹ 27935.44 Cr.
 2. Q2- Jul to Sep 2022 Total Receivables - ₹ 31188.86 Cr.
 3. Q3- Oct to Dec 2022 Total Receivables - ₹ 30599.26 Cr.
 4. Q4- Jan to Mar 2023 Total Receivables - ₹ 25073.14 Cr.
10. Fund based and Non fund based utilization as on 31.03.2023 is as under:

The quarter wise status of limits utilized is as below:-

(₹ in Crore)

Fund Based & Non Fund based Utilisation as on 30.06.2022				
Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Availed
Central Bank of India	105.00	88.93	9.93	98.86
Punjab National Bank	465.00	149.69	81.78	231.47
Indian Bank	430.00	150.00	115.00	265.00
ICICI Bank	400.00	248.66	0.00	248.66
Bank of India	500.00	75.34	0.00	75.34
HDFC bank	30.00	25.00	0.00	25.00
TOTAL	1930.00	737.62	206.71	944.33

(₹ in Crore)

Fund Based & Non Fund based Utilisation as on 30.09.2022				
Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Availed
Central Bank of India	105.00	92.96	0.00	92.96
Punjab National Bank	465.00	142.79	100.81	243.60
Indian Bank	430.00	150.00	250.00	400.00
ICICI Bank	400.00	295.50	0.00	295.50
Bank of India	500.00	108.83	0.00	108.83

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HDFC bank	30.00	25.00	0.00	25.00
TOTAL	1930.00	815.08	350.81	1165.89

(₹ in Crore)

Fund Based & Non Fund based Utilisation as on 31.12.2022				
Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Aailed
Punjab National Bank	465.00	142.79	4.61	147.40
Central Bank of India	105.00	93.71	0.00	93.71
ICICI Bank	400.00	227.38	0.00	227.38
Indian Bank	430.00	150.00	280.00	430.00
Bank of India	500.00	100.83	0.00	100.83
HDFC bank	30.00	25.00	0.00	25.00
TOTAL	1930.00	739.71	284.61	1024.32

(₹ in Crore)

Fund Based & Non Fund based Utilisation as on 31.03.2023				
Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Aailed
Punjab National Bank	465.00	142.79	50.68	193.47
Central Bank of India	105.00	93.72	-	93.72
ICICI Bank	400.00	227.38	-	227.38
Indian Bank	430.00	150.00	150.00	300.00
Bank of India	500.00	116.67	0.01	116.68
HDFC Bank	30.00	25.00	-	25.00
TOTAL	1930.00	755.56	200.69	956.25

The above includes both Fund based and Non-Fund based utilization of working capital limits.

11. The company has not made any transactions during the year with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
12. The company does not have any investment property.
13. The company has not revalued any Property, Plant and Equipment (including Right-of-Use Assets).
14. The company has not revalued its Intangible Assets.

15. The company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company/erstwhile UPSEB. However, the title deed of the land amounting to ₹ 0.05 Crore is not available with the company.

16. The company has not been entered into any Scheme of Arrangements (sections 230 to 237 of the Companies Act, 2013) during the financial year.

17. The company has not granted any loan or advances in the nature of loans to its promoters, directors, KMPs and related parties (except as disclosed in Point 19 of this notes) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

46. Recent pronouncements/ Amendments:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

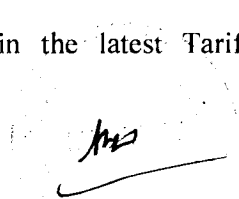
Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

47. The Subsidiary Discoms have not created Regulatory Assets in the latest Tariff determination cycle.



48. Ratios:

S.NO	Particulars of Disclosures	Numerator	Denominator	March '23	March '22	Variation in Ratio (%)	Reason of variation for more than 25%
1	Current ratio	Current Assets	Current Liability	1.25	1.48	-15.79	N.A.
2	Debt-Equity Ratio	Total Debt (Non current borrowings+Current Borrowings)	Shareholder's equity (Equity Share Capital+Other Equity)	4.07	2.76	47.22	Shareholders equity has been reduced by 35% on account of current year's losses and corresponding debt portion has been reduced by 4.49% only, resulting overall increase in Debt Equity Ratio by 47.22%
3	Debt Service Coverage Ratio	Net Profit/(Loss) for the year+Finance Cost+Depreciation & amortization+Provision for bad debts+Exceptional Items)	Scheduled principal repayment of non current borrowings	0.456	0.612	-25.52	Due to increase in net loss as compared to last year, Operating margin is reduced by 13%. Further, total debt obligation (including interest) has been increased by 16.64% due to increase in current maturity of borrowings. These variation results the reduction in Debt Service Coverage

							Ratio by 25.52%
4	Return on Equity	Net Profit/(Loss) for the year	Average Shareholder's equity (Equity Share Capital+Other Equity)	-0.65	-0.19	243.02	Bad Debts & provision has been increased due to implementation of new provisioning policy. the gap between power purchased and sale has been significantly increased which has resulted in increase in Net Loss. Further, Average of Shareholders equity has been decreased by 17.11%. These two factors collectively results in overall decrease in Return on Equity by 243.02%
5	Inventory Turnover Ratio (Revenue from Operation / Average Inventory)	N/A	N/A	N/A	N/A	-	The business of the Corporation is to purchase electricity from generation source and sell the same to the

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							Public. Hence, the company does not have any trade inventory. The company maintains inventory only for internal use i.e. for construction and maintenance of fixed assets. Hence, disclosure in respect of inventory turnover ratio is not required.
6	Trade Receivable Turnover ratio	Revenue from operations	Average Trade Receivables	0.78	0.67	16.80	N.A.
7	Trade Payables turnover Ratio	Total Purchase	Average Trade Payables	2.31	1.84	25.35	It is mainly due to increase in total purchase by 23.96%
8	Net Capital Turnover Ratio	Revenue from operations	Working Capital	3.45	1.66	107.18	Working capital during the year has been decreased due to implementation of new provisioning policy which resulted in increase in provision for bad and doubtful debts. Further, total turnover during the year has

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							been increased by 13.40%. These two factors collectively results in overall increase in the ratio by 107.18%
9	Net Profit Margin(%)	Net Profit(Loss) for the year	Revenue from Operations	-24.60%	-9.81%	150.75	Bad Debts & provision has been increased due to implementation of new provisioning policy. The gap between power purchased and sale has been significantly increased which has resulted in increase in Net Loss. Further, Revenue from operations has been increased by 13.40%. These two factors collectively results in overall increase in Net Loss margin by 150.75%
10	Return on Capital Employed(%)	Profit/Loss before Interest and Tax	Capital Employed=Net worth (excluding Capital Reserve)+Long term Borrowing+Current Borrowings	-4.95%	1.70%	-390.94	This mainly on account of increase in Net Loss. Reason for same is increase in Bad Debts & provision due to implementa

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							tion of new provisionin g policy at DISCOM level and increase in the gap between power purchase and sale.
11 (a)	Return on Investment (on Bond Interest) (%)	Interest on Bonds	Average Bond Value	7.75%	7.75%	0.00	N.A.
11 (b)	Return on Investment (for investment with Subsidiaries & Joint Ventures) (%)	Return/Impairment on Investments	Average Investment value excluding bond value	0.11%	2.07%	-94.79	It is mainly due to decrease in return/ impairment on investment by 94.79%.
12	Long term debt to working capital ratio	Long term borrowing including current maturity of long term borrowing	Working Capital	4.19	2.40	74.50	Working capital during the year has been decreased due to implementation of new provisioning policy which resulted in increase in provision for bad and doubtful debts. Further, current maturity of long term borrowings has been increased significantly. These two factors collectively results in overall increase in the ratio by 74.50%

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13	Bad Debts to Accounts Receivables Ratio	Bad debts	Gross Average Trade Receivables	0.74	0.38	95.92	Reason for same is increase in Bad Debts & provision due to implementation of new provisioning policy at DISCOM level
14	Current Liability ratio	Current Liabilities	Total Liability excluding Equity	0.52	0.48	8.13	N.A.
15	Total Debts to Total Asset	Long term borrowing & current maturity of long term borrowing	Total Assets	0.43	0.43	0.49	N.A.
16	Operating Margin(%)	Operating Profit/(Loss)	Revenue from Operations	-41.90%	-34.65%	20.91	N.A.
17	Net Worth (Share Capital + Other Equity excluding Capital Reserve)			19250.44	29672.73	-35.12	Bad Debts & provision has been increased due to implementation of new provisioning policy. the gap between power purchased and sale has been significantly increased which has resulted in increase in Net Loss. These two factors collectively results in overall decrease in Net Worth by 35.12%

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49. Disclosure regarding RDSS Scheme (PO/SOP) compliance.

I. PurvanchalVidhyutVitranNigam Ltd.

		(in cr.)	
Table 1: Revenue Details			
	2022-23	2021-22	
Revenue from Operations (A = A1+A2+A3+A4+A5+A6)	13,661	12,425	
<i>A1: Revenue from Sale of Power</i>	<i>13,661</i>	<i>12,425</i>	
<i>A2: Fixed Charges/Recovery from theft etc.</i>			
<i>A3: Revenue from Distribution Franchisee</i>	<i>0</i>	<i>0</i>	
<i>A4: Revenue from Inter-state sale and Trading</i>			
<i>A5: Revenue from Open Access and Wheeling</i>			
<i>A6: Any other Operating Revenue</i>			
Revenue - Subsidies and Grants (B = B1+B2+B3)	6,683	6,859	
<i>B1: Tariff Subsidy Booked</i>	<i>3,224</i>	<i>3,778</i>	
<i>B2: Revenue Grant under UDAY</i>	<i>0</i>	<i>0</i>	
<i>B3: Other Subsidies and Grants</i>	<i>3,459</i>	<i>3,082</i>	
Other Income (C = C1+C2+C3+C4)	153	614	
<i>C1: Income booked against deferred revenue*</i>	<i>0</i>	<i>0</i>	
<i>C2: Interest From Fixed Deposits</i>	<i>12</i>	<i>7</i>	
<i>C3: Misc Non-tariff income from consumers (including DPS)</i>	<i>138</i>	<i>600</i>	
<i>C4: Other Non-operating income</i>	<i>3</i>	<i>7</i>	
Total Revenue on subsidy booked basis (D = A + B + C)	20,497	19,898	
Tariff Subsidy Received (E)	3,224	3,778	
Total Revenue on subsidy received basis (F = D - B1 + E)	20,497	19,898	
Whether State Government has made advance payment of subsidy for the quarter(Yes/No)			

*Revenue deferred by SERC as per tariff order for the relevant FY

Table 2: Expenditure Details		2022-23	2021-22
Cost of Power (G = G1 + G2+ G3)		16,031	12,055
<i>G1: Generation Cost (Only for GEDCOS)</i>			

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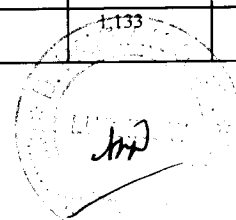
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G2: Purchase of Power	15,241	11,282
G3: Transmission Charges	790	773
O&M Expenses (H = H1 + H2 + H3 + H4 + H5 + H6 + H7)	11,091	8,420
H1: Repairs & Maintenance	716	817
H2: Employee Cost	609	593
H3: Admn& General Expenses	721	557
H4: Depreciation	1144	848
H5: Total Interest Cost	2782	2675
H6: Other expenses	5098	2504
H7: Exceptional Items	21	428
Total Expenses (I = G + H)	27,122	20,476
Profit before tax (J = D - I)	-6,625	-578
K1: Income Tax	0	0
K2: Deferred Tax	0	0
Profit after tax (L = J - K1 - K2)	-6,625	-578

Table 3: Total Assets	2022-23	2021-22
	As on 31st Mar	As on 31st Mar
M1: Net Tangible Assets & CWIP	19,294	18,914
M2: Other Non-Current Assets	45	0
M3: Net Trade Receivables	28,492	31,147
M3a: Gross Trade Receivable Govt. Dept.	6,782	6,846
M3b: Gross Trade Receivable Other-than Govt. Dept.	31,853	29,359
M3c: Provision for bad debts	-10,142	-5,058
M4: Subsidy Receivable		
M5: Other Current Assets	9,274	11,261
Total Assets (M = M1 + M2 + M3 + M4 + M5)	57,106	61,321
Table 4: Total Equity and Liabilities		
N1: Share Capital & General Reserves	25,194	21,235
N2: Accumulated Surplus/ (Deficit) as per Balance Sheet	-15,532	-6,366
N3: Government Grants for Capital Assets	0	0
N4: Non-current liabilities	1,133	1,061

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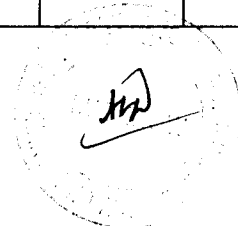
N5: Capex Borrowings	22,688	24,780
N6a: Long Term Loans - State Govt	0	93
N6b: Long Term Loans - Banks & FIs	22,688	24,687
N6c: Short Term/ Medium Term - State Govt		
N6d: Short Term/ Medium Term - Banks & FIs		
N6: Non-Capex Borrowings	0	0
N7a: Short Term Borrowings/ from Banks/ FIs		
N7b: Cash Credit/ OD from Banks/ FIs		
N8: Payables for Purchase of Power	11,296	9,309
N9: Other Current Liabilities	12,327	11,302
Total Equity and Liabilities (N = N1 + N2 + N3 + N4 + N5 + N6 + N7 + N8 + N9)	57,106	61,321

Table 5: Technical Details		
	2022-23	2021-22
O4 : Gross Power Purchase (MU)	31,132	28,621
Gross Input Energy (MU) (O5 = O2 - O3 + O4)	31,132	28,621
O6: Transmission Losses (MU)(Interstate & Intrastate)		
O7: Gross Energy sold (MU)	25,714	22,854
O7a: Energy Sold to own consumers	25,714	22,854
O7b: Bulk Sale to Distribution Franchisee	0	0
O7c: Interstate Sale/ Energy Traded/Net UI Export	-	0
Net Input Energy (MU) (O8 = O5 - O6 - O7c)	31,132	28,621
Net Energy Sold (MU) (O9 = O7 - O7c)	25,714	22,854
Revenue Billed including subsidy booked (O10 = A1 + A2 + A3 + B1)	16,885	16,202
O11: Opening Gross Trade Receivables (including any adjustments) (Rscore)	32,521	28,426
O12: Adjusted Gross Closing Trade Receivables (Rscore)	34,486	32,521
Revenue Collected including subsidy received (O13 = A1 + A2 + A3 + E + O11 - O12)	14,920	12,107
Billing Efficiency (%) (O14 = O9/O8*100)	82.59	79.85
Collection Efficiency (%) (O15 = O13/O10*100)	88.36	74.73
Energy Realised (MU) (O15a = O15*O9)	22,72,130	17,07,813
AT&C Loss (%) (O16 = 100 - O14*O15/100)	27.02	40.33

Table 6: Key Parameters		
	2022-23	2021-22
ACS (Rs./kWh) (P1 = I*10/O5)	8.71	7.15

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ARR on Subsidy Booked Basis (Rs./kWh) (P2 = D*10/O5)	6.58	6.39
Gap on Subsidy Booked Basis (Rs./kWh) (P3 = P1 - P2)	2.13	0.76
ARR on Subsidy Received Basis (Rs./kWh) (P4 = F*10/O5)	6.58	6.39
Gap on Subsidy Received Basis (Rs./kWh) (P5 = P1 - P4)	2.13	0.76
ARR on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (Rs./kWh) (P6 = (F-B-C1)*10/O5)	4.44	4.19
Gap on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P7 = P1 - P6)	4.27	2.97
Receivables (Days) (P8 = 365*M3/A)	761	915
Payables (Days) (P9 = 365*N8/G)	257	282
Total Borrowings (P10 = N6 + N8 + N9)	23,623	20,611

Table 7: Consumer Categorywise Details of Sale (MU)	2022-23	2021-22
Q1: Domestic	14,766	13,248
Q2: Commercial	2,340	1,984
Q3: Agricultural	2,962	2,693
Q4: Industrial	2,505	2,203
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	2,380	2,099
Q6: Others	760	627
<i>Railways</i>	-	6
<i>Bulk Supply</i>	-	-
<i>Miscellaneous</i>	760	621
<i>Distribution Franchisee</i>	0	0
<i>Interstate/ Trading/ UI</i>		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	25,714	22,854

Table 8: Consumer Categorywise Details of Sale (Rs. Crore)	2022-23	2021-22
Q1: Domestic	6,177	5,017
Q2: Commercial	2,665	2,314
Q3: Agricultural	384	414
Q4: Industrial	2,273	2,139
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	1,603	1,550

Q6: Others	560	991
<i>Railways</i>	0	6
<i>Bulk Supply</i>	-	-
<i>Miscellaneous</i>	560	985
<i>Distribution Franchisee</i>	0	0
<i>Interstate/ Trading/ UI</i>		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	13,661	12,425

II. MadhyanchalVidhyutVitran Nigam Ltd.

Profit & Loss		
Table 1: Revenue Details	2022-23	2021-22
	(Audited)	(Restated)
Revenue from Operations (A = A1+A2+A3+A4+A5+A6)	13,708	13,070
<i>A1: Revenue from Sale of Power</i>	13,683	13,066
<i>A2: Fixed Charges/Recovery from theft etc.</i>	-	-
<i>A3: Revenue from Distribution Franchisee</i>	-	-
<i>A4: Revenue from Inter-state sale and Trading</i>	25	4
<i>A5: Revenue from Open Access and Wheeling</i>	-	-
<i>A6: Any other Operating Revenue</i>	-	-
Revenue - Subsidies and Grants (B = B1+B2+B3)	6,099	5,104
<i>B1: Tariff Subsidy Booked</i>	3,692	3,664
<i>B2: Revenue Grant under UDAY</i>	-	-
<i>B3: Other Subsidies and Grants</i>	2,407	1,440
Other Income (C = C1+C2+C3)	434	279
<i>C1: Income booked against deferred revenue*</i>	-	-
<i>C2: Misc Non-tariff income from consumers (including DPS)</i>	336	184
<i>C3: Other Non-operating income</i>	99	95
Total Revenue on subsidy booked basis (D = A + B + C)	20,241	18,452
Tariff Subsidy Received (E)	3,692	3,664
Total Revenue on subsidy received basis (F = D-B1+E)	20,241	18,452
Whether State Government has made advance payment of subsidy for the period(Yes/No)	No	No

Table 2: Expenditure Details

2022-23

2021-22

	(Audited)	(Restated)
Cost of Power (G = G1 + G2+ G3)	16,370	13,780
<i>G1: Generation Cost (Only for GEDCOS)</i>	-	-
<i>G2: Purchase of Power</i>	15,678	13,122
<i>G3: Transmission Charges</i>	692	658
O&M Expenses (H = H1 + H2 + H3 + H4 + H5 + H6 + H7)	8,712	6,617
<i>H1: Repairs & Maintenance</i>	477	375
<i>H2: Employee Cost</i>	650	425
<i>H3: Admn& General Expenses</i>	808	603
<i>H4: Depreciation</i>	839	674
<i>H5: Total Interest Cost</i>	1,775	1,726
<i>H6: Other expenses</i>	4,138	2,437
<i>H7: Exceptional Items</i>	25	377
Total Expenses (I = G + H)	25,082	20,397
Profit before tax (J = D - I)	(4,841)	(1,945)
<i>K1: Income Tax</i>	-	-
<i>K2: Deferred Tax</i>	-	-
Profit after tax (L = J - K1 - K2)	(4,841)	(1,945)

Table 3: Total Assets		
	2022-23	2021-22
	As on	As on
	31st Mar	31st Mar
	(Audited)	(Restated)
M1: Net Tangible Assets & CWIP	17,942	17,236
M2: Other Non-Current Assets	698	0
M3: Net Trade Receivables	20,170	22,535
<i>M3a: Gross Trade Receivable Govt. Dept.</i>	5,193	26,651
<i>M3b: Gross Trade Receivable Other-than Govt. Dept.</i>	23,232	
<i>M3c: Provision for bad debts</i>	8,255	4,116
M4: Subsidy Receivable	93	885
M5: Other Current Assets	3,794	5,134
Total Assets (M = M1 + M2 + M3 + M4 + M5)	42,697	45,790

Table 4: Total Equity and Liabilities

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N1: Share Capital & General Reserves	23,391	21,510
N2: Accumulated Surplus/ (Deficit) as per Balance Sheet	-20,278	-15,435
N3: Government Grants for Capital Assets	3,703	3,085
N4: Non-current liabilities	1,329	1,223
N5: Capex Borrowings	17,816	17,382
<i>N5a: Long Term Loans - State Govt</i>	0	71
<i>N5b: Long Term Loans - Banks & FIs</i>	14,355	15,700
<i>N5c: Short Term/ Medium Term - State Govt</i>	0	12
<i>N5d: Short Term/ Medium Term - Banks & FIs</i>	3,461	1,600
N6: Non-Capex Borrowings	-	-
<i>N6a: Short Term Borrowings/ from Banks/ FIs</i>	0	0
<i>N6b: Cash Credit/ OD from Banks/ Fis</i>	0	0
N7: Payables for Purchase of Power	9,886	9,942
N8: Other Current Liabilities	6,851	8,083
Total Equity & Liabilities (N=N1 +N2 +N3 +N4 +N5 + N6 + N7 + N8)	42,697	45,790

Table 5: Technical Details	2022-23	2021-22
	(Audited)	(Restated)
O1: Total Installed Capacity (MW) (Quarter Ended) (Only for GEDCOs)	-	-
<i>O1a: Hydel</i>	-	-
<i>O1b: Thermal</i>	-	-
<i>O1c: Gas</i>	-	-
<i>O1d: Others</i>	-	-
O2: Total Generation (MU) (Quarter Ended) (Only for GEDCOs)	-	-
<i>O2a: Hydel</i>	-	-
<i>O2b: Thermal</i>	-	-
<i>O2c: Gas</i>	-	-
<i>O2d: Others</i>	-	-
O3: Total Auxiliary Consumption (MU) (Quarter Ended)	-	-
O4 : Gross Power Purchase (MU) (Quarter Ended)	27,347	24,353
Gross Input Energy (MU) (O5=O2-O3+O4)	27,347	24,353
O6: Transmission Losses (MU)(Interstate & Intrastate)	-	-
O7: Gross Energy sold (MU)	23,228	20,126
<i>O7a: Energy Sold to own consumers</i>	23,202	20,114

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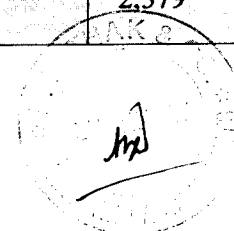
O7b: Bulk Sale to Distribution Franchisee	-	-
O7c: Interstate Sale/ Energy Traded/Net UI Export	26	12
Net Input Energy (MU) (O8 = O5-O6 -O7c)	27,321	24,341
Net Energy Sold (MU) (O9 = O7 - O7c)	23,202	20,114
Revenue Billed including subsidy booked (O10 = A1 + A2 + A3 + B1)	17,375	16,730
O11: Opening Gross Trade Receivables (including any adjustments) (Rscore)	24,276	20,685
O12: Adjusted Gross Closing Trade Receivables (Rscore)	26,106	24,276
Revenue Collected including subsidy received (O13 = A1 + A2+A3+E+O11 - O12)	15,546	13,138
Billing Efficiency (%) (O14 = O9/O8*100)	84.92	82.63
Collection Efficiency (%) (O15 = O13/O10*100)	89.47	78.53
Energy Realised (MU) (O15a = O15*O9)	20,759	15,795
AT&C Loss (%) (O16 = 100- O14*O15/100)	24.02	35.11

Table 6: Key Parameters	2022-23 (Audited)	2021-22 (Restated)
ACS (Rs./kWh) (P1 = I*10/O5)	9.17	8.38
ARR on Subsidy Booked Basis (Rs./kWh) (P2 = D*10/O5)	7.40	7.58
Gap on Subsidy Booked Basis (Rs./kWh) (P3 = P1 - P2)	1.77	0.80
ARR on Subsidy Received Basis (Rs./kWh) (P4 = F*10/O5)	7.40	7.58
Gap on Subsidy Received Basis (Rs./kWh) (P5 = P1 - P4)	1.77	0.80
ARR on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P6 = (F-B2-C1)*10/O5)	7.40	7.58
Gap on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P7 = P1 - P6)	1.77	0.80
Receivables (Days) (P8 = 365*M3/A)	537	629
Payables (Days) (P9 = 365*N7/G)	220	263
Total Borrowings (P10 = N5 + N6)	17,816	17,382

Table 7: Consumer Category-wise Details of Sale (MU)	2022-23 (Audited)	2021-22 (Restated)
Q1: Domestic	13,149	11,141
Q2: Commercial	2,812	2,379

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Q3: Agricultural	2,527	2,421
Q4: Industrial	2,497	2,155
Q5: Govt. Dept. (ULB/RLB/ PWW/PL)	1,921	1,748
Q6: Others	322	282
<i>Railways</i>	31	31
<i>Bulk Supply</i>	-	-
<i>Miscellaneous</i>	265	239
<i>Distribution Franchisee</i>	-	-
<i>Interstate/ Trading/ UI</i>	26	12
Gr. Energy Sold (Q7=Q1+Q2+Q3+Q4+Q5+Q6)	23,228	20,126

Table 8: Consumer Category-wise Details of Sale (Rs. Cr.)	2022-23	2021-22
	(Audited)	(Restated)
Q1: Domestic	6,652	5,856
Q2: Commercial	2,212	2,052
Q3: Agricultural	772	565
Q4: Industrial	3,040	3,009
Q5: Govt. Dept. (ULB/RLB/ PWW/PL)	907	1,231
Q6: Others	125	356
<i>Railways</i>	13	19
<i>Bulk Supply</i>	-	-
<i>Miscellaneous</i>	88	334
<i>Distribution Franchisee</i>	-	-
<i>Interstate/ Trading/ UI</i>	25	4
Gr. Energy Sold (Q7=Q1+Q2+Q3+Q4+Q5+Q6)	13,708	13,070

III. DakshinanchalVidhyutVitrان Nigam Ltd.

Profit & Loss

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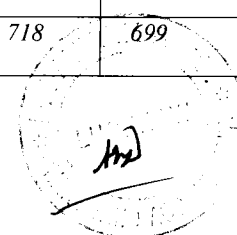
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Table 1: Revenue Details		
	2022-23	2021-22
Revenue from Operations (A = A1+A2+A3+A4+A5+A6)	12,333	10,406
<i>A1: Revenue from Sale of Power</i>	11,307	9,471
<i>A2: Fixed Charges/Recovery from theft etc.</i>		
<i>A3: Revenue from Distribution Franchisee</i>	1,026	935
<i>A4: Revenue from Inter-state sale and Trading</i>		
<i>A5: Revenue from Open Access and Wheeling</i>		
<i>A6: Any other Operating Revenue</i>		
Revenue - Subsidies and Grants (B = B1+B2+B3)	4,803	4,265
<i>B1: Tariff Subsidy Booked</i>	3,604	3,770
<i>B2: Revenue Grant under UDAY</i>	206	206
<i>B3: Other Subsidies and Grants</i>	992	289
Other Income (C = C1+C2+C3)	146	141
<i>C1: Income booked against deferred revenue*</i>		
<i>C2: Misc Non-tariff income from consumers (including DPS)</i>	94	102
<i>C3: Other Non-operating income</i>	52	39
Total Revenue on subsidy booked basis (D = A + B + C)	17,282	14,812
Tariff Subsidy Received (E)	3,603	3,770
Total Revenue on subsidy received basis (F = D - B1 + E)	17,281	14,812
Whether State Government has made advance payment of subsidy for the quarter(Yes/No)		

*Revenue deferred by SERC as per tariff order for the relevant FY

Table 2: Expenditure Details		
	2022-23	2021-22
Cost of Power (G = G1 + G2+ G3)	15,211	10,907
<i>G1: Generation Cost (Only for GEDCOS)</i>		
<i>G2: Purchase of Power</i>	14,493	10,208
<i>G3: Transmission Charges</i>	718	699

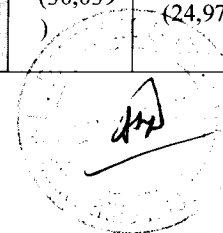


O&M Expenses (H = H1 + H2 + H3 + H4 + H5 + H6 + H7)	7,134	6,864
H1: Repairs & Maintenance	542	585
H2: Employee Cost	400	373
H3: Admn& General Expenses	597	665
H4: Depreciation	818	637
H5: Total Interest Cost	2,076	2,150
H6: Other expenses	2,673	2,211
H7: Exceptional Items	27	244
Total Expenses (I = G + H)	22,344	17,771
Profit before tax (J = D - I)	(5,062)	(2,959)
K1: Income Tax		
K2: Deferred Tax		
Profit after tax (L = J - K1 - K2)	(5,062)	(2,959)

Table 3: Total Assets		
	2022-23	2021-22
	As on 31st Mar	As on 31st Mar
M1: Net Tangible Assets & CWIP	17,332	15,492
M2: Other Non-Current Assets	1,559	1,770
M3: Net Trade Receivables	16,725	18,599
M3a: Gross Trade Receivable Govt. Dept.	4,457	4,027
M3b: Gross Trade Receivable Other-than Govt. Dept.	19,034	18,671
M3c: Provision for bad debts	6,766	4,099
M4: Subsidy Receivable		
M5: Other Current Assets	1,447	3,164
Total Assets (M = M1 + M2 + M3 + M4 + M5)	37,064	39,025
Table 4: Total Equity and Liabilities		
N1: Share Capital & General Reserves	25,736	24,390
N2: Accumulated Surplus/ (Deficit) as per Balance Sheet	(30,039)	(24,971)

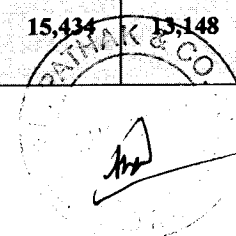
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N3: Government Grants for Capital Assets	1,986	1,609
N4: Non-current liabilities	4,276	3,433
N5: Capex Borrowings	16,408	18,749
<i>N6a: Long Term Loans - State Govt</i>	0	113
<i>N6b: Long Term Loans - Banks & FIs</i>	16,408	18,636
<i>N6c: Short Term/ Medium Term - State Govt</i>		
<i>N6d: Short Term/ Medium Term - Banks & FIs</i>		
N6: Non-Capex Borrowings	-	-
<i>N7a: Short Term Borrowings/ from Banks/ FIs</i>		
<i>N7b: Cash Credit/ OD from Banks/ FIs</i>		
N8: Payables for Purchase of Power	10,688	7,510
N9: Other Current Liabilities	8,080	8,305
Total Equity and Liabilities (N = N1 + N2 + N3 + N4 + N5 + N6 + N7 + N8 + N9)	37,064	39,025

Table 5: Technical Details		
	2022-23	2021-22
O4 : Gross Power Purchase (MU) (Quarter Ended)	28,307	25,725
Gross Input Energy (MU) (O5 = O2 - O3 + O4)	28,307	25,725
O6: Transmission Losses (MU)(Interstate & Intrastate)		
O7: Gross Energy sold (MU)	22,195	19,129
<i>O7a: Energy Sold to own consumers</i>	19,970	17,099
<i>O7b: Bulk Sale to Distribution Franchisee</i>	2,226	2,030
<i>O7c: Interstate Sale/ Energy Traded/Net UI Export</i>	-	
Net Input Energy (MU) (O8 = O5 - O6 - O7c)	28,307	25,725
Net Energy Sold (MU) (O9 = O7 - O7c)	22,195	19,129
Revenue Billed including subsidy booked (O10 = A1 + A2 + A3 + B1)	15,937	14,176
O11: Opening Gross Trade Receivables (including any adjustments) (Rscore)	20,343	19,315
O12: Adjusted Gross Closing Trade Receivables (Rscore)	20,845	20,343
Revenue Collected including subsidy received (O13 = A1 + A2 + A3 + E + O11 - O12)	15,434	13,148



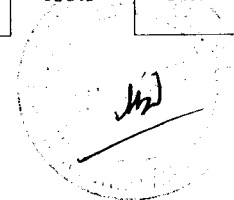
Billing Efficiency (%) (O14 = O9/O8*100)	78.41	74.36
Collection Efficiency (%) (O15 = O13/O10*100)	96.85	92.75
Energy Realised (MU) (O15a = O15*O9)	21,495	17,742
AT&C Loss (%) (O16 = 100 - O14*O15/100)	24.06	31.03

Table 6: Key Parameters		
	2022-23	2021-22
ACS (Rs./kWh) (P1 = I*10/O5)	7.89	6.91
ARR on Subsidy Booked Basis (Rs./kWh) (P2 = D*10/O5)	6.11	5.76
Gap on Subsidy Booked Basis (Rs./kWh) (P3 = P1 - P2)	1.79	1.15
ARR on Subsidy Received Basis (Rs./kWh) (P4 = F*10/O5)	6.10	5.76
Gap on Subsidy Received Basis (Rs./kWh) (P5 = P1 - P4)	1.79	1.15
ARR on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (Rs./kWh) (P6 = (F-B-C1)*10/O5)	6.03	5.68
Gap on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P7 = P1 - P6)	1.86	1.23
Receivables (Days) (P8 = 365*M3/A)	495	652
Payables (Days) (P9 = 365*N8/G)	256	251
Total Borrowings (P10 = N6 + N8 + N9)	27,096	26,260

Table 7: Consumer Categorywise Details of Sale (MU)		
	2022-23	2021-22
Q1: Domestic	8,059	6,755
Q2: Commercial	1,444	1,023
Q3: Agricultural	5,011	4,343
Q4: Industrial	3,990	3,372
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	1,332	1,407
Q6: Others	2,359	2,229
Railways	-	50
Bulk Supply	-	-
Miscellaneous	133.3	149

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<i>Distribution Franchisee</i>	2,226	2,030
<i>Interstate/ Trading/ UI</i>		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	22,195	19,129

Table 8: Consumer Categorywise Details of Sale (Rs. Crore)		
	2022-23	2021-22
Q1: Domestic	4,614	3,580
Q2: Commercial	1,400	1,204
Q3: Agricultural	746	608
Q4: Industrial	3,316	2,795
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	1,210	1,222
Q6: Others	1,046	997
<i>Railways</i>	-	50
<i>Bulk Supply</i>	-	-
<i>Miscellaneous</i>	20	11
<i>Distribution Franchisee</i>	1,026	935
<i>Interstate/ Trading/ UI</i>		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	12,333	10,406

IV. PaschimanchalVidhyutVitrans Nigam Ltd.

Profit & Loss		
Table 1: Revenue Details	Year	
	2022-23	2021-22
Revenue from Operations (A = A1+A2+A3+A4+A5+A6)	21,483.30	18,201.00
<i>A1: Revenue from Sale of Power</i>	<i>21,483.30</i>	<i>18,201.00</i>
<i>A2: Fixed Charges/Recovery from theft etc.</i>		
<i>A3: Revenue from Distribution Franchisee</i>		
<i>A4: Revenue from Inter-state sale and Trading</i>		
<i>A5: Revenue from Open Access and Wheeling</i>		
<i>A6: Any other Operating Revenue</i>		

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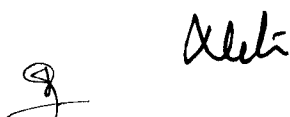
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Revenue - Subsidies and Grants (B = B1+B2+B3)	6,634.01	5,560.43
<i>B1: Tariff Subsidy Booked</i>	4,091.19	3,304.14
<i>B2: Revenue Grant under UDAY</i>	873.59	873.59
<i>B3: Other Subsidies and Grants</i>	1,669.23	1,382.70
Other Income (C = C1+C2+C3)	232.14	258.90
<i>C1: Income booked against deferred revenue*</i>		
<i>C2: Misc Non-tariff income from consumers (including DPS)</i>	98.67	104.04
<i>C3: Other Non-operating income</i>	133.47	154.86
Total Revenue on subsidy booked basis (D = A + B + C)	28,349.45	24,020.33
Tariff Subsidy Received (E)	4,091.19	3,304.14
Total Revenue on subsidy received basis (F = D - B1 + E)	28,349.45	24,020.33
Whether State Government has made advance payment of subsidy for the quarter(Yes/No)		

*Revenue deferred by SERC as per tariff order for the relevant FY

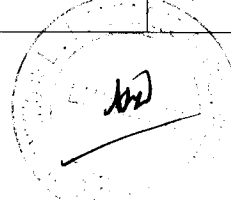
Table 2: Expenditure Details	Year	
	2022-23	2021-22
Cost of Power (G = G1 + G2+ G3)	21,514.20	20,101.85
<i>G1: Generation Cost (Only for GEDCOS)</i>		
<i>G2: Purchase of Power</i>	20,525.50	19,171.60
<i>G3: Transmission Charges</i>	988.70	930.25
O&M Expenses (H = H1 + H2 + H3 + H4 + H5 + H6 + H7)	5,849.61	4,617.77
<i>H1: Repairs & Maintenance</i>	707.06	629.20
<i>H2: Employee Cost</i>	620.06	539.08
<i>H3: Admn& General Expenses</i>	477.73	451.04
<i>H4: Depreciation</i>	699.81	643.23
<i>H5: Total Interest Cost</i>	1,101.53	1,519.86
<i>H6: Other expenses</i>	2,225.28	501.25
<i>H7: Exceptional Items</i>	18.14	334.11
Total Expenses (I = G + H)	27,363.81	24,719.62
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Profit before tax (J = D - I)	985.64	(699.29)
<i>K1: Income Tax</i>		



<i>K2: Deferred Tax</i>		
Profit after tax (L = J - K1 - K2)	985.64	(699.29)
Balance Sheet		
	2022-23	2021-22
Table 3: Total Assets	As on 31st March	As on 31st March
M1: Net Tangible Assets, CWIP & Others	16,135.67	15,859.18
M2: Other Non-Current Assets	6,583.57	7,467.37
M3: Net Trade Receivables	9,995.26	11,587.49
<i>M3a: Gross Trade Receivable Govt. Dept.</i>	2,266.25	2,979.53
<i>M3b: Gross Trade Receivable Other-than Govt. Dept.</i>	11,940.71	10,616.28
<i>M3c: Provision for bad debts</i>	4,211.70	2,008.32
M4: Subsidy Receivable		
M5: Other Current Assets	4,442.75	4,299.26
Total Assets (M = M1 + M2 + M3 + M4 + M5)	37,157.25	39,213.30
Table 4: Total Equity and Liabilities		
N1: Share Capital & General Reserves (includes Share Application Money pending Allotment)	26,403.36	28,690.62
N2: Accumulated Surplus/ (Deficit) as per Balance Sheet	(17,969.53)	(21,623.50)
N3: Government Grants for Capital Assets & Consumer Contribution	6,731.77	6,185.29
N4: Non-current liabilities	2,351.97	2,225.67
N5: Capex Borrowings	10,569.83	11,386.64
<i>N6a: Long Term Loans - State Govt</i>	<i>69.01</i>	<i>69.01</i>
<i>N6b: Long Term Loans - Banks & FIs</i>	<i>8,170.25</i>	<i>9,296.52</i>
<i>N6c: Short Term/ Medium Term - State Govt</i>		
<i>N6d: Short Term/ Medium Term - Banks & FIs</i>	<i>2,330.57</i>	<i>2,021.11</i>
N6: Non-Capex Borrowings	0.00	0.00
<i>N7a: Short Term Borrowings/ from Banks/ FIs</i>		
<i>N7b: Cash Credit/ OD from Banks/ FIs</i>		
N8: Payables for Purchase of Power	1,934.36	5,390.03
N9: Other Current Liabilities	7,135.49	6,958.55

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Total Equity and Liabilities (N = N1 + N2 + N3 + N4 + N5 + N6 + N7 + N8 + N9)	37,157.25	39,213.30
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Balance Sheet Check

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Table 5: Technical Details	Year	
	2022-23	2021-22
O1: Total Installed Capacity (MW) (Yearly Ended) (Only for GEDCOs)	-	-
<i>O1a: Hydel</i>		
<i>O1b: Thermal</i>		
<i>O1c: Gas</i>		
<i>O1d: Others</i>		
O2: Total Generation (MU) (Yearly Ended) (Only for GEDCOs)	-	-
<i>O2a: Hydel</i>		
<i>O2b: Thermal</i>		
<i>O2c: Gas</i>		
<i>O2d: Others</i>		
O3: Total Auxiliary Consumption (MU) (Yearly Ended)		
O4 : Gross Power Purchase (MU) (Yearly Ended)	39,043.24 4	34,427.50 6
Gross Input Energy (MU) (O5 = O2 - O3 + O4)	39,043.24 4	34,427.50 6
O6: Transmission Losses (MU)(Interstate & Intrastate)		
O7: Gross Energy sold (MU)	33,437.00 8	28,238.69 8
<i>O7a: Energy Sold to own consumers</i>	33,437.00 8	28,238.69 8
<i>O7b: Bulk Sale to Distribution Franchisee</i>	-	-
<i>O7c: Interstate Sale/ Energy Traded/Net UI Export</i>	-	-
Net Input Energy (MU) (O8 = O5 - O6 - O7c)	39,043.24 4	34,427.50 6
Net Energy Sold (MU) (O9 = O7 - O7c)	33,437.00 8	28,238.69 8
Revenue Billed including subsidy booked (O10 = A1 + A2 + A3 + B1)	25,574.49 0	21,505.14 0
O11: Opening Gross Trade Receivables (including any adjustments) (Rscore)	13,595.81	12,325.35
O12: Adjusted Gross Closing Trade Receivables (Rscore)	14,206.96	13,595.81

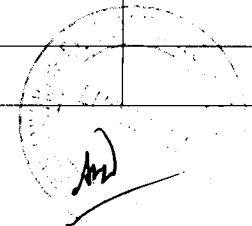
Revenue Collected including subsidy received (O13 = A1 + A2 + A3 + E + O11 - O12)	24,963.34	20,234.68
Billing Efficiency (%) (O14 = O9/O8*100)	85.64	82.02
Collection Efficiency (%) (O15 = O13/O10*100)	97.61	94.09
Energy Realised (MU) (O15a = O15*O9)	32,637.97	26,570.44
AT&C Loss (%) (O16 = 100 - O14*O15/100)	16.41	22.82

Table 6: Key Parameters	Year	
	2022-23	2021-22
ACS (Rs./kWh) (P1 = I*10/O5)	7.01	7.18
ARR on Subsidy Booked Basis (Rs./kWh) (P2 = D*10/O5)	7.26	6.98
Gap on Subsidy Booked Basis (Rs./kWh) (P3 = P1 - P2)	-0.25	0.20
ARR on Subsidy Received Basis (Rs./kWh) (P4 = F*10/O5)	7.26	6.98
Gap on Subsidy Received Basis (Rs./kWh) (P5 = P1 - P4)	-0.25	0.20
ARR on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (Rs./kWh) (P6 = (F-B2-C1)*10/O5)	7.04	6.72
Gap on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P7 = P1 - P6)	-0.03	0.46
Receivables (Days) (P8 = 365*M3/A)	170	232
Payables (Days) (P9 = 365*N8/G)	33	98
Total Borrowings (P10 = N5)	10,569.83	11,386.64

Table 7: Consumer Categorywise Details of Sale (MU)	Year	
	2022-23	2021-22
Q1: Domestic	13,569	11,045
Q2: Commercial	2,048	1,696
Q3: Agricultural	6,693	6,212
Q4: Industrial	7,867	6,607
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	837	724
Q6: Others	2,423	1,955
<i>Railways</i>	85	85
<i>Bulk Supply</i>		
<i>Miscellaneous</i>	2,338	1,870
<i>Distribution Franchisee</i>		
<i>Interstate/ Trading/ UI</i>		

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Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	33,437	28,239
Table 8: Consumer Categorywise Details of Sale (Rs. Crore)	Year	
	2022-23	2021-22
Q1: Domestic	8,820.00	7,517.00
Q2: Commercial	2,303.00	2,020.00
Q3: Agricultural	953.00	1,004.00
Q4: Industrial	6,783.00	5,780.00
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	1,059.00	936.00
Q6: Others	1,565.30	944.00
<i>Railways</i>	84.00	79.00
<i>Bulk Supply</i>		
<i>Miscellaneous</i>	2,599.00	2,228.00
<i>Distribution Franchisee</i>		
<i>Interstate/ Trading/ UI</i>		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	21,483.30	18,201.00

V. Kanpur Electricity Supply Company Ltd (KESCO)

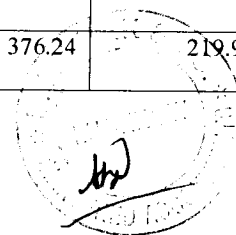
Annexure-III to Notes on accounts

Information as per REC Guidelines under RDSS

I. Profit & Loss	Amount (₹ in Crore)	
	2022-23	2021-22
Table 1: Revenue Details		
Revenue from Operations (A = A1+A2+A3+A4+A5+A6)	3,161.48	2,744.52
<i>A1: Revenue from Sale of Power</i>	3,161.48	2,744.52
<i>A2: Fixed Charges/Recovery from theft etc.</i>		
<i>A3: Revenue from Distribution Franchisee</i>		
<i>A4: Revenue from Inter-state sale and Trading</i>		
<i>A5: Revenue from Open Access and Wheeling</i>		
<i>A6: Any other Operating Revenue</i>		
Revenue - Subsidies and Grants (B = B1+B2+B3)	376.24	219.96

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<i>B1: Tariff Subsidy Booked</i>		
<i>B2: Revenue Grant under UDAY</i>		
<i>B3: Other Subsidies and Grants</i>	376.24	219.96
Other Income (C = C1+C2+C3)	63.95	47.31
<i>C1: Income booked against deferred revenue*</i>		
<i>C2: Misc. Non-tariff income from consumers (including DPS)</i>	58.80	35.56
<i>C3: Other Non-operating income</i>	5.15	11.75
Total Revenue on subsidy booked basis (D = A + B + C)	3,601.67	3,011.79
Tariff Subsidy Received (E)		
Total Revenue on subsidy received basis (F = D - B1 + E)	3,601.67	3,011.79
Whether State Government has made advance payment of subsidy for the quarter(Yes/No)		

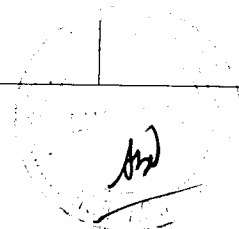
*Revenue deferred by SERC as per tariff order for the relevant FY

Table 2: Expenditure Details	Amount (₹ in Crore)	
	2022-23	2021-22
Cost of Power (G = G1 + G2+ G3)	2,465.67	2,541.00
<i>G1: Generation Cost (Only for GEDCOS)</i>		
<i>G2: Purchase of Power</i>	2358.59	2440.29
<i>G3: Transmission Charges</i>	107.08	100.71
O&M Expenses (H = H1 + H2 + H3 + H4 + H5 + H6 + H7)	1135.49	684.86
<i>H1: Repairs & Maintenance</i>	44.60	42.89
<i>H2: Employee Cost</i>	129.96	125.11
<i>H3: Administration & General Expenses</i>	225.10	212.76
<i>H4: Depreciation</i>	56.52	54.34
<i>H5: Total Interest Cost</i>	284.93	256.22
<i>H6: Other expenses</i>	390.79	(100.56)
<i>H7: Exceptional Items</i>	3.59	94.10
Total Expenses (I = G + H)	3,601.16	3,225.86

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Profit before tax (J = D - I)	0.51	(214.07)
<i>K1: Income Tax</i>		
<i>K2: Deferred Tax</i>		
Profit after tax (L = J - K1 - K2)	0.51	(214.07)
Other Comprehensive Income	(2.02)	(2.72)
Net Profit/(Loss) for the Period	(1.51)	(216.79)

II. Balance Sheet	Amount (₹ in Crore)	
Table 3: Total Assets		
	2022-23	2021-22
M1: Net Tangible Assets & CWIP	1,174.41	1,163.74
M2: Other Non-Current Assets	7.44	7.44
M3: Net Trade Receivables	3,058.14	3,376.24
<i>M3a: Gross Trade Receivable Govt. Dept.</i>		
<i>M3b: Gross Trade Receivable</i>	3,998.02	3,925.76
<i>M3c: Provision for bad debts</i>	939.88	549.52
M4: Subsidy Receivable	437.04	488.64
M5: Other Current Assets	370.98	485.40
Total Assets (M = M1 + M2 + M3 + M4 + M5)	5,048.01	5,521.46
N1: Share Capital ,General Reserves & other reserves	2846.18	2658.18
N2: Accumulated Surplus/ (Deficit) as per Balance Sheet	(4186.93)	(4185.42)
N3: Government Grants for Capital Assets		
N4: Non-current liabilities	254.99	255.05
N5: Capex Borrowings	2,949.67	2,778.11
<i>N6a: Long Term Loans - State Govt</i>	0.00	0.00
<i>N6b: Long Term Loans - Banks & Fis</i>	2,315.93	2,446.31

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<i>N6c: Short Term/ Medium Term - State Govt</i>		
<i>N6d: Short Term/ Medium Term - Banks & Fis</i>	633.74	331.80
N6: Non-Capex Borrowings	-	-
<i>N7a: Short Term Borrowings/ from Banks/ Fis</i>		
<i>N7b: Cash Credit/ OD from Banks/ Fis</i>		
N8: Payables for Purchase of Power	1344.51	2352.26
N9: Other Current Liabilities	1,839.59	1,663.28
Total Equity and Liabilities (N = N1 + N2 + N3 + N4 + N5 + N6 + N7 + N8 + N9)	5,048.01	5,521.46

Table 5: Technical Details	Amount (₹ in Crore)	
	2022-23	2021-22
O1: Total Installed Capacity (MW) (Quarter Ended) (Only for GEDCOs)		
<i>O1a: Hydel</i>		
<i>O1b: Thermal</i>		
<i>O1c: Gas</i>		

<i>O1d: Others</i>		
O2: Total Generation (MU) (Quarter Ended) (Only for GEDCOs)		
<i>O2a: Hydel</i>		
<i>O2b: Thermal</i>		
<i>O2c: Gas</i>		
<i>O2d: Others</i>		
O3: Total Auxiliary Consumption (MU) (Quarter Ended)		
O4 : Gross Power Purchase (MU) (Quarter Ended)	4,228.568	3,757.862
Gross Input Energy (MU) (O5 = O2 - O3 + O4)	4228.568	3757.862

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O6: Transmission Losses (MU)(Interstate & Intrastate)		
O7: Gross Energy sold (MU)	3,835.674	3,396.635
<i>O7a: Energy Sold to own consumers</i>	3,835.674	3,396.635
<i>O7b: Bulk Sale to Distribution Franchisee</i>	-	-
<i>O7c: Interstate Sale/ Energy Traded/Net UI Export</i>	-	-
Net Input Energy (MU) (O8 = O5 - O6 - O7c)	4,228.568	3,757.862
Net Energy Sold (MU) (O9 = O7 - O7c)	3,835.674	3,396.635
Revenue Billed including subsidy booked (O10 = A1 + A2 + A3 + B1)	3,161.48	2,744.52
O11: Opening Gross Trade Receivables (including any adjustments) (Rs. in crore)	3,744.43	3,564.39
O12: Adjusted Gross Closing Trade Receivables (Rscore)	3,815.50	3,744.43
Revenue Collected including subsidy received (O13 = A1 + A2 + A3 + E + O11 - O12)	3,090.41	2,564.48
Billing Efficiency (%) (O14 = O9/O8*100)	90.71	90.39
Collection Efficiency (%) (O15 = O13/O10*100)	97.75	93.44
Energy Realised (MU) (O15a = O15*O9)	3,749.45	3,173.82
AT&C Loss (%) (O16 = 100 - O14*O15/100)	11.33	15.54

Table 6: Key Parameters	Amount (₹ in Crore)	
	2022-23	2021-22
ACS (Rs./kWh) (P1 = I*10/O5)	8.52	8.58
ARR on Subsidy Booked Basis (Rs./kWh) (P2 = D*10/O5)	8.52	8.01
Gap on Subsidy Booked Basis (Rs./kWh) (P3 = P1 - P2)	0.00	0.57
ARR on Subsidy Received Basis (Rs./kWh) (P4 = F*10/O5)	8.52	8.01
Gap on Subsidy Received Basis (Rs./kWh) (P5 = P1 - P4)	0.00	0.57
ARR on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs/kWh) (Rs./kWh) (P6 = (F-B2-C1)*10/O5)	8.52	8.01

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Gap on Subsidy Received excluding Regulatory Income and UDAY Grant (Rs./kWh) (P7 = P1 - P6)	0.00	0.57
Sale of Power as per A	3,161.48	2,744.52
Add: ED on sale of Power	192.77	153.87
Gross Sale of Power With ED	3,354.25	2,898.39
Receivables (Days) (P8 = 365*M3/Gross Sale of Power)	333	425
Payables (Days) (P9 = 365*N10/G)	199	338
Total Borrowings	2949.67	2778.11

Table 7: Consumer Category wise Details of Sale (MU)	Units in MU	
	2022-23	2021-22
Q1: Domestic	1836.986	1608.921
Q2: Commercial	319.059	294.669
Q3: Agricultural	0.00	0.00
Q4: Industrial	1428.455	1239.258
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	144.368	144.268
Q6: Others		
Railways		
Bulk Supply		
Miscellaneous	10.12	7.748
Public Institutions (Govt)	96.686	101.771
Interstate/ Trading/ UI		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	3,835.67	3,396.63

Table 8: Consumer Category wise Details of Sale (Rs. Crore)	Amount (₹ in Crore)

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	2022-23	2021-22
Q1: Domestic	1261.55	1067.92
Q2: Commercial	399.67	274.73
Q3: Agricultural	0.00	0.00
Q4: Industrial	1204.10	1130.75
Q5: Govt. Dept. (ULB/RLB/PWW/Public Lighting)	174.70	165.65
Q6: Others		
<i>Railways</i>		
<i>Bulk Supply</i>		
<i>Miscellaneous</i>	12.85	9.39
Public Institutions (Govt)	108.61	96.08
<i>Interstate/ Trading/ UI</i>		
Gross Energy Sold (Q7 = Q1 + Q2 + Q3 + Q4 + Q5 + Q6)	3,161.48	2,744.52

Table 9: Power Purchase Details	Amount (₹ in Crore)	
	2022-23	2021-22
	in Mus	in MUs
Power Purchase through Long term PPA		
Own Generation for GEDCOs		
Power Purchase (Short term & Medium Term)	4,228.568	3,757.862
Total Power Purchase	4,228.568	3,757.862

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

U.P Power Corporation Limited (Holding Company)

1. Employee Benefits:

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a. As required by Ind AS 19 (Employee Benefits), the company has measured its liabilities arising from Gratuity for the employees covered under CPF Scheme on the basis of Actuarial Valuation Report dated 29.04.2023 for the F.Y. 2022-23.

b. The provision for Earned Leave Encashment (Terminal Benefits) for all employees (i.e. GPF & CPF employees) has been made as per Actuarial Valuation Report dated 29.04.2023 for the F.Y. 2022-23.

c. The Disclosure with respect to the above point no 1-a & 1-b is as below:

S.No	Defined benefit plans:- (Amount ₹ in Crore)	Gratuity		Leave Encashment	
		As on 31/03/20 23	As on 31/03/202 2	As on 31/03/20 23	As on 31/03/20 22
1	Assumptions				
	Discount Rate	7.52%	7.36%	7.46%	6.96%
	Rate of increase in Compensation levels	7.00%	7.00%	7.00%	7.00%
	Rate of return on Plan assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Average future service (in Years)	24.89 Years	24.70 Years	17.85 Years	16.22 Years
2	Service Cost				
	Current Service Cost	1.70	1.48	1.91	1.73
	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	1.28	0.70	6.25	4.42
	Interest Income on Plan Assets	0.00	0.00	0.00	0.00
	Net Interest Cost (Income)	1.28	0.70	6.25	4.42
4	Change in present value of obligations				
	Opening of defined benefit obligations	17.42	10.23	89.80	68.98
	Interest cost	1.28	0.70	6.25	4.42
	Service Cost	1.70	1.48	1.91	1.73
	Benefits Paid	(0.32)	(0.22)	(11.75)	(12.86)
	Actuarial (gain)/Loss on total liabilities	1.27	5.23	0.30	(27.52)
	<i>due to change in financial</i>	<i>(0.58)</i>	4.80	(3.80)	13.68

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S.No	Defined benefit plans:- (Amount ₹ in Crore)	Gratuity		Leave Encashment	
		As on 31/03/20 23	As on 31/03/202 2	As on 31/03/20 23	As on 31/03/20 22
	<i>assumptions</i>				
	<i>due to change in demographic assumptions</i>	0.00	0.00	0.00	0.00
	<i>due to experience Changes</i>	01.85	0.43	4.10	13.84
	Closing of defined benefit obligation	21.35	17.42	86.51	89.80
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	0.32	0.22	11.75	12.86
	Benefits paid	(0.32)	(0.22)	(11.75)	(12.86)
	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	(1.27)	(5.23)	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	(1.27)	(5.23)	N/A	N/A
8	The amounts to be recognized in the Balance Sheet Statement				
	Present value of obligations	21.35	17.42	86.51	89.80
	Fair value of plan assets	0.00	0.00	0.00	0.00
	Net Obligations	21.35	17.42	86.51	89.80
	Amount not recognized due to assets limit	0.00	0.00	0.00	0.00
	Net defined benefit liability/(assets) recognized in balance sheet	21.35	17.42	86.51	89.80
9	Expenses recognized in Statement of Profit & loss				

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S.No	Defined benefit plans:- (Amount ₹ in Crore)	Gratuity		Leave Encashment	
		As on 31/03/20 23	As on 31/03/20 22	As on 31/03/20 23	As on 31/03/20 22
	Service cost	1.70	1.48	1.91	1.73
	Net Interest cost	1.28	0.70	6.25	4.42
	Net actuarial (gain)/loss	0.00	0.00	0.30	27.52
	Expenses recognized in statement of Profit & Loss	2.98	2.18	8.45	33.67
10	Change in Net Defined Obligations				
	Opening of Net defined benefit liability	17.42	10.23	89.80	68.98
	Service Cost	1.70	1.48	1.91	1.73
	Net Interest Cost	1.28	0.70	6.25	4.42
	Re-measurements	1.27	5.23	0.30	27.53
	Contributions paid to fund	(0.32)	(0.22)	(11.75)	(12.86)
	Closing of Net defined benefit liability	21.35	17.42	86.51	89.80
11	Sensitivity analysis				
	Item	As on 31/03/20 23	Impact	As on 31/03/20 23	Impact
	Base liability	21.35		86.51	
	Increase in Discount rate by 0.50%	19.68	(1.68)	83.03	(3.47)
	Decrease in Discount rate by 0.50%	23.22	1.87	90.31	3.80
	Increase in salary inflation by 1%	23.26	1.91	94.09	7.58
	Decrease in salary inflation by 1%	19.27	(2.08)	80.06	(6.45)
	Increase withdrawal rate by 0.5%	21.74	0.39	86.78	0.27
	Decrease withdrawal rate by 0.5%	20.93	(0.43)	86.22	(0.29)

2. As per requirement of Section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, every company to which the provisions of Section 135 apply shall spend at least 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. But as per Section 198 of Companies Act 2013, company has incurred losses during the three immediately preceding financial years. Hence, no provision has been made and no CSR activity has been undertaken by the company in this regard.

3. **Earmarked Bank Balances, ESCROW Accounts, and Bank Credits (working capital):**

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a. The details of Earmarked Banks Accounts are as under:

(₹ in Crore)

Bank Name	Account Name	Bank Balance	FDR balance	Accrued Interest
HDFC (Vistra)	DSRA SERIES 1 A/C	-	213.90	0.34
	BOND SER ESCROW I A/C	-	213.46	0.79
	BOND SER ESCROW II A/C	-	41.55	0.07
	DSRA SERIES 2 A/C	-	144.33	1.14
ICICI	UP POWER CORPORATION LIMITED RPO REGULATORY FUND	-	0.00	0.00
ICICI (Beacon)	DISTRIBUTION NETWORK REHABILITATION A/C	-	0.00	0.00
	UPPCL BOND SERVICING SERIES- I A/C	-	192.73	1.09
	UPPCL DEBT SERVICE RESERVE- I A/C	-	383.11	0.00
	UPPCL BOND SERVICING SERIES- II A/C	-	242.34	1.37
	UPPCL DEBT SERVICE RESERVE- II A/C	-	481.45	0.00
	UPPCL BOND SERVICE A/C (SERIES-I)2022	-	0.62	0.00
	UPPCL DEBT SERVICE RESERVE A/C BOND (SERIES - I) 2022	-	191.31	0.00
	UPPCL BOND SERVICE A/C (SERIES-II)2022	-	0.56	0.00
	UPPCL DEBT SERVICE RESERVE A/C BOND (SERIES - II) 2022	-	173.28	0.00
Corpus Fund	ICICI(NEDA Solar)	-	46.02	0.00
Total		-	2324.64	4.79

b. Bank balances of ESCROW Accounts:

(₹ in Crore)

Bank name	Account name	A/c no.	Balance
SBI Ashok Marg	PURVANCHAL VIDYUT VITRAN NIGAM	10101987043	-
	DAKSHINANCHAL VIDYUT VITRAN NIGAM LTD	10101987724	0.97
	PURVANCHAL VIDYUT VITRAN NIGAM	30043166973	-
	MADYANCHAL VIDYUT VITRAN NIGAM LTD ESCROW A/C	30051399919	-
	PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD ESCROW A/C	30051399942	-
	PURVANCHAL VIDYUT VITRAN NIGAM LTD ESCROW A/C	30051399975	-
	DAKSHINANCHAL VIDYUT VITRAN NIGAM LTD ESCROW A/C	30051400029	-
	U P POWER CORPORATION LTD PAVVNL	30059810334	-

Bank name	Account name	A/c no.	Balance
	PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD CARE ASCROW A/C	30128421079	-
	U P POWER CORPORATION LTD MVVNL	30128432514	0.00
	UPPCL ESCROW A/C ROSA	30952651649	0.16
	UPPCL ESCROW A/C BAJAJ	32977504067	1.89
	UPPCL ESCROW A/C LALITPUR	35095155057	-
PNB Hazratganj	ESCROW ACC FOR REPAYMENT OF PFC UPPCL	29400210127 4879	-
	MADHYANCHAL VIDYUT VITRAN NIGAM LTD. ESCROW A C RECEIPT	29400211000 2537	-
	DAKSHINANCHAL VIDYUT VITRAN NIGAM LTD AGRA ESCROW AC RECEIPT	29400211000 2546	-
	PASCHIMANCHAL VIDYUT VITRAN NIGAM	29400211000 2722	-
	MD PURVANCHAL VITRAN NIGAM LTD	29400211000 3439	-
	PASCHIMANCHAL VIDYUT VITRAN LTD	29400211000 3536	-
	PURVANCHAL VIDYUT VITRAN NIGAM LTD	29400211000 4146	3.26
	MADHYANCHAL VIDYUT VITRAN NIGAM LTD.	29400211000 4191	0.00
	DAKSHINANCHAL VIDYUT VITRAN NIGAM LTD	29400211000 4067	0.00
	ROSAPOWER SUPPLY PAYMENTS ESCROW	29400290000 0031	22.06
	BAJAJ ENERGY DEFAULT ESCROW	29400211000 7897	-
	UPPCL LALITPUR ESCROW A/C	29400211000 8638	6.33
CBI Hazratganj	PASCHIMANCHAL VIDYUT VITRAN LTD	1444293992	-
	PURVANCHAL VIDYUT VITRAN NIGAM LTD	1444294000	-
	U P POWER CORPORATION LTD MVVNL	1444299086	1.39
	U P POWER CORPORATION LTD PAVVNL	1444305115	-
	U P POWER CORPORATION LTD DVVNL	1444323837	-
	U P POWER CORPORATION LTD DVVNL	1444300116	-
	U P POWER CORPORATION LTD (BAJAJ)	3251225201	4.11
	U P POWER CORPORATION LTD (LANCO)	3254008293	-
	U P POWER CORPORATION LTD (LALITPUR)	3472978707	0.07
Bank of Baroda	UPPCL ESCROW DVVNL	50020000075 4	1.85
	UPPCL ESCROW PAVVNL	50020000083	-

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Bank name	Account name	A/c no.	Balance
		2	
	PURVANCHAL VIDYUT VITARAN NIGAM LTD	500200000991	-
	ESCROW A/C DVVNL	500200001010	2.28
	MADYANCHAL VIDYUT VITRAN NIGAM LTD	500200001021	0.92
ICICI Bank	UPPCL-LALITPUR POWER GENERATION CO LTD ESCROW A/C	628105021837	5.87
	UPPCL ROSA POWER SUPPLY PAYMENT ESC.AC	628105030625	8.30
	UPPCL LANCO DEFAULT ESCROW A/C	628105032210	-
	UPPCL BAJAL ENERGY DEFAULT ESCROW A/C	628105032232	2.32
HDFC Bank	UPPCL ROSA DEFAULT ESCROW A/C	12672240000014	2.78
	UPPCL DSRA ESCROW A/C	50200004167832	-
	UPPCL BOND SERVICING ESCROW A/C	50200004167842	-
	UPPCL BOND SERVICING ESCROW A/C SERIES-2	50200017358973	-
AXIS Bank	UPPCL ROSA POWER SUPPLY PAYMENT ESCROW A/C	912020049762299	0.76
Total			65.32

c. UPPCL has availed working capital facilities amounting to ₹1930.00 Crore from various banks. As per the sanction terms and conditions PNB has sanctioned ₹450.00 Crore as CC limit and the remaining bank, i.e. Indian Bank (₹430.00Crore), ICICI Bank (₹400.00Crore), Central Bank Of India(₹105.00Crore), HDFC bank(₹30 Crore and Bank of India(₹500.00Crore) and PNB(₹15.00Crore), have sanctioned residual limit of ₹1480.00 Crore as OD/WCTL facility.

As on 31.03.2023, UPPCL availed ₹200.69 Cr from below mentioned banks-

(₹ in Crore)

Bank Name	WCTL	OD/CC
Indian Bank(OD)	150.00	-
PNB(CC)	-	40.72
PNB(OD)	-	9.96
BOI(OD)	-	0.01
Total	150.00	50.69

4. Receivables related to Power Purchase (₹ 1567.90 Crore)

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The above includes the following towards the debit balances related to power purchases from generators as detailed below:

(₹ in Crore)

Sl. No.	Balances	Remarks
i.	707.68	It relates to debit notes issued to M/s Rosa Power Company Ltd. in the month of April 2018 towards the recovery as per UPERC's Order but the recovery against the above debit notes is still stayed as per APTEL's order dated 29.09.2018.
ii.	397.95	It relates to unscheduled interchange charges receivable from generators (Northern Railway, NPCL, and Chunar Cement Factory Ltd.) The UI charges may be payable or receivable depending upon deviation from the schedule and also subject to the Grid condition at that point of time.
iii.	4.83	It relates to the negative bills given by the UPPTCL, Powergrid Rampur Sambhal, and TANGEDCO.
iv.	431.68	It relates to the debit balances against different generators and the same are under reconciliation.
v.	25.76	It relates to the amount receivable from Indian Energy Exchange Ltd against purchase and sales through it.
Total	1567.90	

5. Disclosure pursuant to Regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

A. The status of Bonds issued by the Company for the DISCOMs as on 31.03.2023 is as under:

S.No	Details of Bonds/Details of Bonds	Amount of Bonds (₹ in Crore)	No. of Bonds	Maturity date	Date of issue	Face Value (₹ in Lakh)	Rate of interest	Previous due date of interest payment	Paid/or not	Next date of interest payment	Amount of interest payable on next due date (₹ in Crore)	Next due date of principal payment	Principal Amount Payable on next due date (₹ in Crore)	Security	Outstanding As at 31.03.2023 (₹ in Crore)	Outstanding As at 31.03.2022 (₹ in Crore)
1.	UPPCL State Govt Serviced Bond series II/2022	3488.00	34880	22.03.2032	07.10.2022	10	9.95%	31.03.2023	Paid	30.06.2023	86.53	30.06.2023	109.00	Hypothecation on Current Assets including Receivables, ESCROW, and Govt. Guarantee (as per terms of DOH of respective issuance)	3488.00	-
2.	UPPCL State Govt Serviced Bond series I/2022	3951.20	39512	22.03.2032	30.03.2022	10	9.70%	31.03.2023	Paid	30.06.2023	95.55	30.06.2023	123.48		3951.20	3951.20
3.	UPPCL Bond Series II/2017-18	5491.00	54910	20.01.2028	27.03.2018	10	10.15%	20.01.2023	Paid	20.04.2023	80.84	20.04.2023	161.50		3230.00	3876.00
4.	UPPCL Bond Series I/2017-18	4498.20	44982	20.10.2027	05.12.2017	10	9.75%	20.01.2023	Paid	20.04.2023	60.43	20.04.2023	132.30		2513.70	3042.90
5.	UPPCL Bond Series IV/2016-17	3489.50	34895	15.03.2027	27.03.2017	10	8.48%	15.03.2023	Paid	15.06.2023	42.62	15.06.2023	124.63		1994.00	2492.50
6.	UPPCL Bond Series III/2016-17	6510.00	65100	15.02.2027	17.02.2017	10	8.97%	15.02.2023	Paid	15.05.2023	81.36	15.05.2023	232.50		3720.00	4650.00
	Total	27427.90	274279	-	-	-	-	-	-	-	447.33	-	883.40		18896.90	18,012.60

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B. Credit Rating:

The position of Credit Rating obtained from various agencies is given below:

Current Rating (as on 31.03.2023):

Particulars	Ratings		
Bond Amount	4498.20 Crore & 5491.00 Crore	6510.00 Crore & 3489.50 Crore	3951.20 Crore & 3488 Crore
CRISIL Rating	A+(CE)/Stable	-	A+(CE)/Stable
India Rating	IND A+(CE)/Stable	IND AA(CE)/Stable	IND A+(CE)/Stable
Brickwork Rating	BWR AA- (CE)Stable	BWR AA(CE)/Stable	-

Previous Rating (as on 31.03.2022):

Particulars	Ratings		
Bond Amount	4498.20 Crore & 5491.00 Crore	6510.00 Crore & 3489.50 Crore	3951.20 Crore
CRISIL Rating	A+(CE)/Stable	-	A+(CE)/Stable
India Rating	IND A+(CE)/Stable	IND AA(CE)/Stable	IND A+(CE)/Stable
Brickwork Rating	BWR AA- (CE)Stable	BWR AA(CE)/Stable	-

There is no change in Credit Rating as compared to previous year.

c. The following Bonds issued by the company are secured as per the details:-

ISIN	Scrip Code	Maturity	Secured By way of	Amount (₹ in Crore)	Present Outstanding (₹ in Crore)	Date of creation of security
INE540P07228	957205	20-10-2027	Hypothecation on current assets including receivables of UPPCL and Govt. Guarantee	4498.20	2513.70	06-12-2017
INE540P07236	957206					
INE540P07244	957207					
INE540P07251	957208					
INE540P07269	957209					
INE540P07319	957806	20-01-2028	Hypothecation on current assets including receivables of UPPCL and Govt. Guarantee	5491.00	3230.00	24-03-2018
INE540P07327	957807					
INE540P07335	957808					
INE540P07343	957809					
INE540P07350	957810					
INE540P07368	973877	22-03-2032	Hypothecation	3951.20	3951.20	29-03-2022

ISIN	Scrip Code	Maturity	Secured By way of	Amount (₹ in Crore)	Present Outstanding (₹ in Crore)	Date of creation of security
INE540P07376	973879		on current assets including receivables of UPPCL and Govt. Guarantee			
INE540P07384	973880					
INE540P07392	973882					
INE540P07400	973876					
INE540P07418	973878					
INE540P07426	973881					
INE540P07434	973883					
INE540P07442	974281	22-03-2032	Hypothecation on current assets including receivables of UPPCL and Govt. Guarantee	3488.00	3488.00	10-05-2022
INE540P07459	974282					
INE540P07467	974283					
INE540P07475	974284					
INE540P07483	974285					
INE540P07491	974286					
INE540P07509	974287					
INE540P07517	974288	15-02-2027	Hypothecation on current assets including receivables of UPPCL and Govt. Guarantee	6510.00	3720.00	16-02-2017
INE540P07079	955769					
INE540P07087	955770					
INE540P07095	955771					
INE540P07103	955772					
INE540P07145	956147	13-03-2027	Hypothecation on current assets including receivables of UPPCL and Govt. Guarantee	3489.50	1994.00	30-03-2017
INE540P07152	956148					
INE540P07160	956149					
INE540P07178	956150					
TOTAL				27427.90	18896.90	-

The assets of the company provide coverage of the interest and principal amount, as detailed below which is in accordance with terms of issue/debenture trust deed for Secured debt securities:

Particulars	Security
-------------	----------

	Coverage
Beacon Trusteeship Ltd. (Debenture Trustee for Bonds)	1.17 times
Vistra ITCL India Ltd. (Debenture Trustee for Bonds)	1.13 times
Other Secured Debts and other Secured Payables	5.97 times

D. The market value of Bonds shown under the head *Financial Assets - Investments (Non-Current)* in Note No.06 of the Financial Statements is as under :

(₹ in Crore)

Settlement Date	Security	Valuation date	Original Maturity date	Residual maturity year	FIMMDA Yield as on 31.03.2023	Price	No. of bonds	Total amount/clean price
27.03.2017	7.75% PFC Bonds Series-164(22.03.2027)	31.03.2023	22.03.2027	4	7.67	100.73	250	25.18
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	31.03.2023	22.03.2027	4	7.67	100.73	250	25.18
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	31.03.2023	22.03.2027	4	7.67	100.73	250	25.18
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	31.03.2023	22.03.2027	4	7.67	100.73	250	25.18
11.05.2017	7.75% PFC Bonds Series-164 (22.03.2027)	31.03.2023	22.03.2027	4	7.67	100.73	230	23.17
Total							1230	123.89

E. Disclosure pursuant to regulation 52 (7) & 52 (7A) of SEBI (LODR), Regulations, 2015 with respect to utilization of Issue Proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/Private Placement)	Type of instrument	Date of raising funds	Amount Raised	Fund utilized	Any deviation (Yes/No)	If 8 is Yes then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
U.P. Power Corporation Limited (UPPCL), a company wholly owned by the Government of Uttar Pradesh.	INE540P07442; INE540P07483; INE540P07459; INE540P07491; INE540P07467; INE540P07509; INE540P07475; INE540P07517.	Private Placement	Secured, Rated, Listed, Redeemable, Taxable, Government of Uttar Pradesh serviced Non-Convertible Bonds; supported by Hypothecation on Current Assets including Receivables, ESCROW, and Govt Guarantee (as per terms of DOH of respective issuances)	07/10/2022	3488.00 Cr	3488.00 Cr	No	-	-

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6. Details of Loans taken on behalf of DISCOMs:

(₹ in Crore)

Loan No.	Rate of Interest	Drawl Date	Balance as on 31.03.23	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total
Power Finance Corporation (PFC)									
8523002	10.75%	21-06-2017	1285.71	321.43	321.43	321.42	321.43	0.00	1285.71
8573001	10.50%	21-07-2018	1000.00	125.00	200.00	250.00	325.00	100.00	1000.00
8573002	10.60%	07-02-2019	1200.00	450.00	270.00	300.00	180.00	0.00	1200.00
8573003	10.50%	23-07-2019	433.33	60.02	86.67	86.66	199.98	0.00	433.33
8573004	10.50%	25-09-2019	299.06	149.53	89.72	59.81	0.00	0.00	299.06
8573005	10.50%	28-11-2019	294.68	108.56	77.56	77.53	31.03	0.00	294.68
8573006	10.75%	20-12-2019	220.80	94.63	37.85	37.85	50.47	0.00	220.80
8573008	10.90%	13-03-2020	331.14	14.70	14.70	22.09	29.44	250.21	331.14
8569001	9.50%	30-07-2020	8619.01	4152.64	1853.09	1861.74	518.00	233.54	8619.01
8570001	9.50%	30-03-2021	5510.45	2654.93	1184.75	1190.26	331.18	149.33	5510.45
8575001	8.50%	20-10-2022	3009.61	963.78	873.36	547.00	439.05	186.42	3009.61
Total			22203.79	9095.22	5009.13	4754.36	2425.58	919.50	22203.79
Rural Electrification Corporation (REC)									
4712381	10.40%	30-03-2017	857.14	190.70	158.06	200.23	271.54	36.60	857.13
476002105 (4712381)	10.40%	-	91.40	20.34	16.85	21.35	28.96	3.90	91.40
476002350 (4713584)	10.00%	-	250.00	58.33	62.50	41.67	87.50	0.00	250.00
4714417	10.25%	11-10-2018	503.13	107.77	71.90	71.89	251.57	0.00	503.13
476002596 (4714417)	10.25%	-	16.49	3.53	2.36	2.35	8.25	0.00	16.49
4714897	10.34%	18-03-2019	1714.29	321.43	407.14	342.86	642.86	0.00	1714.29
4715972	9.50%	30-07-2020	8256.15	3977.99	1775.09	1783.15	496.13	223.79	8256.15
47116279	9.50%	26-03-2021	5325.45	2565.80	1144.97	1150.30	320.06	144.32	5325.45
4717221	9.00%	30-09-2022	1070.00	330.20	322.71	207.79	131.40	77.90	1070.00
4717221			841.00	213.11	272.65	177.45	129.01	48.78	841.00
Total			18925.05	7789.20	4234.23	3999.04	2367.28	535.29	18925.04

7. The Common expenditures and common facility costs towards the Employee Cost, Administrative, General & Other Expense and Repair & Maintenance expenses amounting to ₹173.53Crore have been allocated and transferred to subsidiaries companies and other related companies during the period ended 31.03.2023 as compared to ₹154.94Crore during the year ended 31.03.2022 based on ratio of financial year 2021-22. (Note no.23, 26 &27)
Details of the allocation of common expenses are as under:

(₹ in Crore)

Particulars	Employee Cost (Note 23)		Admin. Cost (Note 26)		R&M Cost (Note 27)		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
	i	ii	v	vi	iii	iv	(i+iii+v)	(ii+iv+vi)
PuVVNL	27.37	26.27	10.18	10.87	0.26	0.08	37.81	37.22
MVVNL	25.55	24.38	8.69	10.63	0.22	0.07	34.46	35.08
DVVNL	24.53	24.12	9.07	10.53	0.24	0.07	33.84	34.72
PVVNL	28.59	27.54	12.17	13.54	0.30	0.09	41.06	41.17
KESCo	5.44	5.21	1.34	1.48	0.04	0.01	6.82	6.70
Sub-Total (a)	111.48	107.51	41.45	47.05	1.06	0.32	153.99	154.89
UPRVUNL	0.32	0.54	0.03	0.64	0.46	0.72	0.81	1.90
UPJVUNL	0.23	0.22	-	0.09	0.08	0.12	0.31	0.42
UPPTCL	17.71	17.38	0.16	0.66	0.55	0.81	18.42	18.84
Sub-Total (b)	18.26	18.14	0.19	1.39	1.09	1.65	19.54	21.17
Total (a+b)	129.74	125.65	41.64	48.44	2.15	1.97	173.53	176.06

8. In view of UPERC order dated 10.03.2022 in petition no. 1431/2019, through which capital cost of M/s Lalitpur Power Generation Company Ltd. had been revised, two debit notes amounting to ₹ (2225.76) Crore & ₹ (353.45) Crore have been verified and issued to M/s Lalitpur Power Generation Company Ltd. However, as per APTEL order dated 01.04.2022 (A. No. 451 of 2022 in DFR No. 114 of 2022 & IA No. 450 of 2022) the debit notes earlier issued amounting to ₹ (2225.76) C&₹ (353.45) Crore has to be kept in abeyance till final decision. Therefore, in view of APTEL order, the subjected debit notes amount has been reversed in accounts till final decision by the Hon'ble APTEL/Court/UPERC.
9. 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..

Purvanchal Vidhyut Vitran Nigam





1. In compliance of instructions issued by the higher management, a committee has been formed to verify the physical verification of work done and bills posted in the ERP system by the units (EDD 1 Mau and EDD 2 Ballia). The committee has formed the opinion that the forged documents amounting to Rs. 40.45 crore (EDD 1 Mau Rs. 13.06 crore and EDD 2 Ballia Rs. 27.39 crore) have been uploaded in the ERP system with intention to provide undue benefit to vendors. On the basis of the above report, departmental/court proceedings have been initiated against the responsible employees of the company. The necessary accounting entry will be passed in the books of accounts after completion of departmental / court proceedings.
2. Detail of Fund received, utilized and available balance during the year under "ADB Financed Uttar Pradesh Power Distribution Network Rehabilitation Project is given below:-

Particulars	Amount ('in Cr.)
Opening balance as on 01.04.2022	4.18
Fund received during the year	307.61
Fund utilized during the year	299.12
Closing balance as on 31.03.2023	12.67

Madhyanchal Vidhyut Vitran Nigam

1. During the year R-APDRP Part-A loan from PFC (Outstanding Principal amount ₹ 230.25 crore and Outstanding Interest amount ₹ 102.26 Total amount of ₹ 332.51) has been 100% converted into Grant as intimated by PFC vide Letter No. 02:10: R-APDRP:2010:MVVNL1/77738 Dt. 08.07.2022.
2. An embezzlement of cash amounting to Rs.0.50 Crores in EDD-Rudauli (Location code-592A), Ayodhya Zone came to the knowledge of management for which first information report has been lodged and necessary departmental proceedings have been initiated against the concerned.
3. As required by Ind AS 19, the provision for accrued liability of Gratuity of employees covered under CPF scheme and provision for accrued liability for Earned Leave Encashment of all employees has been made on the basis of actuarial valuation report dated 02.05.2023 submitted by M/s Mithras Consultants, Gurgaon, Haryana. The disclosures in this regard are as below:

(₹ in Crores)

S. No.	Defined benefit plans:-	Gratuity		Leave Encashment	
		As on 31.03.2022	As on 31.03.2023	As on 31.03.2022	As on 31.03.2023
1.	Assumptions				
	Discount Rate	7.29% p.a.	7.48% p.a.	7.29% p.a.	7.48% p.a.
	Rate of increase in Compensation levels	8.00% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.

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	Rate of Return on Plan Assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Average future service(in years)	23.58 Years	23.00 Years	19.96 Years	20.01 Years
2.	Service Cost				
	Current Service Cost	12.92	13.96	10.30	10.80
	Past Service Cost (including curtailment Gains/ Losses)	0	0	0	0
	Gains or losses on Non Routine settlements	0	0	0	0
	Total	12.92	13.96	10.30	10.80
3.	Net Interest Cost				
	Interest Cost on Defined Benefit Obligation	10.30	12.14	23.41	26.52
	Interest Income on Plan Assets	0	0	0	0
	Net Interest Cost (Income)	10.30	12.14	23.41	26.52
4.	Change in present value of obligations				
	Opening of defined benefit obligations	151.21	166.58	343.76	366.23
	Liability Transfer In/(Out)	0	0	0	0
	Service cost	12.92	13.96	10.30	10.80
	Interest Cost	10.30	12.14	23.41	26.52
	Benefit Paid	-7.96	-3.91	-15.57	-25.66
	Actuarial (Gain)/Loss on total liabilities:	0.11	4.65	4.33	-1.82
	- due to change in financial assumptions	-11.40	-4.78	-17.80	-10.20
	- due to change in demographic assumptions	0	0	0	0

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	- due to experience variance	11.51	9.44	22.13	8.38
	Closing of defined benefit obligation	166.58	193.42	366.23	376.08
5.	Change in the fair value of plan assets				
	Opening fair value of plan assets	0	0	0	0
	Asset Transfer In/ (Out)	0	0	0	0
	Actual Return on Plan Assets	0	0	0	0
	Employer Contribution	7.96	3.91	15.57	25.66
	Benefit Paid	-7.96	-3.91	-15.57	-25.66
	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	0	0	0
	Actual income on Plan Asset	0	0	0	0
	Actuarial gain / (loss) on Assets	0	0	0	0
7.	Other Comprehensive income				
	Opening amount recognized in OCI outside P&L account	0	0	Not Applicable	Not Applicable
	Actuarial Gain / (loss) on liabilities	-0.11	-4.65	Not Applicable	Not Applicable
	Actuarial gain / (loss) on assets	0.00	0.00	Not Applicable	Not Applicable
	Closing amount recognized in OCI outside P&L account	-0.11	-4.65	Not Applicable	Not Applicable
8.	The amount to be recognized in Balance Sheet Statement				
	Present Value of Obligations	166.58	193.42	366.24	376.08
	Fair value of plan	0	0		

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	assets				
	Net Obligations	166.58	193.42	366.24	376.08
	Amount not recognized due to asset limit	0	0	0	0
	Net defined benefit liability / (assets) recognized in balance sheet	166.58	193.42	366.24	376.08
9.	Expense recognized in Statement of profit and Loss				
	Service cost	12.92	13.96	10.30	10.80
	Net interest cost	10.30	12.14	23.41	26.52
	Net actuarial (gain)/ loss	Not Applicable	Not Applicable	4.33	-1.82
	Expenses Recognized in the statement of profit & Loss	23.22	26.10	38.04	35.50
10.	Change in Net Defined Obligations				
	Opening of Net defined benefit liability	151.21	166.58	343.76	366.23
	Service cost	12.92	13.96	10.30	10.80
	Net interest Cost	10.30	12.14	23.41	26.52
	Re-measurements	0.11	4.65	4.33	-1.82
	Liability Transferred In / (out) - Net	0	0	0	0
	Contribution paid to fund	-7.96	-3.91	-15.57	-25.66
	Closing of Net defined benefit liability	166.58	193.42	366.23	376.08
11.	Sensitivity Analysis				
	Item	As on 31.03.2023	Impact	As on 31.03.2023	Impact
	Base Liability	193.42		376.08	
	Increase Discount Rate by 1.00%	170.84	-22.58	338.00	-38.08

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	Decrease Discount Rate by 1.00%	220.65	27.23	421.71	45.63
	Increase Salary inflation by 1.00%	207.81	14.39	419.69	43.61
	Decrease Salary inflation by 1.00%	178.20	-15.22	338.89	-37.19
	Increase Withdrawal Rate by 1.00%	195.50	2.07	375.41	-0.67
	Decrease Withdrawal Rate by 1.00%	190.82	-2.60	376.78	0.71

Dakshinanchal Vidhyut Vitran Nigam


1. During the year R-APDRP Part-A loan from PFC (Outstanding amount ₹ 77.53 crore) has been 100% converted into Grant as intimated by PFC vide letter no. 080232 dt. 06.01.2023. As per intimation by PFC outstanding interest on the above loan of ₹ 28.39 crore has also been converted in to Grant, excess provision of ₹ 25.34 crore towards accrued interest has been reversed as prior period adjustment.
2. During the year R-APDRP Part-B loan from PFC (Outstanding amount ₹ 353.15 crore) has been partly (₹ 181.70 crore) converted into Grant as intimated by PFC vide letter no. 77746 dt. 08.07.2022. Interest portion of the said converted loans (₹ 46.76 crore) also converted in to Grant.
3. Reduction in Capital Reserve of DVVNL includes Rs. 47.99 crores related to Conversion of Grant into Equity.

Paschimanchal Vidhyut Vitran Nigam

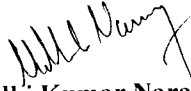
1. The following frauds/embezzlement as reported by concerned Branch Auditors in their Audit Report are as follows:


S. No.	Name of Zone	Particulars	₹ in Crores
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.	3.68
		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	0.31
2	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.	5.64
		Cashier of EDD, Greater Noida SatenderPratap Singh TGII S/o Shri Ramesh Singh, R/o MohallaLodhan 2, Jahangirabad Rural, Bulandshahar, Uttar Pradesh posted at 33/11 KV Sub Division Rabupura embezzled cash of ₹82,21,974/- during the month of March, 2021, April 2021 and June 2021.	0.82
		Observed that an amount of ₹20,09,095/- embezzled by cashier of EUDD-IV, Ghaziabad Harinath TG-II during the year 2018-19 (since then, the amount have been kept as Sundry Advance against the accused Harinath TG-II)	0.20

3	Bulandshahar Zone	As informed no fraud was detected during FY 2021-22. But the frauds of embezzlement detected up to FY 2020-21 has involved total amount of ₹312.60 lacs out of which ₹0.24 lacs has been recovered. And balance sum of ₹3.12 crores are still to be recovered.	3.12
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(Jitesh Grover)
Company Secretary
(Additional Charge)


(Nitin Nijhawan)
Chief Financial
Officer


(Nidhi Kumar Narang)
Director (Finance)
DIN - 03473420



(Pankaj Kumar)
Managing Director
DIN - 08095154

Place :Lucknow

Date : 15/09/2023

Subject to our report of even date

For D. Pathak & Co.
Chartered Accountants
FRN No. 001439C


(A. K. Dwivedi)
Partner
M No. 071584

UDIN: 23071584BGWZLF2793

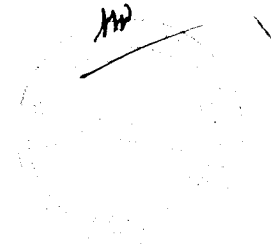
Form AOC-1

(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 2023

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)	23391.02	25885.58	19004.09	23988.47	2431.28
6	Reserves and surplus	(16511.58)	(16216.98)	(3838.40)	(23364.77)	(3786.49)
7	Total assets	43106.23	57091.18	37088.24	37057.57	5048.01
8	Total Liabilities	36226.79	47422.58	21922.55	36433.87	6403.22
9	Investments	-	-	-	-	-
10	Turnover	13707.75	13660.98	21483.30	12447.81	3161.48
11	Profit/(Loss) before taxation	(4819.92)	(6610.27)	991.67	(5073.77)	0.51
12	Provision for taxation	-	-	-	-	-
13	Profit/(Loss) after taxation	(4819.92)	(6610.27)	991.67	(5073.77)	0.51
14	Proposed Dividend	-	-	-	-	-
15	Extent of shareholding (in percentage)	100%	100%	100%	100%	100%



Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
2023

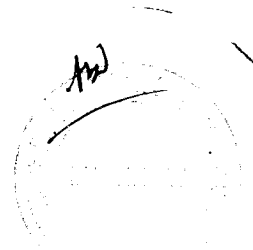
Part B:- Associates and Joint Ventures

(₹ in Crore)

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	



Alita



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

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH 2023

(₹ in Crores)

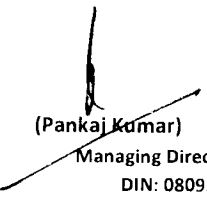
		2022-23	2021-22
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/ (Loss) Before Taxation & Exceptional items	(15,759.85)	(3,957.23)
	Adjustment For:		
a	Depreciation	3,577.75	2,862.13
b	Interest & Financial Charges	8,062.29	8,382.57
c	Bad Debts & Provision	14,561.18	7,744.98
d	Interest Income	(200.07)	172.39
	Sub Total	26,001.15	19,162.07
	Operating Profit Before Working Capital Change	10,241.30	15,204.84
	Adjustment for:		
a	Inventories	1,352.30	(498.45)
b	Trade Receivable	(5767.41)	(11,466.10)
c	Other Current Assets	(910.11)	1,676.23
d	Financial assets -others	(130.53)	129.09
e	Other financial Liab.	(1,096.77)	(868.33)
f	Financial Liabilities-Borrowings	3,463.86	2,913.54
g	Trade Payable	2,279.37	(2,624.10)
h	Bank balance other than cash	(107.42)	1,730.46
i	Provisions		
	Sub Total	(916.71)	(9,007.66)
	NET CASH FROM OPERATING ACTIVITIES (A)	9,324.59	6,197.18
B	CASH FLOW FROM INVESTING ACTIVITIES		
a	Decrease (Increase) in Property, Plant & Equipment	(6,749.96)	(3,635.04)
b	(Increase)/Decrease in Investments	0.01	180.72
c	Decrease/(Increase) in Loans & Other financial assets Non-current Assets	2,071.72	480.36
d	Interest Incomes	200.07	(172.39)
e	Decrease (Increase) in Intangible assets	(101.23)	(52.00)
f	Decrease (Increase) in Intangible assets under development	59.07	(60.36)
g	Decrease (Increase) in Asset not in possession	(4.99)	(7.67)
	NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	(4,525.31)	(3,266.38)
C	CASH FLOW FROM FINANCING ACITIVITIES		
a	Proceeds from Borrowing	(7,174.48)	(2,945.67)
b	Proceeds from Share Capital	8,788.39	5,552.92
c	Proceed from other equity	(532.51)	1,232.62
d	Other long term liabilities	430.32	1,351.37
e	Interest & Financial Charges	(8,062.29)	(8,382.57)
	NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	(6,550.57)	(3,191.33)
	NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(1,751.29)	(260.53)
	CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,977.58	6,238.11
	CASH & CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note no.11A)	4,226.29	5,977.58

- (i) This Statement has been prepared under indirect method as prescribed by Ind AS-07
(ii) Cash and cash equivalent consists of cash in hand, bank balances with scheduled banks and fixed deposits with banks.
(iii) Previous year figures have been regrouped and reclassified wherever considered necessary.


(Jitesh Grover)
Company Secretary
(Additional Charge)


(Nitin Nijhawan)
Chief Financial Officer

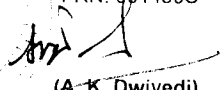

(Nidhi Kumar Narang)
Director(Finance)
DIN: 03473420


(Pankaj Kumar)
Managing Director
DIN: 08095154

Place : Lucknow

Date : 15/09/2023

Subject to our report of even date
For D. Pathak & Co.
Chartered Accountants
FRN: 001439C


(A. K. Dwivedi)
Partner

M No. 071584

UDIN:

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