



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

BALANCE SHEET AS AT 31st MARCH 2019

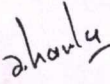
(Amount in lakh ₹)

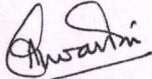
PARTICULAR	Note No.	As at 31st March, 2019	As at 31st March, 2018
I. ASSETS			
1 Non-Current Assets			
a) Property, Plant and Equipment	2	6070.97	5790.89
b) Capital Work-In-Progress	3	2.73	613.45
c) Intangible Assets	4	287.82	96.99
d) Financial Assets			
(i) Investments	5	499682.68	337236.57
(ii) Loans & Other Financial Assets	6	2785093.26	3811513.26
2 Current Assets			
a) Inventories	7	156.54	156.54
b) Financial Assets			
(i) Trade receivables	8	2954413.10	2072876.04
(ii) Cash and Cash Equivalents	9	162508.87	147874.44
(iii) Bank balance other than (ii) above	10	43257.11	55162.58
(iv) Other	11	1984412.64	1046485.16
c) Other Current Assets	12	50293.09	30605.65
Total		8486178.81	7508411.57
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	9118616.32	8040073.81
b) Other Equity	14	(8486663.85)	(7616583.11)
Liabilities			
1 Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	4835817.74	4940210.64
ii) Other Financial Liabilities	16	6774.85	6078.50
2 Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	114350.06	152902.18
ii) Trade Payables	18	2543827.38	1728554.07
iii) Other Financial Liabilities	19	353456.31	257175.48
Total		8486178.81	7508411.57

Company information & Significant accounting policies 1

Notes on Accounts 29

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


(Niharika Gupta)
Company Secretary


(A.K. Awasthi)
Chief General Manager & CFO

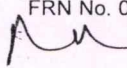

(Sudhir Arya)
Director (Finance)
DIN - 05135780


(M. Devaraj)
Managing Director
DIN - 08677754

Place : Lucknow
Date : 29-01-2021

Subject to our report of even date

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


(R.P. Tewari)
Partner
M. No. 071448



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2019

(Amount in lakh ₹)

PARTICULAR	NOTE	For the year ended 31st March 2019	For the year ended 31st March 2018
I Revenue from Operations	20	5378644.24	4727579.73
II Other Income	21	10774.03	9692.05
III TOTAL REVENUE (I+II)		5389418.27	4737271.78
IV EXPENSES			
Purchase of Stock in trade(Power Purchased)	22	5378644.24	4727585.21
Employee benefits expense	23	18896.15	17696.08
Finance cost	24	4.98	3.27
Depreciation and Amortization expense	25	394.33	350.98
Other Expenses			
a) Administrative, General & Other Expense	26	8273.31	4515.51
b) Repair & Maintenance	27	1852.59	1675.68
c) Bad Debts & Provisions	28	806256.24	813514.31
TOTAL EXPENSES (IV)		6214321.84	5565341.04
V Profit / (loss) before exceptional items and tax (III-IV)		(824903.57)	(828069.26)
VI Exceptional Items			
VII Profit/ (loss) before tax (V+VI)		(824903.57)	(828069.26)
VIII Tax Expense :			
(1) Current Tax		0.00	0.00
(2) Deferred tax		0.00	0.00
IX Profit/(Loss) for the period From continuing operations (VII+VIII)		(824903.57)	(828069.26)
X Profit/(loss) from discontinuing operations			
XI Tax Expense of discontinuing operations			
XII Profit/(loss) from discontinuing operations (after tax) (X-XI)			
XIII Profit/(Loss) for the period (IX+XII)		(824903.57)	(828069.26)
Other Comprehensive Income			
XIV A- (i) Items that will not be reclassified to profit or loss			
Actuarial Gain or (Loss)		(112.23)	32.81
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B- (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XV Total comprehensive Income for the period(XIII+XIV) (Comprising Profit/ (Loss) and Other Comprehensive Income for the period)		(825015.80)	(828036.45)
XVI Earning per equity share (for continuing operation) :			
(1) Basic (₹)		(95.31)	(106.75)
(2) Diluted (₹)		(95.31)	(106.75)
XVII Earning per equity share (for discontinuing operation) :			
(1) Basic (₹)			
(2) Diluted (₹)			
XVIII Earning per equity share (for continuing and discontinuing operation) :			
(1) Basic (₹)		(95.31)	(106.75)
(2) Diluted (₹)		(95.31)	(106.75)

Company information & Significant accounting policies 1

Notes on Accounts 29

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

(Niharika Gupta)
Company Secretary

(A.K.Awasthi)
Chief General Manager & CFO

(Sudhir Jha)
Director (Finance)
DIN - 05135780

(M.Devaraj)
Managing Director
DIN - 08677754

Place : Lucknow

Date : 23-01-2021

Subject to our report of even date
For R.M. Lall & Co.
Chartered Accountants
FRN No. 000932C

(R.P. Tewari)
Partner
M. No. 071448

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

STATEMENT OF CHANGES IN EQUITY

Equity Share Capital

Particulars	(Amount in lakh ₹)
Balance as at 1 ST April 2017	7287520.82
Changes during the year	752552.99
Balance as at 1 ST April 2018	8040073.81
Changes during the year	1078542.51
Balance as at 31 ST March 2019	9118616.32

OTHER EQUITY

(Amount in lakh ₹)

Particulars	For the year ended 31 march 2019				
	Share application money pending allotment	Capital Reserve	Restructuring Reserve	Retained Earning	Total
Balance at the beginning of the reporting period	259075.02	19595.12	55076.00	(7950329.25)	(7616583.11)
Changes in accounting policy or prior period items	0.00	0.00	0.00	0.00	0.00
Restated balance at the beginning of the reporting period	259075.02	19595.12	55076.00	(7950329.25)	(7616583.11)
Total comprehensive income for the year	0.00	0.00		(825015.80)	(825015.80)
Share application money received	1033477.57	0.00		0.00	1033477.57
Share allotted against application money	1078542.51	0.00		0.00	1078542.51
Balance at the end of the reporting period	214010.08	19595.12	55076.00	(8775345.05)	(8486663.85)

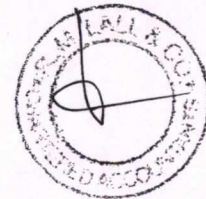
Note - In the F.Y.2017-18 the amount of Rs.74671.12 lacs was shown as Capital Reserve which includes the Restructuring Reserve amounting to Rs. 55076.00 lacs (i.e.Rs.74671.12 lacs - Rs.19595.12 lacs). Hence the Restructuring Reserve has been shown separately in the current year.

Shanku

Swathi

H

[Signature]



U.P. POWER CORPORATION LIMITED

CIN - U32201UP1999SGC024928

NOTE NO. 1

COMPANY INFORMATION & SIGNIFICANT ACCOUNTING POLICIES OF STANDALONE FINANCIAL STATEMENT

1. REPORTING ENTITY

U.P Power Corporation Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U32201UP1999SGC024928). The shares of the Company are held by the GoUP and its Nominees 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.

2. GENERAL/BASIS OF PREPARATION

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

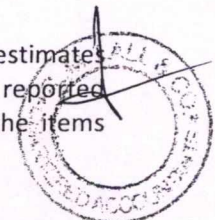
These standalone financial statements are prepared on accrual basis of accounting, unless stated otherwise, and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the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

(e) Functional and presentation currency

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

(f) Use of estimates and management judgments

The preparation of financial statements require management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of asset, liabilities, income, expenses and related disclosures concerning the items



shankh

B

H

✓

involved as well as contingent Assets and Liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factor considered reasonable and prudent in the circumstances. Actual results may differ from this estimate.

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

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

1) The 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;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for the last twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

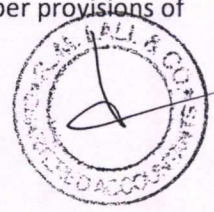
All other liabilities are classified as non-current.

3. SIGNIFICANT ACCOUNTING POLICIES

I- 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.

2.howly.



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

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).

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

IV- DEPRECIATION

- (a) Depreciation is charged on Straight Line Method as per Schedule II of the Companies Act 2013.
- (b) Depreciation on additions to / deductions from Property, Plant and Equipment during the year is charged on Pro rata basis.
- (c) Property, Plant and Equipment are depreciated up to 95% of original cost except in case of temporary erections/constructions where 100% depreciation is charged.

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.



Shankar

[Signature]

[Signature]

[Signature]

- (c) Sale of energy to subsidiary distribution companies is accounted for, on the rates decided by the management.

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 in respect of employees has been determined on the basis of actuarial valuation and has been accounted for on accrual basis.
- (b) Medical benefits and LTC are accounted for on the basis of claims received and approved during the year.
- (c) Leave encashment has been accounted for on accrual basis.

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

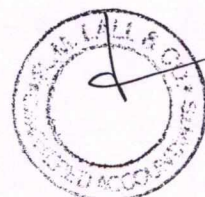
Government Grants (Including Subsidies) are recognised when there is reasonable assurance that it will be received and the company will comply the conditions attached, if any, to the grant. The amount of Grant, Subsidies and Loans are received from the State Government by the UPPCL centrally, being the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

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

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.

shanku.



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 Flow).

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:

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

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

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

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:

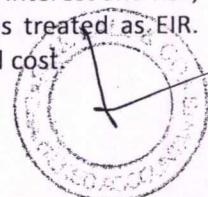
Borrowings have been measured at fair value using effective interest rate (EIR) method. Effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating interest and other expenses over the relevant period. Since each borrowings has its own separate 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

sharika









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.

(Niharika Gupta)
Company Secretary

(A. K. Awasthi)
Chief General Manager &
CFO

(Sudhir Arya)
Director (Finance)
DIN - 05135780

(M. Devaraj)
Managing Director
DIN - 08677754

Place : Lucknow
Date : 29-01-2021

Subject to our report of even date
For R. M. Lall & Co.
Chartered Accountants
FRN No. 000932C

(R. P. Tewari)
Partner
M.No. 071448



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

CIN - U32201UP1999SGC024928

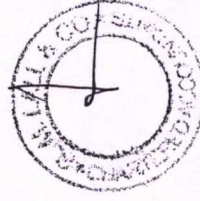
NOTE - 2

PROPERTY PLANT AND EQUIPMENT

2018-19

Particulars	Gross Block				Depreciation			Net Block	
	As at 01.04.2018	Additions	Deductions / Adjustments*	As at 31.03.2019	As at 01.04.2018	Additions **/PPE Adjustment	Deductions / Adjustments*	As at 31.03.2019	As at 31.03.2019
Land & Land Rights	470.45	0.00	0.00	470.45	0.00	0.00	0.00	0.00	470.45
Buildings	4775.82	46.15	0.00	4821.97	1394.50	99.16	0.00	1493.66	3328.31
Other Civil Works	674.42	0.00	0.00	674.42	383.25	15.35	0.00	398.60	275.82
Plant & Machinery	866.96	107.56	0.00	974.52	340.96	69.13	0.00	410.09	564.43
Vehicles	220.20	9.57	14.92	214.85	99.82	11.80	10.19	101.43	113.42
Furniture & Fixtures	511.96	73.33	0.00	585.29	96.84	33.96	0.00	130.80	454.49
Office Equipments	1555.59	409.16	0.00	1964.75	969.14	131.56	0.00	1100.70	864.05
TOTAL	9075.40	645.77	14.92	9706.25	3284.51	360.96	10.19	3635.28	6070.97
Previous Year	7943.81	1160.10	28.51	9075.40	2972.45	333.86	21.80	3284.51	5790.89

*Deduction/Adjustment made during the year under Gross Block & Depreciation represents obsolete vehicles which were written off during the year.



Handwritten signatures and initials:
 - A large signature on the left.
 - Initials 'HJ' in the middle.
 - A checkmark on the right.
 - The name 'Shankar' written vertically on the far left.

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 3

CAPITAL WORKS IN PROGRESS

PARTICULARS	(Amount in lakh ₹)			
	As at 01.04.2018	Additions	(Deduction)/ Adjustments	Capitalised As at 31.03.2019
Capital Work in Progress *	613.45	874.33	(839.28)	645.77
GRAND TOTAL	613.45	874.33	(839.28)	2.73

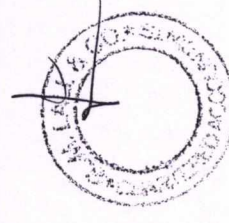
* It includes Employee cost related to works.

NOTE - 4

INTANGIBLE ASSETS

2018-19

Particulars	Gross Block				Amortization			Net Block	
	As at 01.04.2018	Additions	Deductions / Adjustments	As at 31.03.2019	As at 01.04.2018	Additions /PPE Adjustment	Deductions / Adjustments	As at 31.03.2019	As at 31.03.2019
Software	115.17	224.20	0.00	339.37	18.18	33.37	0.00	51.55	287.82
TOTAL	115.17	224.20	0.00	339.37	18.18	33.37	0.00	51.55	287.82
Previous Year	34.32	80.85	0.00	115.17	1.06	17.12	0.00	18.18	96.99



Hij

Signature



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

NOTE - 5

FINANCIAL ASSETS - INVESTMENTS (NON-CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019		As at 31.03.2018	
LONG TERM INVESTMENT IN EQUITY INSTRUMENT AT COST (Unquoted)				
TRADE INVESTMENTS				
I Subsidiaries				
(a) KESCO				
1655834838 Equity Shares of ₹10/- each Fully paid up.	165583.48		132701.74	
(1327017426) Equity Shares of ₹10/- each Fully paid up.)				
From this 60000000 shares are allotted for consideration other than cash pursuant to KESA Zone EDU scheme 2000				
Share Application Money pending for allotment	30000.93		36648.04	
	195584.41		169349.78	
	195584.41	0.00	169349.78	0.00
Less - Provision for impairment in investment				
(b) Dakshinanchal VVNL				
168809500 Equity shares of ₹ 1000/- each fully paid up	1688095.00		500226.19	
(50022619) Equity Shares of ₹1000/- each Fully paid up.)				
Share Application Money pending for allotment	153168.01		1129227.49	
	1841263.01		1629453.68	
	1841263.01	0.00	1629453.67	0.01
Less - Provision for impairment in investment				
(c) Madhyanchal VVNL				
125532516 Equity shares of ₹ 1000/- each fully paid up	1255325.16		1069899.37	
(106989937) Equity Shares of ₹1000/- each Fully paid up.)				
Share Application Money pending for allotment	488716.06		424217.63	
	1744041.22		1494117.00	
	1475318.68	268722.54	1397870.45	96246.55
Less - Provision for impairment in investment				
(d) Paschimanchal VVNL				
143977314 Equity shares of ₹ 1000/- each fully paid up	1439773.14		888209.33	
(88820933) Equity Shares of ₹1000/- each Fully paid up.)				
Share Application Money pending for allotment	28158.29		420331.40	
	1467931.43		1308540.73	
	1467931.43	0.00	1308540.72	0.01
Less - Provision for impairment in investment				
(e) Purvanchal VVNL				
159907491 Equity shares of ₹ 1000/- each fully paid up	1599074.91		1362181.25	
(136218125) Equity Shares of ₹1000/- each Fully paid up.)				
Share Application Money pending for allotment	270769.27		236893.67	
	1869844.18		1599074.92	
	1869844.18	0.00	1599074.92	0.00
Less - Provision for impairment in investment				
(f) Sonebhadra PGCL				
62023 Equity shares of ₹ 1000/- each fully paid up	620.23		6.65	
(665) Equity Shares of ₹1000/- each Fully paid up.)				
Share Application Money pending for allotment	620.23		6.65	
	620.23	0.00	6.65	0.00
Less - Provision for impairment in investment				
(h) Southern U.P. Power Transmission Co. Ltd.				
2216300 Equity Shares of ₹10/- each Fully paid up.)	221.63		5.00	
(50000) Equity Shares of ₹10/- each Fully paid up.)				
Share Application Money pending for allotment	160.72	60.91	5.00	0.00
Less - Provision for impairment in investment				
II Associates				
(a) Yamuna Power generation Co. Ltd.				
660111 Equity shares of ₹ 10/- each fully paid up	66.01		1.25	
(12500) Equity Shares of ₹10/- each Fully paid up.)				
Share Application Money pending for allotment	66.01	0.00	1.25	0.00
Less - Provision for impairment in investment				
III Others				
(a) UPPTCL				
22133352 Equity shares of ₹ 1000/- each fully paid up	221333.52		221333.52	
(22133352) Equity Shares of ₹1000/- each Fully paid up.)				
from this 18429700 shares are allotted for consideration other than cash.				
Share Application Money pending for allotment	18072.31		18072.31	
	239405.83		239405.83	
	30806.60	208599.23	20715.83	218690.00
Less - Provision for impairment in investment				
(b) BONDS (Listed and AAA Rated)				
i) 7.75% PFC Bonds	17400.00		17400.00	
ii) 7.59% HUDCO Bonds	4900.00		4900.00	
TOTAL	499682.68		337236.57	

1 Aggregate amount of unquoted investment in equity shares & Share Application Money as on 31.03.2019 is ₹ 7358977.96 lakhs)
 (Previous year ₹ 6439954.83 lakhs)

2 Aggregate amount of provision for impairment made upto 31.03.2019 are ₹ 6881595.27 (Previous year ₹ 6125018.27 lakhs)

3 Considering the accumulated losses of Discoms / UPPTCL / Yamuna PGCL & Southern PTCL a Provision for impairment has been made during the year are ₹ 756577.00 lakhs)
 (Previous year ₹ 818782.30 lakhs)

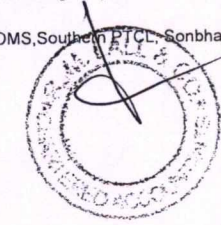
4 The amount of provision for impairment is based on net worth calculated on the basis of balance sheets of DISCOMS, Southern PTCL, Sonebhadra, Yamuna PGCL and UPPTCL for F.Y. 2018 -19 .

shank

[Signature]

H/1

[Signature]





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 6

LOANS & OTHER FINANCIAL ASSETS (NON-CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019		As at 31.03.2018	
A LOANS				
Noida Power Corporation Ltd. (Licensee)				
Unsecured and considered doubtful				
Loan	568.43		568.43	
Interest Accrued & Due	10818.83		9339.21	
	11387.26		9907.64	
Less - Provision for Bad & Doubtful Debts Loan & interest	11387.26	0.00	9907.64	0.00
B Receivables on account of Loan				
(Unsecured and Considered good)				
Madhyanchal VVNL	552188.84		805505.34	
Paschimanchal VVNL	475657.89		592598.89	
Dakshinanchal VVNL	897614.59		1224857.59	
Purvanchal VVNL	723949.30		1066458.80	
KESCO	135668.37	2785078.99	122078.37	3811498.99
C Advances to Capital Suppliers / Contractors				
Secured and Considered Good	14.27		14.27	
Considered Dobtful	1.59		1.59	
	15.86		15.86	
Less - Provision for Doubtful Advances	1.59	14.27	1.59	14.27
TOTAL		2785093.26		3811513.26

Note in respect of 'A' -The figure in respect of KESCO for the year ended 31-03-2018 relating to Interest Accrued & Due on Secured & Unsecured Loan & Bad Debts written off have not been shown this year as the interest was finally written off in the year 2017-18 (Refer note no. 29(8))

NOTE - 7

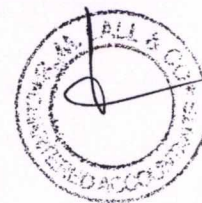
INVENTORIES

(Amount in ₹)

Particulars	As at 31.03.2019		As at 31.03.2018	
A Stores and Spares				
Stock of Materials - Capital Works	99.54		99.54	
Stock of materials - O & M	69.70	169.24	69.70	169.24
B Others		0.65		0.65
SUB TOTAL		169.89		169.89
Less - Provision for Unserviceable Stores		13.35		13.35
TOTAL		156.54		156.54

Inventories are valued at cost.

shankh





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

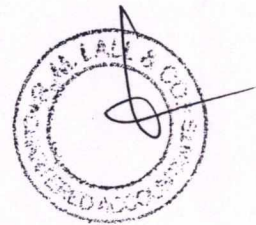
NOTE -8

FINANCIAL ASSETS - TRADE RECEIVABLES (CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019		As at 31.03.2018	
Sundry Debtors	52297.94		52297.94	
Less - Provision for Bad & Doubtful Debts	<u>30225.06</u>	22072.88	<u>30225.06</u>	22072.88
Debtors - Sale of Power (Subsidiary)				
KESCO	104956.53		45462.19	
Dakshinanchal VVNL	591702.56		241221.97	
Madhyanchal VVNL	615118.89		377422.38	
Paschimanchal VVNL	237343.14		121788.99	
Purvanchal VVNL	1449421.62		1130653.86	
Debtors Unbilled revenue	<u>88131.18</u>		<u>242190.78</u>	
SUB TOTAL	3086673.92		2158740.17	
Less - Provision for Bad & Doubtful Debts	<u>154333.70</u>	2932340.22	<u>107937.01</u>	2050803.16
Total		2954413.10		2072876.04
<u>Debts outstanding for a period exceeding six months from the date they are due for payment</u>				
Secured & Considered Good	-		-	
Unsecured & Considered Good	1091511.49		881496.35	
Considered Doubtful	<u>86511.30</u>		<u>75457.87</u>	
	1178022.79		956954.22	
Other Debts				
Unsecured & Considered Good	1862901.62		1191379.70	
Considered Doubtful	<u>98047.45</u>		<u>62704.19</u>	
	1960949.07	3138971.86	1254083.89	2211038.11
Less - Provision for Bad & Doubtful Debts		184558.76		138162.07
TOTAL		2954413.10		2072876.04

Shanku





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 9

Financial Assets - CASH AND CASH EQUIVALENTS (CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019		As at 31.03.2018	
A Balances with Banks				
In Current & Other account	162414.81		140394.36	
In Fixed Deposit accounts	91.00	162505.81	7474.50	147868.86
B Cash on Hand				
Cash in Hand (Including Stamps in hand)	1.45		1.88	
Cash Imprest with Staff	1.61	3.06	3.70	5.58
TOTAL		162508.87		147874.44

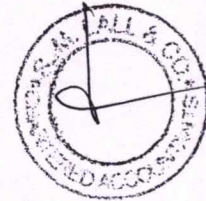
NOTE - 10

Financial Assets - Bank Balances other than above (Current)

(Amount in lakh ₹)

Particulars	As at 31.03.2019		As at 31.03.2018	
Deposits having maturity more than 3 months but not more than 12 months		43257.11		55162.58
TOTAL		43257.11		55162.58

Shankar .





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 11

Financial Assets - OTHER (CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018	
Receivables (Unsecured) -			
Uttranchal PCL	0.00	19260.86	
UPRVUNL	255.27	206.91	
UPPTCL	13928.78	11316.28	
IREDA	0.00	331.17	
Sub Total	14184.05	31115.22	
Subsidiaries (Unsecured) -			
KESCO	1829.38	1586.29	
Dakshinanchal VVNL	8112.77	7280.32	
Madhyanchal VVNL	9201.49	8262.02	
Paschimanchal VVNL	12596.60	11092.15	
Purvanchal VVNL	8579.71	7662.38	
Sub Total	40319.95	35883.16	
Employees	0.22	0.50	
Others	66502.92	72612.32	
Total	121007.14	139611.20	
Less - Provision for Doubtful Receivables	12100.71	13961.12	125650.08
Receivables on account of Loan (Unsecured)			
Madhyanchal VVNL	485789.88	233719.45	
Less - Liabilities against Loan	91626.67	88469.53	145249.92
Paschimanchal VVNL	383208.71	222251.50	
Less - Liabilities against Loan	110977.59	110050.56	112200.94
Dakshinanchal VVNL	733115.65	494990.21	
Less - Liabilities against Loan	97613.60	95194.37	399795.84
Purvanchal VVNL	650239.45	311983.29	
Less - Liabilities against Loan	114237.98	112030.64	199952.65
KESCO	37650.95	63635.73	
Less - Liabilities against Loan	42.59	0.00	63635.73
Total	1984412.64	1046485.16	

Liabilities against loan shown as deduction from Receivables on account of loan relates to grant received from GOUP and misc. receipts from departments of GOUP on behalf of the subsidiaries.

NOTE - 12

OTHER CURRENT ASSETS

(Amount in lakh ₹)

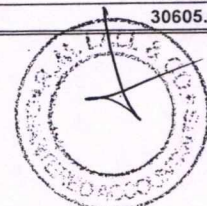
Particulars	As at 31.03.2019	As at 31.03.2018	
UP Power Sector Employee Trust			
Provident Fund	17669.14	1638.93	
Pension and Gratuity Liability	(621.00)	(556.58)	1082.35
ADVANCES (Unsecured/Considered Good)			
Suppliers / Contractors	16160.53	11563.82	
Less - Provision for Doubtful Advances	1616.05	1156.38	10407.44
Tax deducted at source		1552.88	1423.05
Advance Income Tax		13.28	13.28
Fringe Benefit Tax - Advance Tax	52.78	52.78	
Less - Provision	41.03	11.75	11.75
Income Accrued & Due	504.53	658.44	
Income Accrued but not Due	827.61	925.30	
Prepaid Expenses	349.67	391.15	
Inter Unit Transactions	15440.75	15692.89	
Total	50293.09	30605.65	

Shanku

Q

H

✓





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

NOTE - 13

EQUITY SHARE CAPITAL

Amount in lakh ₹)

Particulars	Amount in lakh ₹)	
	As at 31.03.2019	As at 31.03.2018
(A) AUTHORISED :		
1250000000 Equity shares of par value of ₹1000/- each (previous year 900000000 Equity shares of par value ₹1000/- each)	12500000.00	9000000.00
(B) ISSUED SUBSCRIBED AND FULLY PAID UP		
911861632 Equity shares of par value ₹1000/- each (previous year 804007381 Equity shares of par value ₹1000/- each) (of the above shares 36113400 were allotted as fully paid up pursuant to UP Power Sector Reform Scheme for consideration other than cash)	9118616.32	8040073.81
TOTAL	9118616.32	8040073.81

- a) During the year, the Company has issued 107854251 Equity shares of ₹1000 each only and has not bought back any shares.
b) The Company has only one class of equity shares having at par value ₹ 1000/- per share.
c) During the year ended 31st March 2019, no dividend has been declared by board due to heavy accumulated losses.
d) Authorised capital of the company has been increased from ₹900000000000 (As at 31-03-2018) to ₹1250000000000 (As at 31-03-2019) with the approval of shareholders in the Extra as Ordinary General Meeting of the company held on 14th June 2018. The, previous year figures of the authorised capital has been restated as the amount for the same was inadvertently shown as ₹1250000000000 instead of ₹900000000000

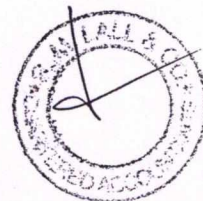
d) Detail of Shareholders holding more than 5% shares in the Company:

Shareholder's Name	As at 31.03.2019		As at 31.03.2018	
	No. of shares	%age holding	No. of shares	%age holding
Government of UP	911861632	100%	804007381	100%

e) Reconciliation of No. of Shares

No. of Shares as on 31.03.2018	Issued during the year	Buyback during the year	No. of Shares as on 31.03.2019
804007381	107854251	-	911861632

shank





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

NOTE - 14

OTHER EQUITY

(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
A Capital Reserves		
Others	19595.12	19595.12
B Other Reserves		
Restructuring Reserve	55076.00	55076.00
Surplus		
As per last financial statement	(7950329.25)	(7120254.59)
Change in Accounting Policy or Prior Period items	0.00	(2038.21)
Restated Balance	(7950329.25)	(7122292.80)
Add:- Profit/(Loss) for the year as per statement of Profit & Loss	(825015.80) (8775345.05)	(828036.45) (7950329.25)
SUB TOTAL	(8700673.93)	(7875658.13)

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

(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Share Application Money	214010.08	259075.02
(Pending for allotment to the Govt. of UP)		
SUB TOTAL	214010.08	259075.02
GRAND TOTAL	(8486663.85)	(7616583.11)

(Amount in lakh ₹)

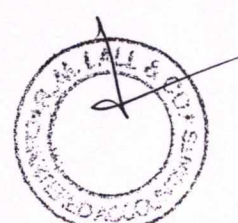
Share Application Money as on 31.03.2018	Received during the year	Allotted during the year	Share Application Money as on 31.03.2019
259075.02	1033477.57	1078542.51	214010.08

Signature

Signature

Signature

Signature





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 15

FINANCIAL LIABILITIES - BORROWINGS (NON CURRENT)

(Amount in lakh ₹)

PARTICULARS	As at 31.03.2019	As at 31.03.2018	
BONDS/LOANS RELATE TO DISCOMS			
(a) Dakshinanchal VVNL			
<u>SECURED</u>			
Non Convertible Bonds	634614.71	658630.00	
<u>UNSECURED</u>			
Non Convertible Bonds	402294.59	402294.59	
REC	117359.53	138511.21	
PFC	188677.14	114532.10	
<u>UP GOVERNMENT</u>			
UDAY SCHEME	166899.16	333798.33	
OTHER	18862.93	0.00	1647766.23
(b) Madhyanchal VVNL			
<u>SECURED</u>			
Non Convertible Bonds	412479.12	428870.00	
<u>UNSECURED</u>			
Non Convertible Bonds	193338.84	193338.84	
REC	121084.71	102495.41	
PFC	164821.20	93604.88	
<u>UP GOVERNMENT</u>			
UDAY SCHEME	94675.44	189350.88	
OTHER	11791.41	0.00	1007660.01
(c) Paschimanchal VVNL			
<u>SECURED</u>			
Non Convertible Bonds	207700.29	139202.15	
<u>UNSECURED</u>			
Non Convertible Bonds	145457.89	220815.75	
REC	200700.29	148097.23	
PFC	172559.58	89486.55	
<u>UP GOVERNMENT</u>			
UDAY SCHEME	94320.04	188640.08	
OTHER	11502.15	0.00	786241.76
(d) Purvanchal VVNL			
<u>SECURED</u>			
Non Convertible Bonds	613355.88	638080.00	
<u>UNSECURED</u>			
Non Convertible Bonds	239599.30	239599.30	
REC	141706.00	129311.87	
PFC	185760.06	102438.28	
<u>UP GOVERNMENT</u>			
UDAY SCHEME	107421.58	214843.16	
OTHER	15538.27	0.00	1324272.61
(e) Kesco			
<u>SECURED</u>			
Non Convertible Bonds	58730.00	58730.00	
<u>UNSECURED</u>			
Non Convertible Bonds	56938.37	56938.37	
REC	7510.81	3275.45	
PFC	20412.41	3614.66	
LOAN			
<u>UP GOVERNMENT</u>			
UDAY SCHEME	25855.78	51711.55	
OTHER	3850.26	0.00	174270.03
GRAND TOTAL	4835817.74	4948210.64	

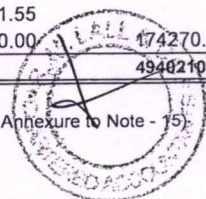
Note - The terms of repayment, default details and security/guarantee details have been annexed with this note. (Refer Annexure to Note - 15)

Signature

Signature

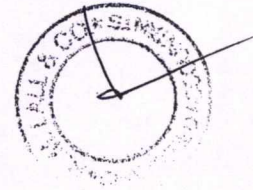
Signature

Signature



Annexure to Note - 15

Name of Bank	Repayment Terms				Outstanding as on 31.03.2019			Default as on 31.03.2019			Aggregate Amount of Guaranteed Loans	Security		
	Drawal Date	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest			Principal Default w.e.f.	Interest Default w.e.f.
Long Term Borrowing														
SECURED														
BONDS														
MVNL	17.02.17/	10 Years	Jul-19	8.97%/8.48%/9.75%/10.15%		428870.00		428870.00	-	-	-	-	428870.00	Receivables and Govt Guarantee
PoorVVNL	27.03.17/					638080.00		638080.00					638080.00	
PasVVNL	05.12.17/					214560.01		214560.01					214560.01	
DVVNL	27.03.18					658630.01		658630.01					658630.01	
KESCO						58730.00		58730.00					58730.00	
						1998870.02	0.00	1998870.02	0.00	0.00	0.00	0.00	1998870.02	
						71990.02		71990.02						
						1926880.00	0.00	1926880.00						
UNSECURED														
BONDS:														
MVNL	04.07.16/	15 Years	Sep-20	9.70%		193338.84		193338.84					193338.84	
PoorVVNL	28.09.16/3					239599.30		239599.30					239599.30	
PasVVNL	0.03.17					145457.89		145457.89					145457.89	
DVVNL						402294.59		402294.59					402294.59	
KESCO						56938.37		56938.37					56938.37	
						1037628.99	0.00	1037628.99	0.00	0.00	0.00	0.00	1037628.99	Guarantee of GoUP
REC														
MVNL		24/84 EMI & 12/17/28/32 QY		10.25% to 11.80%		131789.00		131789.00					131789.00	
PoorVVNL	Sep-15		Jun-16			167344.72		167344.72					167344.72	
PasVVNL						214077.25		214077.25					214077.25	
DVVNL						145191.52		145191.52					145191.52	
Kesco						10788.68		10788.68					10788.68	
						669191.17	0.00	669191.17	0.00	0.00	0.00	0.00	669191.17	Guarantee of GoUP
						80829.83		80829.83						
						588361.34	0.00	588361.34						
PFC														
MVNL	Sep-15	24 EMI & 12/17/20/28 QTY	Jun-16	10.10% to 11.89%		178444.54		178444.54					178444.54	
PoorVVNL						201869.36		201869.36					201869.36	
PasVVNL						183813.75		183813.75					183813.75	
DVVNL						216081.51		216081.51					216081.51	
Kesco						23467.29		23467.29					23467.29	
						803676.45	0.00	803676.45	0.00	0.00	0.00	0.00	803676.45	Guarantee of GoUP
						71446.06		71446.06						
						732230.39	0.00	732230.39						



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE- 16

FINANCIAL LIABILITIES - OTHERS (NON CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Leave Encashment	6231.50	5716.38
Gratuity	543.35	362.12
TOTAL	6774.85	6078.50

NOTE- 17

FINANCIAL LIABILITIES - BORROWINGS (CURRENT)

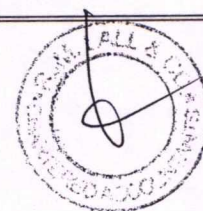
(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<u>Overdraft from Banks</u>		
Central Bank of India (Pari Passu charge on Receivables and Other Current Assets of Corporation)	53.82	1656.30
Punjab National Bank (Pari Passu charge on Receivables of Corporation)	1106.89	2846.86
Punjab National Bank MID (Pari Passu charge on Receivables of Corporation)	27933.71	30131.42
Allahabad Bank (Pari Passu charge on Receivables of Corporation)	28.22	27842.89
ICICI Bank (Pari Passu charge on Receivables of Corporation)	20793.52	25828.52
Oriental Bank of Commerce (Pari Passu charge on Receivables of DISCOMS)	0.00	0.02
Bank of India (Pari Passu charge on Receivables of DISCOMS)	49433.90	49596.17
	99350.06	137902.18
<u>Loans relates to DISCOMS (Unsecured)</u>		
(a) <u>Dakshinanchal VVNL</u> New Okhla Industrial Dev. authority	3500.25	3500.25
(b) <u>Madhyanchal VVNL</u> New Okhla Industrial Dev. authority	3202.75	3202.75
(c) <u>Paschimanchal VVNL</u> New Okhla Industrial Dev. authority	2942.75	2942.75
(d) <u>Purvanchal VVNL</u> New Okhla Industrial Dev. authority	4299.45	4299.45
(e) <u>Kesco</u> New Okhla Industrial Dev. authority	1054.80	1054.80
	15000.00	15000.00
TOTAL	114350.06	152902.18

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

shankh

H





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE-18

FINANCIAL LIABILITIES -TRADE PAYABLE (CURRENT)

(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Liability for Purchase of Power	2543827.38	1728554.07
TOTAL	2543827.38	1728554.07

NOTE-19

Other Financial Liabilities (CURRENT)

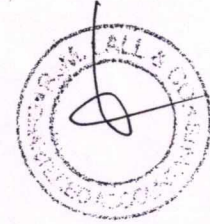
(Amount in lakh ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Current Maturity of Long Term Borrowings	224265.91	182868.53
Liability for Capital Supplies/ Works	71.03	24.58
Liability for O & M Supplies / Works	162.09	1.02
Deposits & Retentions from Suppliers & Others	40885.51	8988.47
Deposit works	0.00	103.80
* Liabilities towards UPPCL CPF Trust	42.89	21.63
Interest Accrued but not Due on Borrowings	54741.10	39462.42
Staff Related Liabilities	6014.66	6016.30
Sundry Liabilities	17124.74	10236.79
Payable to UPJVNL	8839.81	8851.16
Liabilities for Expenses	1308.57	600.78
TOTAL	353456.31	257175.48

Note:- Details of Current Maturity of Long Term Borrowings is annexed with this Note. (Refer Annexure to Note - 19)

* Includes interest on CPF

shankar



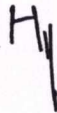
Statement of Current Maturity of Long-Term Borrowings

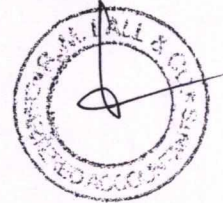
(Amount in lakh ₹)

F.Y. 2018-19					
I	Loans Relate to Discoms				
Sl. No.	Name of the Discom	Bonds	REC	PFC	Total
1	MVVNL	16390.88	10704.29	13623.34	40718.51
2	PoorVVNL	24724.12	25638.72	16109.31	66472.15
3	PasVVNL	6859.71	13376.96	11254.16	31490.83
4	DVVNL	24015.29	27832.00	27404.38	79251.67
5	KESCO	0.00	3277.87	3054.88	6332.75
	Total	71990.00	80829.84	71446.07	224265.91
Total Current Maturity of Long-Term Borrowings					224265.91

F.Y. 2017-18					
I	Loans Relate to Discoms				
Sl. No.	Name of the Discom	Bonds	REC	PFC	Total
1	Madhyanchal VVNL	11791.41	5500.00	11070.63	28362.04
2	Purvanchal VVNL	15538.27	21172.65	13159.10	49870.02
3	Paschimanchal VVNL	11502.15	5415.00	8748.74	25665.89
4	Dakshinanchal VVNL	18862.93	24722.35	24996.04	68581.32
5	KESCO	3850.26	3484.12	3054.88	10389.26
	Total	61545.02	60294.12	61029.39	182868.53
Total Current Maturity of Long-Term Borrowings					182868.53

2. handla





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 20

REVENUE FROM OPERATIONS (GROSS)

(Amount in lakh ₹)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018		
SALE OF POWER				
Supply in Bulk				
<u>Subsidiaries</u>				
Dakshinanchal VVNL	1162242.96	1073408.91		
Madhyanchal VVNL	1119978.80	916201.69		
Paschimanchal VVNL	1591015.32	1457360.54		
Purvanchal VVNL	1194093.54	997211.49		
KESCO	229547.01	198309.59		
Unbilled amount of Sale of Power	81766.61	5378644.24	85087.51	4727579.73
TOTAL	5378644.24	4727579.73		

(i) At the end of the year, the provision for unbilled revenue (sale of power) has been done. In the beginning of the next year the provision shall be withdrawn and the billing shall be done in normal way.

(ii) Refer note No. 29(9) for prior period adjustment.

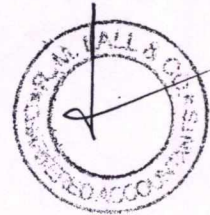
NOTE - 21

OTHER INCOME

(Amount in lakh ₹)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018		
a Interest from :				
Loans to Staff	1.63	2.21		
Loans to NPCL (Licencee)	1479.62	1287.36		
Fixed Deposits	6592.87	1768.65		
Others	2030.09	10104.21	3714.95	6773.17
b Other non operating income				
Income from Contractors/Suppliers	37.00	22.50		
Rental from Staff	41.42	26.48		
Miscellaneous Receipts	591.40	669.82	2869.90	2918.88
TOTAL	10774.03	9692.05		

ahav/10





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 22

PURCHASE OF POWER

(Amount in lakh ₹)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Power Purchased from Generators & Traders -	4884763.56	4395278.75
Surcharge	115949.05	45436.30
Unscheduled Interchange & Reactive Energy Charges	12385.89	31554.73
Inter-state Transmission & Related Charges to -	408403.77	286663.27
TOTAL - Purchase of Power	5421502.27	4758933.05
Less - Rebate against Power Purchase	42858.03	31347.84
TOTAL	5378644.24	4727585.21

(i) Power purchased includes net of purchase and sale through Indian Energy Exchange Limited, India.

NOTE - 23

Employee benefits expense

(Amount in lakh ₹)

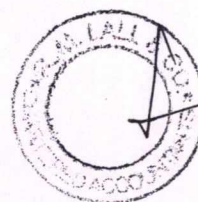
Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Salaries & Allowances	16722.93	15554.30
Staff Welfare Expenses	179.33	148.03
Pension & Gratuity	1709.81	1812.14
Other Terminal Benefits	348.43	317.29
Expenditure on Trust	11.68	11.65
SUB TOTAL	18972.18	17843.41
LESS - Expenses Capitalised	76.03	147.33
TOTAL	18896.15	17696.08

shankar

Q

H

✓





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 24

FINANCE COSTS

(Amount in lakh ₹)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Bank Charges	0.93	0.28
Interest to CPF Trust	4.05	2.99
GRAND TOTAL	4.98	3.27

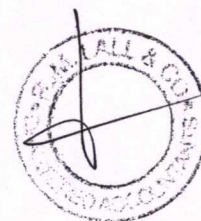
NOTE - 25

DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in lakh ₹)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Depreciation on -		
Buildings	99.16	91.87
Other Civil Works	15.35	15.35
Plant & Machinery	69.13	52.58
Vehicles	11.80	12.13
Furniture & Fixtures	33.96	28.04
Office Equipments	131.56	133.89
Intangible Assets	33.37	17.12
	<u>394.33</u>	<u>350.98</u>
GRAND TOTAL	394.33	350.98

shorby





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 26

ADMINISTRATIVE, GENERAL & OTHER EXPENSES

(Amount in lakh ₹)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Rent	1.75	4.94
Insurance	5.82	6.56
Communication Charges	83.17	81.78
Legal Charges	761.80	499.89
Auditors Remuneration & Expenses		
Audit Fee	5.00	4.68
GST/Service Tax	0.90	0.84
Consultancy Charges	1297.80	676.64
Technical Fees & Professional Charges	3077.19	482.68
Travelling and Conveyance	478.29	401.77
Printing and Stationery	164.85	151.66
Advertisement Expenses	144.16	193.48
Electricity Charges	266.46	536.71
Entertainment	12.91	6.21
Expenditure on Trust	1.19	1.33
Miscellaneous Expenses	1972.02	1466.34
TOTAL	8273.31	4515.51

NOTE - 27

REPAIRS AND MAINTENANCE

(Amount in lakh ₹)

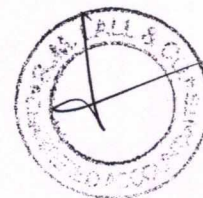
Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Plant & Machinery	266.83	372.88
Buildings	1235.08	1117.15
Other Civil Works	4.23	12.95
Vehicles - Expenditure	400.34	229.61
Less - Transferred to different Capital & O&M Works/Administrative Exp.	400.34	229.61
Furniture & Fixtures	2.51	7.22
Office Equipments	343.94	165.48
TOTAL	1852.59	1675.68

2.handy

Q

H

✓





U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

CIN - U32201UP1999SGC024928

NOTE - 28

BAD DEBTS & PROVISIONS

(Amount in lakh ₹)

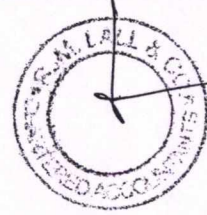
Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Bad Debts written off - Others	3203.67	0.00
PROVISIONS		
Doubtful Debts (Sale of Power)	46396.69	(2083.62)
Doubtful Loans and Advances		
Other Current Assets	459.67	1.15
Financial Assets Others (Non Current)	0.00	(16.84)
Loans (Non Current)	1479.62	(2940.61)
	1939.29	(2956.30)
Doubtful Financial Assets (Others)	(1860.41)	(228.07)
Provision for impairment in investment	756577.00	818782.30
TOTAL	806256.24	813514.31

Shankar

Q

H

✓



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

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31st MARCH 2019

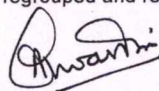
(₹ in Lakhs)

	2018-19	2017-18
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before Taxation & Extraordinary items	(824,903.57)	(828,069.26)
Adjustment For:		
a Depreciation	394.33	350.98
b Interest & Financial Charges	4.98	3.27
c Bad Debts & Provision	806,256.24	813,514.31
d Interest Income	(10,104.21)	(6,773.17)
Sub Total	796,551.34	807,095.39
Operating Profit Before Working Capital Change	(28,352.23)	(20,973.87)
Adjustment for:		
a Inventories	-	3.68
b Trade Receivable	(927,933.75)	41,672.41
c Other Current Assets	(20,147.11)	(2,286.09)
d Financial assets-others	(939,270.74)	94,188.26
e Other financial Liab.	96,168.60	89,336.61
f Financial Liabilities-Borrowings	(38,552.12)	37,053.02
g Trade Payable	815,273.31	(4,731.47)
h Bank balance other than cash	11,905.47	(24,951.37)
Sub Total	(1,002,556.34)	230,285.05
NET CASH FROM OPERATING ACTIVITIES (A)	(1,030,908.57)	209,311.18
B CASH FLOW FROM INVESTING ACTIVITIES		
a Decrease (Increase) in Property, Plant & Equipment	(30.32)	(1,764.24)
b (Increase)/Decrease in Investments	(919,023.11)	(923,099.47)
c Decrease/(Increase) in Loans & Other financial assets Non-Current Assets	1,024,940.38	(1,466,715.93)
d Interest Incomes	10,104.21	6,773.17
e Decrease (Increase) in Intangible assets	(224.20)	(80.85)
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	115,766.96	(2,384,887.32)
C CASH FLOW FROM FINANCING ACTIVITIES		
a Proceeds from Borrowing	(104,392.90)	1,444,171.47
b Proceeds from Share Capital	1,033,477.57	683,912.48
c Proceed from other equity	-	(2,038.21)
d Other long term liabilities	696.35	203.21
e Interest & Financial Charges	(4.98)	(3.27)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	929,776.04	2,126,245.68
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	14,634.43	(49,330.46)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	147,874.44	197,204.90
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note no.10)	162,508.87	147,874.44

Notes to the Cash-Flow Statement

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


(Niharika Gupta)
Company Secretary


(A.K. Awasthi)
Chief General Manager & CFO

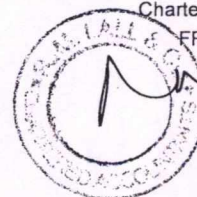

(Sudhir Arora)
Director (Finance)
DIN - 05133780


(M. Devaraj)
Managing Director
DIN - 08677754

Place : Lucknow

Date : 29-01-2021

Subject to our report of even date
For R M Lall & Co.
Chartered Accountants
FRN No. 000932C



(R.P. Tewari)
Partner
M. No. 071448

U.P. POWER CORPORATION LIMITED

CIN - U32201UP1999SGC024928

NOTE NO. 29

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2019 AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON THAT DATE

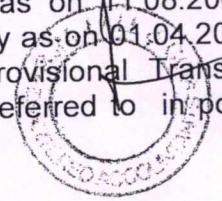
1. (a) U.P. Power Corporation Limited (the "Company") was incorporated under the Companies Act, 1956 on 30.11.1999 and commenced the business w.e.f. 15.01.2000 in terms of Government of U.P. Notification No. 149/P-1/2000-24 dated 14.01.2000.
 - (b) Vide Govt. of U.P. Notification No. 186/XXIV-I-2000 dt. Jan 15, 2000 the distribution business of KESA Zone of erstwhile UPSEB has been transferred to KESCO, as wholly owned subsidiary company of the company, w.e.f. 15.1.2000.
 - (c) Due to division of State of Uttar Pradesh a separate State named Uttaranchal (now Uttarakhand) came into existence w.e.f. 09.11.2001 and a separate Corporation Uttaranchal Power Corporation Ltd. had taken over commercial operations in the State of Uttaranchal as per Govt. of India notification no. 42/7/2000-R&R dated 05.11.2001.
 - (d) The distribution business of U.P. Power Corporation Ltd. was transferred to subsidiary companies viz. Madhyanchal Vidyut Vitran Nigam Ltd., Lucknow, Paschimanchal Vidyut Vitran Nigam Ltd., Meerut, Poorvanchal Vidyut Vitran Nigam Ltd., Varanasi & Dakshinanchal Vidyut Vitran Nigam Ltd., Agra (Known as DISCOMs) on 11.08.2003 as per The Uttar Pradesh Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 issued vide GoUP Notification No. 2740/P-1-2003-24-14P/2003 dated 12.08.2003.
 - (e) The State Government through Gazette Notification No. 2974(1)/24-P-2-2010, Dated 23 Dec 2010 made a Provisional Transfer Scheme for the purpose of transfer of the transmission activities including Assets, Liabilities and related proceedings from U.P. Power corporation Ltd. to the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL/TRANSCO). In terms of this Scheme, the transfer was made effective from 01.04.2007, the date since which the company and UPPTCL have started working as separate entities for purchase/sale of Bulk power and transmission work respectively.
2. (a) As per Final Transfer Schemes of Discoms and Transco issued vide notification no. 1528/24-P-2-2015-SA(218)-2014 dated 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 company 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

shahid



H 1





1(d) and 1(e) above.

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

- (b) The assets and liabilities relating to Uttaranchal Power Corporation Ltd. were transferred as per an agreement dated 12.10.2003 with Uttaranchal Power Corporation Ltd., w.e.f. 09.11.01.
- (c) The receivable from Uttarakhand Power Corporation Ltd. amounting to Rs. 192.61 Crore as on 31.03.2019 (Refer Note-11) has now been mutually settled and the same has been approved by the Board of Directors of the company in their meeting held on 18th December, 2019. Accordingly, the amount of Rs. 160.58 Crore payable to Uttarakhand Power Corporation Ltd. by U.P. Power Sector Employees Trust on account of GPF contribution has been adjusted against the above receivable amounting to Rs. 192.61 Crore and the same has been accounted for by the company as receivable from U.P. Power Sector Employees Trust (Ref Note-12) and the balance amount of Rs. 32.03 Crore i.e (Rs. 192.61 Crore - Rs.160.58 Crore) has finally been written off and accounted for as Bad Debts.
3. 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.
4. (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 covered under GPF scheme 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 for the F.Y. 2018-19.
- (c) The provision for Earned Leave Encashment (Terminal Benefits) for all employees has been made as per Actuarial Valuation Report for the F.Y. 2018-19.
- (d) The Disclosure with respect to the above point no 4(b) & 4(c) is as below:n

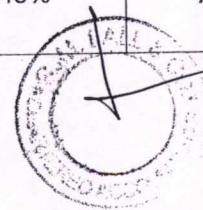
S.N	Defined benefit plans:- (Amount ₹ in Lacs)	Gratuity		Leave Encashment	
		As on 31/03/2019	As on 31/03/2018	As on 31/03/2019	As on 31/03/2018
1	Assumptions				
	Discount Rate	7.77%	7.89%	7.43%	7.69%

shankar

9

H/2

✓



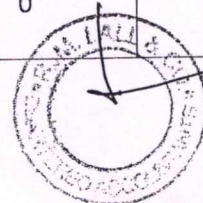
	Rate of increase in Compensation levels	4.00%	3.00%	4.00%	3.00%
	Rate of return on Plan assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Average future service (in Years)	25.76 Years	26.31 Years	14.88 Years	14.98 Years
2	Service Cost				
	Current Service Cost	64.55	43.64	72.08	67.20
	Past Service Cost (including curtailment Gains/ Losses)	0	18.98	0	0
	Gains or losses on Non Routine settlements	0	0	0	0
3	Net Interest Cost				
	Interest Cost on Defined Benefit Obligation	29.02	23.64	492.97	457.26
	Interest Income on Plan Assets	0	0	0	0
	Net Interest Cost (Income)	29.02	23.64	492.97	457.26
4	Change in present value of obligations				
	Opening of defined benefit obligations	367.82	316.85	6410.48	6532.25
	Interest cost	29.02	23.64	492.97	457.26
	Service Cost	64.55	62.62	72.08	67.20
	Benefits Paid	(6.01)	(2.48)	(1052.74)	(1134.50)
	Actuarial (gain)/Loss on total liabilities	112.23	(32.81)	1114.72	488.27
	<i>due to change in financial assumptions</i>	80.30	(24.58)	459.86	(255.99)
	<i>due to change in demographic assumptions</i>	0	0	0	0
	<i>due to experience variance</i>	31.93	(8.23)	654.86	744.26
	Closing of defined benefit obligation	567.61	367.82	7037.51	6410.48
5	Change in the fair value of plan assets				
	Opening Fair value of plan assets	0	0	0	0
	Actual return on plan assets	0	0	0	0

Handwritten signature

Handwritten signature

Handwritten signature

Handwritten signature



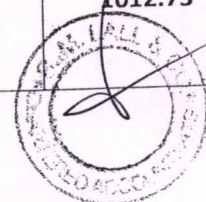
	Employer Contribution	6.01	2.48	1052.74	1134.50
	Benefits paid	(6.01)	(2.48)	(1052.74)	(1134.50)
	Closing Fair value of plan assets	0	0	0	0
6	Actuarial (Gain)/Loss on Plan Asset				
	Expected Interest Income	0	0	0	0
	Actual Income on Plan Assets	0	0	0	0
	Actuarial gain/(loss) on Assets	0	0	0	0
7	Other Comprehensive Income				
	Opening amount recognized on OCI, outside P&L account	0	0	N/A	N/A
	Actuarial gain/(loss) on liabilities	(112.23)	32.81	N/A	N/A
	Actuarial gain/(loss) on assets	0	0	N/A	N/A
	Closing amount recognized on OCI outside P&L account	(112.23)	32.81	N/A	N/A
8	The amounts to be recognized in the Balance Sheet Statement				
	Present value of obligations	567.61	367.82	7037.51	6410.48
	Fair value of plan assets	0	0	0	0
	Net Obligations	567.61	367.82	7037.51	6410.48
	Amount not recognized due to assets limit	0	0	0	0
	Net defined benefit liability/(assets) recognized in balance sheet	567.61	367.82	7037.51	6410.48
9	Expenses recognized in Statement of Profit & loss				
	Service cost	64.55	62.62	72.08	67.20
	Net Interest cost	29.02	23.64	492.97	457.26
	Net actuarial (gain)/loss			1114.72	488.27
	Expenses/(Income) recognized in statement of Profit & Loss	93.57	86.26	1679.77	1012.73

Shankh

Shankh

H/4

Shankh



10	Change in Net Defined Obligations				
	Opening of Net defined benefit liability	367.82	316.85	6410.48	6532.25
	Service Cost	64.55	62.62	72.08	67.20
	Net Interest Cost	29.02	23.64	492.97	457.26
	Re-measurements	112.23	(32.81)	1114.72	488.27
	Contributions paid to fund	(6.01)	(2.48)	(1052.74)	(1134.50)
	Closing of Net defined benefit liability	567.61	367.82	7037.51	6410.48
11	Sensitivity analysis				
	Item	As on 31/03/2019	Impact	As on 31/03/2019	Impact
	Base liability	567.61		7037.51	
	Increase in Discount rate by 0.50%	528.76	(38.85)	6843.01	(194.50)
	Decrease in Discount rate by 0.50%	610.62	43.01	7243.90	206.39
	Increase in salary inflation by 1%	655.33	87.71	7444.68	407.17
	Decrease in salary inflation by 1%	495.31	(72.30)	6669.98	(367.53)
	Increase withdrawal rate by 0.5%	589.63	22.02	7091.41	53.90
	Decrease withdrawal rate by 0.5%	543.88	(23.73)	6980.59	(56.92)

5. (a) 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.
- (b) Where historical cost of a discarded/ retired/ obsolete Property, Plant & Equipment is not available, the estimated value of such asset and depreciation thereon has been adjusted and accounted for.
- (c) In terms of powers conferred by the Notification no. GSR 627(E) dated 29 August 2014 of Ministry of Corporate Affairs, Govt. of India, the depreciation/amortization on Property, Plant & Equipment/ Intangible Assets have been calculated taking into consideration the useful life of assets as approved in the orders of UPERC (Multi Year Distribution tariff) Regulation, 2014.
- (d) Depreciation on Computers and peripherals and software has been provided on the basis of the useful life notified in the UPERC (Multi Year Distribution tariff) Regulation, 2014.
6. (a) The Provision for Bad & Doubtful Debts against revenue from Sale of

2/2/14

5



Power has been made @ 5% on incremental debtors during the year.

- (b) The details of provision for doubtful loans & advances are as under:-
- (i) Provision to the extent of 10% on the balances of suppliers/ contractors has been made 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 (Loans & Other financial assets-Non Current).
- (c) A provision for doubtful receivables to the extent of 10% on the balances appearing under the different heads of "Financial Assets- Other- Current" Note no. 11 (excluding Receivable on account of loan) has been made.

7. Reconciliation of balances of IUT amounting to Rs. 15440.75 lacs is in under progress (refer note no. 12).
8. Interest on Secured and Unsecured Loan to Kesco amounting to Rs. 4725.35 lacs and Rs. 358.44 lacs respectively was written off during the year 2017-18 vide Board resolution 142(57) dated 14th November 2018 and corresponding accountal has been made in the books of accounts for the year 2017-18.
9. Net Prior Period Expenses/ (Income) during F.Y. 2018-19 (Rs. 18227.45 Lacs). Out of which (Rs. 16189.24 Lacs) was pertaining to F.Y. 2017-18 (Rs. 2038.21 Lacs) was pertaining to the F.Y. 2016-17 or before. The same has been restated in the respective financial yeats in accordance with the provisions of Ind AS-8 (Accounting Policies, Change in Accounting Estimated and Errors). Reconciliation of Financial Statement line items which are retrospectively restated as under:-

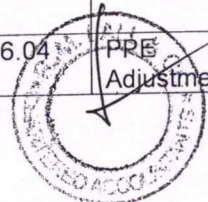
₹ In Lacs

A- Balance Sheet

S No.	Particulars	Note	Audited figures as on 31.03.2018	Adjustment	Restated figures as on 31.03.2018	Remarks
I	ASSETS					
1	Non-current assets					
	(a) Property, Plant and Equipment	2	5790.89	0.00	5790.89	
	(b) Capital work-in-progress	3	613.45	0.00	613.45	
	(c) Intangible assets	4	96.99	0.00	96.99	
	(d) Financial Assets					
	(i) Investments	5	337236.57	0.00	337236.57	
	(ii) Loans & Other Financial Assets	6	3811513.26	0.00	3811513.26	
2	Current assets					
	(a) Inventories	7	156.54	0.00	156.54	
	(b) Financial Assets					
	(i) Trade receivables	8	1842794.80	230081.24	2072876.04	PRE Adjustment

Shorley

6 H



	(ii) Cash and cash equivalents	9	147773.02	101.42	147874.44	PPE Adjustment
	(iii) Bank balances other than (ii) above	10	55162.58	0.00	55162.58	
	(iv) Others	11	1046052.10	433.06	1046485.16	PPE Adjustment
	(c) Other Current Assets	12	30586.89	18.76	30605.65	PPE Adjustment
	Total Assets		7277777.09	230634.48	7508411.57	
II	EQUITY AND LIABILITIES					
	Equity					
	(a) Equity Share Capital	13	8040073.81	0.00	8040073.81	
	(b) Other Equity	14	-7598355.63	-18227.48	-7616583.11	PPE Adjustment
	LIABILITIES					
1	Non-current liabilities					
	(a) Financial liabilities					
	(i) Borrowings	15	4940210.64	0.00	4940210.64	
	(b) Other financial liabilities	16	6078.50	0.00	6078.50	
2	Current liabilities					
	(a) Financial liabilities					
	(i) Borrowings	17	152902.18	0.00	152902.18	
	(ii) Trade payables	18	1480199.35	248354.72	1728554.07	PPE Adjustment
	(iii) Other financial liabilities	19	256668.24	507.24	257175.48	PPE Adjustment
	Total Equity and Liabilities		7277777.09	230634.48	7508411.57	

B- Profit & Loss Account

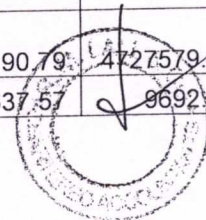
S No	Particulars	Note	Audited figures for the year ended 31.03.2018	Adjustment of Prior Period Errors			Restated figures for the Year ended 31.03.2018	Equity (Reserve & Surplus) restated for the period ended 31.03.2017 and before
				Related to the Year ended 31.03.2018	Related to the Year ended 31.03.2017 and before	Total		
I	Revenue From Operations	20	4642492.22	85087.51	157103.28	242190.79	4727579.73	157103.28
II	Other Income	21	13639.30	-3947.25	-1690.32	-5637.57	8692.05	-1690.32

sharke

[Signature]

H/7

[Signature]



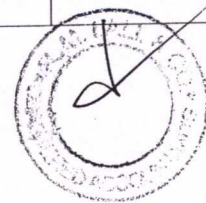
III	Total Income (I+II)		4656131.52	81140.26	155412.96	236553.22	4737271.78	155412.96
IV	EXPENSES							
	Purchases of Stock-in-Trade (Power Purchased)	22	4642497.68	85087.51	157103.28	242190.79	4727585.21	157103.28
	Employee benefits expense	23	17628.45	67.62	347.89	415.51	17696.08	347.89
	Finance costs	24	2.27	1.00	0	1.00	3.27	0.00
	Depreciation and amortization expenses	25	350.98	0.00	0	0.00	350.98	0.00
	Other expenses							
	Adminstration, General & Other Expense	26	4515.51	0.00	0	0.00	4515.51	0.00
	Repair and Maintenance	27	1659.97	15.71	0	15.71	1675.68	0.00
	Bad Debts & Provisions	28	801356.65	12157.66	0	12157.66	813514.31	0.00
	Total expenses (IV)		5468011.51	97329.50	157451.17	254780.67	5565341.04	157451.17
V	Profit/(Loss) before exceptional items and tax (III-IV)		-811879.99	-16189.24	-2038.21	-18227.45	-828069.25	-2038.21
VI	Exceptional Items							
VII	Profit/(Loss) before tax (V(+/-)VI)		-811879.99	-16189.24	-2038.21	-18227.45	-828069.25	-2038.21
VII I	Tax expense:							
	(1) Current tax							
	(2) Deferred tax							
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		-811,879.99	-16,189.24	-2,038.21	-18,227.45	-828,069.26	-2,038.21

shahid

RB

8

✓



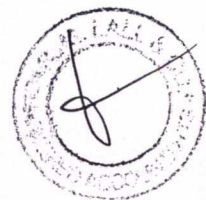
X	Profit/(Loss) from discontinuing operations							
XI	Tax expense of discontinuing operations							
XII	Profit/(Loss) from discontinuing operations (after tax) (X-XI)							
XII I	Profit/(Loss) for the period (IX+XII)	-811,879.99	-16,189.24	-2,038.21	-18,227.45	-828,069.26	-2,038.21	
XI V	Other Comprehensive Income							
	A (i) Items that will not be reclassified to profit or loss- Remeasurement of Defined Benefit Plans (Actuarial Gain or Loss)	32.81	0.00	0.00	0.00	32.81	0.00	
	(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							

shank

[Signature]

[Signature]

[Signature]

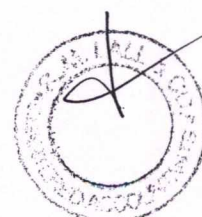


	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)							
XV		-811,847.18	-16,189.24	-2,038.20	-18,227.45	-828,036.45	-2,038.20	

10. Liquidated damages (LD) amounting to ₹ 381.91 Crore (LD imposed on SE UPPTCL ₹200.00 Crore and LD imposed on WUPPTCL ₹181.91 Crore) had been netted off from power purchase cost in the year 2016-17.
11. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.
12. (a) Some balances appearing under the heads 'Financial Assets-Other (Current)', 'Loans & Other Financial Assets (Non-Current)', 'Other Current Assets (including UP Power Sector Employees Trust)', 'Other Financial Liabilities (Current)' and 'Financial Liabilities- Trade Payables (Current)' are subject to confirmation/ reconciliation and subsequent adjustments as may be required.
- (b) On an overall basis the assets other than Property, Plant & Equipment and Financial Assets-investments (Non-current) have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet.
13. Basic and diluted earnings per share has been shown in the Statement of Profit & Loss in accordance with Ind-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).

<u>Earnings per share:</u>	<u>31.03.2019</u>	<u>31.03.2018</u>
(a) Net loss after tax (numerator used for calculation) ₹ in Lacs	(825015.80)	(828036.45)
(b) Weighted average number of Equity Shares* (denominator for calculating Basic EPS)	865587584.83	775703593.17

Shankar



(c) Weighted average number of Equity Shares* (denominator for calculating Diluted EPS)	876062221.24	781656156.88
(d) Basic earnings per share of ₹ 1000/- each in ₹	(95.31)	(106.75)
(e) Diluted earnings per share of ₹1000/- each in ₹	(95.31)	(106.75)

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

* Calculated on monthly basis.

14. Due to circumstances necessitated, two units of the company i.e. H.Q. Payment (Location Code-992) and Electricity Training Institute (Location Code-982) Unit of the company have been performing the work of UPPTCL. Therefore, the 25% of the employee cost of these units has been apportioned to UPPTCL as per O.M. No. 505 dated 14.11.2018 issued by Director (Finance) of the company.
15. Nothing adverse has been reported by the units/zone concerned regarding compliance of the provisions in respect of unpaid liabilities and interest thereon under the MSMED Act 2006.
16. The energy sold to Discoms has been billed on differential Bulk Sale Tariff (BST) which is calculated by apportioning the average BST in the ratio of Average Billing Rate of Discoms. The average BST is computed on the basis of cost of energy purchased by the company after prior period adjustments, divided by total quantum of energy supplied to UP Discoms.
17. Payment in foreign currency- Nil (previous year-Nil).
18. Quantitative Details of Energy purchased and sold:-

S. No.	Details	2018-19	2017-18
(I)	Total number of Units purchased	115435.51 MU	119163.550 MU
(II)	Total number of units sold	108338.881 MU	111999.645 MU
(III)	% of Loss	6.148	6.012

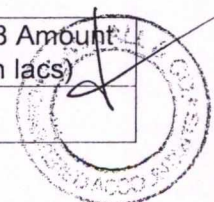
19. Contingent Liabilities:-

S. No.	Details	2018-19 Amount (₹. in lacs)	2017-18 Amount (₹. in lacs)
(i)	Capital commitments	-	-

Shank

[Signature]

[Signatures]



(ii)	Income Tax*	-	4.13
(iii)	Power Purchase	1010143.82	516273.93
(iv)	Other Contingencies	1317.09	1317.09

* In case of court cases, the amount of contingent liability has been disclosed to the extent possible.

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

21. 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.

22. **Disclosure as per Ind AS-24 (Related Party): -**

A- List of Related Parties

(a) List of Subsidiary & Associates:-

Subsidiary
Madhyanchal Vidyut Vitran Nigam Limited
Pashchimanchal Vidyut Vitran Nigam Limited
Purvanchal Vidyut Vitran Nigam Limited
Dakshinanchal Vidyut Vitran Nigam Limited
Kanpur Electricity Supply Company Limited
Sonebhadra Power Generation Company Limited (inoperative service dated 27.03.2019)
Southern U.P Power Transmission Company Limited
Associates
Yamuna Power Generation Company Limited (inoperative service dated 25.03.2019)

As per order of the Registrar of Companies (MCA), Kanpur, U.P. dated 18.08.2020 and 28.08.2020 Sonebhadra Power Generation Company Ltd. and Yamuna Power Generation Company Ltd. respectively have been struck off from the Register of Companies and the same have been dissolved.

(b) Key management personnel:-

S. No.	Name	Designation	Working Period (For FY 2018-19)	
			Appointment	Retirement/ Cessation
1	Shri Alok Kumar	Chairman	20.05.2017	Working
2	Smt. Aparna U.	Managing Director	26.10.2017	Working
3	Shri Sudhanshu Dwivedi	Director (Finance)	30.06.2016	Working

S. No.	Name	Designation	Working Period (For FY 2018-19)	
			Appointment	Retirement/ Cessation
4	Shri Satya Prakash Pandey	Director (P.M. & Admin.)	01.07.2016	Working
5	Shri Vijay Kumar	Director (Distribution)	06.01.2018	Working
6	Shri V. P. Srivastava	Director (Corporate planning)	04.01.2018	Working
7	Shri A.K. Srivastava	Director (Commercial)	27.06.2018	Working
8	Shri Amit Gupta (M.D of UPPTCL)	Nominee Director	22.01.2018	31.08.2018
9	Dr. Senthil Pandiyan C. (M.D of UPPTCL)	Nominee Director	10.09.2018	Working
10	Shri Neel Ratan Kumar (Special Secretary- Finance)	Nominee Director	16.04.2013	Working
11	Smt Manju Shankar (Department of Public Enterprises)	Nominee Director	10.12.2015	Working
12	Shri Indra Mohan Kaushal	Chief Financial Officer	26.12.2017	13.11.2018
13	Shri Pramendra Nath Sahay	Chief Financial Officer	14.11.2018	Working
14	Shri Pradeep Soni	Company Secretary (Part time)	01.08.2017	Working

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

- (i) UP Power Transmission Corporation Limited,
- (ii) Uttar Pradesh Rajya Utpadan Nigam Limited
- (iii) Uttar Pradesh Jal Vidyut Nigam Limited.

(d) Post-Employment Benefit Plan:-

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

B- Transactions with Related Parties are as follows:

(a) Transaction with Subsidiaries and Associates:-

(Amount ₹ in Lacs)

Particulars	Subsidiaries		Associates	
	2018-19	2017-18	2018-19	2017-18
(i) Sales	5378644.24	4727579.73		

(ii) Purchase	-	-	-	-
(iii) Dividend received	-	-	-	-
(iv) Equity Contribution made	918958.35	915699.46	64.76	-
(v) Loans (Net Increase/ (Decrease))*	(71748.87)	1373668.84	-	-
(vi) Amount Recoverable Other than Loan	1174561.32	(283325.99)	-	-
(vi) Receivable-Others (Net Increase/(Decrease))	(830.21)	2.00	(63.76)	1.00

*Loans have been arranged by UPPCL on behalf of Discoms and the same has been routed through the accounts of the company. The figures of Loans have been shown after adjustments of liabilities against loans i.e. grants received from Government and miscellaneous receipts from Governments's Department.

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

	(Amount ₹ in Lacs)	
	2018-19	2017-18
Salary & Allowances	154.93	149.12
Leave Encashment	72.38	0.00
Contribution to Gratuity/ Pension/ PF	22.43	19.98

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

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

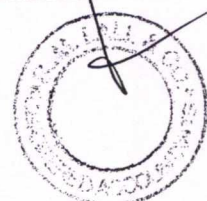
(Amount ₹ in Lacs)				
S. No	Name of The Company	Nature of Transaction	2018-19	2017-18
1	UP Power Transmission Corporation Limited	Misc. Transactions (Net)	2612.50	1579.22
2	Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	Power Purchase	979893.69	986822.01
3	Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	Receivables (Unsecured)	48.36	47.27
4	Uttar Pradesh Jal Vidyut Nigam Limited	Power Purchase	8458.81	8065.24

Subhan

[Signature]

[Signature]

[Signature]



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

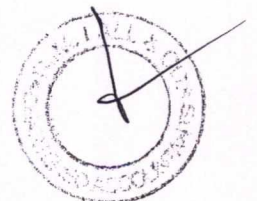
(Amount ₹ in Lacs)		
Particulars	31 st March 2019	31 st March 2018
Amount recoverable towards loans		
From Subsidiaries		
➤ MVVNL	1037978.72	1039224.79
➤ PVVNL	858866.60	814850.39
➤ PurVVNL	1374188.75	1378442.09
➤ DVVNL	1630730.24	1719847.80
➤ Kesco	173319.32	185714.10
➤ SPGCL	0.00	613.59
➤ SPTCL	0.00	216.63
Amount recoverable other than loans		
From Subsidiaries		
➤ MVVNL	643144.91	385684.40
➤ PVVNL	278082.15	132881.14
➤ PurVVNL	1478729.11	1138316.24
➤ DVVNL	616697.57	248502.29
➤ Kesco	110340.13	47048.48
From Associates		
➤ YPGCL	0	63.76
From Others		
➤ UPPSET	17048.14	1082.35
➤ UPRVUNL	255.27	206.91
➤ UPPTCL	13928.78	11316.28
Amount Payable towards loan		
To Subsidiaries		
➤ MVVNL	91626.67	88469.53
➤ PVVNL	110977.59	110050.56
➤ PurVVNL	114237.98	112030.64
➤ DVVNL	97613.60	95194.37
➤ Kesco	42.59	0.00
Amount Payable other than loan		
To Others		
➤ UPJVNL	8839.81	8851.16
➤ UPPCLCPF	42.89	21.63

shankar

[Signature]

7

[Signature]



23. The status of Bonds issued by the Company for the subsidiaries is as under:-

(Amount ₹ in Lacs)

S. No	Details of Bonds	Amount of Bonds	No. of Bonds	Date of Issue	Face Value	Rate of interest	Previous due date of interest payment	Paid / or not	Next date of interest payment	Amount of interest payable on next date	Next due date of Principal payment	Principal Amount payable on next due date	Security	Outstanding as at 31.03.2019	Outstanding as at 31.03.2018
1	THE COMPANY Bond series III/2016-17	651000.00	65100	17-Feb-2017	10	8.97%	15-Feb-2019	Paid	15-May-2019	14238.71	15-May-2020	23250.00	Govt. Guaranteed and Hypothecated for receivables	651000.00	651000.00
2	THE COMPANY Bond series IV/2016-17	348950.00	34895	27-Mar-2017	10	8.48%	15-Mar-2019	Paid	17-Jun-2019	7458.54	15-Jun-2020	12462.50		348950.00	348950.00
3	THE COMPANY Bond series I/2017-18	449820.00	44982	05-Dec-2017	10	9.75%	21-Jan-2019	Paid	22-Apr-2019	10934.32	19-Jul-2019	13230.00		449820.00	449820.00
4	THE COMPANY Bond series II/2017-18	549100.00	54910	27-Mar-2018	10	10.15%	21-Jan-2019	Paid	22-Apr-2019	13895.24	18-Oct-2019	16150.00		549100.00	549100.00
1	U.P. Power Corporation Ltd.- 2031	537682	537682	04-Jul-2016	1	9.70%	04-Jan-2019	Paid	04-Jul-2019	25863.24	04-Jan-2022	26884.10	Govt. Guaranteed	537682.00	537682.00
2	U.P. Power Corporation Ltd.- 2031	469998	469998	28-Sep-2016	1	9.70%	28-Mar-2019	Paid	28-Sep-2019	22982.26	28-Mar-2022	23499.90		469998.00	469998.00
3	U.P. Power Corporation Ltd.- 2032	29949	29949	30-Mar-2017	1	9.70%	30-Sep-2018	Paid	01-Apr-2019	1440.59	30-Sep-2020	1247.97		29949.00	29949.00
		3036499.00	1237516							96812.90		116724.47		3036499.00	3036499.00

Payment of Principal amount is started from 19.07.2019.

24. Due to heavy unabsorbed losses i.e. ₹ 8775345.05 Lacs as on 31.03.2019 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.

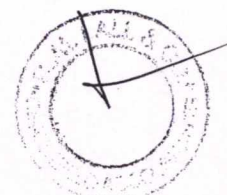
25. In the opinion of management, there is no specific indication of impairment of assets except Investment in Subsidiaries & Associates as on balance sheet date as envisaged by Ind AS-36 (Impairment of Assets). Further, the assets of the company have been accounted for at their historical cost and most 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 as on 31.03.2019.

Shank

B

H

V



26. Disclosure as per Ind AS-37 (Provisions, Contingent Liabilities and Contingent Assets) is as under:-

(Amount ₹ in Lacs)

S. NO.	PARTICULARS	MOVEMENT OF PROVISIONS			
		OPENING BALANCE AS ON 01.04.2018	PROVISION MADE DURING THE YEAR	WITHDRAWL / ADJUSTMENT OF PROVISION DURING THE YEAR	CLOSING BALANCE AS ON 31.03.2019
1	Provision for impairment in Investment	6,125,018.26	756,577.00		6,881,595.26
2	Provision for Doubtful debts on Sundry Debtors (Sale of power)	138,162.07	46,396.69		184,558.76
3	Provision for Bad & doubtful debts Other current assets.	1,156.38	459.67		1,616.05
4	Provision for Bad & doubtful debts Financial Assets -Loans (Non-Current)	9,907.64	1,479.62		11,387.26
5	Provision for Bad & doubtful debts Financial Assets-other (Current)	13,961.12		1,860.41	12,100.71
6	Provision for Bad & doubtful debts Advance to capital supplier	1.59			1.59
7	Provision for unservisable stores	13.35			13.35
	Total	6,288,220.41	804,912.98	1,860.41	7,091,272.98

27. The Annual Accounts of F.Y. 2016-17 and 2017-18 are yet to be adopted in Annual General Meeting as final comments of CAG on CFS F.Y 2016-17 and Stand Alone/ CFS F.Y 2017-18 are awaited.

28. Financial Risk Management

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

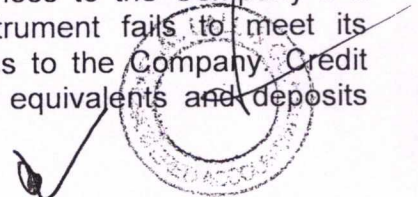
The Company is exposed to the following risks from its use of financial instruments:

- (a) **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

Shankar

[Signature]

[Signature]



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

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

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

(Amount ₹ in Lacs)		
Particulars	31.03.2019	31.03.2018
Financial Assets		
Fixed Interest Rate Instruments- Deposits with Bank	0.00	0.00
Variable Interest Rate Instruments- Deposits with Bank	43348.11	55251.08
Total	43348.11	55251.08
Financial Liabilities		
Fixed Interest Rate Instruments- Financial Instrument Loans	0.00	0.00
Variable Interest Rate Instruments- Cash Credit from Banks	0.00	0.00

Fair value sensitivity analysis for fixed-rate instruments

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

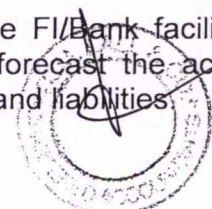
Liquidity Risk: Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that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

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.

Shank

[Signature]

[Signature]



29. 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 to transferring the share application money for issuing the shares is lay solely with 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.

30. Revenue from Operation

The Company earns revenue primarily from bulk supply of power to its wholly owned subsidiary companies (Discoms). The Company procures the power from various sources on behalf of Discoms and to supply the same to its Discoms.

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

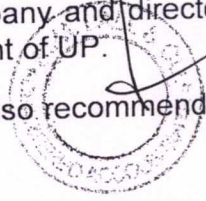
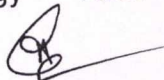
Revenue from sale of power is recognized on satisfaction of performance obligation upon supply of power to its Discoms at an amount that reflects the consideration the Company expects to receive in exchange for those supplied power.

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

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

Energy Task Force, Government of UP also recommended to

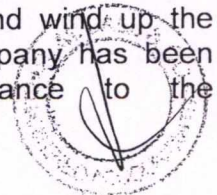
shank



abandon the project with dissolution of this Company and further directed to get the approval by Hon'ble Cabinet, Govt. of UP. The Govt of UP vide its letter no 432/24-ऊनिनिप्र०/१८-२०(प्रकोष्ठ) 14 dated 02.07.2018 conveyed its decision to dissolve Sonbhadra Power Generation Company Limited. The Company has been closed with effect from 27.03.2019 in accordance with the provision of section 248(2) of the Companies Act 2013. Subsequently, the company has been strike off w.e.f. 18.08.2020 from the register of the Companies and the said company is dissolved. Resulting to this the treatment of balances of Sonbhadra Power Generation Company Limited has been done as below:

- A. Sonbhadra Power Generation Company Limited has issued its equity share in the name of UP Power Corporation Limited for the amount of Rs. 613.58 Lacs in consideration of converting Sundry Payables to the Company during FY 2018-19. Correspondingly UP Power Corporation Limited has shown this equity shares under the head of Investments and the impairment of the same has been made since the subsidiary company is no more in existence.
 - B. An amount of Rupees one lakh under the head of Sundry Receivables, arisen after the issuance of Equity Shares mentioned in point No.1 above, from Sonbhadra Power Generation Company Limited has been written off during FY 2018-19 in accordance with approval of Board of Directors dated 22nd March, 2019.
 - C. Sonbhadra Power Generation Company Limited has transferred the closing balance of Bank Account Rs. 0.42 Lacs, as on the date of closure, to the Company. The Company has taken over the Statutory or Other Expenses/Dues to that extent of this Company in compliance of the decision of Board of Directors taken in the 146th meeting dated 22nd March, 2019.
 - D. The Board has also decided in its 146th meeting dated 22nd March, 2019 to bear Statutory or Other Expenses/Dues by UP Power Corporation Limited arisen over and above transferred from Sonbhadra Power Generation Company Limited as mentioned in Point No. C above.
32. Yamuna Power Generation Company Limited was incorporated on 20-04-2010 as a Government Company by the Company, Greater NOIDA Industrial Development Authority, New Okhla Industrial Development Authority and Yamuna Expressway Industrial Development Authority as per directives of Government of U.P. vide G.O. no. 2133/24-1-09-1794/09 dated 2nd July, 2009. The Company was formed with the objective to meet out growing demand of electricity during 12th five year plan and was given to perform initial project preparation activities such as acquisition of land, arrangement for fuel linkage, water resources and environmental clearance etc.

Due to non-availability of required land and uncertainty of allocation of fuel (coal/gas) for the project, ultimately lead Energy Task Force (ETF) Govt. of U.P, come to conclusion to abandon the project in its meeting dated 07-05-2012. Subsequently on the recommendation of the said Task Force, Govt. of UP took the decision to abandon the project and wind up the company and conveyed its decision on 05.05.2015. Company has been closed with effect from 25.03.2019 in accordance to the



provisions of sec. 248(2) of The Companies Act 2013. Subsequently, the Company has been strike off w.e.f. 28.08.2020 from the register of the companies and the said company is dissolved. Resulting to this the treatment of balances of Yamuna Power Generation Company Limited has been done as below:

- A. Yamuna Power Generation Company Limited has issued its equity share in the name of the Company for the amount of Rs. 64.76 Lacs in consideration of converting Sundry Payables to the Company during FY 2018-19. Correspondingly UP Power Corporation Limited has shown this equity shares under the head of Investments and the impairment of the same has been made since the subsidiary company is no more in existence.
 - B. Yamuna Power Generation Company Limited has transferred the closing balance of Bank Account Rs. 1.39 Lacs, as on the date of closure, to the Company. The Company has taken over the Statutory or Other Expenses/Dues to that extent of this Company in compliance of the decision of Board of Directors taken in the 146th meeting dated 22nd March, 2019.
 - C. The Board has also decided in its 146th meeting dated 22nd March, 2019 to bear Statutory or Other Expenses/Dues by UP Power Corporation Limited arisen over and above transferred from Yamuna Power Generation Company Limited as mentioned in Point No. B above.
33. Southern U.P. Power Transmission Company Limited was incorporated on 08-08-2013 as a Government Company of Uttar Pradesh. The main Objectives of the Company consists evacuation/ transmission of Power from Lalitpur TPS to Agra and adjoining districts through 765/400 KV AIS/GIS substation and 765 & 400 KV transmission lines.

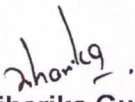
The Board of Directors of Southern U.P. Power Transmission Company Limited in its 6th meeting held on 20th September, 2016 has decided that necessary action for the closure of the Company/striking off of the name of the Company as per the provisions of the Companies Act, 2013 may be taken up. Since Southern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

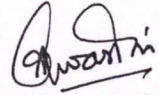
The decision Board of Directors of the Company regarding closure of the Company/striking off of the name of the Company as per the provisions of Companies Act, 2013 has been approved by the Share Holders of the Company in its Extra Ordinary General Meeting held on 14th June, 2018.

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

from the register of the Company.

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


(Niharika Gupta)
Company Secretary


(A. K. Awasthi)
Chief General Manager &
CFO


(Sudhir Arya)
Director (Finance)
DIN - 05135780


(M. Devaraj)
Managing Director
DIN - 08677754

Place : Lucknow
Date : 28-01-2021

Subject to our report of even date
For R. M. Lall & Co.
Chartered Accountants
FRN No. 000932C



(R. P. Tewari)
Partner
M.No. 071448

INDEPENDENT AUDITOR'S REPORT

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

Report on Standalone Financial Statements

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, 2019, 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 ("MM 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 March 31, 2019, and the loss, including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

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 thereunder, 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.



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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in Annexure I to the "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Information other than the 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.

Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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.



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.

Other Matters:

- a. *The financial statements of the Company for the year ended 31st March, 2018 were audited by another auditor who expressed a modified opinion on these financial statements vide their report dated 29th March 2019.*
- b. *The company had issued bonds (Refer Para 23 of note – 29 “Notes on Accounts”) and had them listed on BSE. In view of the same, the company is required to comply with the regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same has not been done by the company.*

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 (“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 required by section 143(3) of the Act, based on our audit, we report that:
 - a. Except 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 to the matters described in *Annexure 'I' of our report*, 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 branch of the Company not visited and not audited by us.
 - c. The reports on the accounts of the branch of the Company (i.e., MM Zone Location code- 300, 330, 640, 970) audited under Section 143(8) of the Act by branch 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 Cash Flow Statement 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 branch not visited and not audited by us.



- e. Except 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 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 of Qualified Opinion” section, the Company has disclosed the impact of pending litigations on its financial position in its financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts entailing any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For R. M. LALL & CO.,
Chartered Accountants**

(FRN: 000932)



(CA R.P. Tewari)
Partner

M.No.: 071448

UDIN: 21071448AAAAAR7626

Place: Lucknow

Date : 29th January, 2021

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, 2019.

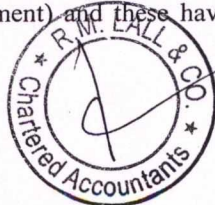
On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. 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. *Trade Receivable (Note-8), Financial Assets-Other (Note-11), Other Current Assets (Note-12), 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 of such amounts within twelve months after the year end, reasons for not classifying them as non-current assets/liabilities **is inconsistent with Ind AS 1 Presentation of Financial Statements**. This has resulted in over statement of respective current assets/liabilities and understatement of the corresponding non-current assets/liabilities.
 - b. Recognition of Insurance and other claims, refunds of Custom duty, Interest on Income Tax & trade tax, interest on loans to staff and other items of income covered by *Significant Accounting Policy no. 2 (c) of Note-1* has been done on cash basis. **This is not in accordance with the provisions of Ind AS 1 Presentation of Financial Statements**.
 - c. Additions during the year in Property, Plant and Equipment include employee cost at a fixed percentage of the cost of each addition to Property, Plant and Equipment in accordance with *Note-1 Significant Accounting Policy Para (3)(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 and loss.
 - d. Inventory which includes stores and spares for capital works, operation and maintenance and others is valued at cost (*Refer accounting policy no. 3(VI)(a) of Note-1*). Valuation of stores and spares for O & M and others **is not consistent with Ind AS 2 Inventories i.e., valuation at lower of cost and net realizable value**. Further, the stores and spares for capital work should be classified as part of Property, Plant and Equipment and recognised, measured and disclosed in accordance with **Ind AS 16 Property, Plant and Equipment**.
 - e. Accounting for Employee Benefits: Actuarial Valuation of gratuity liability of the employees covered under GPF scheme has not been obtained. (*Refer Para 4(a) Note - 29 "Notes on Accounts"*). **This is inconsistent with Ind AS 19 Employee Benefits**.
 - f. The Company has made a provision for impairment of investments (*Note-5, except Para (III)(b)*) on the basis of net worth of investee companies as on 31st March, 2019 (*Refer Para 25 Note - 29 "Notes on Accounts"*), which **is not in accordance with Ind AS 36 Impairment of Assets**.
 - g. The Financial Assets (*Note-6, 8, 11 and 12*) have not been measured at fair value as required by **Ind AS 109 Financial Instruments** (*Refer Para 6 and 12(b) of Note - 29*



"Notes on Accounts") and proper disclosures as required in *Ind AS 107 Financial Instruments: Disclosures* have not been done for the same.

2. Inter unit transactions amounting Rs. 15440.75 lacs, are subject to reconciliation and consequential adjustments. (Refer Note-12)
3. *Loans and Other Financial Assets (Note-6), Trade Receivables Others (Note-8), Financial Assets-Others - Employees, Others (Note-11), Other Current Assets - Suppliers & Contractors (Note-12), Financial Liability-Trade Payables (Note-18), Other Financial Liabilities - Liability for Capital/O&M Suppliers/Works, Deposits from Suppliers (Note-19)* are subject to confirmation/reconciliation.
4. Documentary evidence in respect of ownership/title of land and land rights, building was not made available to us and hence ownership as well as accuracy of balances could not be verified. Additionally, the identity and location of Property, Plant and Equipment transferred under the various transfer schemes has also not been identified (Refer Para 5(a) of Note - 29 "Notes on Account").
5. It was observed that the maintenance of party-wise subsidiary ledgers and its reconciliation with primary books of accounts i.e., cash books and sectional journal are not proper and effective.
6. Employees benefit expenses aggregating Rs. 18896.15 Lacs (Refer Note-23 *Employees benefit expenses*) is net off by Rs. 2095.60 Lacs have been determined and claimed from U.P. Power Transmission Corporation Limited (UPPTCL). However, no documentary evidence confirming agreement of this arrangement between Company and UPPTCL was available on records (Refer Para 14 of Note - 29 "Notes on Accounts"). Liability towards Goods and Service tax in respect of this amount claimed from UPPTCL has not been recognised and measured.
7. Sufficient and appropriate documentary audit evidences in respect of Contingent liabilities disclosed in Para 19 of Note - 29 "Notes on Accounts" were not provided to us.
8. Revenue earned from the sale of power through Indian Energy Exchange Limited, India has not been recognised separately in the statement of Profit and Loss, but has been reduced from the cost of purchase of power aggregating Rs. 53,78,644.24 Lacs (Refer Note-22 *Purchase of Power*). Additionally, details of aggregate units sold during the year and revenue earned from such sale was not made available to us.
9. The Company has not classified trade payable outstanding from Micro and Small enterprises as required by Schedule - III of the Companies Act, 2013. Further, in the absence of adequate information, we are unable to confirm compliance with Section 22 of MSMED Act, 2006 regarding disclosures on principle amount and interest paid and/or payable to such enterprises (Refer Para 15 of Note - 29 "Notes on Accounts").
10. Records for inventories lying with the third parties are not being maintained properly at Zonal Offices/units of the Company.
11. The Annual Accounts of F.Y 2016-17 and 2017-18 are yet to be adopted in Annual General Meeting (Refer Para 27 of Note - 29 "Notes on Accounts").
12. Aggregate amount of market value of quoted investment (Refer Para (III)(b) of Note-5) has not been disclosed as required in Division II of Schedule III of Companies Act, 2013.
13. The branch auditor has expressed the audit opinion on the Trial Balances as at 31st March, 2019 of the Zonal Accounts Office (Material Management) and these have been considered for the



preparation of the financial statement of the company. As per existing practices, financial statement of the branch has not been prepared.

14. **Audit observations in Branch Audit report of MM Zone excluding those which have been appropriately dealt with elsewhere in the report.**

a. There is no mechanism to cross-verify that the total power purchased during the year has been accounted for in the books of accounts. There is no practice to account energy purchases based on accrual but is based on actual receipt of bills from energy suppliers through funds division of UPPCL. There is no process of reconciliation of quantitative power purchase accounted for in the books with the power purchase as per REA of NPRC/ Energy account.

Further, there is no process of periodic reconciliation from the power supplier/other agencies. At the initiative of auditor, balance confirmation letters were sent to all the parties and major differences/deficiencies were noticed in cases where letters/statements were reverted from some of the parties. Appropriate action for reconciliation of differences and its rectification was not done. The quantification of the effect on power purchase/sale and position of sundry payables/receivables is not possible.

In previous audit reports also, major differences were noticed in the balance confirmation received from parties, but no action was taken for reconciliation of the same.

b. **Claim of differential rate of power purchase**

It was noticed that vide letter no. 742/CE/PPA dt. 08/09/2017, for all co-generation power suppliers, maximum rate for power purchase was restricted at Rs. 5.56. There are several cases where rates approved as per UPERC regulations were higher than Rs. 5.56. During the year 2018-2019, vide Board Approval Dated 06.08.2018, the payment was to be made in accordance of rates approved in PPA. It was noticed that in the following cases, provision for differential rate was not done for the intervening period:

Name of Supplier	Rate Approved in PPA	Rate at which payment Made	No. of Units purchased	Amount
M/s Rana Power Limited-Bilari	6.09	5.56	53091495 Kwh	28138492.00
M/s Superior Food Grain (P) Limited	6.09	5.56	67584155 Kwh	35819602.00
M/s Kesar Enterprises Limited, Baheri	5.75	5.56	7967582 Kwh	1513841.00
M/s Usher Eco Power Limited	6.54	5.56	1495076 Kwh	1465174.00
M/s DSM Rajpura, Sambhal	5.94	5.56	19477106 Kwh	7401304.00
M/s Triveni Engg & Industries Ltd, Sabitagarh	5.75	5.56	1589398 Kwh	301986.00
M/s Govind Sugar Mill	5.95	5.56	24120847 Kwh	9407131.00
				84047530.00
2018-19				
Yadu Sugar Mill, Bisauli	5.66	5.56	15259444 Kwh	1525944.36
Kesar Enterprises Ltd.	5.86	5.56	51288381 Kwh	15386514.40
Dhampur Sugar Mill. (Sambhal)	6.04	5.56	47552938 Kwh	22825410.24
Govind Sugar Mill	6.07	5.56	42014711 Kwh	21427502.61
Seksariva Biswan	6.11	5.56	11261192 Kwh	6193655.60



Name of Supplier	Rate Approved in PPA	Rate at which payment Made	No. of Units purchased	Amount
				67359027.21

Consent Letter was obtained in some cases for supply @ Rs. 5.56 per unit but in some cases like M/s Kesar Enterprises Limited, consent was conditional consent.

The above observation resulted in understatement of power purchase during the year by at least Rs. 15.14 Crores which ultimately affects the financial statements and profitability of DISCOMs.

- c. Generation based Incentives (GBI) receivable from IREDA amounting to Rs. 639.43 lacs and a sum of Rs. 3779.75 lacs from NEDA are subject to confirmation and reconciliation and consequential adjustment.

d. **Contingent liability not provided for / not reported as such:**

As per UPERC CERC website, various orders regarding purchase of power were passed during the year 2018-2019 and thereafter but correct position of order passed were not available with the concerned unit/zone. It cannot be ascertained that whether the financial effect of the orders passed during 2018-2019 and thereafter has been incorporated in the financial statements as established liability/contingent liability.

It seems that appropriate control over the cases/appeals pending at various level is not there. The correct position of various cases should be ascertained and appropriately accounted for. The unit is just going by the so-called cut-off date by which if they get claims from the power generators, they go for recording otherwise not.

Details have been demanded of legal claims / other matters at any other forum outstanding at various units to arrive at the correct position of contingent / established liability. As per list provided by units/ zone, legal cases are pending at 5 units (330, 327, 645, 646 & 973). List of cases pending at various levels was provided by unit/ zone but in some cases, their present status and the position of contingent liability / established liability was not provided and the financial impact of the same were not disclosed in the contingent liabilities.

In ESPC, Mahanagar (0327), several cases were pending at various levels, but the updated position of the cases were not made available to us. In absence of updated position of cases correct contingent liabilities cannot be quantified.

15. For want of complete information, the cumulative impact of our observations in *paras 1 to 14* above and in the *Annexure II* to this report on assets, liabilities, income and expenditure is not ascertained.

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


(CA R.P. Tewari)
Partner
M.No.: 071448

Place: Lucknow
Date : 29th January, 2021

UDIN: 21071448AAAAAR7626

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, 2019.

1. (a) The company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.

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

(c) The title deeds of immovable properties have not been provided to us. Hence, we are unable to comment on the matter whether the title deeds of immovable properties are held in the name of the company or not.

2. Physical verification of inventory has not been conducted during the year.

The branch auditor of MM Zone observed that:

Maintenance of records in respect to inventories is not satisfactory. The details of Inventories in hand are not provided to us for verification by the respective units. In many units, Material Stock a/c, in term of value, is lying in the trial balance but details of the same are not available with the respective units.

Hence, in view of the above, the discrepancies on physical verification cannot be commented upon.



3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act 2013. Accordingly, paragraph 3(iii) of the order is not applicable.
4. According to information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
5. The company has not accepted any deposit from the public and therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 and other relevant provisions of the Act and rules framed there under are not applicable.
6. The cost records prescribed under section 148(1) of the Companies Act, 2013 have not been made available to us by the company.
7. a) According to the information and explanation given to us and subject to *para 6 of Annexure I of our report*, the company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Value Added Tax, Cess, Duty of Customs, Duty of Excise and any other statutory dues to the appropriate authorities.

b) According to information and explanations given to us, there are no other statutory dues of Income Tax, Goods and Service Tax, Value Added Tax, Cess, Duty of Customs, Duty of Excise, which have not been deposited on account of any dispute.



8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to bond holders.
9. As per the information given and explanations provided, money raised by the company by way of debt instrument i.e., Bonds etc. and term loans have been applied for the purpose for which they were obtained.
10. 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, 2019.
11. As per Notification no. GSR 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 relating to Managerial Remunerations is not applicable to the Government Companies. Accordingly, provision of clause 3(xi) of the Order are not applicable to the Company.
12. The Company is not a chit fund or a Nidhi / mutual benefit fund/ society, hence clause 3(xii) of the order is not applicable.
13. In our opinion and according to the information and explanation given to us, the company is in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable, for all transactions with the related party and the details of related party transactions have been disclosed in the standalone financial statements as required by the Ind AS.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
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. 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.

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

(CA R.P. Tewari)
Partner
M.No.: 071448

UDIN: 21071448AAAAAR7626

Place: Lucknow
Date : 29th January, 2021


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, 2019.

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	No, the Company has no system in place to process the accounting transactions through IT system. The accounting is done manually and Cash book and Sectional Journals in SJ1, SJ2, SJ3 & SJ4 are maintained but ledgers/subledgers are not maintained.
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.	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 received/receivable for specific schemes from Central/State 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 Discoms for their utilization and accounted for.

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


(CA R.P. Tewari)
Partner

M.No.: 071448

UDIN: 21071448AAAAAR7626

Place: Lucknow
Date : 29th January, 2021

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, 2019.

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

S.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.	As informed by the management, there is no encroachment of idle land owned by Company, refer para 4 of Annexure I of our report.
2.	Has the company entered into agreements with franchise for distribution of electricity in selected areas and revenue sharing agreements adequately protect the financial interest of the company?	Not Applicable
3.	Whether the Company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Purchase Adjustment Cost (FPPCA)?	Not Applicable
4.	Whether the reconciliation of receivables and payables between the generation, distribution and transmission companies has been completed. The reasons for difference may be examined.	As informed by the management, the reconciliation of receivables and payables between the generation, distribution and transmission companies is in process. Therefore, we are unable to comment.
5.	Whether the Company is supplying power to franchisees, if so, whether the Company is not supplying power to franchisees at below its average cost of purchase.	Not Applicable

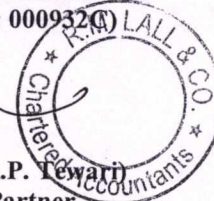
**For R. M. LALL & CO.,
Chartered Accountants**

(FRN: 000932(C))



(CA R.P. Tewari)
Partner

M.No.: 071448



UDIN: 21071448AAAAAR7626

Place: Lucknow
Date : 29th January, 2021

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, 2019.

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, 2019 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

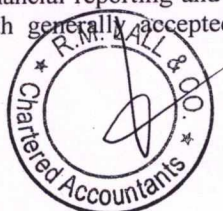
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on 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-authorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

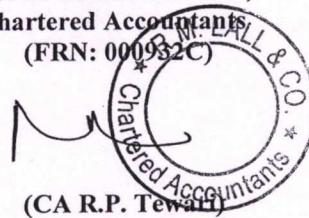
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2019, 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 need to strengthen the existing internal audit mechanism considering the nature and scale of operations of the company and the overarching legal and regulatory framework and the audit observations reported in Annexure I and II of our audit report of even date on the Standalone Financial Statements of the Company for the year ended 31st March, 2019.

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



(CA R.P. Tewari)
Partner
M.No.: 071448

UDIN: 21071448AAAAAR7626

Place: Lucknow
Date : 29th January, 2021