



INDEPENDENT AUDITOR'S REPORT

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

1. Report on Standalone Financial Statements

(A) Qualified Opinion:

We have audited the accompanying Standalone Financial Statements of Uttar Pradesh Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements") in which are incorporated accounts of Material Management Zone (Location code – 300, 330, 640 and 970 and its units) ("Zone") thereof which have been audited by other Auditor.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid Standalone 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, of the state of affairs of the Company as at 31st March, 2024 and the **Net Loss**, including other comprehensive income, its cash flows and statement of change in Equity for the year ended on that date.

(B) Basis for Qualified Opinion:

We draw attention to the matters described in 'Annexure I', the effect of which, individually or in aggregate, are material but not pervasive to the financial statement and matters where we are unable to obtain sufficient and appropriate audit evidence. Our opinion is qualified in respect of these matters.

We conducted our audit of the Standalone 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

(C) Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole. Except for the matters described in the basis of qualified opinion including **Annexure 1** to the audit report, we have determined that there are no other Key Audit Matters to communicate in our report.

(D) Emphasis of Matter:

U. P. Power Corporation Ltd.

1. Tax deducted at source Rs.168.28 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** since, management has informed that rectification order u/s 154 of Income Tax Act for refund of amount to the extent of Rs. 5.84 crore has been issued but same is still to be received.
2. As per information provided to us Receivable from Generators includes Rs.707.68 crore debit balance pertaining to M/s Rosa Power Company Ltd, Note 12: Other Current Assets, 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. 32 of Note 30: Notes to Accounts relating to M/s Lalitpur Power Generation Company.
3. As per Para No. 22 (b) of Note 30: Notes to Accounts, necessary accounting treatment regarding subsidy for Rs. 20,940.00 crore pertaining to Atmnirbhar Bharat Scheme consequent upon opinion dated 01-05-2024 given by Expert Advisory Committee of ICAI are being given in the Financial Statements of DISCOMS. Considering the aforesaid opinion, Company has stated to make necessary adjustments in accounts of DISCOMS as Prior Period Adjustments.
4. Sales include Rs. 224.51 crore Prior Period Adjustments which has been clubbed in current year Revenue from operation. Para No. 11 of Note 30: Note to Accounts may be

referred in which Management has considered **Material Prior Year Adjustment** only if exceeds 1/2 percent of Revenue from operations in immediately preceding financial year.

5. Kindly refer Para No. 7 of Note 30: Notes to Accounts regarding non-provision of Bad & Doubtful debts on Trade Receivables/ Other Receivable from Subsidiaries during the year which needs review by the Management since it is not in conformity with guidelines contained in Ind AS-109 and Ind AS-107. Company has considered only past default position and not considered current status and future economic factors as envisaged in Ind AS-109 particularly not considering financial position and status of debtor's recoverability by DISCOMS. Company has also not adopted simplified approach including provision Matrix as envisaged by Ind AS- 109/107. As per provision of Ind AS 109, Provision for expected loss on Trade Receivables is to be made based on lifetime expected credit losses. Further, expected credit losses has to be measured considering (a) an unbiased and probability-weighted amount that is to be determined by evaluating a range of possible outcomes; (b) the time value of money; and (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current condition and forecasts of future economic conditions.
6. Accounting Policy 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.

Material Management Zone of U. P. Power Corporation Ltd.

7. Reasons for Deviations in power purchases by 13812.41 MU (9.71% of total power purchased) from various generators with respect to business plan for procurement of Power for 2023-24 as provided in Approval of Aggregate Revenue Requirement and Tariff for FY 2023-24 requires to be reviewed by management. In view of Branch Auditor, system of ascertaining reasons for deviations and approval thereof by competent authority requires to be streamlined / strengthened for ensuring proper and effective monitoring and control over such deviation and purchase of power.
8. Quantity Reconciliation: Reconciliation of Energy as accounted by unit with actual energy as per RLDC/SLDC/RPC has been done by M/s Mercados Marketing Energy Private Limited for FY 2023-24. Details of the power purchased as per the said reconciliation statement and power transferred to DISCOMS and loss of energy during the current year & previous year is tabulated as below:

Detail	As on 31.03.2024	As on 31.03.2023
Total number of Units purchased (MU)	1,41,931.69	1,37,289.92
Total number of units sold (MU)	1,34,269.40	1,30,058.71
Loss %	5.39 %	5.27 %

Further, energy received free of cost from M/s Rajghat HPP, MPPMCL, is not included in the above reconciliation statement. In our view increasing trend of loss of energy during

the year needs examination with a view to ensure proper monitoring and control by management on such loss in transfer of energy.

9. Various information as detailed below in respect of purchase of power as per directive of ARR and Tariff rate for 2023-24 by UPERC were not found to have been disclosed in the Notes on Accounts. (Refer Para No. 11.2.28 & 11.2.30 of UPERC order relating to ARR and tariff rate for 2023-24.)
 - a. Inter & Intra Power Purchase (MUs) along with inter & intra state losses are not made part of the audited accounts henceforth.

Our opinion is not modified on above comments.

2. Information other than the Standalone Financial Statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone 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 Standalone 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 Standalone 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 Standalone 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.

3. Responsibilities of Management and those charged with governance for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate



internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

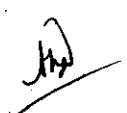
Those charged with Governance are also responsible for overseeing the Company's financial reporting process.

4. Auditor's Responsibility for the Audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the 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 Standalone 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 Standalone 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 Company's ability 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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone 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 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.

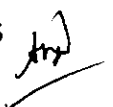
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or 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.

5. Other Matters:

We did not audit the books of accounts / information of Zone included in the Standalone Financial Statements of the Company which include assets of **Rs. 30,868.81 crore** and Revenue form operation of **Rs. 73,892.75 crore**. The books of accounts / information of the Zone (**except few disclosures in Notes on Accounts**) has been audited by the Zone Auditor appointed by the C&AG who had audited only Trial Balances of the Zone only and whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of Zone, is based solely on the report of such Auditor.

6. Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "**Annexure-II**", a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.



2. As required by directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Act, we give in "Annexure - III (a) and III (b)", a statement on the matters specified in the directions and sub-directions.
3. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, and Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
4. As required by Section 143(3) of the Act, based on our audit, we report that:
 - (a) Except for the matters described in the "Basis for Qualified Opinion" section, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion and except for the matters described in "Basis for Qualified Opinion" section, as well as Para 6(h)(vi) regarding Audit Trail proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Zone of the Company not visited and not audited by us.
 - (c) The reports on the accounts of the Zone of the Company, audited under Section 143(8) of the Act by Zone Auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - (d) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the Zone not visited and not audited by us.
 - (e) Except for the matters described in the "Basis for Qualified Opinion" section, in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
 - (f) 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.
 - (g) With respect to the adequacy of the internal financial controls system in place with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our report in "Annexure-IV".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the effects of the matters described in the "Basis for Qualified Opinion" section, the Company has disclosed the impact of pending

litigations on its financial position in its financial statement. Refer to Para No. 17 to Note No 30: Notes to Account of the Financial Statements. However, Company has not reviewed its contingent liabilities with respect to its ageing and no confirmation from Legal Experts have been obtained by the Company.

- ii. As per information and explanation furnished to us, Company has not envisaged any foreseeable losses on any long term contracts except mentioned by us in the 'Basis of qualified opinion'.
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, 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 company 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 company("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

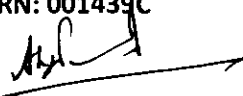
(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that company 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.
- v. The Company has not declared or paid any dividend during the year, therefore compliance with Section 123 of the Companies Act, 2013 was not applicable.
- vi. **As per information and explanation given to us and based on our test checks, Company is in the process of stabilizing ERP Software. During the year under review, payment to vendors, employees and Inter Fund transfer have been made through ERP. However, closing of accounts like**

preparation of Balance Sheet and related activities are being done on computer with the help of MS excel. Company has not provided any evidence of enabling of Audit trail/edit log facility for above Software. In view of above position, Company has not enabled audit trail/edit log facility during the year under 2023-24.

As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirement for record retention is not applicable for the financial year ended 31st March 2024.

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



(A K Dwivedi)

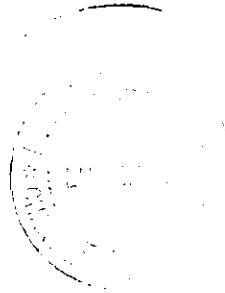
Partner

M No.: 071584

UDIN: 24071584BKMAXT3189

Place: Lucknow

Date: 26/06/2024



Annexure I

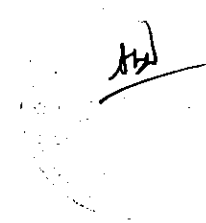
As referred to in and forming part of, our Audit Report of even date to the members of U.P. Power Corporation Limited on the Standalone Financial Statements of the Company for the year ended 31st March, 2024.

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. (a) Note 12 Other Current Assets - Other Rs.1773.42 crore include Rs 779.33 crore (Outstanding for more than 3 years) Receivable from Generators as mentioned in Para No. 26 of Note 30: Notes on Accounts for which no confirmation and reconciliations/details are available since long. Same was reported also in previous years Audit Report for making suitable Provision.

Considering above, we are of the opinion that Provision for Rs 779.33 crore "Receivable from Generators" should be made in accounts. **Loss of the Company is understated and Other Receivable - Receivable related to Power Purchase Note No 12 Other Current Assets - Other is over stated to that extent.**

- (b) Receivable from Generators also includes Debit Balance of NHPC for Rs.457.00 crore against Rs. 343.00 crore as on 31-03-2023. Reason/ Details for such increase has not been provided to us. Similarly, there are other debits raised during the year 2023-24 in the accounts of various Generators for which no explanation could be furnished to us.
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, 2024 **which is not in accordance with Ind AS 36 Impairment of Assets.**
3. Loans and Other Financial Assets (Note 6 Non-current Financial Assets – Loans & Others), Current Financial Assets-Others (Note 11), Other Financial Liabilities - (Note 16 Non – Current Financial Liabilities - Others), 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 per Note No. 12a to the Note No 30: Notes to Accounts, Company has regrouped certain old debit balances amounting Rs. 121.81 crore (including Rs. 74.05 crore IUT balances) and Rs. 6.96 crore old credit balances in Asset Migration/Liability Migration Account in Note No. 6. Non- Current Financial Assets -Loans & Other Financial Assets and Note No.16. Non- Current Financial Liabilities - Other respectively. **Regrouping done by Company is in deviation with the financial reporting framework. According to which assets and liabilities needs to be disclosed in the format/classification prescribed in Schedule-III to the Companies Act.**



4. (a) **Capital Reserve:**

No details have been provided to us regarding Capital Reserve Rs 195.95 crore.

(b) **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.

5. On examination of search report furnished to us, we came to know 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 of Trustee 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 on Accounts.**

Non-Compliances of Ind-AS

6. **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- Current 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 realisability/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 514.31 crore and Reactive Energy Charges Rs 124.65 crore as on 31st March 2024 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) Accounting for Employee Benefits: Actuarial Valuation of pension and 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.**
- (e) 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.
- (f) Further Company has not disclosed the reasons for non- compliance of various Ind AS as required by IND AS-1 Presentation of Financial Statements.
7. Inter unit transactions amounting Rs. 78.12 crore, are **subject to reconciliation and consequential adjustments.** (Refer Para No. 8 Notes on Accounts).

8. Non –Compliance of C &AG comments for FY 2022-23

- (a) C &AG Audit during 2022-23 had issued comments on excess booking of subsidy in DISCOMS accounts as per summary given below: -

Sl No.	Particulars	Amount (in Core)
1.	UDAY Scheme	2368.34
2.	RDSS Scheme (22-23)	4112.25
3.	RDSS Scheme (21-22)	5372.50
	Total	11853.09

As per Para No. 22 of Note No. 30 Notes to Accounts, Company has clarified that the aforesaid issue raised by C&AG was due to difference of opinion in interpretation of methodology used for computation of subsidy amount. The same methodology has also been adopted during the financial year 2023-24. Further company has taken up the matter with appropriate authorities for resolution of aforesaid issues. Pending resolution of same/ receipt of necessary clarification by appropriate authorities, impact of aforesaid comment on profitability during the year 2023-24 as well as financial position of Company as on 31.03.2024 are not being quantified by us.

- (b) **No Provision for interest on delayed payment, on deposit/ non deposit of GPF/ Pension Contribution/Gratuity Contribution for Rs. 28.65 crore has been made in the accounts.**
9. (a) As explained in Para No. 24a of Note No. 30 Notes to Account, Bank Balances include Rs. 8.96 crore held with various Banks as on 31-3-24 which are not in name of U.P. Power Corporation Ltd. Lucknow which includes Rs. 8.80 crore pertaining to Bank Accounts in the name of various DISCOMS and Rs. 0.16 crore lying in 9 Banks accounts with Account title name in conjunction with UPPCL DISCOMS and collection agencies.

- (b) Other Income Note 21 interest from Fixed Deposit Rs. 148.26 crore includes Rs. 0.20 crore (Negative Figure) of SBI, Lucknow for which details and confirmation from Bank could not be furnished to us. **In absence of details correctness of accounting treatment cannot be confirmed.**

10. 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 is 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.

11. 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. Further, Company has not maintained Audit Trail (Edit log facility) as reported in Para No. 6(h)(vi) of our Audit Report on Standalone Financial statements

12. Employee Benefit Expenses (Note- 23), Administrative, General & Other Expenses (Note- 26), and Repair & Maintenance Expenses (Note- 27) have been allocated among Subsidiaries and other Power Sector Companies owned by the Go UP (i.e., UPPTCL, UPRVUNL & UPJVNL) on the basis of data / information (i.e., units of power sold to Subsidiaries DISCOMS, no. of employees, area occupied) related to the financial year 2022-23, instead of financial year 2023-24. (Para No.30 of Note 30 Notes to Accounts).



13. Non-Disclosures in Notes on Accounts:

Following disclosures have not been made in accounts:

- (a) Allotment date for Share Application Money placed with DISCOMS.
- (b) Matrix of Maturity Analysis- Borrowings and Liabilities due in Para No. 35e to Note No. 30 Notes to Accounts do not include the analysis of Trade Payables of Rs. 19,461.71 crore (Liability for Purchase of Power) as on 31-03-2024.

14. Major Non-Compliances of Law

- i) Company has not appointed any Company Secretary as required u/s 203 of Company Act 2013 during the year 2023-24. As informed by Management, new Company Secretary has joined on 07/06/2024.
- ii) As per Section 177 of the Companies Act 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.
- iii) Only one meeting of Risk Management Committee has been held for constitution of members instead of minimum 2 meetings in a year as per SEBI (LODR) Guidelines.

15. Major Audit observations in Material Management Zone Audit Report excluding those which have been appropriately dealt with elsewhere in the report: -

(A) Investment

- i) During review of decision taken as per minutes of meeting held on 09.08.2018 between Principal Secretary Energy, Go MP and Principal Secretary Energy, GoUP at Lucknow in compliance to directions given by the Honble APTEL in appeal no. 59 of 2014 and IA no. 111 of 2014 and Appeal No. 120 of 2014 on 25.07.2018 it was observed that :
 - a) 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 has not been able to identify the said equity contribution in the books of accounts of the Company.**

- b) Status of Reconciliation of the power scheduled for generation from Rajghat HPP plant since inception and actual scheduled generation to U.P. required to be worked out as per clause 6 of the said minutes is not available in records for determination of compensation of the energy receivable by U.P.

In absence of requisite details at point a) and b) above, **Branch Auditors has expressed their inability to comment on the impact, if any, on the financial statements of the unit. (Unit# 330)**

(B) Loans & Advances (UMPP):

- i) A sum of Rs.152.15crore (Previous Year Rs. 173.06 crore) Appearing under the head '27.8 – Loans and Advances Others' includes Rs. 126.97 crore pertains to Advances provided as for Ultra Mega Power Projects and is outstanding since long period.

UMPP	Advance as per EIE&PC (Rs. In crore)
ORISSA	69.69
BANKAR – BIHAR (UMPP under Closure)	6.00
CHEYYUR – TAMILNADU (UMPP under Closure)	9.27
SAKHHIGOPAL (UMPP under Closure)	4.80
TATIYA ANDHRA (UMPP under Closure)	5.95
TILAIYA	11.55
SASAN	0.00
JHARKHAND	18.59
KARANPURA	1.12
Total for UMPP	126.97*

* Includes Rs.12.02 crore provided as doubtful debts in the last year 2022-23 but again written back without proper disclosure in accounts.

Review of the status of above mentioned projects revealed that UPPCL has requested GoUP for requesting Energy Department, GOI for refund of the advances in respect of UMPP under closure along with carrying cost. Considering the closure of some of the projects, long pending advances, remote possibility of recoveries at this stage etc., **Although, Branch Auditors have expressed their inability to comment the impact on the financial statements of the unit owing to non-recoveries, if any, on this account, yet keeping in view the status of projects disclosed by Branch auditors, we are of the opinion that necessary provision for Projects under closure to the extent of Rs. 26.02 crore should be made in accounts and for remaining amount to the extent of Rs. 100.95 crore, necessary follow up is to be made for its expeditious settlement/recovery. Consequently, loss of the company is understated to the extent of Rs. 26.02 crore and Note No 6:-Non – current financial assets- Loans & Others is overstated to that extent.**

- ii) Review of records reveals that some of the UMPP have paid interest on the above advances in earlier years whereas no such in interest has been accounted for in the current financial year, which needs to be looked into with reference to respective terms of agreement, if any, on this account. Further, latest confirmation of balances is not on records and as such balances are subject to reconciliation and

confirmation. **Impact of the said reconciliation, if any, on financial statements is not ascertainable at this stage by Branch Auditors.**

- (C) Credit balance of Rs. 16,66,25,625.34 is appearing under the head 28.6201 subsidy receivable from UPNEDA and debit Balance of Rs. 14,96,10,502.40 appearing under the head 28.6202 – Subsidy from IREDA is **subject to reconciliation and confirmation. Impact of the said reconciliation and confirmation, if any, on financial statements is not ascertainable at this stage by Branch Auditors.**
- (D) During review of bills in respect of banked energy, it was observed that banked energy lapsed for withdrawal and available for drawl is not being bifurcated as per CRE guidelines. In some cases it was observed that withdrawal of energy was made in spite unavailable banked energy, which is not in accordance with CRE guidelines. Non-bifurcation of energy in lapsed and available for drawl may result in lack of control over supply of energy in excess of Banked energy available for drawl resulting in loss of revenue. Further, test checks of the provisions made balance of banked energy was found to be varying with the details of energy banked & drawn available in records of generators. Hence, the aspect of determination of lapsed & available energy needs reconciliation in respect of all such co-generators for ensuring proper control over the banked energy and creating provision in books of account. **Hence, Impact of such reconciliation and bifurcation, if any, on provision of Rs. 32,03,51,897.50 created during the year and accumulated provision of Rs. 67,39,24,024.50 as on 31.03.2024 is unascertainable at this stage by Branch Auditors.**

(E) Deviation Settlement Charges/ (Incentive)

- i) Deviation settlement charges of Rs. (68.08) crores (Net) have been accounted for as per bills received from UPSLDC for the period up to November 2023 only. However, no provision has been made towards DSM charges / (incentive), in absence of receipt of Bill from UPSLDC and lack of reasonable basis for such estimation and as **such Branch Auditors has express their inability to comment upon the impact of the same, if any, on financial statements.**
- ii) Review of ledgers pertaining to DSM charges owing to change in system for accounting of deviation settlement by UPSLDC instead of UPPCL during current year 2023-24 revealed that Reconciliation with UPSLDC done for the period up to 31.03.2023 contains Rs. 73.73 crore received by UPSLDC from NPCL and Solar Producers for the period up to 30.09.2022, which is subject to reconciliation. **Hence, impact of said reconciliations & its final settlement on financial statements is not ascertainable at this stage by Branch Auditors.**

(F) Purchase of Power

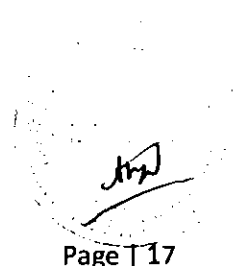
- i) Aspect of recoverable amount of Rs. 13,694.00 Lakh from M/s Lanco Anpara Power Project (LAPL) persistently observed in concurrent audit reports for the year 2023-24 issued by M/s Kherada & Company is explained to be under review of Management from long time. **Hence, impact of the final decision taken by management in the matter on the financial statement of the company, if any, is unascertainable at this stage by Branch Auditors.**
- ii) The unit has accounted for Late payment surcharge (LPSC) of Rs. 261.76 crore i.e. Rs. 254.77 crore in Account Code -70.154 and Rs. 6.98 crore in Account Code

70.402 during the year. Accounting system adopted by unit is in diversion of accepted accounting policy on accrual basis where LPS should be accrued after the specified time period as per PPA in respect of unpaid bills, whereas unit has accounted for only in respect of bills received on this account by EI&PC unit (Unit # 330). Hence, no proper system is in place where status of bill wise LPS could be determined for accounting of LPS on accrual basis. **Under the circumstances, Branch Auditors has express their inability to comment upon the amount of provision of LPSC and its consequent impact on profitability and liabilities of the unit.**

- (G) Review of trial balance reveals that receivable appearing under the head '28- Sundry receivable' includes following balances continuing from old time, reconciliation of which was informed to be under process. Pending reconciliations and confirmation of such old continuing balance, Branch Auditor has express their inability to comment over the same and its impact on the financial statements.(Unit #330 EIE&PC)

AG CODE	SUB-HEAD	AMOUNTS(INR)
28.250A	28.250A	(6,59,22,574.00)
28.250NPC	Noida	3,30,78,000.00
28.290	Other Income accrued & Due	5,04,47,778.00
28.401A	Misc. Advances Other than Mater	(46402.79)
28.801	Wheeling Charges	1,29,48,940.00
28.809	Others	(30,79,58,906.46)
28.879	UP Power Transmission Corp Ltd.	6,63,96,296.10
28.862	Misc. Deposits / Receipts (Not Specified)	2,95,25,000.00

- (H) The Electricity Import Export & Payment Circle Unit of the Zone has accrued interest of Rs. 29,67,52,933.00 (PY Rs. 25,81,93919.00) during the Financial Year 2023-24 against advance provided to Noida Power Company Limited. Total accrued interest as on 31.03.2024 under the head 28.250 stands at Rs. 225,98,33,419.00. In this regard we were explained that no recovery has been made from NPCL since very long time and 100% provision against the same is created at HO level. Recognizing it as an income when the recovery is uncertain is in contravention to Ind AS 115. In the absence of proper details and information, **Branch Auditors has express their inability to quantify the recoverable amount and its consequential impact on financial statement.(Unit#330 EIE&PC)**
- (I) We 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 Branch Auditors has express their inability to quantify the amount of provision which is required for irrecoverable or doubtful dues and its consequential impact on the financial statements.(Unit#330 – EIE&PC)**



(J) **TDS Receivables-**

- i) The zone has received interest amounting to Rs. 21,24,72,170.00 and TDS receivable of Rs. 2,12,47,217.00 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 said extent. (Unit#330 EIE&PC).
- ii) Zone has balances aggregating to Rs. 166,27,25,975.72 as TDS receivable appearing in the books of account of different units. In the absence of year wise breakup and status of completion of the assessment, Branch Auditor has express their inability to comment upon the genuineness of the same.

(K) **Liabilities for purchase of power: Review of liabilities** of Rs. 19461,71,57,794.39 appearing under the head 41- Liabilities for purchase of power reveals that :

- i) The Zone has booked during the year an amount of Rs. 5932,93,24,559.00 towards liability for power purchase including a sum of Rs. 9,34,13,00,694.00 (PY Rs. 807,32,35,027.00), as unbilled and unverified power purchase cost and Rs. 280,15,366.00 (PY Rs.112,37,54,841.00) as unverified LPS Charges. Further, said Liability of power purchase as on 31.03.2024 includes a sum of Rs. 76,98,45,91,817.92 (Previous year 98,63,22,74,268.11) pertaining to provisions made in respect of unbilled, unverified power purchase Bills, LPSC etc. which implies that accumulated provisions are much higher than the provisions made during the year and have also stagnated in few cases and as such requires review for determining the adequacy & correctness of such provisions continuing from long time. Pending reconciliations and confirmation of such old continuing balance, Branch Auditor have expressed their inability to comment over the same and its impact on the financial statements. (Unit #330). **Aforesaid position reflects that total unverified and unbilled trade payable towards power purchase constitute approx more than 39% of the total trade payable amount. Considering above position, Branch Auditors are not in a position to confirm the veracity of trade payable including disputed trade payable as reflected in the Notes on Accounts.**
- ii) Details of some the non-moving and stagnated accounts aggregating to Rs. 1,07,82,91,566.75 included in aforesaid liability also require reconciliation & confirmation. **Pending reconciliations and confirmation of such old continuing balance, Branch Auditors has express their inability to comment over the same and its impact on the financial statements.**

Ac	Code	Name	Opening Balance	Closing Balance
41	772	ABHINAV STEEL (P) LTD, JAUNPUR	36,37,041.00	36,37,041.00
41	872	ABHINAV STEEL (P) LTD, JAUNPUR	-44741947.00	-4,47,41,947.00
41	119A	CHHATISHGHAT PP	-270669.00	-2,70,669.00
41	404	GEL (AP) NRLDC	-3,40,75,557.69	-3,40,75,557.69
41	403	GLOBAL ENERGY LIMITED	-56,24,535.00	-56,24,535.00
41	711	M/S KANNORIA CHEM. & INDS.LTD	-9,84,42,867.78	-9,84,42,867.78
41	424	M/S KNOWLEDGE I.N.S.P. LTD	-31,66,009.28	-31,66,009.28

41	171	MPPTCL	-1,84,920.00	-1,84,920.00
41	271	MPPTCL	5.00	5.00
41	167	POWER GRID JAWAH. FIROZ. TRANS. LD	21,15,620.00	21,15,620.00
41	104	PUNJAB	-9,98,62,901.00	-9,98,62,901.00
41	103	RAJASTHAN	-59,16,67,798.00	-59,16,67,798.00
41	428	SHREE CEMENT LTD., NEW DELHI	-7,61,782.00	-7,61,782.00
41	253	UP SLDC CHARGES	-203812774.00	-20,38,12,774.00
41	775	USHER ECO. POWER LTD.	-5,05,987.00	-5,05,987.00
41	875	USHER ECO. POWER LTD.	-926485.00	-9,26,485.00
		Total		1,07,82,91,566.75

- iii) Regarding the aspect of reconciliation of balances of trade payable as mentioned above, we were explained that work order for reconciliation for the period up to 2017-18 was awarded to the M/S Mercados Marketing Energy Private Limited and reconciliation for the period for 2018-19 to 2022-23 was carried out and report submitted on 04-11-2023. However, considering the need for reconciliation of accounts since inception of the account of generator, the said contract was revised for conducting the reconciliation since inception and up to 31.03.2024. In this context we were informed that reconciliation in respect of 12 generators has been completed but yet to be fully finalized in as much as adjustments arising out of such reconciliation are yet to be made in books of account. Under the circumstances, the overall reconciliation is still under process and as such impact of reconciliation & confirmation of balance of Rs. 19461,71,57,794.39 under the head '41 – Liability for Power Purchase' in respect of various generators, if any, on financial statement of the unit is unascertainable at this stage (Unit #330). **Management has not provided the details of pending adjustments as referred above, hence its impact on financial statement cannot be ascertained at this stage by Branch Auditors.**

(L) Maintenance of Books of Account:

- i) The company is in the process of implementation of SAP/ ERP system and has commenced the maintenance of its books of accounts through SAP/ ERP. However various payments have been dealt through centralized basis on ERP system except relating to SP Vigilance Unit (UC 972) and ADG Vigilance Unit (UC 983). Further monthly/ annual trial balances of Unit #300, 640 and 970 are continued to be compiled as per the format followed in earlier years on the basis of data generated from ERP/ SAP in respect of zonal account. Company is in the process of establishing necessary controls and documentation regarding the audit trail.
- ii) In EIE & PC unit (330) , SP Vigilance Unit (UC 972) and ADG Vigilance Unit (UC 983) - System of maintaining various Sectional Journals wherein vouchers relating to day to day transactions are recorded in these Sectional Journals. The Existing system of balancing cash book on the monthly basis and posting transactions in different sectional journals, from journals to summaries and from summaries to monthly trial balance, **which in opinion of Branch Auditors is not adequate to give the financial position of different account at any given time in an organized manner.**

- (M) Internal / Concurrent audit system:** Review of the concurrent audit reports depicts various persistent observations i.e. pending recovery of Rs. 13694 lakh from M/s Lanco Anpara Power Limited (LAPL), Non production of documents for

verification of bills of M/s UP Rajya Vidyut Utpadan Nigam Limited, non-availability of PPA/ PSA of various Co-Gen & Captive Plants, Excess expenditure in respect of O & M by M/s PPGCL, reconciliation & confirmation of old outstanding balances under various heads appearing in financial statements, submission of certificate from CAs other than statutory Auditors for verification of variable cost of various generators, submission of provisional bills by power generators in few cases etc. and as such system of compliance of various observations on regular basis needed to be streamlined & strengthened.

(N) Payment of Lease

- i) Unit #972 (UP Vigilance Cell) and unit # 327 (Electricity Store Procurement Circle) are being maintained at rental premises. **As explained to Branch Auditors 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 Branch Auditor for premises with Unit 327, further, Compliances of Ind AS 116 is not done at zone level.**
- ii) The unit is accruing rent every year @ Rs 1 per month. The total amount accumulated in this ledger is Rs 108.00. **However, no details were provided to Branch Auditors with regard to the title deed of the immovable property leased to KESCO limited was provided to us nor it was explained in which unit, the said asset is capitalized. (#Units330 – EIE&PC.)**
- iii) 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 have any information of Land is being recorded in the books of which unit. Further, Compliances of Ind AS 116 is not done at zone level. (#Units645 – Elec. Civil Const. Div- 1).

(O) Details of Liabilities of Rs. 44,39,04,429.66 under various heads as given below in respect GPF/CPF contribution of employees payable to U.P Power Sector Employee Trust is under reconciliation. Impact of such reconciliation, if any, on financial statement is not ascertainable at this stage by Branch Auditors.

Unit Code	44.610	44.110	44.120	44.620	44.621
Z.A.O.(M.M.) LKO. – 300	-8,09,69,231.00	-91,65,860.19	-6,43,18,587.24	-39,93,287.00	-24,34,657.00
EIE & PC -330	-5,04,83,326.00	-86,82,850.00	-5,36,39,610.00	-52,04,099.00	-38,60,380.00
Z.A.O.(M.M.) LKO - 640.	-35,13,16,139.63	-4,00,26,884.00	-28,06,31,520.00	-3,32,82,093.00	-2,12,73,547.00
Z.A.O.(M.M.) LKO. - 970	-37,14,39,634.03	-3,91,09,740.11	-27,84,35,393.91	-4,30,06,252.00	-2,85,82,916.90
Total Liability (A)	-85,42,08,330.66	-9,69,85,334.30	-67,70,25,111.15	-8,54,85,731.00	-5,61,51,500.90
Z.A.O.(M.M.) LKO. – 335	64,22,03,097.00	6,77,79,059.28	48,06,56,141.07	9,27,48,877.00	4,25,64,404.00
Total Payment (B)	64,22,03,097.00	6,77,79,059.28	48,06,56,141.07	9,27,48,877.00	4,25,64,404.00
Outstanding Liability	-21,20,05,233.66	-2,92,06,275.02	-19,63,68,970.08	72,63,146.00	-1,35,87,096.90
Total Liability			-44,39,04,429.66		

(P) Sale of Scrap: The Zone has sold old/unserviceable asset for Rs. 4,90,202.00 during the Financial year by considering acquisition cost of Rs. 43,73,619.00 and accumulated depreciation of Rs. 40,08,382.00 resulting in profit of Rs. 1,24,965.00. In this regard it was observed that assets being very old for which Carrying cost & residual value was not available and as such the same was computed on estimated value worked out by committee for determination of cost of asset for accounting purposes. In the absence of requisite details, Branch Auditors are unable to comment on the correctness of value of asset discarded, balances of accumulated depreciation written off and profit on sale of assets.

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



(A K Dwivedi)

Partner

M No.: 071584

UDIN: 24071584BKMAXT3189

Place: Lucknow

Date: 26/06/2024



Annexure II

As referred to in and forming part of, our Audit Report of even date to the members of U.P. Power Corporation Limited on the Standalone Financial Statements of the Company for the year ended 31st March, 2024.

1. (a) i. The Company has not maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

ii. The company has not maintained proper records of Intangible Assets (Software) for Rs.1.62 crore (gross).
- (b) The company has not carried out physical verification of the Fixed Assets hence we are unable to Comment whether any material discrepancy was noticed as such or not.
- (c) As reported by Branch Auditors, title deed of Immovable Property (land) for Rs. 47.24 lakhs was not available on record. Further as reported by branch Auditors, no details were provided to them with regard to the title deed of the immovable property leased to KESCO Limited M/S Prayagraj Power Generation Corporation Limited was provided to them nor it was explained in which unit, the said asset is capitalized.

Details of which are furnished below: Building and other Civil Construction be considered for reporting

ZONE WISE LAND DETAILS				
Zone Code	Cost of Land as per Trial Balance (Rs. in crore)	**Tittle Deed Available (Rs. in crore)	Tittle Deed Available (Rs. in crore)	Not Available (Rs. in crore)
970	0.05	0.00		0.05
640	4.65	4.23		0.42
Total land	4.70	4.23		0.47

- (d) As per information provided to us, Company has not revalued its Property, Plant and equipment during the year.
 - (e) As per the information provided, no proceeding have been initiated or are pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) There is no inventory in the Standalone Financial statements as on 31.03.2024. Hence, no reporting is required on physical verification of Stores and Spares.

(b) As per terms of sanction of credit limits for working capital sanctioned by various Banks, Company has to submit age-wise and party-wise receivable statements on quarterly basis to the Bankers. Company has not furnished party-wise & age wise book debts statement to Banks as per terms of sanction. Quarterly book debts figure as per quarterly accounts have been submitted to Banker after submission of quarterly financial results. However, 31st March 24 book statement still has not been submitted to Banks till date.

3. Company has made investment during the year 2023-24 and the amount given as well as outstanding as on 31.03.2024 are furnished below:

(a) i. Subsidiaries

Name of Subsidiaries	Investment made during the year	Amount outstanding as on date(before provision for impairment)-(in crore)
Purvanchal VVNL	2830.98	28024.56
Madhyanchal VVNL	1448.03	24232.49
Dakshinanchal VVNL	2400.97	25862.71
Paschimanchal VVNL	2577.02	19704.94
KESCO	414.11	2663.42
Southern U.P. Power Transmission Co. Ltd.	NIL	NIL
Total	9671.11	100488.12

ii. Other than subsidiaries

Name of Company	Investment during the year(including Share application money pending allotment) (in crore)	Amount outstanding as on date(before provision for impairment) (in crore)
UP Power Transmission Co. Ltd.	NIL	2213.34
7.75% PFC Bonds	NIL	123.00
Total	NIL	2336.34

(b) During the year Company has debited loan to its subsidiaries against transfer of its bond/Loan liabilities details of which are furnished as under:

Name of Subsidiaries	Amount transferred to loan account during the year (in crore)		Balance outstanding as on 31.03.2024 (in crore)
	Bond	Loan	
Madhyanchal VVNL	NIL	2,010.29	13,925.44
Paschimanchal VVNL	NIL	82.49	5,862.11
Dakshinanchal VVNL	NIL	1,989.14	15,739.90

Purvanchal VVNL	NIL	2,265.22	22,015.24
KESCO	NIL	262.85	2,412.49
Total	NIL	6,609.99	59,955.18

- (c) No terms and conditions for repayment of loan debited to Subsidiaries have been specified nor have any agreements for above loans been executed between U P Power Corporation Ltd. and respective subsidiaries. It is learnt that interest on Bonds Issued /Loan raised from UP Govt. has been accounted for in the books of Subsidiaries. In view of above, Para No.3 (b), (c), (d), (e) and (f) are not applicable.
4. As per Section 186 of the Companies Act 2013, threshold limit for grant of Loan is not applicable in respect of Loan transferred to Subsidiaries as mentioned in previous para 3 (b). However, company has not obtained approval of Board of Directors for Loan transferred to its Subsidiaries during the year as envisaged under Section 186 of Companies Act 2013 nor Register for Investment/Loan granted as per requirement of Companies Act have been produced before us. However, company has not granted any Loan, Security and Guarantee in favour of any Director or any other person in whom Directors are interested; hence compliance of Section 185 of Companies Act, 2013 is not applicable
5. Company has not accepted any deposit/deemed deposit during the year, hence compliance of Section 73 and 76 of Companies Act, 2013 and relevant rules made there under are not applicable.
6. As per information and explanation given to us Company is covered under the provisions of Rule 3 of the Companies (Cost Records & Audit) Rules, 2014, but Company has not maintained proper Cost Accounting Records as envisaged in Companies (Cost Records & Audit) Rules, 2014.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, and, Cess and any other material statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable except for the following as reported by branch Auditors:

S.No	Head of Account	Amount (in INR)
1	Provision for Fringe Tax	2764115.23
2	Service Tax	36612.00
3	I.T/Deduct at Source	352958.00
4	Liab. Towards GPF	212005233.66
5	Gratuity	29206275.02
6	Pension	196368970.08
7	C.P.F (Emp Share)	6323950.90

- (b) As per information and explanation given to us, there is no amount disputed as on 31.03.2024 against the statutory liabilities mentioned in Para No.7a above.

8. According to explanation and information given to us, Company has not surrendered or disclosed any transaction as income during the year in the tax assessment under Income Tax Act, 1961.
9. (a) Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As per information and explanation given to us, Company is not declared as wilful defaulter by any Bank or Financial Institution or other lender.
- (c) As per information and explanation given to us, bond and unsecured loans have been utilized for the purpose for which it is granted.
- (d) As per information and explanation given to us and on application of appropriate test checks, we observed that funds raised on short term basis have not been utilised for long term purposes.
- (e) As per information and explanation given to us, Company has not raised funds in form of Bond during the year on behalf of its Subsidiaries (DISCOMS) but raised Loans from PFC/RFC as mentioned in Para No. 28 of Note 30 Notes to Accounts.
- (f) As per information and explanation given to us, Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
10. (a) As per information and explanation given to us, Company has not raised any fund through initial public offer or further public offer (including debt instruments) during the year.
- (b) As per information and explanation given to us, Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year.
11. (a) To the best of our knowledge and according to the information and explanations given to us by the Management, no fraud by the Company or no material fraud on the company by its officers or employees have been noticed or reported for the year ended 31st March, 2024.
- (b) No report under Sub-Section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) The Company has not established whistle blower mechanism which is mandatory in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulation) in this regard as well as under Section 177(9) of the Companies Act require the listed Company to establish a vigil mechanism for their Directors and Employees to report their genuine concern or grievances.
12. (a) The Company is not a Nidhi Company hence clause 3 (xii) (a) of the order is not applicable.
- (b) The Company is not a Nidhi Company hence clause 3 (xii) (b) of the order is not applicable.


- (c) The Company is not a Nidhi Company hence clause 3 (xii) (c) of the order is not applicable.
13. In our opinion and according to information and explanation given to us, Company has not placed related party transactions entered into during the year for determination of its Arm's length status by Audit Committee as required under Section 177 of Companies Act, 2013.
14. (a) In our opinion Company has an internal audit system, which needs more strengthening considering its coverage particularly in the area of internal control system on payment to Generators as well as review of old balances as mentioned in our Annexure-1 and Annexure-4 to our Audit Report and compliance of observations of Audit Report, so that it may be commensurate in size and nature of business of the Company.
- (b) Yes, we have considered reports of the Internal Auditors for the period under audit. Specific comments issued by Branch Auditors are mentioned in Para No.17(M) to Annexure 1 of our Audit Report except concurrent audit report of Material Management Zone as mentioned in Para-17(M) of our Audit Report which could not be provided to us in spite of repeated requests.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with them as referred to under Section 192 of the Companies Act, 2013.
16. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities therefore no Certificate of Registration (COR) from Reserve Bank of India as per Reserve bank of India Act, 1934 is required. Accordingly, provision of clause 3(xvi) (b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in regulation made by the Reserve Bank of India. Accordingly, provision of clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) There is no CIC as part of Group. Accordingly, provision of clause 3(xvi) (d) of the Order is not applicable to the Company.
17. There is no cash loss during the year under review. (Previous year Cash Loss is NIL).
18. During the year, there is no resignation by Statutory Auditors.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial



statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. No projected cash flow statement for ensuing financial year 2024-25 has been provided to us. We further state that our reporting is based on the facts up to the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. No CSR activity has been undertaken by the Company; and no expenditure has been incurred on same during the year 2023-24. Management has explained the reasons in Para-18 of Notes on Accounts.
21. Para 3 (xxi) of Companies (Auditor's Report) Order (CARO) is not applicable to Standalone Financial Statements.

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



(A K Dwivedi)

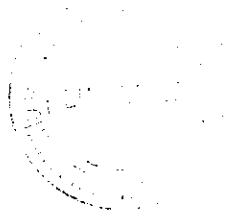
Partner

M No.: 071584

UDIN: 24071584 BKMAXT3189

Place: Lucknow

Date: 26/06/2024



Annexure III (a)

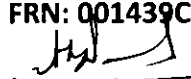
As referred to in, and forming part of, our Audit Report of even date to the members of U.P. Power Corporation Limited on the Standalone Financial Statements of the Company for the year ended 31st March, 2024.

Directions of Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013.

S. No	Directions	Reply
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts for with the financial implications, if any, may be stated	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. Kindly also refer our observation on Para No. 6(h)(vi) and 11 to Annexure I of our Audit Report.
2.	Whether there is any restructuring of an existing loans or cases of waiver/write off of debts/loans/interest etc. made by lender to the Company due to the company's inability to repay the loan? If yes, the financial implant may stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	As informed by the Management there are no cases of restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by lender to the Company due to the Company's inability to repay the loan.
3.	Whether fund (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Funds received from State Government for scheme according to budget provisions of related financial year has been released by the Company to Subsidiaries for their utilization and accounting. (Kindly refer Para No. 21 of Note 30 Notes to Accounts) Capital Grants Rs. 700.04 including Rs.116.52 crore approx relating to previous year

		2022-23 and Rs. 583.52 crore released during the year 2023-24 by U.P. Govt. has not been allocated to the DISCOMS till 31-03-2024.
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For D Pathak & Co.
Chartered Accountants
FRN: 001439C


(A-K Dwivedi)

Partner

M No.: 071584

UDIN: 24071584 BKMAXT3189

Place: Lucknow

Date: 26/06/2024



Annexure III (b)

As referred to in, and forming part of, our Audit Report of even date to the members of U.P. Power Corporation Limited on the Standalone Financial Statements of the Company for the year ended 31st March, 2024.

Sub-Directions of Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013.

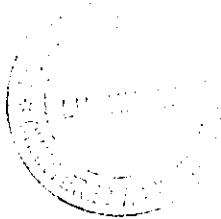
Sl No	Sub – Directions	Remarks
1.	Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the company is encroached, under litigation, not put to use or declared surplus, details may be provided. Report on the efficacy of the system of billing and collection of revenue in the company.	As informed by the Management, there is no encroachment of idle land owned by Company, subject to Para 1(c) of Annexure II of our report.
2.	Whether the Company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment Cost (FPPCA)?	As explained to us the U.P. State's Generators U.P. Rajya Vidyut Utpadan Nigam Ltd. and U.P Jal Vidyut Nigam Ltd. raise the bills on the U.P. Power Corporation Ltd. towards Fuel and Power Purchase Adjustment Cost (FPPCA) in accordance with the procedures laid down in the related order issued by the U.P. Electricity Regulatory Commission from time to time. The UPPCL accounts FPPCA and includes in its purchase cost. The UPPCL raises the bills on the subsidiary DISCOMS on the basis of Arm Length Principal and as such the purchase cost and the sale price is the same. The DISCOMS include the purchase cost (which is transferred to the DISCOMS through sale bills) in its Aggregated Revenue Requirement and submit the same before U.P Electricity Regulatory Commission for approval of tariff for sale of power to electricity consumers. As such, the DISCOMS ultimately recover FPPCA from electricity consumers and account in its books of accounts.
3.	Whether the reconciliation of receivables and payables between the generation, distribution and transmission companies has been completed. The reasons for difference may be examined.	No proper reconciliation among of receivables and payables between the generation, distribution and transmission companies has been done. Kindly refer our comments given on the subject in Annexure I of our Audit Report, regarding non-reconciliation of Inter-unit transactions. Further no balance confirmation has been produced from the Transmission and

		Generation Companies.
4.	Whether the Company has received subsidy and grants from the Government in the year 2023-24 (including those accrued up to 31 March 2024) for onward allocation to the DISCOMS. If yes, the basis for allocation of aforesaid subsidy and grants to the DISCOMS may be examined and suitably reported to.	Yes, the Corporation has received Subsidy and Grants from Government in the year 2023-24. Kindly refer Para No.21 of Note No. 30 Notes to Accounts. As per information provided by the management the basis of allocation to DISCOMS is enclosed as per Annexure-A.
5.	Whether the Company taken or withdrawn loan on behalf DISCOMS in the year 2023-24 for onward allocation to the DISCOMS. If yes. The basis for allocation of the aforesaid loan may be examined and suitably reported to.	As per information and explanation given to us, on behalf of DISCOMS the company has taken/withdrawn loans from PFC and REC under Revolving Bill Payment Facility Scheme (RBPF) that are being allocated among DISCOMS on the basis of latest available financial Trade Receivable of preceding quarter. Kindly refer Para No. 28 to the Note 30 Notes to Accounts.

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


(A.K. Dwivedi)

Partner
M No.: 071584
UDIN: 24071584 BKMAXT3189
Place: Lucknow
Date: 26/06/2024



Annexure A

Basis for Allocation of Subsidy and Grants

Sl. No.	Particulars of Subsidy and Grants	Basis of Allocation
1	Amount received from GOVT for Intt & Repayment on RGGY	On Actual Payment Basis
2	Revenue Subsidy	Tariff Subsidy of FY 2023-24 on the basis of Actual energy billed
3	RE or Agriculture Subsidy	Tariff Subsidy of FY 2023-24 on the basis of Actual Energy billed
4	Electricity Duty Payment adjusted against Subsidy	Tariff Subsidy of FY 2023-24 on the basis of Actual Energy billed
5	Received against receivable for Power loom (against Current & Old dues)	On the basis of connected load of Power Loom Bunkars consumers for all DISCOMS
6	Received against receivable for Power loom & Other Govt. Departments (Old Dues)	On the basis of dues of Gram Panchayat connection ending March-2022 and connected of Power Loom Bunkars consumers of all DISCOMS
7	Additional Subsidy for operational loss funding of DISCOMS	Total Loss Funding Required as per O.F.R. in 3rd qtr. Of FY 2023-24
8	Amount received from GOVT for Repayment of Aatmnirbhar Loan of 20940 Cr.	Allocation of Aatmnirbhar Loan to DISCOMS
9	Fund received for 100% Rebate on tariff to PTW Consumers	On the basis of connected load of PTW consumers for all DISCOMS.
10	Balance subsidy for Loss Funding under UDAY	Total Loss Funding Required as per O.F.R. in 3rd qtr. Of FY 2023-24
11	Adjusted amount of Subsidy received against UPERC Order for FY 2020-21 in to 3rd Qtr. of FY 2023-24	On actual fig. as per order of UPERC.
12	Amount of Capital Grant/Subsidy received from Nagar Vikas Vibhag for Infra work in Ext. Muncipal Areas and from Laghu Sichai Vibhag for PTW consumers in to 4th Qtr. of FY 2023-24	As per work Plan given by Distribution Unit & amount provided by related Dept.

Annexure IV

As referred to in and forming part of, our audit report of even date to the members of U.P. Power Corporation Limited on the Standalone Financial Statements of the Company for the year ended 31st March, 2024.

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

We have audited the internal financial controls over financial reporting of U.P. Power Corporation Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the presentation of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of un-authorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India except for the deficiencies reported by us in '*Annexure I*' and '*Annexure II*' to our audit report of even date on the Standalone Financial Statements of the Company for the year ended 31st March, 2024, and as mentioned below –

- i. Company has no internal control system over payment to Generators. 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. We have already reported about non reconciliation of old balances of Generators (Kindly refer Para No.-1 and 17(K) of Annexure-1 of our audit report.)

Reconciliation with Generators are pending since long. Considering the above position, system of Internal Control over purchases, payment to vendors and trade payables needs to be more strengthened and streamline to avoid any material misstatements in Financial Statements.

- ii. Age wise classification of Trade Receivables and Trade Payable do not seem to be correct since it is not based on bill wise details.
- iii. 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.
- iv. 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.
- v. 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. No party wise details are available for other payables like security deposits, retention money.
- vi. 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 details of the nature and particulars of the unmatched items. Since total unreconciled IUT is Rs. 152.13 crore.
- vii. 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.
- viii. 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.

Observations in Material Management Zone Audit Report on Internal Control over Financial reporting

According to the information and explanations given by management and based on audit, the following material weaknesses have been identified as at March 31, 2024:

- i. Review of the concurrent audit reports depicts various persistent observations i.e. pending recovery of Rs. 13694 lakh from M/s Lanco Anpara Power Limited (LAPL), Non production of documents for verification of bills of M/s UP Rajya Vidyut Utpadan Nigam Limited, non-availability of PPA/ PSA of various Co-Gen & Captive Plants, Excess expenditure in respect of O & M by M/s PPGCL, reconciliation & confirmation of old outstanding balances under various heads appearing in financial statements, submission of certificate from CAs other than statutory Auditors for verification of variable cost of various generators, submission of provisional bills by power generators in few cases etc. and as such system of compliance of various observations on regular basis needed to be streamlined & strengthened.
- ii. The company is in the process of implementation of SAP/ ERP system and units other than EIE & PC unit (330), SP Vigilance Unit (UC 972) and ADG Vigilance Unit (UC 983) have commenced the maintenance of its books of accounts through SAP/ ERP, which has also been dealt in our audit report. Company is in the process of establishing necessary controls and documentation regarding the audit trail. Further, regular training of all concerned staff of various wings requires to be ensured for implementation of ERP.
- iii. System of ascertaining Reasons for Deviations in power purchases by 13812.41 MU (9.71% of total power purchased) with respect to business plan for procurement of Power for 2023-24 as provided in Approval of Aggregate Revenue Requirement and Tariff for FY 2023-24 and approval thereof by competent authority requires to be streamlined / strengthened for ensuring proper and effective monitoring and control over such deviations in purchase of power.
- iv. Status of Billing of AMC charges @1.5% of total cost on power evacuation and rebate / LPSC as per PPA with CO Gen Parties needs to be ascertained for ensuring effective monitoring & accounting of the same.
- v. Late payment surcharge is being accounted for on the basis of bills received by unit. System of determination of Late payment surcharge after the specified time period as per PPA in respect of unpaid bills is not in place to ensure accounting of LPS on accrual basis.
- vi. During review of bills in respect of banked energy, it was observed that banked energy lapsed for withdrawal and available for drawl is not being bifurcated as per CRE guidelines. In some cases it was observed that withdrawal of energy was made in spite unavailable banked energy, which is not in accordance with CRE guidelines. Non-bifurcation of energy in lapsed and available for drawl may result in lack of control over supply of energy in excess of Banked energy available for drawl resulting in loss of revenue. Further, test checks of the provisions made on the said account was found to be varying with the details of energy banked & drawn available in records of generators. Hence, the aspect of determination of lapsed & available energy needs reconciliation in respect of all such co-generators for ensuring proper control over the banked energy and creating provision in books of account.
- vii. Test checks of procurement of goods and services through Tender reveals various shortcomings in control system i.e. preparation of detailed estimates, inviting bids in respect of OEM items from vendors as well as its distributor / agents, submission of complete documents as per eligibility criteria, proper up-keeping of tender documents, award of work on lowest cost without ascertaining reasonableness and

analysis of variance with estimated cost etc. requires to be streamlined / strengthened.

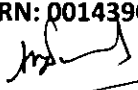
- viii. System of regular reconciliation of TDS receivable as per books of account with figures appearing in 26 AS, Analysis of year wise breakup w.r.t. status of completion of the income tax assessments needs to be strengthened.
- ix. Present system of identification and reconciliation of Inter Unit transaction between unit to unit, unit to head office appearing under various heads is not adequate and as such system of reconciliation with complete details of the nature and particulars of the unmatched items need to be ensured on regular basis.
- x. System of reconciliation and confirmation of balances in accounts of vendors, contractors, Government Department etc including those balances pertaining to receivables, payables, Loan and Advances on a regular basis requires to be streamlined and strengthened.

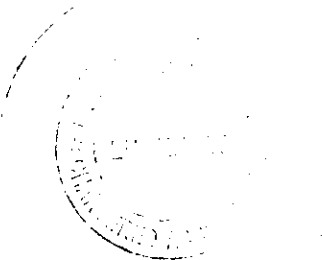
A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely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

In opinion of Branch Auditors, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Zone 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 of March 31st 2024 based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Branch Auditors have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March 2024 of financial statements of the Zone, and these material weaknesses do not affect their opinion on the financial statements of the Zone.

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


(A.K Dwivedi)
Partner
M No.: 071584
UDIN: 24071584 BKMAXT3189
Place: Lucknow
Date: 26/06/2024





Uttar Pradesh Power Corporation Limited

Shakti Bhawan, 14-Ashok Marg, Lucknow

CIN: U32201UP1999SG024928

BALANCE SHEET

as at 31st March, 2024

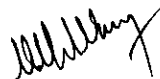
Particulars	Note No.	As at	
		31st March, 2024	31st March, 2023
Assets			
1. Non-Current Assets			
(a) Property, Plant & Equipment	2	56.74	59.91
(b) Capital Work-in-progress	3	0.03	0.21
(c) Intangible Assets	4A	1.62	2.44
(d) Intangible Assets under Development	4B	-	-
(e) Financial Assets			
(i) Investments	5	19,869.01	17,278.36
(ii) Loans & Other Financial Assets	6	50,978.99	60,944.89
2. Current Assets			
(a) Inventories	7	-	0.01
(b) Financial Assets			
(i) Trade Receivables	8	27,092.22	26,783.13
(ii) Cash and Cash Equivalents	9	1,475.14	2,150.31
(iii) Bank balance other than (ii) above	10	1,429.77	703.82
(iv) Other	11	16,382.36	15,753.78
(c) Other Current Assets	12	2,091.86	1,848.64
Total Assets		1,19,377.74	1,25,525.50
Equity & Liabilities			
I. Equity			
(a) Equity Share Capital	13	1,29,272.06	1,18,467.77
(b) Other Equity	14	(96,840.43)	(93,245.22)
II. Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	45,132.69	55,430.47
(ii) Trade Payables	16	807.93	2,632.28
(iii) Other Financial Liabilities	16A	816.47	947.29
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	14,988.59	14,020.64
(ii) Trade Payables	18	18,653.78	22,977.94
(iii) Other Financial Liabilities	19	6,546.65	4,294.33
Total Equity & Liabilities		1,19,377.74	1,25,525.50

Corporate Information & Material Accounting Policies 1
The accompanying notes 1 to 30 form an integral part of the financial statements

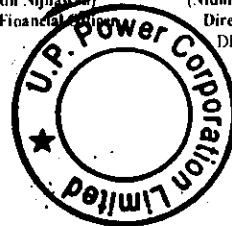
For and on behalf of the Board of Directors


(Priti Arora)
Company Secretary
M. No. F-9696


(Nitin Nijhawan)
Chief Financial Officer

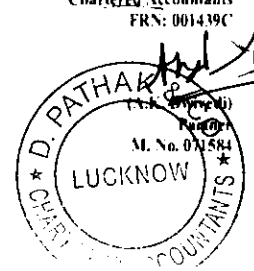

(Nidhi Kumar Narang)
Director (Finance)
DIN: 03473420


(Pankaj Kumar)
Managing Director
DIN: 08095154



Subject to our report of even date

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



Dated: 26th June, 2024
Place: Lucknow

UDIN : 24071584BKMAXT3189




Uttar Pradesh Power Corporation Limited
Shakti Bhawan, 14-Ashok Marg, Lucknow
CIN: U32201UP1999SG024928

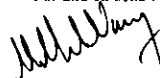
STATEMENT OF PROFIT & LOSS
for the year ended 31st March, 2024

Particulars	Note No.	(₹ Crore)	
		For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income			
I Revenue from operations	20	73,892.75	68,653.93
II Other income	21	1,611.77	186.81
iii Total income (I+II)		75,504.52	68,840.74
Expenses			
Purchase of Power (Electricity) for trading	22	73,892.75	68,653.93
Employee benefits expense	23	78.57	71.64
Finance costs	24	-	0.05
Depreciation and amortization expenses	25	6.37	6.32
Other expenses			
(a) Administrative, general & other expenses	26	24.07	27.81
(b) Repair & maintenance expenses	27	8.38	5.07
(c) Bad Debts & Provisions	28	7,611.09	14,639.28
IV Total Expenses		81,621.23	83,404.10
V Profit/(Loss) before exceptional items and tax (III-IV)		(6,116.71)	(14,563.36)
VI Exceptional Items	29	10.83	8.89
VII Profit/(Loss) before tax (V-VI)		(6,127.54)	(14,572.25)
VIII Tax expenses:			
(a) Current tax		-	-
(b) Deferred tax		-	-
ix Profit/(Loss) for the year (VII-VIII)		(6,127.54)	(14,572.25)
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Actuarial Losses		(1.53)	(1.27)
(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		-	-
xi Total comprehensive income/(losses) for the year (IX+X)		(6,129.07)	(14,573.52)
xii Earning per equity share			
(1) Basic EPS (₹ actual)		(49.59)	(126.81)
(2) Diluted EPS (₹ actual)		(49.59)	(126.81)

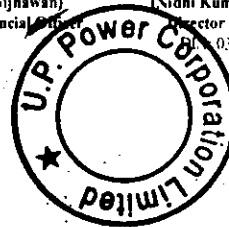
Corporate Information & Material Accounting Policies 1
The accompanying notes 1 to 30 form an integral part of the financial statements


(Prity Arora)
Company Secretary
M. No. F-9696


(Nitin Nijhawan)
Chief Financial Officer

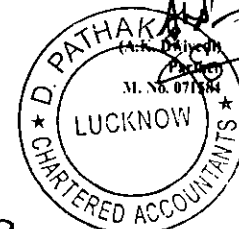

(Sidhi Kumar Sarang)
Director (Finance)
M. No. 03473420


(Pankaj Kumar)
Managing Director
M. No. 08095154



Subject to our report of even date

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



Dated: 26th June, 2024
Place : Lucknow

UDIN : 24071584BKMAXT3189



Uttar Pradesh Power Corporation Limited
Shakti Bhawan, 14-Ashok Marg, Lucknow
 CIN: U32201UP1999SG024928

STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2024

A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2024

Particulars	Amount (₹ Crore)
Balance as at 01st Apr, 2023	1,18,467.77
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 01st Apr, 2023	1,18,467.77
Changes in Equity Share Capital during the year	10,804.29
Balance as at 31st March, 2024	1,29,272.06

For the year ended 31st March, 2023

Particulars	Amount (₹ Crore)
Balance as at 01st Apr, 2022	1,09,679.38
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 01st Apr, 2022	1,09,679.38
Changes in Equity Share Capital during the year	8,788.39
Balance as at 31st March, 2023	1,18,467.77

B) OTHER EQUITY

Particulars	For the year ended 31st March, 2024					Total
	Share application money pending allotment	Capital Reserve	Restructuring Reserve	Retained Earning	OCI	
Balance as at 01st Apr, 2023	1,157.86	195.95	540.31	(95,130.29)	(9.05)	(93,245.22)
Changes in accounting policy or prior period items	-	-	-	-	-	-
Restated balance as at 01st Apr, 2023	1,157.86	195.95	540.31	(95,130.29)	(9.05)	(93,245.22)
Profit/ (Losses) for the year	-	-	-	(6,127.54)	-	(6,127.54)
Other Comprehensive Income/ (Losses)	-	-	-	-	(1.53)	(1.53)
Total comprehensive income for the year	-	-	-	(6,127.54)	(1.53)	(6,129.07)
Share application money received	13,338.15	-	-	-	-	13,338.15
Share allotted against application money	(10,804.29)	-	-	-	-	(10,804.29)
Balance as at 31st March, 2024	3,691.72	195.95	540.31	(1,01,257.83)	(10.58)	(96,840.43)

Particulars	For the year ended 31st March, 2023					Total
	Share application money pending allotment	Capital Reserve	Restructuring Reserve	Retained Earning	OCI	
Balance as at 01st Apr, 2022	2,533.01	195.95	540.31	(80,558.04)	(7.78)	(77,296.55)
Changes in accounting policy or prior period items	-	-	-	-	-	-
Restated balance as at 01st Apr, 2022	2,533.01	195.95	540.31	(80,558.04)	(7.78)	(77,296.55)
Profit/ (Losses) for the period	-	-	-	(14,572.25)	-	(14,572.25)
Other Comprehensive Income/ (Losses)	-	-	-	-	(1.27)	(1.27)
Total comprehensive income for the year	-	-	-	(14,572.25)	(1.27)	(14,573.52)
Share application money received	7,413.24	-	-	-	-	7,413.24
Share allotted against application money	(8,788.39)	-	-	-	-	(8,788.39)
Balance as at 31st March, 2023	1,157.86	195.95	540.31	(95,130.29)	(9.05)	(93,245.22)

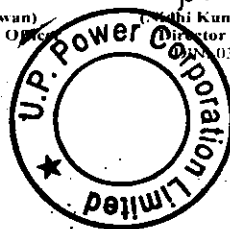
(Priti Arora)
 Company Secretary
 M. No. F-9696

For and on behalf of the Board of Directors

(Nitin Nijhawan)
 Chief Financial Officer

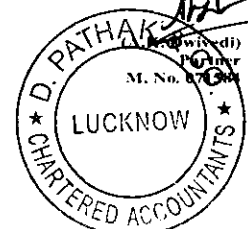
(Pankaj Kumar Narang)
 Director (Finance)
 DIN: 03473420

(Pankaj Kumar)
 Managing Director
 DIN: 08095154



Subject to our report of even date

For D. Pathak & Co.
 Chartered Accountants
 FRN: 001437C



Dated: 26th June, 2024
 Place: Lucknow

UDIN: 24071584BKMAXT3189



Uttar Pradesh Power Corporation Limited
Shakti Bhawan, 14-Ashok Marg, Lucknow
 CIN: U32201UP1999SG024928

STATEMENT OF CASH FLOWS
for the year ended 31st March, 2024

Particulars	(₹ Crore)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A Cash Flow from Operating Activities		
Net Loss before Exceptional Items & Tax	(6,116.71)	(14,563.36)
Adjustment For:		
Depreciation	6.37	6.32
Balances written off	0.25	-
Provision/ Liabilities written back	(1,416.35)	-
Interest & Financial Charges	-	0.05
Bad Debts & Provision	7,611.09	14,639.28
Interest Income	(191.32)	(158.87)
Operating Profit Before Working Capital Change	(106.67)	(76.58)
Adjustment for:		
Inventories	0.01	-
Trade Receivable	(309.09)	(1,019.52)
Other Current Assets	(248.06)	(1,540.34)
Financial assets-others	(979.09)	(3,263.06)
Other financial Liab.	2,239.96	2,164.24
Trade Payable	(6,148.51)	2,245.26
Bank balance other than cash	(725.95)	(102.63)
Net Cash used in Operating Activities (A)	(6,277.40)	(1,592.63)
B Cash Flow from investing Activities		
Purchase of Property, Plant & Equipment	(2.20)	(1.87)
Purchase of Investments	(9,671.11)	(9,625.30)
Proceeds from Interest	191.32	158.87
Purchase of Intangible Assets	(0.00)	(0.48)
Proceeds from Other Non-current financial Assets	9,790.37	8,392.81
Net Cash from/ used in investing Activities (B)	308.38	(1,075.97)
C Cash Flow from Financing Activities		
Repayment of Borrowing	(9,329.83)	(2,225.45)
Proceeds from Share Capital	10,804.29	8,788.39
Changes in Other Equity	2,533.86	(1,375.15)
Interest & Financial Charges Paid	-	(0.05)
Repayment of other long term liabilities	1,285.53	(2,844.90)
Net Cash from Financing Activities (C)	5,293.85	2,342.84
Net increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(675.17)	(325.76)
Cash & Cash Equivalents as at the beginning of the year	2,150.31	2,476.07
Cash & Cash Equivalents as at the end of the year	1,475.14	2,150.31

Note:

- (i) This Statement has been prepared under indirect Method as prescribed by Ind AS-07
 (ii) Cash and cash equivalents consist of cash in hand, balances with banks, and deposits with original maturity of upto three months.

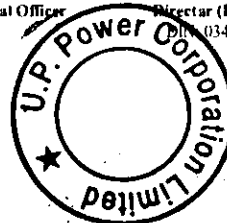
For and on behalf of the Board of Directors

(Prati Arora)
 Company Secretary
 M. No. F-9696

(Nitin Nijhawan)
 Chief Financial Officer

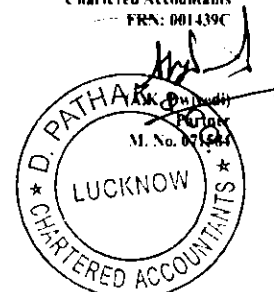
(Nidhi Kumar Narang)
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 DIN: 03473420

(Pankaj Kumar)
 Managing Director
 DIN: 08095154



Subject to our report of even date

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



Dated: 26th June, 2024
 Place: Lucknow

UDIN : 24071584BKMAXT3189

U.P. POWER CORPORATION LIMITED

CIN - U32201UP1999SGC024928

NOTE NO. 1

COMPANY INFORMATION & MATERIAL ACCOUNTING POLICY INFORMATION OF STANDALONE FINANCIAL STATEMENT

a) 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 on behalf of Govt. of U.P. The address of the Company's registered office is Shakti Bhawan, Ashok Marg, Lucknow, Uttar Pradesh-226001. The Company is primarily involved in the purchase and sale/supply of power. The bonds of the company are publicly traded on BSE.

b) STATEMENT OF COMPLIANCE/BASIS OF PREPARATION AND PRESENTATION

- (a) The Financial Statements comply with the Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and provisions of the Companies Act, 1956. Further 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 Financial Statements have been prepared in accordance with the Generally Accepted Accounting Policies (GAAP), on going concern basis and historical cost convention on accrual basis except as otherwise stated.
- (c) Insurance and Other Claims, Refund of Custom Duty, Interest on Statutory Taxes and Interest on loans to staff is accounted for on receipt basis.

These financial statements were authorized for issue by Board of Directors on 26th June, 2024.

(d) 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 Crores (up to two decimals), except as stated otherwise.

(e) 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.

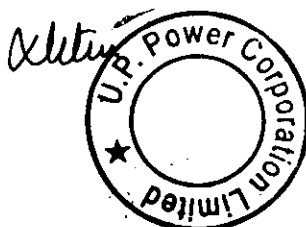
Estimates and Underlying assumptions are reviewed as on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate are reviewed and if any future periods affected.

(f) Current and non-current classification

The Company 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;





Uttar Pradesh

Power Corporation Limited

- 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 months after the reporting period.

All other liabilities are classified as non-current.

c) MATERIAL ACCOUNTING POLICY INFORMATION

I. 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) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- d) Due to multiplicity of functional units as well as multiplicity of functions at particular unit, Employees cost to capital works are capitalized @ 15% on deposit works and @ 9.5% on other works on the amount of total expenditure.
- e) Borrowing cost during construction stage of capital assets are capitalized as per provisions of Ind AS-23.

II. 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.

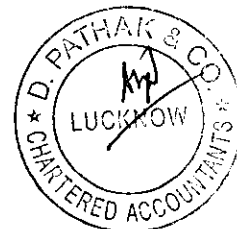
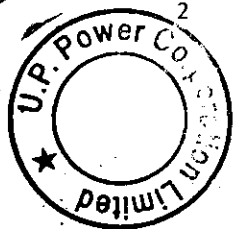
The value of construction stores is charged to capital work-in-progress as and when the material is issued. The material at the year end lying at the work site is treated as part of capital work in progress.

III. INTANGIBLE ASSETS

- a) 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 (Intangible Assets).
- b) An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use.

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Uttar Pradesh Power Corporation Limited

IV. DEPRECIATION

- a) In terms of Part-B of schedule-11 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 recognised prospectively.
- b) Depreciation on additions to / deductions from Property, Plant and Equipment during the year is charged on Pro rata basis.

V. 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(Financial Instruments).

VI. 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.

VII. REVENUE/ EXPENDITURE RECOGNITION

- a) Revenue from sale of energy is accounted for on accrual basis.
- b) Late payment surcharge recoverable from subsidiaries and other bulk power purchasers are accounted for on cash basis due to uncertainty of realisation.
- c) Sale of energy to subsidiary distribution companies is accounted for, on the rates decided by the Company.

VIII. POWER PURCHASE

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

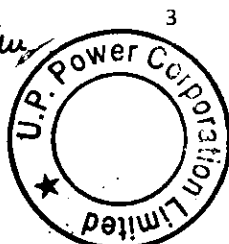
- a) In respect of Central Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by Central Electricity Regulatory Commission (CERC).
- b) In respect of State Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by U.P. Electricity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

IX. EMPLOYEE BENEFITS

- a) Liability for Pension, Gratuity and Leave Encashment has been accounted for 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

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Uttar Pradesh

Power Corporation Limited

X. 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 are disclosed in the Notes on Accounts.
- c) The Contingent assets of unrealisable income are not recognized.

XI. GOVERNMENT GRANT, SUBSIDIES AND CONSUMER CONTRIBUTIONS

- a) 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.
- b) 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

XII. FOREIGN CURRENCY TRANSACTIONS

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

XIII. 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).

XIV. STATEMENT OF CASH FLOW

Statement of Cash Flow is prepared in accordance with the indirect method prescribed in Ind AS 7 (Statement of Cash Flows).

XV. 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.

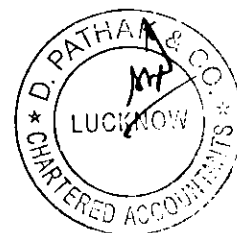
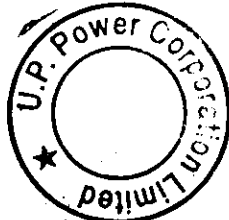
Subsequent Measurement:

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

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

Prata

Debit





Uttar Pradesh

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.

XVI. 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.

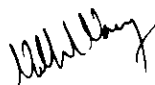
XVII. MATERIAL PRIOR PERIOD ERRORS

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.

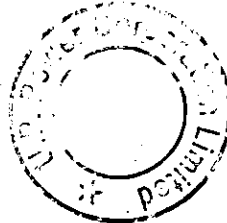
For and on behalf of the Board of Directors


(Prati Arora)
Company Secretary
M. No. F-9696

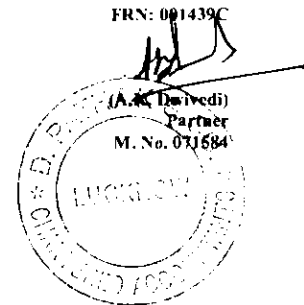

(Nitin Nijhawan)
Chief Financial Officer


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


(Pankaj Kumar)
Managing Director
DIN: 08095154



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



Date: 26th June 2024
Place: Lucknow

UDIN : 24071584BKMAXT3189





Uttar Pradesh

Power Corporation Limited

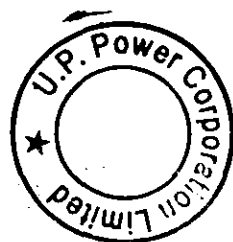
NOTE - '2' : PROPERTY, PLANT & EQUIPMENT

Particulars	(₹ Crore)								
	Land & Land Rights	Buildings	Other Civil Works	Plant & Machinery	Lines, Cables Network etc.	Vehicles	Furniture & Fixtures	Office Equipments	Total
Cost as at 01st Apr, 2023	4.70	51.97	6.74	11.80	0.06	2.02	7.75	30.37	115.41
Additions	-	-	-	1.01	-	-	0.22	1.34	2.57
Disposals/ Adjustments	-	-	-	0.07	-	1.10	0.07	0.33	1.57
Cost as at 31st March, 2024	4.70	51.97	6.74	12.74	0.06	0.92	7.90	31.38	116.41
Accumulated Depreciation as at 01st Apr, 2023	-	21.04	4.81	6.12	0.01	1.42	2.97	19.13	55.50
Depreciation	-	1.74	0.22	0.56	-	0.13	0.48	2.42	5.55
Disposals/ Adjustments	-	-	-	0.06	-	0.97	0.05	0.30	1.38
Accumulated Depreciation as at 31st March, 2024	-	22.78	5.03	6.62	0.01	0.58	3.40	21.25	59.67
Net Carrying Amount as at 31st March, 2024	4.70	29.19	1.71	6.12	0.05	0.34	4.50	10.13	56.74

Particulars	(₹ Crore)								
	Land & Land Rights	Buildings	Other Civil Works	Plant & Machinery	Lines, Cables Network etc.	Vehicles	Furniture & Fixtures	Office Equipments	Total
Cost as at 01st Apr, 2022	4.70	52.02	6.74	10.77	0.06	2.24	7.36	29.96	113.85
Additions	-	-	-	1.03	-	-	0.40	0.55	1.98
Disposals/ Adjustments	-	0.05	-	-	-	0.22	0.01	0.14	0.42
Cost as at 31st March, 2023	4.70	51.97	6.74	11.80	0.06	2.02	7.75	30.37	115.41
Accumulated Depreciation as at 01st Apr, 2022	-	19.33	4.59	5.60	0.01	1.47	2.53	16.88	50.41
Depreciation	-	1.74	0.22	0.53	-	0.14	0.46	2.39	5.48
Disposals/ Adjustments	-	0.03	-	0.01	-	0.19	0.02	0.14	0.39
Accumulated Depreciation as at 31st March, 2023	-	21.04	4.81	6.12	0.01	1.42	2.97	19.13	55.50
Net Carrying Amount as at 31st March, 2023	4.70	30.93	1.93	5.68	0.05	0.60	4.78	11.24	59.91

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Uttar Pradesh Power Corporation Limited

NOTE - '3' : CAPITAL WORK-IN-PROGRESS

Particulars						(₹ Crore)
	As at 01st Apr, 2023		Additions	Adjustments	Capitalised	As at 31st March, 2024
Capital Work in Progress*	0.04		2.68	0.15	2.57	-
Advances to Contractors (material issued for construction of capital works)	0.19	1.88		2.04	-	0.03
Less: Allowance for doubtful advances	(0.02)	0.17	-	1.88	(0.02)	0.03
Total	0.21		4.56	2.17	2.57	0.03

Particulars						(₹ Crore)
	As at 01st Apr, 2022		Additions	Adjustments	Capitalised	As at 31st March, 2023
Capital Work in Progress*	0.16		2.26	0.40	1.98	0.04
Advances to Contractors (material issued for construction of capital works)	0.16	0.04		0.01	-	0.19
Less: Allowance for doubtful advances	(0.02)	0.14	-	0.04	-	(0.02)
Total	0.30		2.30	0.41	1.98	0.21

* It includes Employee Cost related to works

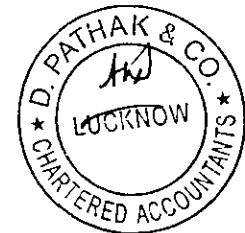
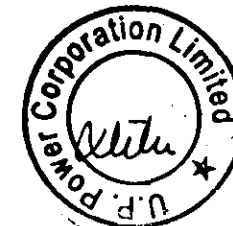
Capital Work in Progress Ageing Schedule as at 31st March, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress Completion Schedule as at 31st March, 2024

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project	-	-	-	-

Signature





Uttar Pradesh
Power Corporation Limited

NOTE - '4A' : INTANGIBLE ASSETS

Software	(₹ Crore)	
	As at 31st March, 2024	As at 31st March, 2023
Cost as at the beginning of the year	5.88	5.39
Additions	-	0.49
Disposals/ Adjustments	-	-
Cost as at the end of the year	5.88	5.88
Accumulated Amortisation as at the beginning of the year	3.44	2.60
Amortisation	0.82	0.84
Disposals/ Adjustments	-	-
Accumulated Amortisation as at the end of the year	4.26	3.44
Net Carrying Amount as at the end of the year	1.62	2.44

NDTE - '4B' : INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	(₹ Crore)				
	As at 01st Apr, 2023	Additions	Deduction/ Adjustments	Capitalised	As at 31st March, 2024
Assets under development (Software)	-	-	-	-	-
Less: Provisions	-	-	-	-	-
Net Carrying Value	-	-	-	-	-

Particulars	(₹ Crore)				
	As at 01st Apr, 2022	Additions	Deduction/ Adjustments	Capitalised	As at 31st March, 2023
Assets under development (Software)	-	-	-	-	-
Less: Provisions	-	-	-	-	-
Net Carrying Value	-	-	-	-	-

Intangible Assets under Development (IAUD) Ageing Schedule as at 31st March, 2024

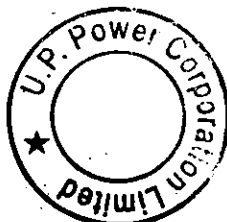
Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible Assets under Development (IAUD) Completion Schedule as at 31st March, 2024

Particulars	(₹ Crore)			
	Less than 1 year	To be completed in		More than 3 years
		1-2 years	2-3 years	
Project	-	-	-	-

Signature

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Uttar Pradesh

Power Corporation Limited

NOTE - '5': NON-CURRENT FINANCIAL ASSETS- INVESTMENTS

(₹ Crore)

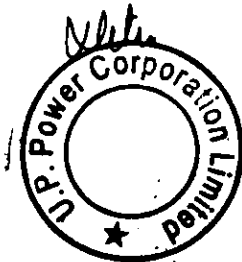
Particulars	Number of Shares Current/ (Previous)	Face Value per Share Current/ (Previous) ₹ actual	As at 31st March, 2024		As at 31st March, 2023	
i. Equity Instruments- Unquoted (at cost)						
A) Subsidiaries						
(a) PuVVNL	28,02,45,622 (25,19,35,752)	1,000 (1,000)	28,024.56		25,193.58	
Less: Provision for impairment			22,895.66	5,128.90	19,080.93	6,112.65
(b) MVVNL	24,23,24,900 (22,78,44,577)	1,000 (1,000)	24,232.49		22,784.46	
Less: Provision for impairment			21,715.09	2,517.40	20,345.04	2,439.42
(c) DVVNL	25,86,27,149 (23,46,17,381)	1,000 (1,000)	25,862.71		23,461.74	
Less: Provision for impairment			25,862.71	-	23,461.74	-
(d) PVVNL	19,70,49,366 (17,12,79,234)	1,000 (1,000)	19,704.94		17,127.92	
Less: Provision for impairment			9,652.07	10,052.87	10,570.27	6,557.65
(e) KESCO*	2,66,34,17,947 (2,24,93,10,184)	10 (10)	2,663.42		2,249.31	
Less: Provision for impairment			2,663.42	-	2,249.31	-
(f) Southern UPPTCL	- (22,16,300)	10 (10)	-		2.22	
Less: Provision for impairment			-	-	2.22	-
B) Others						
UPPTCL**	2,21,33,352 (2,21,33,352)	1,000 (1,000)	2,213.34		2,213.34	
Less: Provision for impairment			166.50	2,046.84	167.70	2,045.64
ii. Debt Instruments- Unquoted (at cost)						
7.75% PFC Bonds Series-164 (Maturity date 22.03.2027)				123.00		123.00
Total			19,869.01		17,278.36	
Aggregate amount of unquoted investments in Equity instruments at cost			1,02,701.46		93,032.57	
Aggregate amount of unquoted investments in Debt instruments at cost			123.00		123.00	
Aggregate amount of impairment in value of investments			82,955.45		75,877.21	

* KESCO had previously allotted 6,00,00,000 number of shares for consideration other than cash pursuant to KESA Zone FDU Scheme, 2000.

** UPPTCL had previously allotted 1,84,29,700 number of shares for consideration other than cash.

Note:

- 1 Considering the Net Worth of subsidiaries and UPPTCL, provision for impairment provided during the period is ₹7080.46 crore (Previous year ₹14532.71 crore)
- 2 Provision for impairment of investments in subsidiary DISCOMs is based on the net worth calculated on the basis of Audited Financial Statements of the subsidiary DISCOMs for the year ended 31st March, 2024 and due to non-availability of audited financial statements of F.Y. 2023-24, the provision for the impairment of the investments in UPPTCL is based on the net worth as per the audited financial statements of F.Y. 2022-23





Uttar Pradesh

Power Corporation Limited

NOTE - '6' : NON- CURRENT FINANCIAL ASSETS- LOANS & OTHERS

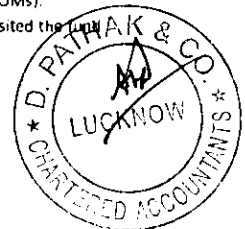
Particulars	As at 31st March, 2024		As at 31st March, 2023	
(₹ Crore)				
Loan/ Advances- Unsecured, Considered Doubtful				
NPCL (Licencee)	5.69		5.69	
Interest Accrued & Due	222.70		193.03	
Sub Total	228.39		198.72	
Less: Allowance for bad & doubtful loans & interest	(228.39)	-	(198.72)	-
Share Application Money Pending Allotment in Subsidiary Companies:				
PuVVNL	1,233.59		692.00	
MVVNL	1,593.72		606.56	
DVVNL	828.32		526.73	
PVVNL	1,262.08		1,876.17	
KESCO	85.87	5,003.58	181.97	3,883.43
Others:				
UPPTCL		180.72		180.72
Receivables on account of Loan/ Bonds				
Unsecured, considered good				
PuVVNL	17,008.38		20,629.43	
MVVNL	10,228.69		12,505.34	
DVVNL	11,540.85		14,242.02	
PVVNL	4,544.08		5,823.35	
KESCO	1,810.69	45,132.69	2,230.33	55,430.47
Deposits				
1. Earmarked Deposits with Banks				
Deposits having maturity more than twelve months:				
Debt Service Reserve Accounts (against Bonds issued)		307.17		1,055.87
UPNEDA Corpus Fund*		49.47		46.02
2. Other Deposits				
Deposit with 85E for Recovery Expense Fund		0.25		0.25
Other				
Unsecured and considered good				
UPPSET**		178.13		178.54
UMPP***		126.98		118.22
Securities from Suppliers/ Contractors		-		5.19
Overlay Charges		-		10.36
Unsecured and considered doubtful				
UMPP		-		12.02
Interest on advance to UMPP	18.81		18.81	
Other Deposits	17.01		17.01	
Asset Migration account	121.81		-	
	157.63		47.84	
Less: Allowance for doubtful receivables	(157.63)	-	(12.02)	35.82
Total		50,978.99		60,944.89

- 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.
- ** 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 ₹17.55 Crore.
- *** It relates to commitment advance of ₹126.98 Crore given to Ultra Mega Power Projects for the development of power projects.

Note:

- 1 An amount of Rs 180.72 Crores is pending with the UPPTCL for Share Allotment. UPPTCL has informed that the share against this application money has been wrongly allotted to GoUP instead of UPPCL and they have taken up this matter with the GoUP. Necessary reclassification of the same shall be done accordingly after the share allotment by UPPTCL.
- 2 The receivables on account of Loan/ Bonds relates to Loan taken and Bonds issued on the behalf of subsidiary companies (DISCOMs).
- 3 In compliance to SEBI Circular No. SEBI/HO/MMSD/CREDIT/SR/P/2020/207 dated 22nd October, 2021, the Company has deposited the amount with the Bombay Stock Exchange towards the contribution to Recovery Expense Fund (REF).

Signature





Uttar Pradesh Power Corporation Limited

NOTE - '7' : INVENTORIES

(₹ Crore)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Stock of Materials-Capital Works	-	0.14
Less: Provision for Unservicable Stores	-	0.13
Total #	-	0.01

Inventories as at 31st March, 2024 amount to ₹14870.00 (as at 31st March, 2023: ₹94548.67)

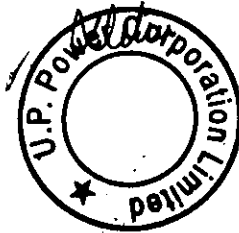
NOTE - '8' : CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ Crore)

Particulars	As at 31st March, 2024	As at 31st March, 2023		
Unsecured, considered good				
PuVVNL	9,224.51	9,554.93		
MVVNL	7,540.55	8,565.72		
DVVNL	9,595.66	9,121.81		
KESCO	1,231.36	1,246.06		
Adjustments *	(343.18)	(9.38)		
Unallocated revenue**	(156.68)	27,092.22	(286.55)	28,192.59
Unsecured, credit impaired				
Others	522.98	522.98		
Sub-Total	27,615.20	28,715.57		
Less: Provision for Doubtful Trade Receivables	-	(1,409.46)		
Provision for Credit Impaired Trade Receivables	(522.98)	(522.98)	(522.98)	(1,932.44)
Total	27,092.22	26,783.13		

* Amount shown as 'Adjustments' relates to the adjustment of cost of power purchases not billed to DISCOMs.

** It relates to the amount of revenue collection received from consumers at UPPCL against which the DISCOMs are not identified on balance sheet date.





Uttar Pradesh

Power Corporation Limited

NOTE - '9' : CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

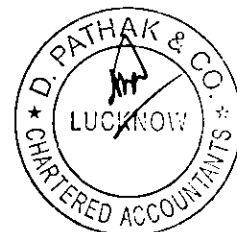
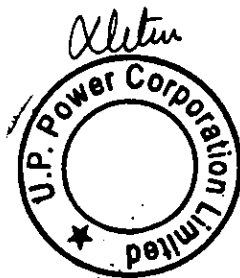
Particulars	(₹ Crore)	
	As at 31st March, 2024	As at 31st March, 2023
Balance with Banks		
In Current & Other Accounts	831.04	1,085.81
In Fixed Deposit Accounts (with original maturity upto 3 months)		
a. Earmarked Balances (Bond Servicing Account)	644.10	691.25
b. Others	-	1,475.14
		372.88
		2,149.94
Cash on Hand		
Cash Imprest with staff*	-	0.01
Cheque and Drafts in hand	-	0.36
Total	1,475.14	2,150.31

* Cash imprest with staff as at 31st March, 2024 amounts to ₹41000.00 (as at 31st March, 2023 ₹91400.00)

NOTE - '10' : CURRENT FINANCIAL ASSETS- BANK BALANCES OTHER THAN ABOVE

Particulars	(₹ Crore)	
	As at 31st March, 2024	As at 31st March, 2023
Deposits with original maturity of more than three months and maturing within twelve months		
A. Earmarked Balances		
RPO Fund Account	-	-
Debt Service Reserve Accounts (against Bonds issued)	1,429.21	1,429.21
		531.51
		531.51
B. Other than Earmarked Balances	0.56	172.31
Total	1,429.77	703.82

for





Uttar Pradesh

Power Corporation Limited

NOTE - '11' : CURRENT FINANCIAL ASSETS-OTHERS

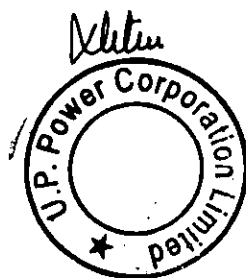
Particulars	(₹ Crore)			
	As at 31st March, 2024		As at 31st March, 2023	
I. RECEIVABLES- AGAINST LOAN/BONDS*				
Unsecured, Considered Good				
PuVVNL	5,006.85		4,473.30	
MVVNL	3,696.77		3,349.92	
DVVNL	4,199.05		3,376.42	
PVVNL	1,318.03		1,981.32	
KESCO	601.81	14,822.51	638.98	13,819.94
II. RECEIVABLES- OTHERS				
Unsecured, Considered Good				
A. From Subsidiaries				
PuVVNL	262.80		275.29	
MVVNL	292.33		299.91	
DVVNL	253.81		258.50	
PVVNL	350.12		341.94	
KESCO	60.92	1,219.98	63.58	1,239.22
B. From Entities under same Government				
UPPTCL		233.39		213.58
C. From Others				
IREDA**	14.96		11.51	
Employees	0.02		0.30	
Others	657.93	672.91	685.15	696.96
Sub Total (A+B+C)		2,126.28		2,149.76
Less - Allowance for doubtful receivables#		(566.43)		(215.92)
Considered good		1,559.85		1,933.84
Total (I+II)		16,382.36		15,753.78

* It relates to Loan on account of Current Maturity of long term borrowings and Interest accrued but not due on borrowings

** Receivables from Indian Renewable Energy Development Agency Ltd. (IREDA) (Govt Enterprise) relate to subsidy against Power Purchase from renewable energy developers.

Provision @10% has been made on receivables under Point B & C above except the balances amounting to ₹528.67 crore lying pending for more than three years against which 100% provision has been made. Refer Note No. 7 of the Notes to Accounts.

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Uttar Pradesh

Power Corporation Limited

NOTE - '12' : OTHER CURRENT ASSETS

(₹ Crore)

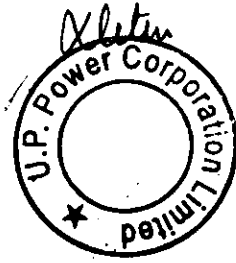
Particulars	As at 31st March, 2024	As at 31st March, 2023
Advances- Unsecured, Considered Good		
Indian Energy Exchange Ltd. (for bidding process)	25.18	20.00
Suppliers / Contractors*	1.90	0.02
Less - Allowance for Doubtful Advances	(0.19)	-
Other Deposits**	14.75	2.95
Other		
Tax deducted at source***	168.28	92.65
Tax collected at source	0.47	168.75
Fringe Benefit Tax (Net)	0.25	0.25
Less-Allowance for doubtful unadjusted FBT	(0.25)	(0.25)
Receivable from GST Department	4.65	4.65
Less-Allowance for doubtful GST refund	(4.65)	-
Receivables related to Power Purchase (incl. UPPTCL)#	1,773.42	1,567.90
Income Accrued & Due	5.04	5.05
Income Accrued but not Due	24.88	6.82
Prepaid Expenses	0.01	0.02
Inter Unit Transactions	78.12	148.12
Total	2,091.86	1,848.64

* Advance to Suppliers /contractors includes ₹1.88 Crore paid as a advance to National Informatics Center (NIC).

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

*** TDS receivable as on 31st March, 2023 includes ₹85.42 Crore relating to F.Y. 2022-23, against which refund was claimed. However, after the assessment, Income Tax Department has allowed credit of TDS for ₹72.58 Crore only. The Company has filed an appeal before the CIT (Appeals) against the said assessment order.

Refer to Note No.26 of the Notes to Accounts.





Uttar Pradesh

Power Corporation Limited

NOTE - '13': EQUITY SHARE CAPITAL

Particulars	(₹ Crore)	
	As at 31st March, 2024	As at 31st March, 2023
(A) AUTHORISED :		
2000000000 Equity shares of par value ₹1000/- each	2,00,000.00	1,25,000.00
(previous year 1250000000 Equity shares of par value ₹1000/- each)		
(B) ISSUED SUBSCRIBED & FULLY PAID UP		
1292720595 Equity shares of par value ₹1000/- each	1,29,272.06	1,18,467.77
(previous year 1184677704 Equity shares of par value ₹1000/- each)		
(out of the above shares 36113400 were allotted, for consideration other than cash, as fully paid up pursuant to UP Power Sector Reform Transfer Scheme 2000)		

a) Reconciliation of the shares outstanding

Particulars	Number of shares	
	31st March, 2024	31st March, 2023
At the beginning of the year	1,18,46,77,704	1,09,67,93,838
Add: Issued during the year	10,80,42,891	8,78,83,866
Less: Buyback of shares during the year	-	-
Outstanding at the end of the year	1,29,27,20,595	1,18,46,77,704

b) Terms and rights attached to equity shares:

The company has only one class of equity shares having a par value

The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

c) Dividends:

Particulars	(₹ Crore)	
	Paid during the year ended 31st March, 2024	31st March, 2023
Dividends paid and recognised during the year *	NIL	NIL

*No dividend has been declared by the Board due to heavy accumulated losses.

d) Details of shareholders holding more than 5% shares in the Company:

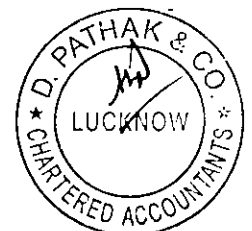
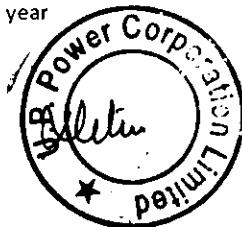
Shareholder(s)	As at 31st March, 2024	
	No. of shares	%age holding
Government of UP	1292720595	100%
	As at 31st March, 2023	
	No. of shares	%age holding
	1184677704	100%

e) Details of shareholding of promoters:

(i) Name of Promoter: Government of UP

(ii) Shareholding pattern of the promoter:

Particulars	As at 31st March, 2024	As at 31st March, 2023
	No. of shares held	1292720595
Percentage of total shares	100%	100%
Percentage changes during the year	-	-





Uttar Pradesh Power Corporation Limited

NOTE - '14': OTHER EQUITY

(A) RESERVES & SURPLUS		(₹ Crore)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Capital Reserve			
Others	195.95	195.95	
Other Reserves			
Restructuring Reserve	540.31	540.31	
Retained Earnings			
Opening balance	(95,139.34)	(80,565.82)	
Change due to Prior Period Items	-	-	
Restated Balance	(95,139.34)	(80,565.82)	
Add: Loss for the year as per Statement of Profit & Loss	(6,129.07)	(1,01,268.41)	(14,573.52)
Sub Total (A)	(1,00,532.15)	(94,403.08)	

Note: Capital Reserve and Restructuring Reserve relate to the balances transferred under Final Transfer Scheme issued by the GoUP vide Notification no. 1529/24-P-2-2015 SA(218)- 2014 dated November 3,2015. There is no movement in these reserves balance during the year.

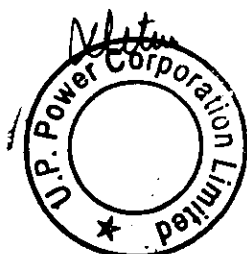
(B) SHARE APPLICATION MONEY		(₹ Crore)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Share Application Money (Pending for allotment to the Govt. of UP)	3,691.72	1,157.86	
Sub Total (B)	3,691.72	1,157.86	
Total (A+B)	(96,840.43)	(93,245.22)	

Reconciliation of Share Application Money

	(₹ Crore)
Share Application Money as at 01st Apr, 2023	1,157.86
Add: Application money received during the year	13,338.15
Less: Shares allotted during the year	10,804.29
Share Application Money as at 31st March, 2024	3,691.72

Note: The shares against Share Application Money amounting to ₹3691.72 crore have been allotted to the GoUP vide Board Meeting dated 20th April, 2024

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Uttar Pradesh

Power Corporation Limited

NOTE - '15' : NON- CURRENT FINANCIAL LIABILITIES- BORROWINGS

(₹ Crore)

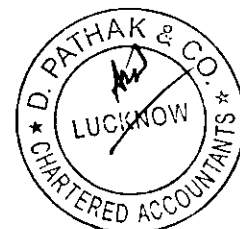
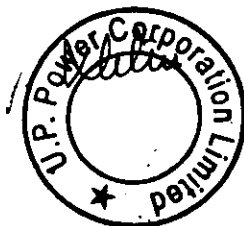
Particulars	As at 31st March, 2024		As at 31st March, 2023	
(A) BONDS ISSUED ON BEHALF OF DISCOMs				
(a) SECURED				
PuVVNL	4,101.50		5,226.38	
MVVNL	3,470.11		4,327.46	
DVVNL	3,412.35		4,458.92	
PVVNL	1,099.12		1,447.34	
KESCO	676.53	12,759.61	833.10	16,293.20
(b) UNSECURED				
PuVVNL	1,552.35		1,790.70	
MVVNL	1,252.88		1,445.26	
DVVNL	2,608.80		3,009.57	
PVVNL	941.74		1,086.27	
KESCO	368.85	6,724.62	425.48	7,757.28
Sub Total (A)		19,484.23		24,050.48
(B) LOANS TAKEN ON BEHALF OF DISCOMs				
(a) REC- UNSECURED				
PuVVNL	5,593.87		6,502.29	
MVVNL	2,732.53		3,204.23	
DVVNL	2,725.81		3,198.98	
PVVNL	1,412.95		1,730.08	
KESCO	314.17	12,779.33	367.67	15,003.25
(b) PFC- UNSECURED				
PuVVNL	5,760.66		7,110.06	
MVVNL	2,773.17		3,528.39	
DVVNL	2,793.89		3,574.55	
PVVNL	1,090.27		1,559.66	
KESCO	451.14	12,869.13	604.08	16,376.74
Sub Total (B)		25,648.46		31,379.99
Total (A+B)		45,132.69		55,430.47

Note

1 Details of rate-wise bonds have been annexed with this note. (Refer Annexure-I to Note-15)

2 The terms of repayment, default details and security/guarantee details have been annexed with this note. (Refer Annexure-II to Note-15)

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DISCLOSURE OF BORROWINGS
(as required in revised Schedule-III of the Companies Act, 2013)

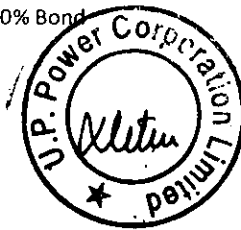
SECURED BONDS

		(₹ Crore)	
DISCOM	Bond	As at 31st March, 2024	As at 31st March, 2023
	8.48% Bond	322.14	483.21
	8.97% Bond	526.00	789.00
	9.70% Bond	1,118.16	1,277.90
	PuVVNL 9.75% Bond	511.69	697.76
	9.95% Bond	977.38	1,117.00
	10.15% Bond	646.13	861.51
	Total	4,101.50	5,226.38
	8.48% Bond	202.46	303.69
	8.97% Bond	365.69	548.53
	9.70% Bond	1,233.05	1,409.20
	MVVNL 9.75% Bond	314.63	429.04
	9.95% Bond	885.68	1,012.20
	10.15% Bond	468.60	624.80
	Total	3,470.11	4,327.46
	8.48% Bond	292.03	438.04
	8.97% Bond	616.03	924.04
	9.70% Bond	786.45	898.80
	DVVNL 9.75% Bond	436.44	595.15
	9.95% Bond	554.66	633.90
	10.15% Bond	726.74	968.99
	Total	3,412.35	4,458.92
	8.48% Bond	125.49	188.23
	8.97% Bond	239.37	359.06
	9.75% Bond	192.53	262.54
	PVVNL 9.95% Bond	445.20	508.80
	10.15% Bond	96.53	128.71
	Total	1,099.12	1,447.34
	8.48% Bond	54.89	82.33
	8.97% Bond	112.91	169.37
	KESCO 9.70% Bond	319.64	365.30
	9.95% Bond	189.09	216.10
	Total	676.53	833.10
Grand Total		12,759.61	16,293.20

UNSECURED BONDS

		(₹ Crore)	
DISCOM	Bond	As at 31st March, 2024	As at 31st March, 2023
PuVVNL	9.70% Bond	1,552.35	1,790.70
MVVNL	9.70% Bond	1,252.88	1,445.26
DVVNL	9.70% Bond	2,608.80	3,009.57
PVVNL	9.70% Bond	941.74	1,086.27
KESCO	9.70% Bond	368.85	425.48
	Total	6,724.62	7,757.28

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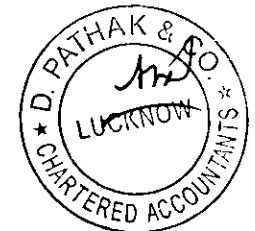


DISCLOSURE OF BORROWINGS
(as required in revised Schedule-III of the Companies Act, 2013)

(₹ Crore)

Table with columns: Name of Bank, Drawl Date, Repayment Terms (Installment, Repayment Due From, RBI (%)), Guaranteed By, Outstanding as on 31st March, 2024 (Principal, Interest, Total, Current Maturity, After Current Maturity), Default as on 31st March, 2024 (Principal, Interest), Aggregate Amount of Guaranteed Loans, Security. Rows include Long Term Borrowing, BONDS- SECURED, BONDS- UNSECURED, REC, and PFC.

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Uttar Pradesh

Power Corporation Limited

NOTE - '16' : NON- CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES

Particulars	As at 31st March, 2024	As at 31st March, 2023
Liability for Purchase of Power	807.93	2,632.28
Total	807.93	2,632.28

NOTE - '16A' : NON- CURRENT FINANCIAL LIABILITIES- OTHERS

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Leave Encashment	76.64	75.31
Provision for Gratuity	25.59	21.10
Corpus Fund from UPNEDA*	49.47	46.02
Liability Migration account	6.96	-
Laibilities on behalf of DISCOMs:		
PuVVNL	244.99	288.09
MVVNL	84.04	116.54
DVVNL	162.28	201.30
PVVNL	163.27	195.70
KESCO	3.23	3.23
Total	816.47	947.29

* 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.

NOTE - '17' : CURRENT FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. CC/ Overdraft from Banks:		
Punjab National Bank	-	50.68
Bank of India	-	0.01
Indian Bank	31.77	-
b. Working Capital Short Term Loan:		
Indian Bank	168.00	150.00
c. Current Maturity of Long term Borrowings	14,309.53	13,385.17
d. Interest accrued but not due on Borrowings	479.29	434.78
Total	14,988.59	14,020.64

Note:

Details of current maturity of long term borrowings is as given in Note-17 (Refer Annexure to Note-17)





Uttar Pradesh

Power Corporation Limited

Annexure to Note - 17

Statement of Current Maturity of Long-Term Borrowings

(₹ Crore)

Loans taken or Bonds issued on behalf of DISCOMs For the year ended 31st March, 2024

Sl. No.	Name of the Discom	Bonds		REC	PFC	Total
		Secured	Unsecured			
1	PuVVNL	1124.88	238.35	1502.52	1962.55	4,828.30
2	MVVNL	857.35	192.38	1065.84	1468.39	3,583.96
3	DVVNL	1046.57	400.77	1054.49	1541.54	4,043.37
4	PVVNL	348.22	144.53	335.37	442.27	1,270.39
5	KESCO	156.57	56.63	133.11	237.20	583.51
	Total	3,533.59	1,032.66	4,091.33	5,651.95	14,309.53

(₹ Crore)

Loans taken or Bonds issued on behalf of DISCOMs For the year ended 31st March, 2023

Sl. No.	Name of the Discom	Bonds		REC	PFC	Total
		Secured	Unsecured			
1	PuVVNL	825.52	238.33	1,286.92	1985.16	4,335.93
2	MVVNL	554.68	192.38	1,030.00	1480.74	3,257.80
3	DVVNL	854.98	400.77	800.05	1179.80	3,235.60
4	PVVNL	284.62	144.52	637.20	865.92	1,932.26
5	KESCO	83.90	56.63	167.62	315.43	623.58
	Total	2,603.70	1,032.63	3,921.79	5,827.05	13,385.17

Statement of Interest Accrued but not Due on Borrowings

(₹ Crore)

For the year ended 31st March, 2024

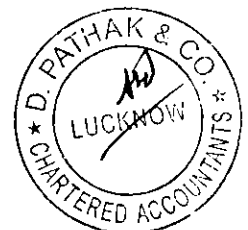
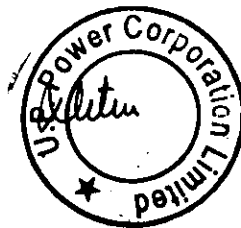
Sl. No.	Name of the Discom	Bonds	REC	PFC	Total
1	PuVVNL	64.55	53.25	51.13	168.93
2	MVVNL	48.13	26.65	29.57	104.35
3	DVVNL	89.32	26.63	30.93	146.88
4	PVVNL	22.74	6.43	14.00	43.17
5	KESCO	7.43	3.39	5.14	15.96
	Total	232.17	116.35	130.77	479.29

(₹ Crore)

For the year ended 31st March, 2023

Sl. No.	Name of the Discom	Bonds	REC	PFC	Total
1	PuVVNL	76.25	0.34	60.78	137.37
2	MVVNL	56.08	0.38	35.66	92.12
3	DVVNL	104.87	0.31	35.54	140.82
4	PVVNL	26.96	0.45	21.65	49.06
5	KESCO	8.41	0.04	6.96	15.41
	Total	272.57	1.52	160.69	434.78

Signature





Uttar Pradesh

Power Corporation Limited

NOTE '18' - CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES

Particulars	(₹ Crore)	
	As at 31st March, 2024	As at 31st March, 2023
Liability for Purchase of Power	18,653.78	22,977.94
Total	18,653.78	22,977.94

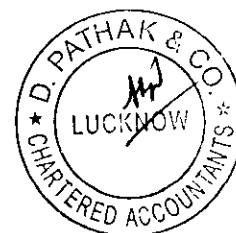
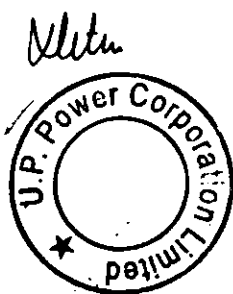
NOTE '19' - CURRENT FINANCIAL LIABILITIES- OTHERS

Particulars	(₹ Crore)	
	As at 31st March, 2024	As at 31st March, 2023
Liability for Capital Supplies/ Works	-	0.01
Liability for O & M Supplies / Works	0.62	0.64
Deposits & Retentions from Suppliers & Others	10.11	264.67
Liabilities towards UPPCL CPF Trust*	1.05	0.61
CPF Gratuity	0.48	0.25
Pension & Gratuity Liability towards GPF Trust	5.69	6.13
Staff Related Liabilities	19.83	31.51
Leave Encashment Liabilities	12.86	10.87
Sundry Liabilities	126.79	106.11
Advance from UPNEDA**	16.66	11.17
Payable to UPRVUNL	75.63	77.35
Payable to Subsidiaries (DISCOMs)***		
PuVVNL	364.59	273.15
MVVNL	1,011.36	742.79
DVVNL	523.18	378.70
PVVNL	3,961.63	1,984.83
KESCO	247.07	6,107.83
		234.11
Total	6,546.65	4,294.33
Liabilities for Expenses	5.67	18.84
Provision for Loss incurred by the GPF Trust	134.60	125.67
Provision for Loss incurred by the CPF Trust	28.83	26.92

* It also includes interest on CPF

** 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 relates to grant received from GoUP, miscellaneous receipts from Department of GoUP, and revenue collection.





Uttar Pradesh Power Corporation Limited

NOTE '20' - REVENUE FROM OPERATIONS

Particulars	(₹ Crore)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of Power		
Subsidiaries		
PuVVNL	15,824.45	15,319.77
MVVNL	15,521.51	15,763.64
DVVNL	15,680.90	14,572.40
PVVNL	21,889.67	20,638.13
KESCO	2,587.12	2,371.58
Sub Total	71,503.65	68,665.52
Adjustments*	(333.80)	71,169.85 (11.59) 68,653.93
Others (through Energy Exchange)	2,722.90	**
Total	73,892.75	68,653.93

* Amount shown as 'Adjustments' relates to the adjustment of sales not billed to DISCOMs.

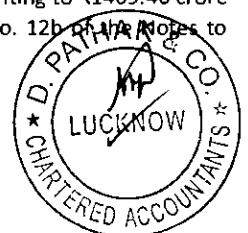
** Sale of power through the Energy Exchange amounting to ₹3,656.50 crore was netted off from the power purchase through Energy Exchange in the year ended 31st March, 2023.

NOTE '21' - OTHER INCOME

Particulars	(₹ Crore)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest from		
Loans to Staff	0.01	0.01
Loans to NPCL (Licencee)	29.68	25.82
Fixed Deposits	148.27	115.91
Bonds	9.53	9.53
Others	3.83	191.32 7.60 158.87
Other		
Income from Contractors/Suppliers	0.91	0.36
Rental From Staff	0.70	0.80
School fee/Recruitment Examination Fee	1.23	26.11
Liabilities/ Provision written back*	1,416.35	-
Miscellaneous Receipts	1.26	1,420.45 0.67 27.94
Total	1,611.77	186.81

* It includes reversal of provisions for doubtful debts against trade receivables from subsidiaries (DISCOMs) amounting to ₹1409.46 crore (refer Note No. 7 of the Notes to Accounts) and Liabilities written back amounting ₹6.89 crore (refer Note No. 12 of the Notes to Accounts).

Signature





Uttar Pradesh Power Corporation Limited

NOTE '22' - PURCHASE OF POWER

(₹ Crore)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023
Power purchased from Generators & Traders		69,253.54	61,805.05
Surcharge		261.76	583.47
Unscheduled Interchange & Reactive charges*		(93.57)	(67.89)
Transmission & Related charges**		5,081.69	6,846.58
Sub Total		74,503.42	69,167.21
Less: Rebate & others against Power Purchase	426.37		237.87
Subsidy against Power Purchase	184.30	610.67	275.41
			513.28
Total		73,892.75	68,653.93

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

** Refer Note no. 15(b) of the notes to accounts.

NOTE '23' - EMPLOYEE BENEFIT EXPENSES

(₹ Crore)

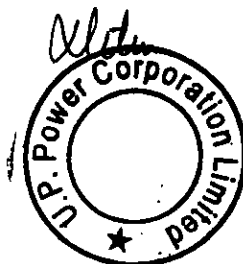
Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023
Salary & Allowances		168.22	169.16
Staff Welfare Expenses		0.86	0.93
Pension & Gratuity		30.10	22.13
Interest to CPF Trust		0.13	0.10
Other Terminal Benefits		10.72	9.22
Sub Total		210.03	201.54
Less: Expenses Capitalised	(0.22)		(0.16)
Allocated to DISCOMs & Others	(131.24)	(131.46)	(129.74)
			(129.90)
Total		78.57	71.64

NOTE '24' - FINANCE COSTS

(₹ Crore)

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023
Interest on Borrowings for Working Capital		-	0.05
Total		-	0.05

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Uttar Pradesh

Power Corporation Limited

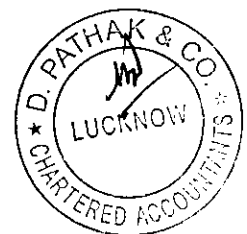
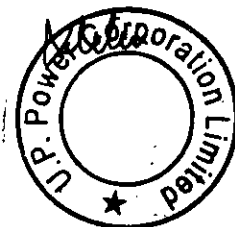
NOTE '25' - DEPRECIATION & AMORTIZATION EXPENSES

Particulars	(₹ Crore)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Property, Plant & Equipment		
Buildings	1.74	1.74
Other Civil Works	0.22	0.22
Plant & Machinery	0.56	0.53
Vehicles	0.13	0.14
Furniture & Fixtures	0.48	0.46
Office Equipments	2.42	2.39
Intangible Assests	0.82	0.84
Total	6.37	6.32

NOTE '26' - ADMINISTRATIVE, GENERAL & OTHER EXPENSES

Particulars	(₹ Crore)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent	0.01	0.01
Insurance	0.04	0.06
Communication Charges	1.02	1.09
Legal Charges	23.40	13.51
Auditors Remuneration & Expenses- Audit Fee	0.07	0.06
Consultancy Charges	5.08	4.26
Payment to contractual personnel	16.92	17.25
Technical Fees & Professional Charges	11.57	17.46
Travelling and Conveyance	4.88	5.00
Printing and Stationery	1.03	0.71
Advertisement Expenses	0.57	1.17
Electricity Charges	5.20	6.21
Entertainment	0.02	0.02
Expenditure on Trust	0.05	0.01
Workmen compensation	0.09	-
Loss on sale of assets scrapped	0.09	0.01
Debit Balances written off	0.25	-
Miscellaneous Expenses	2.89	2.62
Sub Total	73.18	69.45
Less: Allocated to DISCOMs & Others	(49.11)	(41.64)
Total	24.07	27.81

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Uttar Pradesh

Power Corporation Limited

NOTE '27' - REPAIR & MAINTENANCE EXPENSES

(₹ Crore)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Plant & Machinery	1.68	1.94
Buildings	5.10	3.35
Other Civil Works	-	0.06
Office Equipments	4.22	1.87
Sub Total	11.00	7.22
Less: Allocated to DISCOMs & Others	(2.62)	(2.15)
Total	8.38	5.07

NOTE '28' - BAD DEBTS & PROVISIONS

(₹ Crore)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Doubtful Debts (Sale of Power)	-	50.81
Current Financial Assets- Others	350.51	17.67
Non-Current Financial Assets	175.28	37.84
Other Current Assets	4.84	0.25
Impairment of investment in DISCOMs and UPPTCL	7,080.46	14,532.71
Total	7,611.09	14,639.28

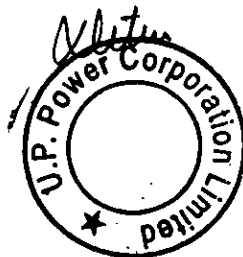
Refer Note No. 33 of the Notes to Accounts for the movement in the provisions during the year

NOTE '29' - EXCEPTIONAL ITEMS

(₹ Crore)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Loss of interest on investment by CPF & GPF Trust	10.83	8.89
Total	10.83	8.89

Refer Note No. 39 of the Notes to Accounts.



U.P. POWER CORPORATION LIMITED

CIN - U32201UP1999SGC024928

NOTE NO. 30

Notes on Accounts annexed to and forming part of Balance Sheet as at 31st March 2024 and Statement of Profit & Loss for the period ended on that date

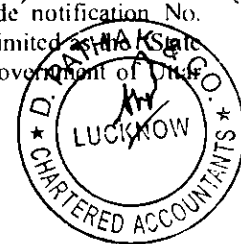
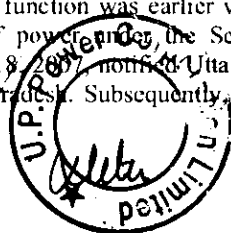
1. Brief:

- a. 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.
- b. 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.
- c. 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-1-2000 dated, January 15, 2000.
- d. 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.) (UPCL) 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 UPCL w.e.f. November 11, 2001 were transferred vide agreement dated October 12, 2003 with Uttarakhand Power Corporation Ltd.
- e. After the enactment of the Electricity Act, 2003, 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.

- f. 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 powers 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

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Uttar Pradesh

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.

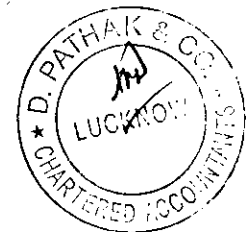
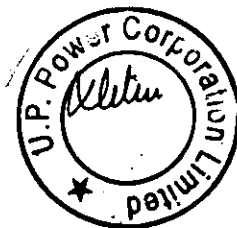
- g. Thereafter, on January 21, 2010, as the successor Distribution companies of UPPCL (a deemed Licensee), the Distribution Companies, which were created through the notification of the UP-Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 were issued fresh Distribution Licenses, which replaced the UP-Power Corporation Ltd. (UPPCL) Distribution, Retail & Bulk Supply License, 2000.
- h. 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 notifications the necessary adjustments in this regard were done in the annual accounts of the company for F.Y. 2014-15.

2. In compliance of section 31 of the Electricity Act, 2003, the GoUP vide its Notification NO. 108/24-ऊ.नि.प्र/22-525/2008 वीसी dated 22th July, 2022 and under the UPSLDC Regulations 2000 and relevant statute has decided to separate the State Load Dispatch Centre from UPPTCL. Under section 131 (4) of the Electricity Act, 2003 and the U.P. Electricity Reform Act, 1999, the transfer scheme for UPSLDC Limited has been notified by the GoUP vide its Notification No. 30/XXIV-U.N.N.P-23-525-2008 dated 24th May, 2023. The effective date of incorporation of UPSLDC Limited is 22nd August, 2022.
3. The receivable from Utrakhhand Power Corporation Ltd. amounting to ₹192.61 Crore as on 31.03.2019 has been mutually settled and the same has been approved by the Board of Directors of the company in their meeting held on 18th December, 2019. Accordingly, the amount of ₹ 160.58 Crore payable to Utrakhhand Power Corporation Ltd. by U.P. Power Sector Employees Trust on account of GPF contribution has been adjusted against the above receivable amounting to ₹ 192.61 Crore and the same has been accounted for by the company in the ensuing accounts in hand i.e. F.Y. 2018-19 as receivable from U.P. Power Sector Employees Trust (Ref Note-12) and the balance amount of ₹ 32.03 Crore i.e (₹ 192.61 Crore - ₹160.58 Crore) has finally been written off and accounted for as Bad Debts in the F.Y.2018-19.
4. Equity received from GoUP for distribution works is invested in each DISCOM based on physical / financial targets and is shown as investment in respective DISCOMs.
5. **Employee Benefits:**

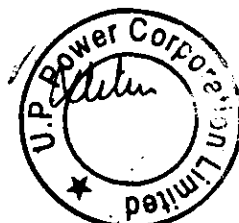
- a. Based on actuarial valuation report dated 09.11.2000 (adopted by Board of Directors), provision for accrued liability on account of Pension and Gratuity for the employees recruited prior to creation of the UPPCL i.e. for GPF employees has been made @ 16.70% and 2.38% respectively on the amount of basic pay and D.A. paid to employees.
- b. 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 22.04.2024 for the F.Y. 2023-24.
- c. 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 22.04.2024 for the F.Y. 2023-24.
- d. The disclosure with respect to the above point no 5(b) & 5(c) is as below:

S.N o	Particulars	Gratuity		Leave Encashment	
		As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023



**Uttar Pradesh**

S.N	Particulars	Gratuity		Leave Encashment	
		As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023
1	Assumptions				
	Discount Rate	7.23%	7.52%	7.21%	7.46%
	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)	23.69 Years	24.89 Years	17.50 Years	17.85 Years
2	Service Cost				(₹ Crore)
	Current Service Cost	1.74	1.70	2.21	1.91
	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	1.61	1.28	6.45	6.25
	Interest Income on Plan Assets	0.00	0.00	0.00	0.00
	Net Interest Cost (Income)	1.61	1.28	6.45	6.25
4	Change in present value of obligations				
	Opening of defined benefit obligations	21.35	17.42	86.51	89.80
	Interest cost	1.61	1.28	6.45	6.25
	Service Cost	1.74	1.70	2.21	1.91
	Benefits Paid	(0.16)	(0.32)	(10.69)	(11.75)
	Actuarial (gain)/Loss on total liabilities <i>due to change in financial assumptions</i>	1.53	1.27	5.35	0.30
	<i>due to change in demographic assumptions</i>	1.16	(0.58)	1.96	(3.80)
	<i>due to experience Changes</i>	0.00	0.00	0.00	0.00
	0.37	0.37	0.185	3.39	4.10
	Closing of defined benefit obligation	26.07	21.35	89.83	86.51
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	0.16	0.32	10.69	11.75
	Benefits paid	(0.16)	(0.32)	10.69	(11.75)
	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	(1.53)	(1.27)	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	(1.53)	(1.27)	N/A	N/A
8	The amounts to be recognized in the Balance Sheet Statement				
	Present value of obligations	26.07	21.35	89.83	86.51
	Fair value of plan assets	0.00	0.00	0.00	0.00
	Net Obligations	26.07	21.35	89.83	86.51
	Amount not recognized due to assets limit	0.00	0.00	0.00	0.00
	Net defined benefit liability/(assets) recognized in balance sheet	26.07	21.35	89.83	86.51
9	Expenses recognized in Statement of Profit & loss				
	Service cost	1.74	1.70	2.21	1.91
	Net Interest cost	1.61	1.28	6.45	6.25
	Net actuarial (gain)/loss	0.00	0.00	5.35	0.30
	Expenses recognized in statement of Profit & Loss	3.35	2.98	14.01	8.46
10	Change in Net Defined Obligatins				
	Opening of Net defined benefit liability	21.35	17.42	86.51	89.80
	Service Cost	1.74	1.70	2.21	1.91



**Uttar Pradesh**

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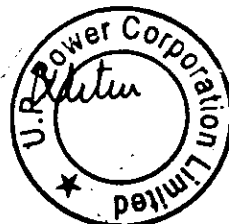
S.N	Particulars	Gratuity		Leave Encashment	
		As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023
0	Net Interest Cost	1.61	1.28	6.45	6.25
	Re-measurements	1.53	1.27	5.35	0.30
	Contributions paid to fund	(0.16)	(0.32)	(10.69)	(11.75)
	Closing of Net defined benefit liability	26.07	21.35	89.83	86.51
11		Sensitivity Analysis			
	Item	As on 31.03.2024	Impact	As on 31.03.2024	Impact
	Base liability	26.07		89.83	
	Increase in Discount rate by 0.50%	24.10	(1.96)	86.00	(3.84)
	Decrease in Discount rate by 0.50%	28.25	2.18	94.04	4.20
	Increase in salary inflation by 1%	28.04	1.97	98.23	8.39
	Decrease in salary inflation by 1%	23.90	(2.17)	82.70	(7.13)
	Increase withdrawal rate by 0.5%	26.59	0.52	90.04	0.20
	Decrease withdrawal rate by 0.5%	25.51	(0.56)	89.62	(0.21)

6. Property, Plant & Equipment:

- The Company is making efforts to recognize and identify the location of land along with its title deed as well as of other Property, Plant & Equipment, transferred under various Transfer Schemes for the purpose of maintaining fixed assets registers.
- UPPCL is accruing lease rent every year @ ₹ 1 per month in respect of land under possession of Kesco in compliance to the UP Transfer of KESA Zone Electricity Distribution Undertaking Scheme 2000 issued vide notification No 186/XXIV-1-2000 dated 15/01/2000. The above also includes Plot no 4, block 96, area 10198.53 sqm & Plot No 54, block-14, area 5958.24 sqm. The lease period of these two plots were completed in the year 1994. After the completion of lease period, the process of converting lease land in to free hold land could not be done due to some administrative constraint. The company Kesco is fully exercising its right on the use of above plots undisputedly and there is no legal litigation over the use of this plot/land at present in any forum.
- 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.
- 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 rate/useful life of assets as approved by the regulator in the regulation of UPI:RC (Multi Year tariff for Distribution and Transmission) Regulation, 2019

7. Provisions:

- The Company (UPPCL) used to make provisions for bad and doubtful dues against the sale of power @ 5% on Trade Receivables from DISCOMs which are also the wholly owned subsidiaries of the company. The company is making provision on impairment of investments in all the subsidiaries-DISCOMs on the basis of their net worth i.e. by considering their overall Profit/(Loss). In accordance to the IND AS 109- Financial Instruments, the company applies Life time expected credit loss model (as per simplified approach) for measurement and recognition of impairment loss on trade receivables. Considering the historical credit loss of trade receivable (i.e. no default rate), current status (i.e. all trade receivables are being pending less than six months) and future economic factors, company estimates no risk of default at the reporting date vis-à-vis risk of default at the date of initial recognition. Further, management believes that the unimpaired amounts that are past due by less than 6 months are collectible in full. Hence, company envisages no credit impairment (i.e. Lifetime expected credit loss) in respect of trade receivables of subsidiaries. Accordingly, considering that no credit risk involved with the trade receivables owed from subsidiary DISCOMs, management estimates that no credit impairment/ provision for doubtful debt is required in the company's books of account in respect of trade receivables from subsidiary DISCOMs in F.Y. 2023-24. Further the company has also decided to reverse the existing provision lying in its books of account.





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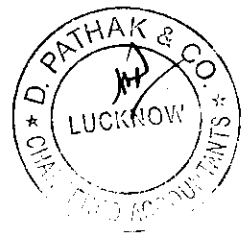
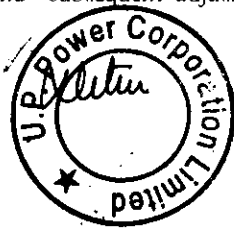
Uttar Pradesh Power Corporation Limited

- i. If the existing practice of making provision @ 5% on Trade Receivables from DISCOMs would have been continued, the provision would have been reversed by ₹54.85 Crore due to the reduction in trade receivable as compared to previous year. Consequently loss for the year has increased by ₹54.85 Crore. Further, the company has also reversed the existing provision of bad and doubtful dues of ₹1,409.46 Crore lying in the books as on 31.03.2023, it has also made a positive impact on the current year's profit. Overall loss for the year reduced by ₹1,354.61 Crore (₹1,409.46 Crore - ₹54.85 Crore)
 - ii. It is impracticable to estimate the effect in future periods.
- b. The details of provision for doubtful loans & advances are as under: -
- i. Provision to the extent of 10% on the balances of suppliers/ contractors has been made under *Note no. 12 'Other Current Assets'*.
 - ii. Provision @ 100% on interest accrued and due during the year on loan of NPCL has been made under the *Note No. 06 'Non-Current Financial Assets- Loans & Others'*.
 - iii. Being old balances and considering the uncertainty of their recovery, management estimates to make 100% Provision on the amounts relating to "Interest on advances to UMPP", "Other Deposits", and "Assets Migration Account" under Note-06 'Non-Current Financial Assets- Loans & Others' excluding receivables from UMPP (refer Note no. 33) and GPF trust.
- c. A provision for doubtful receivables to the extent of 10% on the balances appearing under the different heads of *Note No. 11 'Current Financial Assets- Others'* (excluding Receivable on account of loan and Other Receivables from DISCOMs) and provision @ 100% has been provided on the balances lying pending for more than three years appearing under the head "Others" considering the uncertainty of recovery as per the management estimates.

Further, the Company used to make provisions for Doubtful Receivables to the extent of 10% on Other Receivables owed from subsidiary DISCOMs. Considering the past experience, company estimates no risk of default at the reporting date vis-à-vis risk of default at the date of initial recognition. Furthermore, the subsidiary-DISCOMs are wholly owned Subsidiaries of UPPCL and are 100% Govt. owned companies funded by the Govt. of UP. In view of the same, the management has decided that there is no credit risk involved with these receivables owed from subsidiary (DISCOMs). Accordingly, from F.Y. 2023-24 no credit impairment/ provision for doubtful receivables is required in the company's books of account in respect of other receivables from DISCOMs. Further the company has also decided to reverse the existing provision lying in its books of account.

- i. If the existing practice of making provision for Bad & Doubtful receivables @ 10% on other receivable from DISCOMs would have been continued, the provision would have been reversed by ₹1.92 Crore due to the reduction in other receivable from DISCOMs as compared to previous year. Consequently loss for the year has increased by ₹1.92 Crore. Further, the company has also reversed the existing provision of Bad & Doubtful receivables ₹123.92 Crore lying in the books as on 31.03.2023, it has also made a positive impact on the current year profit. Overall loss for the year reduced by ₹122.00 Crore (₹123.92 Crore - ₹1.92 Crore)
 - ii. It is impracticable to estimate the effect in future periods.
8. Reconciliation of balances of Inter Unit Transactions (IUT) amounting to ₹78.12 Crore is under progress (refer Note No. 12 of the Financial Statements).
9. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.
10. Some balances appearing under the heads *Note No. 06 'Non-Current Financial Assets- Loans & Others'* (including UP Power Sector Employees Trust), *Note No. 11 'Current Financial Assets- Others'*, *Note No. 18 'Current Financial Liabilities- Trade Payables'* and 'Other Financial Liabilities (Current)-Note-19' are subject to confirmation/ reconciliation and subsequent adjustments as may be required.

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On an overall basis the assets have a value on realization in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet.

11. Prior period error in total income or total expenditure has been considered material if it exceeds ½% of the revenue from the operations of the immediate preceding financial year. If error or omission related to income exceeds the ½% ceiling limit as explained above, then all prior period error (whether related to income or expenditure) has been considered material and dealt in accordance with Ind AS 8. In the same manner, if error or omission related to expenditure exceeds the ½% ceiling limit as explained above, then all prior period error (whether related to income or expenditure) has been considered material and dealt in accordance with Ind AS 8. Immaterial Prior Period Errors/omissions observed during the year have been adjusted during the current year.

12. Asset/ Liability Migration

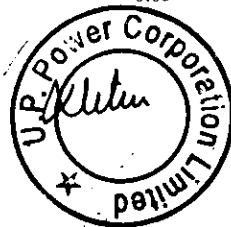
a. Various old balances appearing in different asset and liability account heads and which were being carried forward from previous years, despite attempts to reconcile/adjust, have been shifted/Parked to Asset Migration head (Refer Note No.06) and Liability Migration head (Refer Note No.16) during the year. The details of such adjustments are as under:

Description	Amount (₹ Crore)	Shifted from Note No.	Shifted to Note No.
Liability Migration			
Trade Payables	(0.09)	18 (CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES)	
Deposits & retentions from suppliers & others	7.03		16 (NON- CURRENT FINANCIAL LIABILITIES- OTHERS)
Liabilities for O&M (supplies/work)	0.01	19 (CURRENT FINANCIAL LIABILITIES- OTHERS)	
Sundry Liabilities	0.01		
Total	6.96		
Asset Migration			
Advance to contractors (CWIP)	0.16	03 (CAPITAL WORK-IN-PROGRESS)	
Overlay Charges	10.36		
Security from Supplier & Contractor	5.19	06 (NON- CURRENT FINANCIAL ASSETS- LOANS & OTHERS)	06 (NON- CURRENT FINANCIAL ASSETS- LOANS & OTHERS)
Other Receivables	32.05	11(CURRENT FINANCIAL ASSETS-OTHERS) & 19 (CURRENT FINANCIAL LIABILITIES- OTHERS)	
IUT	74.05	12 (OTHER CURRENT ASSETS)	
Total	121.81		

b. Various old balances appearing in different asset and liability account heads and which were being carried forward from various previous years, despite attempts to reconcile/adjust, have been written back (Refer Note no.22)/written off (Refer Note no.26). The details of such adjustments are as under:

Description	Amount (₹ Crore)	Shifted from Note No.	Shifted to Note No.
Written Back			
Provision for Unserviceable stores	0.13	07 (INVENTORIES)	
Deposits & retentions from suppliers & others	0.02		21 (OTHER INCOME)
Sundry Liabilities	6.47	19 (CURRENT FINANCIAL LIABILITIES- OTHERS)	
Staff Related Liabilities	0.27		
Total	6.89		
Written Off			
CWIP	0.03	03 (CAPITAL WORK-IN- PROGRESS)	26 (ADMINISTRATIVE, GENERAL & OTHER EXPENSES)
Receivable from Employees	0.04	11(CURRENT FINANCIAL ASSETS-OTHERS)	
Other Receivables	0.03		

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Description	Amount (₹ Crore)	Shifted from Nnte No.	Shifted to Note No.
Stock of Material	0.14	07 (INVENTORIES)	
Advance to supplier & contractors (O&M)	0.01	12 (OTHER CURRENT ASSETS)	
Total	0.25		

13. Basic and diluted earnings per share have been shown in the Statement of Profit & Loss in accordance with Ind-AS 33 "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).

Particulars	As on 31.03.2024	As on 31.03.2023
Net Profit/(loss) after tax (Crore) <i>(numerator used for calculation)</i>	(6,129.07)	(14,573.52)
Weighted average number of Equity Shares* <i>(denominator for calculating Basic EPS)</i>	1235981653	1149194985
Weighted average number of Equity Shares* <i>(denominator for calculating Diluted EPS)</i>	1250122247	1156627616
Basic earnings per share of ₹ 1000/- each in ₹	(49.59)	(126.81)
Diluted earnings per share of ₹ 1000/- each in ₹	(49.59)	(126.81)

* Calculated on monthly basis.

14. Nothing adverse has been reported by the units/zone concerned regarding non-compliance of the provisions in respect of unpaid liabilities and interest thereon under the MSMED Act 2006.

15. **Sale/ Purchase of Power:**

- a. Quantitative details of Energy purchased and sold:

S. No.	Details	As on 31.03.2024	As on 31.03.2023
(i)	Total number of units purchased	141931.69 MU	137289.92 MU
(ii)	Total number of units sold	134269.40 MU	130058.71 MU
(iii)	% of Loss	5.39	5.27

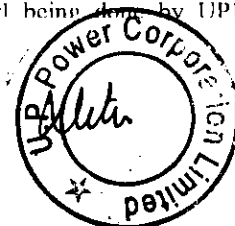
*Number of units purchase and sold have been disclosed on gross basis

- b. Detail of Power Purchased during the year ended 31.03.2024:

Particulars	Amount (₹ Crore)
Power Purchase	
Thermal	55,507.20
Hydro	5,445.44
Solar	2,009.88
Wind	1,327.59
Nuclear	647.29
Others (includes Co.Gen, bundled, energy exchange etc.)	4,496.83
Sub-total (i)	69,434.23
Transmission & related Charges	
Inter-State	3,831.38
Intra-State	1,250.31
Sub-total (ii)	5,081.69
Total (i+ii)	74,515.92
Less: Rebate & Others	426.37
Subsidy against Power Purchase & Others	196.80
Grand Total	73,892.75

During the year Transmission charges have been decreased to ₹5,081.69 crore from ₹6,846.54 crore. The main reason for such decrease is that the procedure for applicability of transmission charges were changed w.e.f. 01.10.2023 by implementation of new regulations wherein the transmission charges applicability changed from LTA quantum to drawl basis (GNA regulation). In such case the transmission charges were limited on GNA quantum sought i.e. average drawl being drawn by UPPCL. In earlier case, based on LTA quantum.

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Uttar Pradesh

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DISCOMs had to pay charges against full LTA quantum even if they did not draw full power & so the new regulation was implemented to distribute transmission charges between various State DISCOMs based on power drawn by them.

16. Payment in foreign currency during the period up to 31.03.2024 is *Nil* (previous Year-*Nil*).

17. Capital Commitments and Contingent Liabilities/Assets:

a. Capital Commitments: (₹ crore)

S. No.	Details	2023-24	2022-23
(i)	Capital Commitments	<i>Nil</i>	<i>Nil</i>

b. Contingent Liabilities: (₹ crore)

S. No.	Details	2023-24	2022-23
(i)	Power Purchase	6,531.68	6,488.21
(ii)	Other Contingencies	13.96	14.06

Contingent liabilities have been disclosed to the extent ascertainable.

c. Contingent Assets: (₹ crore)

S. No.	Details	2023-24	2022-23
(i)	Contingent Assets	-	-

*In compliance of Hon'ble Supreme Court of India interim order under civil appeal no. 974/2023(UPPCL Vs. Sahasradhara Energy Pvt Ltd & ORS), provision for differential liability is being created in the books of accounts (i.e. PPA Rate- UPERC approved rate) for M's Sahasradhara Energy Pvt Ltd and M/s Adani Green Energy Pvt Ltd. However Generation Based Incentive receivable from UPNEDA is not being recognised till final decision of Hon'ble Supreme Court. As on 31.03.2024, amount of ₹ 20.62 Crore is receivable from UPNEDA subject to final outcome.

18. As per the 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.

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

20. RELATED PARTY DISCLOSURE:

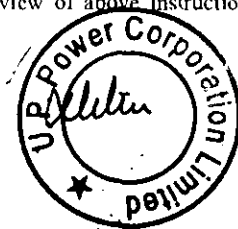
Part-I

1. Names of the Related Parties and Description of Relationship:

a. Related Parties where control exists:

- Subsidiaries* (DISCOMs)**
 - Purvanchal Vidyut Vitran Nigam Ltd. (PuVVNL)
 - Madhyanchal Vidyut Vitran Nigam Ltd. (MVVNL)
 - Dakshinanchal Vidyut Vitran Nigam Ltd. (DVVNL)
 - Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL)
 - Kanpur Electricity Supply Company Ltd. (KESCO)

*The government of Uttar Pradesh vide its cabinet note no.412/1793734/2024 dated 14.03.2024, provided instruction to the company (i.e. U.P power Corporation Limited) to incorporate a 100% wholly owned subsidiaries in the name of "UP Renewable and EV Infrastructure Limited". The object of the company is to provide infrastructure and service for charging of Electric Vehicle (EV) and related incidental services in the state of Uttar Pradesh. In view of above instruction, the company "UP Renewable and EV Infrastructure"





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Limited" has been incorporated on 27.05.2024.

b. Employment Benefit Funds

- U.P. Power Sector Employees Trust (GPF)
- U.P. Power Corporation Contributory Provident Fund Trust (CPF)

b. Other Related Parties

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

- Associates and Related Entities - Nil
- Joint Venture Corporation Nil

c. GoUP-Related Power Sector Entities (under the same government):

- U.P. Rajya Vidyut Utpadan Nigam Ltd. (UPRVUNL)*
- U.P. Power Transmission Corporation Ltd. (UPPTCL)
- U.P. State Load Dispatch Center Limited (UPSLDC)

*The Government of Uttar Pradesh vide Gazette Notification dated 03.11.2023 has notified the Scheme as THE UTTAR PRADESH ELECTRICITY REFORMS (AMALGAMATION AND MERGER OF STATE GENERATING COMPANIES) SCHEME, 2023 (Scheme). Accordingly, Jawaharpur Vidyut Utpadan Nigam Ltd. (JVUNL) has been merged with Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (UPRVUNL) and then UPRVUNL has been merged into UP Jal Vidyut Nigam Ltd. (UPJVNL). As per clause 10 of the Scheme, for change in the name, Form 'Run' was filed by UPJVNL and MCA has given its 'no objection' confirmation for the new name i.e. U.P. Rajya Vidyut Utpadan Nigam Ltd on 31.01.2024

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

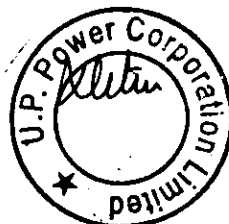
a. Investment in Subsidiary Companies:

S. No.	Name of Company	Country of Incorporation	Place of Registered Office	Proportion of Ownership Interest	
				As at 31.03.2024	As at 31.03.2023
(i)	Purvanchal Vidyut Vitran Nigam Ltd. (PuVVNL) CIN-U31200UP2003SGC027461	India	Varanasi, UP	100%	100%
(ii)	Madhyanchal Vidyut Vitran Nigam Ltd. (MVVNL) CIN-U31200UP2003SGC027459	India	Lucknow, UP	100%	100%
(iii)	Dakshinanchal Vidyut Vitran Nigam Ltd. (DVVNL) CIN-U31200UP2003SGC027460	India	Agra, UP	100%	100%
(iv)	Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL) CIN-U31200UP2003SGC027458	India	Mecrut, UP	100%	100%
(v)	Kanpur Electricity Supply Company Ltd. (KESCO) CIN-U40105UPI999SGC024626	India	Kanpur, UP	100%	100%

b. Key Management Personnel: -

S.No.	Name	Designation	Period
1	Dr. Ashish Kumar Goel	Chairman	From 27.07.2023 till date
2	Shri M. Devaraj	Chairman	From 02.02.2021 to 27.07.2023
3	Shri Pankaj Kumar	Managing Director	From 10.03.2021 till date
4	Shri Nidhi Kumar Narang	Director (Finance)	From 01.06.2022 till date
5	Shri Amit Kumar Srivastava	Director (Commercial)	From 24.05.2022 till date
6	Shri Kamallesh Bahadur Singh	Director (Corporate Planning) and Director (P & MA) (In Additional Charge)	From 18.06.2022 till date
7	Shri Sourajit Ghosh	Director (I.T.)	From 18.06.2022 till date
8	Shri Mrugank Shekhar Dash Bhattanishra	Director (Personnel and Administration)	From 12.07.2022 to 07.12.2023
9	Shri Gyanendra Dhar Dwivedi	Director (Distribution)	From 11.10.2023 till date
10	Shri Nitin Nijhawan	Chief Finance Officer	From 01.12.2022 till date
11	Shri Jitesh Grover	Company Secretary (Additional Charge)	From 22.08.2022 till date*

* Ms. Priya Arora, full-time Company Secretary has joined the Company on 07.06.2024





c. Nominee Directors:

S.No.	Name	Designation	Period
1	Shri Guru Prasad Porala	Nominee Directors	From 23.07.2021 to 04.03.2024
2	Shri Ranvir Prasad	Nominee Directors	From 04.03.2024 till date
3	Shri Anupam Shukla	Nominee Directors	From 10.08.2022 till date
4	Smt. Neha Sharma	Nominee Directors	From 02.09.2022 till date
5	Shri Neel Ratan Kumar	Nominee Directors	From 16.04.2013 till date
6	Shri Sanjai Kumar Singh	Nominee Directors	From 14.02.2023 to 03.05.2023
7	Shri Abhishek Singh	Nominee Directors	From 03.05.2023 till date
8	Shri Ali Shah	Nominee Directors	From 16.06.2023 to 21.02.2024
9	Shri Sandeep Kumar	Nominee Directors	From 21.02.2024 till date
10	Shri R.P. Vaishnav	Nominee Directors	From 16.06.2023 till date

d. Relative of Key Managerial Personnel (if any)

(Where transaction have taken place during the year or previous year/balances outstanding)- NIL

Part-II

Details of Related Party Transactions:

a. Transactions with Subsidiaries and Employee Benefit Funds for the year ended 31.03.2024

S. No.	Particulars	Subsidiaries			Employee Benefit Funds	
		For the year ended		CPF Trust	GPF Trust	
		31.03.2024		For the year ended	For the year ended	
			31.03.2024	31.03.2024		
1.	Sale of Power		71,503.65			
2.	Allocation of Common Expenditure		161.70			
3.	Investment of Equity		9,671.11			
4.	Share Application Money		1,120.15			
5.	Receivables on account of Loan/Bonds taken on behalf of DISCOMs (Note 6 & 11)		(9,295.21)			
6.	Trade Receivables (Note 8)		(896.44)			
7.	Other Receivables (Note 11)		(19.24)			
8.	Payables against Loan (Note 16)		(147.05)			
9.	Payables against Grant/Loan (Note 19)		2,494.25			
10.	CPF Contribution made to Trust (Employers & Emplnyees) (Note 19)			2.35		
11.	GPF Contribution made to Trust (Employees) (Note 12)					(9.33)
12.	Employer Contribution on account of Pension & Gratuity					(0.44)
	Total		74,592.92	2.35		(9.77)

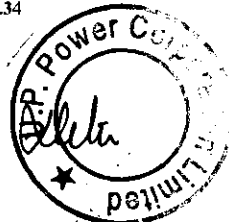
b. Transactions with GoUP Related Power Sector Entities for the year ended 31.03.2024

S.No	Particulars	GoUP Related Power Sector Entities (Under Same Government)	
		UPRVUNL	UPPTCL
1.	Purchase of Power	13,772.86	(1.66)
2.	Allocation of Common Expenditure	1.56	19.71
3.	Investment in Equity	-	-
4.	Share Application Money	-	-
5.	Other Receivables	-	21.47
6.	Other Payables	(191.31)	-
	Total	13,583.11	39.52

c. Employment benefit of Key Managerial Personnel for the year ended 31.03.2024

S.No.	Employment Benefit	Amount (₹ Crore)
1	Short-Term Employment Benefit	2.62
2	Post-Employment Benefit	0.72
	Total	3.34

Signature



**Uttar Pradesh**

Power Corporation Limited

Part-III**Details of DISCOM wise Related Party Transactions**

For the year ended 31.03.2024

(₹ Crore)

S.No	Name of DISCOM	Nature of Transaction								Total
		Sale of Power	Allocation of Common Expenditure	Investment in Equity	Share Application Money	Loan/Bonds taken on behalf of DISCOMS (Receivables)	Trade Receivables	Other Receivables	Other Payables	
1	PuVVNL	15,824.45	39.20	2,830.98	541.59	(3,087.50)	(330.42)	(12.49)	48.34	15,854.15
2	MVVNL	15,521.51	36.16	1,448.03	987.16	(1,929.80)	(1,025.17)	(7.58)	236.07	15,266.38
3	DVVNL	15,680.90	35.61	2,400.97	301.59	(1,878.54)	473.85	(4.69)	105.46	17,115.15
4	PVVNL	21,889.67	43.46	2,577.02	(614.09)	(1,942.56)	-	8.18	1,944.37	23,906.05
5	KESCO.	2,587.12	7.27	414.11	96.10	(456.81)	(14.70)	(2.66)	12.96	2,451.19
	Total	71,503.65	161.70	9,671.11	1,120.15	(9,295.21)	(896.44)	(19.24)	2,347.20	74,592.92

Part-IV**Balances outstanding (Closing Balances)**

(₹ Crore)

S.No.	Name of Related Party	Balances as at 31.03.2024	Balances as at 31.03.2023
A	Subsidiaries (Note 5+6+8+11-16-19)		
1	Purvanchal Vidyut Vitran Nigam Ltd.	60,151.11	60,257.29
2	Madhyanchal Vidyut Vitran Nigam Ltd.	46,489.15	47,252.58
3	Dakshinanchal Vidyut Vitran Nigam Ltd.	51,594.94	50,407.22
4	Paschimanchal Vidyut Vitran Nigam Ltd.	23,054.35	24,970.17
5	Kanpur Electricity Supply Company Ltd.	6,203.77	6,372.89
B	Employee Benefit Funds		
1	UP Power Sector Employees (Trust)	37.85	46.74
2	UP Power Corporation Employees Contributing Provident Fund (Trust)	(29.88)	(27.53)
C	GoUP-Related Power Sector Entities:		
1	UP Rajya Vidyut Utpadan Nigam Limited (UPRVUNL)	(8,715.89)	(8,524.58)
2	UP Power Transmission Corporation Ltd.*	2,631.03	2,609.56

*It includes investment in equity of ₹2,213.34 Crore and Share application money of ₹180.72 Crore.

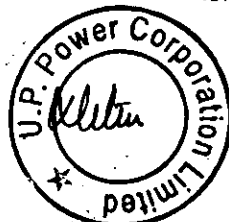
21. Government Grants and Subsidies:

- 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 ₹583.52 Crore, Revenue Grant/Subsidy of ₹26,662.69 Crore and Additional Subsidy for Operational Loss funding (RDSS) of ₹9,700.00 Crore 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:

Particulars						(₹ Crore)	
	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total	
Capital Grant/ Subsidy	147.88	155.90	181.29	98.46	-	583.52	
Revenue Grant/ Subsidy	8,573.09	5,319.32	5,676.94	7,007.14	86.20	26,662.69	
Additional Subsidy for Operational Loss funding(RDSS)	2,752.38	3,229.45	3,251.69	386.60	79.88	9,700.01	
Total	11,473.35	8,704.67	9,109.92	7,492.20	166.08	36,946.21	

FY 2022-23

Particulars						(₹ Crore)	
	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total	
Capital Grant/ Subsidy	127.00	130.50	148.50	92.00	-	498.00	





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Particulars	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	Total
Revenue Grant/ Subsidy	6,101.68	4,751.03	4,825.10	6,053.28	71.28	21,802.37
Additional Subsidy for Operational Loss funding (RDSS)	2,681.12	2,404.36	957.04	1,588.96	376.24	8,007.72
Total	8,909.80	7,285.89	5,930.64	7,734.24	447.52	30,308.09

c.

- 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 ₹14,661.53 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:

(₹ Crore)		
S.No.	Name of DISCOM	Amount
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

- As per the above GO, the subsidies of ₹20,940.00 Crore (₹ 14,661.53 Crore of revenue subsidy and ₹ 6,278.47 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:

(₹ Crore)		
S.No.	Name of DISCOM	Amount
1	PuVVNL	8,115.54
2	MVVNL	978.08
3	DVVNL	2,159.69
4	PVVNL	9,146.45
5	KESCO	540.24
	Total	20,940.00

- The details of the amount received against the subsidiaries of ₹20,940.00 Crore are as under:

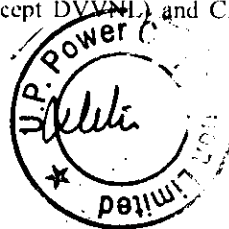
Particulars	(₹ Crore)					Total
	PuVVNL	MVVNL	DVVNL	PVVNL	KESCO	
Balance as on 31.03.2022	7,340.42	884.66	1,953.42	8,272.86	488.64	18,940.00
Received during 2022-23	775.12	93.42	206.27	873.59	51.60	2,000.00
Balance as on 31.03.2023	6,565.30	791.25	1,747.14	7,399.27	437.04	16,940.00
Received during 2023-24	886.75	106.87	235.98	999.38	59.02	2,288.00
Balance as on 31.03.2024	5,678.55	684.38	1,511.16	6,399.89	378.02	14,652.00

- Grants/Subsidies received under different schemes for DISCOMs (subsidiaries) are treated initially as payable to DISCOMs and subsequently are transferred to/ adjusted against DISCOMs.
- 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 Sahasthradara 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.

22. Disclosure regarding audit observation of C&AG's office in respect of accounting of subsidies UDAY, RDSS and Additional Revenue Subsidy.

- C&AG's office has issued audit comments on the financial statements of FY 2022-23 challenging the "True & Fair View" of DISCOMs (except DVVNL) and CFS of UPPCL mainly on the ground that excess

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subsidy has been claimed by UPPCL amounting to ₹4,112.25 Crore (at CFS level) under RDSS during the period FY 2022-23.

However, the management is of the view that the subsidy under RDSS was correctly calculated and claimed on the basis of agreed methodology (on operational funding requirement i.e. OFR basis) and accounted for in accordance with the requirements of Ind AS 20 and consequent to due approvals by the Government of Uttar Pradesh and receipt of the funds through the State Budget. In any case, the accounting of such subsidy in the books is correct & there is no misrepresentation/misstatement.

The matter has been referred to C&AG through the Govt. of U.P vide letter no.562/24-P-1-2024-51/2024 dated 09.04.2024 for a review. After review of the same, CAG vide its letter no. CAG/NCR/UP/DISCOMs/Accounts-2022-2023/Corresp/2024-25/87 dated 14.05.2024 has informed that they have not considered the request of dropping/modifying the comments in respect of funding of loss under RDSS. Further, it has been advised by CAG to seek clarification/approval from State Govt and Ministry of Power Government of India on methodology for computation, detailing all the factors taken therein for claiming and funding of financial losses of DISCOMs under the RDSS. In view of the above UPPCL vide its letter no.211/अधिनियम-II/आय व्ययक 2024-25/453 dated 18.05.2024 has sought clarification/confirmation from State Govt. regarding calculation methodology (on OFR basis) of subsidy under RDSS as the entire loss funding subsidy is funded by the State Govt. through state budget.

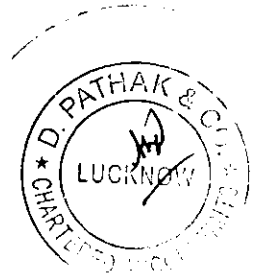
- b. As per GO no. 445-1-21-731 (Budget)/2020 dated 05.03.2021, GoUP has accepted to provide additional revenue subsidy of ₹39,743.00 Crore to the DISCOMs (subsidiaries) for the period 2007-08 to 2019-20 as approved by the UPERC through its Tariff/True-up orders issued from time to time. The above GO also provided that, out of total additional revenue subsidy of ₹39,743.00 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 ₹14,661.53 Crore shall be paid to the DISCOMs by GoUP in the next 10 years, commencing from 2021-22. Apart from this, the balance amount of loss funding subsidy of ₹6,278.47 crores for the period FY 2016-17 to 2019-20 were also payable by the GoUP under UDAY. Thus, the total subsidy of ₹20,940.00 crores (₹14,661.53 Crore of revenue subsidy and ₹6,278.47 Crore of loss funding under UDAY) are 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. The aforesaid subsidy of ₹20,940.00 Crore had been allocated to DISCOMs (subsidiary) after making the necessary adjustments as tabulated below:

(₹ Crore)				
S.N.	Name of DISCOM	Tariff subsidy	UDAY Subsidy	Total Subsidy
1	PuVVNL	6,401.50	1,714.04	8,115.54
2	MVVNL	-	978.08	978.08
3	DVVNL	-	2,159.69	2,159.69
4	PVVNI	8,260.03	886.42	9,146.45
5	KESCO	-	540.24	540.24
	Total	14,661.53	6,278.47	20,940.00

C&AG's office has issued a comment on the accounting of the above subsidy of ₹20,940.00 Crore in the financial year 2020-21 which was not in agreement with the accounting done by the company. Therefore, to clarify such difference of opinion between C&AG's office and management, in respect of accounting of above subsidy, the management has sought the opinion of Expert Advisory Committee (EAC) of ICAI in respect of accounting treatment of such receivable subsidy amount vide letter no.385/PCI/CA/N-312/EAC opinion/2023-24 dated 15.09.2023. The EAC of ICAI has provided the opinion vide letter TD/EAC/1857/23 dated 01.05.2024 and according to the opinion of EAC of ICAI, the DISCOMs (subsidiaries) have made necessary accounting required in the books of account of F.Y. 2023-24 in accordance with Ind AS 20 & Ind AS 8.

23. Equity share capital includes ₹1,568.24 Crore received from GoUP under the Uttar Pradesh Power Distribution Network Project (UPPDNP) against which company has already invested ₹ 1,602.59 Crore with DISCOMs.

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DISCOM wise break up of investment is given below:

Sr. No.	Name of DISCOM	Equity received from Govt as on 31.03.24 against UPPDNP	(₹ Crore)				Total
			Fund released as investment in equity of DISCOMs (F.Y. 2023-2024)	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)	
			A	B	C	D	A+B+C+D
1	PuVVNL	561.93	97.15	307.80	114.21	48.68	567.84
2	MVVNL	320.51	7.99	184.16	79.27	49.65	321.07
3	DVVNL	597.26	226.62	292.37	68.91	34.42	622.32
4	PVVNL	88.54	12.64	18.09	22.97	37.66	91.36
	Total	1,568.24	344.40	802.42	285.36	170.41	1,602.59

The balance amount of ₹ 34.35 Crore (₹ 1,602.59 Crore - ₹ 1,568.24 Crore) is to be reimbursed by the Government of U.P. and shown as Equity Investment in DISCOMs.

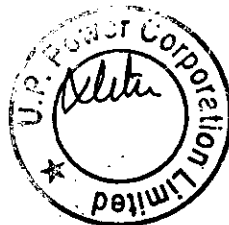
24. Cash & Cash Equivalents, Earmarked Bank Balances, ESCROW Accounts, and Bank Credits (working capital):

a. Cash & cash equivalent (Note No-9) includes ₹8.96 crore not in the name of UPPCL out of which ₹8.80 crore are held in the name of various DISCOMs which are under process of closure during F.Y. 2024-25 and balance ₹0.16 crore held in the name of UPPCL-DVVNL-Tera Software Ltd, Cluster-V Account, UPPCL-PVVNL-Tera Software Ltd, Cluster-I Account, UPPCI-MVVNL-TDS Management Ltd Cluster-IV Account, UPPCL-PuVVNL-Sterling Technologies and Services Ltd Cluster-VIII Account, UPPCL-PuVVNL-Quess Corp Ltd, Cluster-VII Account, UPPCL-PVVNL-Quess Corp Ltd, Cluster-II Account, UPPCL-DVVNL-Competent Synergies Pvt. Ltd, Cluster-VI Account, UPPCL-MVVNL-Competent Synergies Pvt. Ltd, Cluster-III Account, UPPCL SARAL E-COMMERCE Pvt Ltd (Meter Reading Agencies), which have been opened for smooth collection by collection agencies and for operational ease. The operational rights of these bank accounts vests exclusively with UPPCL.

b. The details of banks accounts earmarked for repayment of Bonds/Corpus Fund are as under:

S.No	Bank Name	Account Name	Account Number	Bank Balance	FDR Balance	(₹ Crore)
						Accrued Interest
A	HDFC (Vistra)	DSRA SERIES I A/C	50200004167832	0.00	194.14	2.27
		BOND SER ESCROW I A/C	50200004167842	0.00	194.04	0.78
		BOND SER ESCROW II A/C	50200017358973	0.00	33.35	0.05
		DSRA SERIES II A/C	50200017358986	0.00	133.26	1.31
		Total 'A'		0.00	554.79	4.41
B	ICICI	UP Power Corporation Ltd.	628105501311	0.61	0.00	0.00
		RPO Regulatory Fund		0.61	0.00	0.00
C	ICICI (Beacon)	Distribution Network Rehabilitation A/c.	628101109809	0.00	0.00	0.00
		UPPCL Bond Servicing Series I A/c.	628105501279	0.00	180.41	1.06
		UPPCL Debt Service Reserve I A/c.	628105501280	0.00	357.71	4.27

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S.No	Bank Name	Account Name	Account Number	Bank Balance	FDR Balance	Accrued Interest
		UPPCL Bond Servicing Series II A/c	628105501282	0.00	226.71	1.33
		UPPCL Debt Service Reserve II A/c.	628105501283	0.00	449.45	5.36
		UPPCL Bond Service A/c (Series I)2022	628105501314	0.00	5.04	0.00
		UPPCL Debt Service Reserve A/c Bond (Series I)2022	628105501315	0.00	317.30	4.31
		UPPCL Bond Service A/c (Series II)2022	628105501317	0.00	4.54	0.00
		UPPCL Debt Service Reserve A/c Bond (Series II)2022	628105501318	0.00	284.52	3.86
		Total'C'			1,825.68	20.19
D	Corpus Fund	ICICI (NEDA SOLAR)		0.00	49.47	0.00
		Total'D'		0.00	49.47	0.00
		Grand Total(A+B+C+D)		0.61	2,429.94	24.60

c. Bank balances of ESCROW Accounts for Power Purchases:

Bank name	Account name	A/c no.	(₹ Crore) Balance
SBI ASHOK MARG	UPPCL ESCROW A/C ROSA	30952651649	0.04
	UPPCL ESCROW A/C BAJAJ	32977504067	0.12
	UPPCL ESCROW A/C LALITPUR	35095155057	-
PNB Hazratganj	ROSA POWER SUPPLY PAYMENTS ESCROW	294002900000031	7.59
	BAJAJ ENERGY DEFAULT ESCROW	294002110007897	0.01
	UPPCL LALITPUR ESCROW A/C	294002110008638	6.37
CBI Hazratganj	U P POWER CORPORATION LTD (BAJAJ)	3251225201	2.54
	U P POWER CORPORATION LTD (LALITPUR)	3472978707	0.01
ICICI Bank	UPPCL ROSA POWER SUPPLY PAYMENT ESC.AC	628105030625	11.66
	UPPCL BAJAJ ENERGY DEFAULT ESCROW A/C	628105032232	2.35
HDFC Bank	UPPCL ROSA DEFAULT ESCROW A/C	12672240000014	13.74
	Total		44.43

d. UPPCL has availed working capital facilities amounting to ₹ 1,930.00 crores from various banks. As per the sanction terms and conditions PNB has sanctioned ₹ 450.00 crores as CC limit and the remaining bank (i.e. Indian Bank (₹ 430.00 Crore), ICICI Bank (₹ 400.00 Crore), Central Bank of India (₹ 105.00 Crore), HDFC bank (₹30.00 Crore) and Bank of India (₹ 500.00 Crore) and PNB (₹ 15.00 Crore), have sanctioned residual limit of ₹1,480.00 Crore as OD/WCL facility.

As on 31.03.2024, UPPCL availed ₹ 199.77 Cr from below mentioned banks-

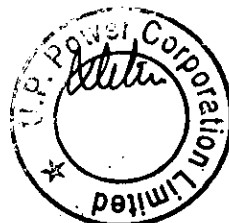
Bank Name	WCL	OD/CC	(₹ Crore)
Indian Bank(OD)	168.00		31.77
PNB(CC)	0.00		0.00
PNB(OD)	0.00		0.00
PNB Mid Corporate	0.00		0.00
BOI(OD)	0.00		0.00
Total	168.00		31.77

25. The guarantee issued by GoUP in favor of various Banks, FI's and trustees of bonds issued by company as a security stood at ₹ 93,212.99 Crore as on 31.03.2024 against ₹ 96,212.99 Crore as on 31.03.2023.

26. Receivable related to Power Purchase

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

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F.Y. 2023-24

(₹ crore)

Sl No	Balances	Remarks
i.	717.56	It relates to debit notes issued to M/s Rosa Power Company Private Limited 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.	379.00	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.	4.86	It relates to the negative bills given by the UPPTCL, Powergrid Rampur Sambhal, and TANGEDCO.
iv.	606.03	It relates to debit balances against different generators and the same are under reconciliation.
v.	65.97	It relates to the amount receivable from Indian Energy Exchange Ltd. Against purchase and sales through it.
Total	1,773.42	

F.Y. 2022-23

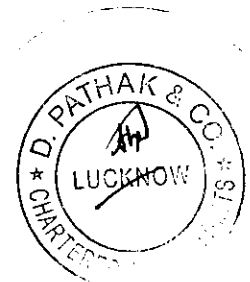
(₹ crore)

Sl No	Balances	Remarks
iv.	707.68	It relates to debit notes issued to M/s Rosa Power Company Private Limited 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.
v.	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.
vi.	4.83	It relates to the negative bills given by the UPPTCL, Powergrid Rampur Sambhal, and TANGEDCO.
iv.	431.68	It relates to 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	1,567.90	

27. 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 31.03.2024 is as under:

Soe

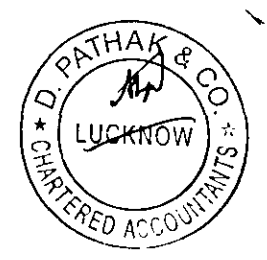




Uttar Pradesh

S. No	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/oe not	Next date of Interest payment	Amount of interest Payable on next due date (₹ Crore)	Next due date of principal payment	Peinepal Amount Payable on next due date (₹ Crore)	Security	Outstanding As at 31.03.2024 (₹ Crore)	Outstanding As at 31.03.2023 (₹ Crore)
1.	UPPCL State Govt Serviced Bond series II/2022	3,488.00	34,880	22.03.2032	07.10.2022	10	9.95%	30.03.2024	Paid	01.07.2024	89.13	01.07.2024	109.00		3,488.00	3,488.00
2.	UPPCL State Govt Serviced Bond series I/2022	3,951.20	39,512	22.03.2032	30.03.2022	10	9.70%	30.03.2024	Paid	01.07.2024	98.43	01.07.2024	123.48	Hypothecation on Current Assets including Receivables, FSC ROW, and Govt. Guarantees (as per terms of DOH of respective issuance)	3,951.20	3,951.20
3.	UPPCL Bond Series II/2017-18	5,491.00	54,910	20.01.2028	27.03.2018	10	10.15%	19.01.2024	Paid	19.04.2024	65.21	19.04.2024	161.50		2,584.00	3,230.00
4.	UPPCL Bond Series I/2017-18	4,498.20	44,982	20.10.2027	05.12.2017	10	9.75%	19.01.2024	Paid	19.04.2024	48.11	19.04.2024	132.30		1,984.50	2,513.70
5.	UPPCL Bond Series IV/2016-17	3,489.50	34,895	15.03.2027	27.03.2017	10	8.48%	15.03.2024	Paid	14.06.2024	31.53	14.06.2024	124.63		1,495.50	1,994.00
6.	UPPCL Bond Series III/2016-17	6,510.00	65,100	15.02.2027	17.02.2017	10	8.97%	15.02.2024	Paid	15.05.2024	61.54	15.05.2024	232.50		2,790.00	3,720.00
	Total	27,427.90	2,74,279	-	-	-	-	-	-	-	393.95	-	883.41		16,293.20	18,896.90

Signature





Uttar Pradesh

b. Credit Rating:

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

Current Rating (as on 31.03.2024):

Particulars	Ratings		
Bond Amount (₹ Crore)	4,498.20 & 5,491.00	6,510.00 & 3,489.50	3,951.20 & 3,488.00
CRISIL Rating	A+(CE)/Stable	-	A+(CE)/Stable
India Rating	IND A+(CE)/Stable	IND A+(CE)/Stable	IND A+(CE)/Stable
Brickwork Rating	BWR AA-(CE)Stable	BWR AA(CE)/Stable	-

*The ratings have been re-assessed and upgraded by M/s India ratings to 'IND AA (CE)/Stable' dated 21.06.2024.

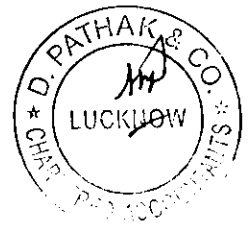
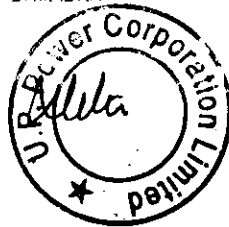
Previous Rating (as on 31.03.2023):

Particulars	Ratings		
Bond Amount (₹ Crore)	4,498.20 & 5,491.00	6,510.00 & 3,489.50	3,951.20 & 3,488
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 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 Cnde	Date of Maturity	Security	Amount	(₹ Crore) Present Outstanding (as on 31.03.2024)
INE540P07046	955766	15.02.2021		930.00	0.00
INE540P07053	955767	14.02.2022		930.00	0.00
INE540P07061	955768	15.02.2023		930.00	0.00
INE540P07079	955769	15.02.2024		930.00	0.00
INE540P07087	955770	14.02.2025		930.00	930.00
INE540P07095	955771	13.02.2026		930.00	930.00
INE540P07103	955772	15.02.2027		930.00	930.00
INE540P07111	956144	15.03.2021		498.50	0.00
INE540P07129	956145	15.03.2022		498.50	0.00
INE540P07137	956146	15.03.2023		498.50	0.00
INE540P07145	956147	15.03.2024		498.50	0.00
INE540P07152	956148	14.03.2025		498.50	498.50
INE540P07160	956149	13.03.2026		498.50	498.50
INE540P07178	956150	15.03.2027		498.50	498.50
INE540P07186	957201	18.10.2019		264.60	0.00
INE540P07194	957202	20.10.2020		529.20	0.00
INE540P07202	957203	20.10.2021		529.20	0.00
INE540P07210	957204	20.10.2022		529.20	0.00
INE540P07228	957205	20.10.2023		529.20	0.00
INE540P07236	957206	18.10.2024		529.20	369.90
INE540P07244	957207	20.10.2025		529.20	529.20
INE540P07251	957208	20.10.2026	Hypothecation on current assets including	529.20	529.20
INE540P07269	957209	20.10.2027	receivables, Escrow and Government	529.20	529.20
INE540P07277	957800	20.01.2020	Guarantee(as per terms of DOH for	323.00	0.00
INE540P07285	957802	20.01.2021	respective Issuances)	646.00	0.00
INE540P07293	957803	20.01.2022		646.00	0.00
INE540P07301	957804	20.01.2023		646.00	0.00
INE540P07319	957806	19.01.2024		646.00	0.00
INE540P07327	957807	20.01.2025		646.00	646.00
INE540P07335	957808	20.01.2026		646.00	646.00
INE540P07343	957809	20.01.2027		646.00	646.00
INE540P07350	957810	20.01.2028		646.00	646.00
INE540P07368	973877	31.03.2025		493.90	493.90
INE540P07376	973879	30.03.2026		493.90	493.90
INE540P07384	973880	31.03.2027		493.90	493.90
INE540P07392	973882	31.03.2028		493.90	493.90
INE540P07400	973876	30.03.2029		493.90	493.90
INE540P07418	973878	29.03.2030		493.90	493.90





ISIN	Scrip Code	Date of Maturity	Security	Amount	Present Outstanding (as on 31.03.2024)
INE540P07426	973881	31.03.2031		493.90	493.90
INE540P07434	973883	22.03.2032		493.90	493.90
INE540P07442	974281	31.03.2025		436.00	436.00
INE540P07459	974282	30.03.2026		436.00	436.00
INE540P07467	974283	31.03.2027		436.00	436.00
INE540P07475	974284	31.03.2028		436.00	436.00
INE540P07483	974285	30.03.2029		436.00	436.00
INE540P07491	974286	29.03.2030		436.00	436.00
INE540P07509	974287	31.03.2031		436.00	436.00
INE540P07517	974288	22.03.2032		436.00	436.00
INE540P08028		04.07.2031		5,376.82	4,032.62
INE540P08036		28.09.2031	Govt. Guaranteed	4,699.98	3,524.99
INE540P08051		31.03.2032		299.49	199.66
Total					24,050.46

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)	1.19
Vistra IFCL India Ltd. (Debenture Trustee for Bonds)	1.16
Other Secured Debts and other Secured Payables	6.05

d. The market value of Bonds shown under the head Financial Assets - Investments (Non- Current) in Note No.05 of the Financial Statements is as under:

Settlement Date	Security	Valuation date	Original Maturity date	Residual maturity year	FIMMD A Yield as on 31.03.2024	Price	No. of bonds	(₹ Crores) Total amount/clean price
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	28.03.2024	22.03.2027	3	7.68	100.54	250	25.14
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	28.03.2024	22.03.2027	3	7.68	100.54	250	25.14
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	28.03.2024	22.03.2027	3	7.68	100.54	250	25.14
27.03.2017	7.75% PFC Bonds Series-164 (22.03.2027)	28.03.2024	22.03.2027	3	7.68	100.54	250	25.14
11.05.2017	7.75% PFC Bonds Series-164 (22.03.2027)	28.03.2024	22.03.2027	3	7.68	100.54	230	23.12
Total							1230	123.68

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Uttar Pradesh

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	Listed at	Date of Raising Funds	Amount Raised	Fund Utilized	Any Deviation (Yes/No)	If 9 is Yes then specify the purpose for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10	11
U.P. Power Corporation Ltd	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NA	NA

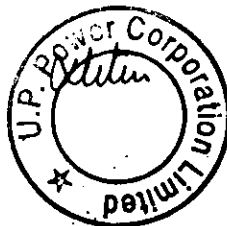
28. Details of Loan taken/Outstanding on Behalf of DISCOMs:

Loan No	Rate of Interest (%)	Drawl Date	Balance as on 31.03.2024	MVVNL	PuVVNL	PVVNL	DVVNL	KESCO	Total
Pawer Finance Corporation (PFC)*									
8523002	10.97	21-06-2017	1,000.00	250.00	250.00	250.00	250.00	0.00	1,000.00
8523001	10.50	21-07-2018	600.00	120.00	75.00	195.00	150.00	60.00	600.00
8573002	10.60	07-02-2019	800.00	180.00	300.00	120.00	200.00	0.00	800.00
8573003	10.50	23-07-2019	303.34	60.67	42.01	139.99	60.67	0.00	303.34
8573004	10.50	25-09-2019	224.46	67.34	112.23	0.00	44.89	0.00	224.46
8573005	10.50	28-11-2019	225.16	59.26	82.95	23.71	59.24	0.00	225.16
8573006	10.75	20-12-2019	170.30	29.19	72.99	38.93	29.19	0.00	170.30
8573008	10.90	13-03-2020	261.30	11.60	11.60	23.23	17.43	197.44	261.30
8569001	09.75	30-07-2020	7,157.17	1,538.81	3,448.33	430.13	1,545.96	193.94	7,157.17
8570001	09.50	30-03-2021	5,027.27	1,080.86	2,422.14	302.14	1,085.89	136.24	5,027.27
8575001	10.00	20-10-2022	2,752.07	843.83	905.96	9.40	892.15	100.73	2,752.07
Total (A)			18,521.07	4,241.56	7,723.21	1,532.53	4,335.42	688.35	18,521.07
Rural Electrification Corporation (REC)*									
4712381	10.40	30/03/2017	642.86	118.54	143.04	203.66	150.17	27.45	642.86
476002105	10.25	COVID Loan	91.40	16.85	20.34	28.96	21.35	3.90	91.40
4714417	10.25	11/10/2018	415.62	59.39	89.03	207.81	59.39	0.00	415.62
476002596	10.34	COVID Loan	16.51	2.36	3.53	8.26	2.36	0.00	16.51
4714897	10.34	18/03/2019	1,428.57	339.29	267.86	535.71	285.71	0.00	1,428.57
4715972	09.75	30/07/2020	7,223.74	1,553.11	3,480.58	434.09	1,560.14	195.82	7,223.74
47116279	09.75	26/03/2021	4,900.13	1,053.53	2,360.88	294.50	1,058.43	132.79	4,900.13
4717221	10.00	30/09/2022	2,151.82	655.29	731.13	35.33	642.75	87.32	2,151.82
Total (B)			16,870.65	3,798.36	7,096.39	1,748.32	3,780.30	447.28	16,870.65
Grand Total (A+B)			35,391.72	8,039.92	14,819.60	3,280.85	8,115.72	1,135.63	35,391.72

*Details of loan drawn during the year under RBPF Scheme (included in above):

RoI	Drawl Date	Total	MVVNL	PuVVNL	PVVNL	DVVNL	KESCO
PFC							
9.50%	Quarter-I	810.00	242.21	299.96	25.17	205.17	37.49
9.50%	Quarter-II	1,497.00	460.78	499.10	-	486.97	50.15

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**Uttar Pradesh**

Uttar Pradesh Power Corporation Limited

RoI	Drawl Date	Total	MVVNL	PuVVNL	PVVNL	DVVNL	KESCO
10.00%	Quarter-III	1,197.00	167.84	376.34	-	408.06	44.77
	Total	3,504.00	1,070.83	1,175.40	25.17	1,100.20	132.41
REC							
9.50%	Quarter-I	1,844.00	551.39	682.87	57.31	467.09	85.34
9.50%	Quarter-II	536.00	164.98	178.70	-	174.36	17.96
10.00%	Quarter-III	726.00	223.10	228.25	-	247.49	27.15
	Total	3,106.00	939.47	1089.82	57.31	888.94	130.45
	Gross Total	6,610.00	2,010.30	2,265.22	82.48	1,989.14	262.86

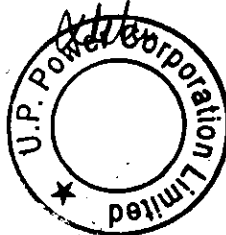
29. Due to accumulated losses of ₹1,01,268.41 Crore as on 31.03.2024 and uncertainties to recover such losses in near future, the deferred tax assets have not been recognized in accordance with Para 34 of Ind AS 12 (Income Taxes) issued by ICAI.
30. The common expenditures and common facility costs towards the Employee Cost, Administrative, General & Other Expense and Repair & Maintenance expenses amounting to ₹ 182.97 Crore have been allocated and transferred to subsidiaries companies and other related companies during the period ended 31.03.2024 as compared to ₹ 173.54 Crore during the year ended 31.03.2023 based on ratio of financial year 2022-23. (Note no.23, 26 & 27)

Details of the allocation of common expenses are as under:

Particulars	Employee Cost (Note 23)		Admin. Cost (Note 26)		R&M Cost (Note 27)		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	i	ii	iii	iv	v	vi	(i+iii+v)	(ii+iv+vi)
PuVVNL	27.16	27.36	11.70	10.19	0.34	0.26	39.20	37.81
MVVNL	25.57	25.56	10.30	8.69	0.29	0.22	36.16	34.47
DVVNL	24.80	24.53	10.50	9.07	0.31	0.24	35.61	33.84
PVVNL	28.70	28.59	14.34	12.17	0.42	0.30	43.46	41.06
KESCO	5.61	5.44	1.61	1.34	0.05	0.04	7.27	6.82
Sub-Total (a)	111.84	111.50	48.45	41.45	1.41	1.06	161.70	154.00
UPRVNL	0.82	0.55	0.12	0.03	0.62	0.54	1.56	1.12
UPPTCL	18.58	17.71	0.54	0.15	0.59	0.55	19.71	18.41
Sub-Total (b)	19.40	18.26	0.66	0.18	1.21	1.09	21.27	19.53
Total (a+b)	131.24	129.74	49.11	41.64	2.62	2.15	182.97	173.53

31. 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.
32. 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 ₹ (2,225.76) 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 ₹ (2,225.76) Crore & ₹ (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.

10/04





33. Disclosure in respect of provision for Bad & Doubtful debts, unserviceable stores and impairment in investment as per Ind AS-37 (Provisions, Contingent Liabilities and Contingent Assets) is as under:

S. NO.	Particulars	Movement of Provisions			Closing Balance as on 31.03.2024
		Opening Balance as on 01.04.2023	Provision made during the period	Withdrawal/ Adjustment of Provision during the period	
1	Provision for impairment in Investment	75,877.21	7,080.46	-	82,957.67
2	Provision for Doubtful debts on Sundry Debtors (Sale of power)	1,932.44	-	1,409.46	522.98
3	Provision for Bad & doubtful debts- Other current assets	0.25	4.84	-	5.09
4	Provision for Bad & doubtful debts- Financial Assets- Loans (Non-Current)	210.73	187.30	12.02	386.01
5	Provision for Bad & doubtful debts- Financial Assets- other (Current)	215.92	477.78	127.27	566.43
6	Provision for Bad & doubtful debts- Advance to capital supplier	0.01	-	0.01	-
7	Provision for unserviceable stores	0.13	-	0.13	0.00
	Total	78,236.70	7,759.58	1,548.89	84,438.19

As per the information received from PFC India (Nodal Agency in respect of UMPP's projects) that the country is making transition from fossil fuel to Non fossil fuel and hence UMPP's are being closed. Accordingly, status of financial position of commitment advances made by UPPCL/Uttar Pradesh (in totality) shall be intimated after reconciliation and adjustment in respect of all UMPPs. Hence, UPPCL has decided not to make provision in respect of all advances made in UMPP and Provision of Rs.12.02 crore has also been reversed in the current financial year.(refer point no.03 of above table)

34. Annual Accounts of F.Y-2022-23 were adopted in the Annual General Meeting held on 30.03.2024.

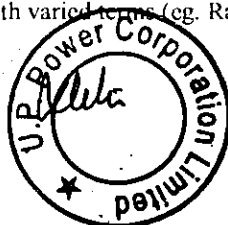
35. **Financial Risk Management**

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 include 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:

- 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.
- 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.
- 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.)

Signature



**Uttar Pradesh**

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

Particulars	31.03.2024	(₹ Crore) 31.03.2023
	Financial Assets	
Fixed Interest Rate Instruments- Deposits with Bank	2,430.51	2,869.84
Variable Interest Rate Instruments- Deposits with Bank	-	-
Total	2,430.51	2,869.84
Financial Liabilities		
Fixed Interest Rate Instruments- Financial Instrument Loans (GoUP Interest Bearing Loan)	59,442.22	68,815.64
Variable Interest Rate Instruments- Cash Credit from Banks*	199.77	200.69
Total	59,641.99	69,016.33

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

- d. **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.
- e. **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 of ₹ 2,430.51 crore includes ₹ 1,875.15 crore placed with ICICI bank out of which ₹ 1,825.67 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.

Maturity Profile of UPPCL Borrowings on behalf of DISCOMs

Particular	31.03.2024				31.03.2023			
	Within six months	Six to twelve months	After twelve months	Total	Within six months	Six to twelve months	After twelve months	Total
Secured Bonds	1766.80	1766.79	12759.61	16293.20	1301.85	1301.85	16293.20	18896.90
Unsecured Bonds	516.32	516.33	6724.62	7757.27	516.32	516.32	7757.29	8789.93
PFC	3791.16	1860.80	12869.13	18521.09	3307.89	2519.15	16376.75	22201.79
REC	2685.00	1406.33	12779.33	16870.66	1956.13	1965.66	15003.25	18925.04
Total	8759.28	5550.25	45132.69	59442.22	7082.19	6302.98	55430.49	68815.66

36. 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.

37. Southern U.P. Power Transmission Company Limited was incorporated on 08-08-2013 as a

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Uttar Pradesh

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 ₹ 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.

- 38. 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.

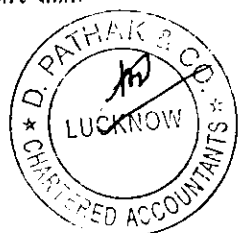
39. Exceptional Items:

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 DIIFL as 'Exceptional Items' in the profit and loss account as detailed below:

Trust's letter of reference	Principal/ Interest	2023-24	2022-23 (₹ Crore)
CPF Trust			
C/Y- 576/102/CPF TRUST DHFL FDR Notional loss/2022	Interest	1.91	1.78
GPF Trust			
C/Y- 404/12/UPSPSET/DHFL/2019	Interest	8.92	7.11
Total		10.83	8.89

- 40. The figures as shown in the Balance Sheet, Statement of Profit & Loss, and Notes shown in (.....) denote negative figures.
- 41. Previous year's figures have been regrouped/ rearranged/ reclassified wherever necessary to make them comparable/ better presentation with the current year figures.
- 42. Other Statutory information in terms of Notification dated 24.03.2021 issued by MCA in terms of section 467 of the Companies Act 2013
 - a. The company does not have any Benami property.
 - b. The company has not traded or invested in crypto currency or virtual currency during the financial year.
 - c. The company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediary shall have the understanding that the intermediary shall:-

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**Uttar Pradesh**

STATE ELECTRICITY REGULATORY COMMISSION

- i. 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
 - ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- d. 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:
- i. 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
 - ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- e. 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).
- f. The company has invested in equity of its wholly owned subsidiaries and other companies as mentioned in Note no. 5 of the Financial Statements.
- g. The company is not being declared willful defaulter by the bank or financial institution or lender during the year.
- h. Details of charges filed with ROC against borrowing from Bank and Generators outstanding as on 31.03.2024 is as under

Sl. No	Name of Borrower/ Generator	Particulars of Charge
1.	Lalitpur Power Generation Company Limited	First Pari Passu charge with LC bankers on the revenues routed through the default Eserow a/c. As per terms of agreement to hypothecate cum deed of hypothecation to the extent of letter of credit to be opened as per terms of power purchase agreement.
2.	Indian bank	Pari Passu charge on all the Receivables, other current assets and non-current assets, present and future with other banks in consortium, PFC/REC, ICICI and other lenders.
3.	Bajaj Energy Private Limited	Hypothecation of Receivable/Book Debts to the extent of 100% of the power purchase amount on Pari Passu basis of corporation.

Note: Allahabad Bank was merged into Indian Bank effective from 1st April, 2020.

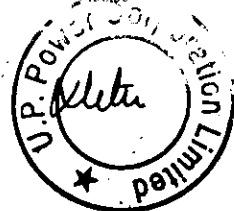
- i. The company has obtained fund/based/non-fund based credit limits from multiple banks aggregating to ₹1,930 Crore against security of receivables. Accordingly, as per the terms of sanction, Quarterly /Half Yearly statements (on the basis of unaudited/ provisional balance sheet) in respect of gross trade receivables have been submitted to respective banks which stood as below in different quarters of F.Y 2023-2024:

Quarter	Period	Particulars of Security	Amount (₹ Crore)
Q1	Apr. to Jun 2023	Trade Receivables	27,857.41
Q2	Jul to Sept 2023		28,662.36
Q3	Oct to Dec 2023		23,953.02
Q4	Jan to Mar 2024		27,248.89

- j. Fund based and Non fund based utilization as on 31.03.2024 is as under:

Fund Based & Non Fund based Utilization as on 31.03.2024				
Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Availed
Punjab National Bank	465.00	142.79	-	142.79
Central Bank of India	105.00	92.05	-	92.05
ICICI Bank	400.00	221.00	-	221.00
Indian Bank	100.00	180.00	199.75	349.75

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Uttar Pradesh

Fund Based & Non Fund based Utilization as on 31.03.2024

Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Availed
Bank of India	500.00	116.67	-	116.67
HDFC Bank	30.00	28.00	-	25.00
TOTAL	1,930.00	747.51	199.75	947.26

(₹ Crore)

Fund Based & Non Fund based Utilization as on 31.03.2023

Bank Name	Sanction Limit	Non-Fund Based	Fund Based	Total Availed
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	1,930.00	755.56	200.69	956.25

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

- k. 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.

Name of the Struck off Company	Nature of transactions with struck off company	Balance (Outstanding as on 31.03.2024)	Relationship with the struck off company. If any, to be disclosed
NIL			

(₹ Crore)

Name of the Struck off Company	Nature of transactions with struck off company	Balance (Outstanding as on 31.03.2023)	Relationship with the struck off company. If any, to be disclosed
Southern U.P Power Transmission Co. Limited	Investment in Securities	2.22	Subsidiary

(₹ Crore)

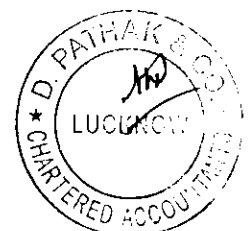
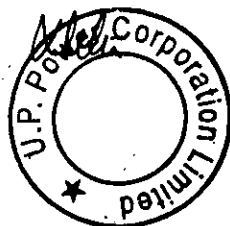
- l. The company does not have any investment property.
- m. The company has not revalued any Property, Plant and Equipment (including Right-of-Use Assets)
- n. The company has not revalued its Intangible Assets.
- o. The company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the company/cerstwhile UPSEB. However, the title deed of the land amounting to ₹0.05 Crore is not available with the company.
- p. The company has not been entered into any Scheme of Arrangements (sections 230 to 237 of the Companies Act, 2013) during the financial year.
- q. 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 this notes) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- r. **Ageing Schedules:**

As per Schedule III of the companies Act, 2013, the ageing schedule of Trade Receivables, Trade Payable and work-in progress (capital expenditure) is given below:

i. Capital Work-in-progress

Particulars	Amount in CWIP for a period ended 31.03.2024				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Other	-	-	-	-	-
Advances to Contractors (Net) (material issued for construction of capital works)	-	0.03	-	-	0.03
Grand Total					0.03

(₹ Crore)



**Uttar Pradesh**

STATE POWER CORPORATION LIMITED

Particulars	Amount in CWIP for a period ended 31.03.2023				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Other	-	-	-	0.04	0.04
Advances to Contractors (Net) (material issued for construction of capital works)	0.03	-	-	0.14	0.17
Grand Total					0.21

ii. Intangible Assets Under Development

Particulars	Amount in CWIP for a period ended 31.03.2024				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Grand Total					-

Particulars	Amount in CWIP for a period ended 31.03.2023				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Grand total					-

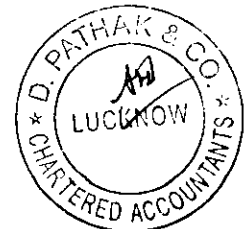
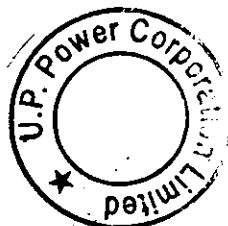
iii. Trade Receivables**Balance of Trade Receivables as on 31.03.2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	27,248.90	-	-	-	-	27,248.90
(ii) Undisputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	522.98	522.98
(iv) Unallocated Revenue (Trade receivables - credit impaired)	-	-	-	-	-	-
(v) Disputed Trade receivables - considered good	-	-	-	-	-	-
(vi) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
(viii) Unallocated Revenue- considered good	-	-	-	-	-	(156.68)
Total						27,615.20

Unbilled Trade Receivables: ₹5380.79 Crore

- (a) ₹ (333.80) Crore (adjustment entry of sale) not billed to DISCOMs and not included in GSTR 1 of March 2024.
 (b) ₹ 5714.59 Crore billed to DISCOMs but not included in GSTR 1 of March 2024.

Sl No	Particulars	Outstanding for following periods from due date of Payment				Total
		Less than 6 months	1-2 Years	2-3 Years	More than 3 Years	
1.	MVVNU	7,540.55	-	-	-	7,540.55
2.	PuVVNL	9,224.51	-	-	-	9,224.51
3.	PVVNL	0.00	-	-	-	0.00
4.	DVVNL	9,595.66	-	-	-	9,595.66
5.	KESCO	1,231.36	-	-	-	1,231.36
6.	Dues-Others	(343.18)	-	-	522.98	179.80
	Suh-Total	27,248.9	-	-	522.98	27,771.88
	Less-Unallocated Revenue	-	-	-	-	156.68
	Total	27,248.9	-	-	522.98	27,615.20

*Ho**U.P.*

**Uttar Pradesh****Balance of Trade Receivables as on 31.03.2023**

(₹ Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	28,479.14	-	-	-	-	28,479.14
(ii) Undisputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	522.98	522.98
(iv) Unallocated Revenue (Trade receivables - credit impaired)	-	-	-	-	-	-
(v) Disputed Trade receivables - considered good	-	-	-	-	-	-
(vi) Disputed Trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
(viii) Unallocated Revenue- considered good	-	-	-	-	-	(286.55)
Total						28,715.57

Unbilled Trade Receivables amounting to ₹6,135.90 Crore

(a) ₹ (11.59) Crore (adjustment entry of sale) not billed to DISCOMs and not included in GSTR 1 of March 2023.

(b) ₹ 6147.49 Crore billed to DISCOMs but not included in GSTR 1 of March 2023.

iv. Trade Payables:**Balance of Trade Payables as on 31.03.2024**

(₹ Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME*	3.16	-	-	-	3.16
(ii) Others	18,065.05	705.82	273.72	389.63	19,434.22
(iii) Disputed Dues-MSME	0.87	-	-	-	0.87
(iv) Disputed dues-Others	23.46	-	-	-	23.46
(v) Outstanding with Debit Balances	-	-	-	-	-
Total	18,092.54	705.82	273.72	389.63	19,461.71

Unbilled Trade Payables amounting ₹7698.46 Crore

Balance of Trade Payables as on 31.03.2023

(₹ Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME*	3.32	-	-	-	3.32
(ii) Others	24,617.06	355.77	242.07	357.70	25,572.60
(iii) Disputed Dues-MSME	6.72	-	-	-	6.72
(iv) Disputed dues-Others	28.99	-	-	-	28.99
(v) Outstanding with Debit Balances	(1.41)	-	-	-	(1.41)
Total	24,654.68	355.77	242.07	357.70	25,610.22

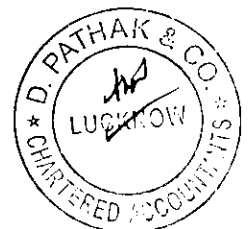
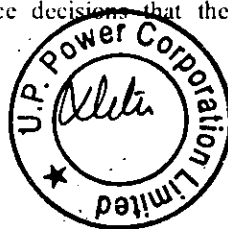
Unbilled Trade Payables amounting ₹9437.00 Crore.

* It does not include interest amount as no amount has been claimed as interest by any MSME supplier in this regard. Interest provision will be provided when interest claimed by any supplier

43. Recent pronouncements/ Amendments:*No notification has been issued by the MCA during the year 2023-24.*

Further, vide notification dated March 31, 2023, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain Indian Accounting Standards, and are effective from April 1, 2023. The summary of the major amendments and its impact on the Company are given hereunder:

- Disclosure of accounting policies - amendments to Ind AS 1 Presentation of financial statements: This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. These amendments define what is 'material accounting policy information' (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial





statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information do not need to be disclosed. If disclosed, they should not obscure material accounting information.

The Company has evaluated the amendment and suitably modified its Material Accounting Policies. However, impact of the said amendment on the Company's financial statements is not significant.

- ii. **Definition of accounting estimates - amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:** The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events (as well as the current period).

The Company has evaluated the amendment and there is no impact on the Company's financial statements.

- iii. **Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12 - Income Taxes:** This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

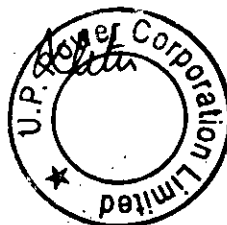
The Company has evaluated the amendment and there is no impact on the Company's financial statements.

Amendments/ revisions in other standards are either not applicable or do not have any material impact on the financial statements.

44. Ratios:

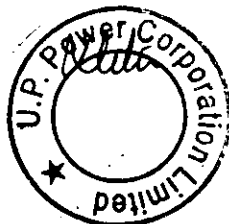
Sr. No.	Particulars of Disclosures	Numerator	Denominator	March' 2024	March' 2023	Variation in Ratio (%)	Reason of Variation for more than 25%
1	Current Ratio	Current Assets	Current Liabilities	1.21	1.14	6.14	
2	Debt Equity Ratio	Total Debt	Shareholders' Equity	1.84	2.75	33.09	Due to decrease in Long Term Debts by ₹ 9,373.42 crore and increase in Shareholders' Equity by ₹ 7,209.09 crore
3	Debt Service Coverage Ratio	Net Profit/(Loss) of the year+ Finance Cost+ Depreciation & Amortization + Provision for Bad Debts+ Exceptional Items	Scheduled Principal repayment of non-current borrowings	0.33	0.39	15.38	
4	Return on Equity (%)	Net Profit/(Loss) for the year	Average Shareholders' Equity [Equity Share Capital - Other Equity(excluding Capital reserve)]	(21.41)	(50.94)	57.97	Decrease in Net Loss by ₹ 8,444.46 Cr (majorly due to decrease in impairment of investment by ₹ 7,452.27 Cr. and reversal of provision on bad debts by ₹ 1,548.89 Cr).
5	Inventory Turnover Ratio*	N/A	N/A	N/A	N/A	N/A	N/A

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**Uttar Pradesh**

Sr. No.	Particulars of Disclosures	Numerator	Denominator	March' 2024	March' 2023	Variation in Ratio (%)	Reason of Variation for more than 25%
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	2.74	2.61	4.98	
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payable	3.28	2.80	17.14	
8	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	8.92	11.54	(22.70)	Due to increase in Net working capital by ₹ 2,335.55 Cr.
9	Net Profit Ratio (%)	Net Profit(Loss) for the year	Revenue from Operations	(8.28)	(21.21)	(60.96)	Decrease in Net Loss by ₹ 8,444.45 Cr (majorly due to decrease in impairment of investment by ₹ 7,452.25 Cr. and reversal of provision on bad debts by ₹ 1,548.89 Cr).and increase in revenue of the company by ₹ 5,238.82 Cr
10	Return on Capital Employed (%)	EBIT	Capital Employed Net Worth (excluding Capital reserve)+ Long Term Borrowing- Current Borrowings	(6.67)	(15.52)	(57.02)	Decrease in Net Loss by ₹ 8,444.45 Cr (majorly due to decrease in impairment of investment by ₹ 7,452.25 Cr. and reversal of provision on bad debts by ₹ 1,548.89 Cr).and decrease in Net Borrowings by ₹ 9,373.42 Cr
11 (a)	Return on Investment (on Bond Interest) (%)	Interest on Bond	Average Bond Value	7.75	7.75	-	
11 (b)	Return on Investment (for investment with subsidiaries & other companies) (%)	Return/Impairment on Investments	Average Investment Value (except Bond Value)	(38.37)	(74.11)	(48.23)	Decrease in impairment of investment by ₹ 7,452.25 Cr. (due to decrease in losses of DISCOMs)
12	Long Term Debt to Working Capital Ratio	Long Term Borrowings including current maturity of long term borrowings	Working Capital	7.18	11.57	(37.94)	Due to decrease in long term debt by ₹ 9,373.42 Cr and due to increase in Net Working Capital by 2,335.55 Cr
13	Bad Debts to Accounts Receivable Ratio**	Provision for Bad Debts	Gross Average Trade Receivables	0.02	0.07	(71.43)	Due to Reversal in provision for Bad and Doubtful Debts by ₹ 1,409.46 Cr.
14	Current Liability Ratio	Current Liabilities	Total Liabilities (excluding equity)	0.46	0.41	12.20	
15	Total Debt to Total Assets Ratio	Long Term Borrowings including current maturity of long term borrowings	Total Assets	0.50	0.55	(9.09)	
16	Operating Margin (%)	Operating Profit/(Loss)	Revenue from Operations	(0.16)	(0.16)	-	





Uttar Pradesh

Power Corporation Limited


Sr. No.	Particulars of Disclosures	Numerator	Denominator	March' 2024	March' 2023	Variation in Ratio (%)	Reason of Variation for more than 25%
17.	Interest Service Coverage Ratio***	EBIT	Interest Expenses	(0.96)	(2.35)	(59.15)	Due to increase in EBIT by ₹ 8,446.65 crore
18	Net Worth (Share Capital + Other Equity excluding Capital Reserves)			32,235.68	25,026.60	28.81	Due to increase in Equity share capital by ₹ 10,804.29 crore and increase in share application money pending for allotment by ₹ 2,533.86 crore

*The business of the Corporation is to purchase electricity from generation source and sell the same to distribution companies. Hence, company does not have any trade inventory. The company maintains inventory only for internal use i.e. for construction and maintenance of the assets. Hence, disclosure in respect of inventory turnover ratio is not required.

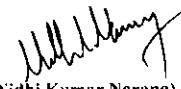
**Bad debts to accounts receivable ratio has been calculated on the basis of Provision for bad and doubtful debts and not the actual bad debts.

***Since the debt service is being done by the company for the subsidiary DISCOMs, the interest paid/payable on bonds and loans are transferred to the respective DISCOMs. Hence interest service coverage ratio has been given on the basis of interest on debts transferred to the DISCOMs.

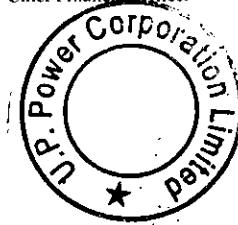
For and on behalf of the Board of Directors


(Priti Arora)
Company Secretary
M. No. F-9696

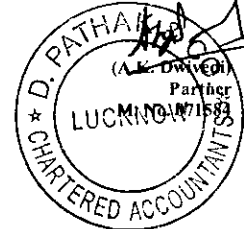

(Nitin Nijhawan)
Chief Financial Officer


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


(Pankaj Kumar)
Managing Director
DIN: 08095154



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



Date: 26th June, 2024
Place: Lucknow

UDIN: 24071584BKMAXT3189