



Annual Financial Statements  
of  
Madhyanchal Vidyut Vitran Nigam Limited  
Lucknow  
Financial Year 2018-2019

# INDEX

S. No.	PARTICULARS
1	BALANCE SHEET
2	STATEMENT OF PROFIT AND LOSS
3	STATEMENT OF CHANGES IN EQUITY
4	STATEMENT OF CASH FLOW
5	GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES
6	NOTES ON ACCOUNTS



**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459  
**BALANCE SHEET as at 31st March 2019**

(Amount in Lakhs)

Particulars	Note No.	Figures for the end of current reporting period As At 31st March 2019	Figures for the end of Previous reporting period As At 31st March 2018 (Restated)
<b>ASSETS</b>			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	880,835.39	675,877.76
(b) Capital work-in-progress	3	673,020.26	461,462.06
(2) Current assets			
(a) Inventories	4	77,432.26	56,672.34
(b) Financial Assets			
(i) Trade receivables	5	1,613,608.79	1,299,257.17
(ii) Cash and cash equivalents	6	10,833.78	6,664.76
(iii) Bank Balance (Other than ii above)	7	110,718.35	138,145.94
(iv) Other	8	196,396.24	181,322.00
(c) Other Current Assets	9	112,871.97	191,842.65
<b>Total Assets</b>		<b>3,675,717.04</b>	<b>3,011,244.68</b>
<b>EQUITY AND LIABILITIES</b>			
(I) EQUITY			
(a) Equity Share Capital	10	1,255,330.16	1,069,904.37
(b) Other Equity	11	(310,519.78)	(414,692.82)
(2) LIABILITIES			
(I) Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	1,177,560.50	1,141,826.77
(ii) Other financial liabilities	13	64,436.28	60,541.61
(II) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	3,202.75	3,202.75
(ii) Trade payables	15	694,888.14	451,412.91
(b) Other Financial Liabilities	16	790,818.99	699,049.09
<b>Total Equity and Liabilities</b>		<b>3,675,717.04</b>	<b>3,011,244.68</b>
General Information and Significant Accounting Policies	1A		
Notes on Accounts	1B		
Note 1A to 25 form Integral Part of Financial Statement.			

*ASP*  
(Abha Sethi Tandon)  
Company Secretary  
Part Time

*Dr. U. K. YADAV*  
Dr. U. K. YADAV  
G.M. (F&A)  
MVVNL, LUCKNOW

*Rakesh Kumar*  
(RAKESH KUMAR)  
Director (Finance)  
Madhyanchal Vidyut Vitran Nigam Ltd.  
Lucknow

*Sanjay Goyal*  
(SANJAY GOYAL)  
I.A.S.  
Managing Director  
4A, Gokhale Marg, Lucknow



300919

As per our separate report of even date  
For P.S. Bhargava & Co.  
(Chartered Accountants)  
(FRN: 0008346)

*S.K. Bhargava*  
(S.K. Bhargava)  
Partner  
Membership No. 070078  
30-09-2019





# MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED

4-A, GOKHLE MARG LUCKNOW  
CIN: U31220UP200SG027459

## STATEMENT OF PROFIT AND LOSS

For the year ended 31st March 2019

(Amount in Lakhs)

Particulars	Note No.	Figures for the current reporting period	Figures for the Previous reporting period
		31st March 2019	31st March 2018 (Restated)
I Revenue From Operations	17	1,002,968.47	880,644.61
II Other Income	18	376,892.71	234,509.37
III Total Revenue (I + II)		1,379,861.18	1,115,153.98
EXPENSES			
Cost of Power Purchased	19	1,210,303.55	955,029.99
Employees Benefits Expenses	20	29,741.06	38,323.92
Finance Cost	21	90,649.03	59,367.34
Depreciation and Amortization Expenses	22	22,726.01	19,313.51
Other Expenses			
Administrative, General & Other Expenses	23	40,080.02	37,480.27
Repair & Maintenance	24	44,464.91	36,356.89
Bad Debts & Provisions	25	16,544.82	15,094.59
IV Total Expenses		1,454,509.40	1,160,966.51
V Profit(Loss) before exceptional items and tax (III-IV)		(74,648.22)	(45,812.53)
VI Tax Expenses:			
(1) Current tax		-	-
(2) Deferred tax		-	-
VII Profit / (Loss) for the period from continuing operations (V-VI)		(74,648.22)	(45,812.53)
VIII Profit / (Loss) from discontinued operations		-	-
IX Tax Expenses of discontinued operations		-	-
X Profit / (Loss) from discontinued operations (after tax) (VIII-IX)		-	-
XI Profit / (Loss) for the period (VII+X)		(74,648.22)	(45,812.53)
XII Other Comprehensive Income		(74,648.22)	(45,812.53)
XIII Total Comprehensive Income for the period (XI+XII)			
(Comprising Profit / (Loss) and Other Comprehensive Income for the period)			
XIV Earnings per equity share (continuing operation) :			
(1) Basic		(64.05)	(60.66)
(2) Diluted		(64.05)	(60.66)
XV Earnings per equity share (discontinuing operation) :			
(1) Basic		-	-
(2) Diluted		-	-
XVI Earnings per equity share (continuing and discontinuing operation) :			
(1) Basic		(64.05)	(60.66)
(2) Diluted		(64.05)	(60.66)

General Information and Significant Accounting Policies

Notes on Accounts

Note 1A to 25 form Integral Part of Financial Statement.

1A

1B

*ASP*  
(Abha Sethi Tandon)  
Company Secretary  
Part Time

*श्रीगुरुदेव*  
Dr. U. K. YADAV  
G.M. (F&A)  
MVVN, LUCKNOW

*Ran*  
(RAKESH KUMAR)  
Director (Finance)  
Madhyanchal Vidyut Vitran Nigam Ltd.  
Lucknow

*Sanjay*  
(SANJAY GOYAL)  
I.A.S.  
Managing Director  
4A, Gokhale Marg, Lucknow



As per our separate report of even date  
For P.S. Bhargava & Co.  
(Chartered Accountants)

(FRN : 000834C)

*S.K. Bhargava*  
(S.K. Bhargava)  
Partner

Membership No. 070078

300919



MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED  
4-A, GOKHLE MARG LUCKNOW  
CIN: U31220UP200SG027459

## Statement of Changes in Equity

Equity Share Capital		(Amount in Lakhs)
Particulars	Amount	
Balance as on 1st April 2018	1,069,904.37	
Changes during the year	185,425.79	
Balance as on 31st March 2019	1,255,330.16	

Particulars	Capital Reserve				Restructuring Reserve	Share Application money pending Allotment	Total
	Reserve and Surplus Retained Earnings	Consumer Contribution towards service line and other charges	Subsidies towards cost of capital assets	APDRP Grant			
Balance as on 31st March 2017 (as previously reported)	(1,354,704.55)	151,948.42	384,486.19	792.08	0.00	528,721.34	(288,756.52)
Impact of Ind AS adjustment to retained earnings	(157.62)	-	-	-	-	-	(157.62)
Balance as on 1st April 2017	(1,354,862.17)	151,948.42	384,486.19	792.08	0.00	528,721.34	(288,914.14)
Addition during the year	(45,812.53)	26,900.60	12,218.82	-	-	238,791.83	232,098.72
Reduction during the year	-	4,124.31	10,436.05	21.50	-	343,295.54	357,877.40
Balance as on 31st March 2018	(1,400,674.70)	174,774.71	386,268.96	770.58	0.00	424,217.63	(414,692.82)
Addition during the year	(74,648.22)	35,556.53	94,014.19	-	-	249,924.22	304,846.72
Reduction during the year	-	4,742.53	10,484.44	20.92	-	185,425.79	200,673.68
Balance as on 31st March 2019	(1,475,322.92)	205,538.71	489,798.71	749.66	0.00	488,716.06	(310,519.78)

(Abha Sethi Tandon)  
Company Secretary  
Part Time

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Dr. U. K. YADAV  
G.M. (F&A)  
MVVNL, LUCKNOW

(RAKESH KUMAR)  
Director (Finance)  
Madhyanchal Vidyut Vitran Nigam Ltd.  
Lucknow

(SANJAY GOYAL)  
I.A.S.  
Managing Director  
4A, Gokhale Marg, Lucknow

As per our separate report of even date  
For P.S. Bhargava & Co.  
(Chartered Accountants)  
(FRN : 000834C)  
S. K. Bhargava  
Partner  
Membership No. 070078



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MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED  
4-A, GOKHLE MARG LUCKNOW  
CIN: U31200UP2005GR21453

NOTE -2

**PROPERTY, PLANT AND EQUIPMENT**

Particulars	Gross Block			Depreciation			Net Block	
	As at 31.03.2018	Additions	Deductions / Adjustments*	As at 31.03.2019	As at 31.03.2018	Additions	Deductions / Adjustments*	As at 31.03.2019
Land & Land Rights	106.81	-	-	106.81	0.08	332.28	(45.60)	45.68
Buildings	17,796.27	971.38	-	18,767.65	5,451.91	26.92	-	5,784.19
Other Civil Works	1,416.81	-	-	1,416.81	680.94	-	-	707.86
Plant & Machinery	312,345.60	89,553.07	54,949.24	346,949.43	6,100.13	16,350.92	19,373.39	3,077.66
Lines, Cable Network etc.	469,756.39	188,757.02	1,828.67	655,684.74	117,785.39	19,889.29	910.57	136,784.11
Vehicles	651.24	(50.61)	-	600.63	540.54	51.66	-	592.20
Furniture & Fixtures	1,084.33	83.35	-	1,167.68	71.93	-	-	551.97
Office Equipments	9,778.59	156.87	-	9,935.46	6,019.25	1,250.90	-	7,270.15
<b>TOTAL</b>	<b>812,936.04</b>	<b>279,471.08</b>	<b>56,777.91</b>	<b>1,035,629.21</b>	<b>137,058.28</b>	<b>37,973.90</b>	<b>20,238.36</b>	<b>154,793.82</b>
Previous Year	714,223.39	147,396.00	48,683.35	812,936.04	123,348.42	33,895.38	20,185.52	137,058.28

Particulars	Gross Block			Depreciation			Net Block	
	As at 31.03.2017	Additions	Deductions / Adjustments*	As at 31.03.2018	As at 31.03.2017	Additions	Deductions / Adjustments*	As at 31.03.2018
Land & Land Rights	106.81	-	-	106.81	0.08	309.98	-	0.08
Buildings	16,511.39	1,284.86	-	17,796.27	5,141.93	25.62	-	5,451.91
Other Civil Works	1,416.81	-	-	1,416.81	655.32	-	-	680.94
Plant & Machinery	277,727.67	81,878.23	47,260.30	312,345.60	(21,201.38)	14,454.85	(12,846.86)	6,100.13
Lines, Cable Network etc.	407,248.44	63,931.00	1,423.05	469,756.39	133,174.78	17,642.99	33,032.38	117,785.39
Vehicles	578.61	72.63	-	651.24	471.12	69.42	-	540.54
Furniture & Fixtures	1,024.61	59.72	-	1,084.33	407.47	72.57	-	480.04
Office Equipments	9,609.05	169.54	-	9,778.59	4,899.10	1,320.15	-	6,019.25
<b>TOTAL</b>	<b>714,223.39</b>	<b>147,396.00</b>	<b>48,683.35</b>	<b>812,936.04</b>	<b>123,348.42</b>	<b>33,895.38</b>	<b>20,185.52</b>	<b>137,058.28</b>
Previous Year	596,328.70	165,510.80	47,616.11	714,223.39	110,955.32	29,251.57	16,858.47	123,348.42

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*31/03/2018*

*Sanjay*

*Sanjay*





**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

**NOTE - 3**

**CAPITAL WORKS IN PROGRESS**

(Amount in Lakhs)				
PARTICULARS	As at 31.03.2018	Additions	Deduction / Adjustments	Capitalised
(A) Opening CWIP	210,280.10			
(+) PPE Adjustment	771.18			
Capital Work in Progress *	211,051.28	349,867.77	(10,966.05)	279,471.08
				270,481.92
<b>SUB TOTAL (A)</b>	<b>211,051.28</b>	<b>349,867.77</b>	<b>(10,966.05)</b>	<b>279,471.08</b>
(B) Advance to Supplier/Contractor (Net of Provision)	250,410.78	232,434.86	(80,307.30)	-
				402,538.34
<b>SUB TOTAL (B)</b>	<b>250,410.78</b>	<b>232,434.86</b>	<b>(80,307.30)</b>	<b>402,538.34</b>
<b>TOTAL (A + B)</b>	<b>461,462.06</b>	<b>582,302.63</b>	<b>(91,273.35)</b>	<b>279,471.08</b>
				673,020.26

(Amount in Lakhs)				
PARTICULARS	As at 31.03.2017	Additions	Deduction / Adjustments	Capitalised
(A) Capital Work in Progress *	172,480.13	183,299.91	1,896.05	147,395.99
				210,280.10
<b>SUB TOTAL (A)</b>	<b>172,480.13</b>	<b>183,299.91</b>	<b>1,896.05</b>	<b>147,395.99</b>
(B) Advance to Supplier/Contractor (Net of Provision)	242,006.13	28,022.43	(19,617.78)	-
				250,410.78
<b>SUB TOTAL (B)</b>	<b>242,006.13</b>	<b>28,022.43</b>	<b>(19,617.78)</b>	<b>250,410.78</b>
<b>TOTAL (A + B)</b>	<b>414,486.26</b>	<b>211,322.34</b>	<b>(17,721.73)</b>	<b>147,395.99</b>
				460,690.88

\* It includes Establishment Cost related to works.



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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

**NOTE - 4**

**INVENTORIES**

(Amount in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
<b>Stores and Spares</b>				
Stock of Materials - Capital Works	28,633.15		48,729.54	
Stock of materials - O & M	49,481.10	78,114.25	8,869.13	57,598.67
		3,439.54		3,195.20
<b>Others*</b>		81,553.79		60,793.87
<b>SUB TOTAL</b>		4,121.53		4,121.53
<b>Less - Provision for Unserviceable Stores</b>				
<b>TOTAL</b>		<b>77,432.26</b>		<b>56,672.34</b>

\* Other materials Include material issued to fabricators, obsolete material, scrap transformer sent for repair store, excess/shortage pending for investigation and material in transit.







**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

**NOTE - 5**

**FINANCIAL ASSETS - TRADE RECEIVABLES ( CURRENT )**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Trade receivables outstanding from customers on account of Supply of Power</b>		
For a period more than six months		
Secured & Considered good	51,196.62	41,819.67
Unsecured & Considered good	1,366,840.91	980,941.51
Considered Doubtful	125,119.50	98,869.24
	1,543,157.03	1,121,630.42
<b>Trade receivables outstanding from customers on account of Supply of Power</b>		
For a period less than six months		
Secured & Considered good	2,230.69	6,576.97
Unsecured & Considered good	59,554.75	159,341.29
Considered Doubtful	5,451.59	16,067.64
	67,237.03	181,985.90
<b>TOTAL (A)</b>	<b>1,610,394.06</b>	<b>1,303,616.32</b>
<b>Trade receivables outstanding from customers on account of Electricity Duty</b>		
For a period more than six months		
Secured & Considered good	4,495.33	4,015.48
Unsecured & Considered good	120,015.62	97,283.51
Considered Doubtful	10,986.13	9,809.86
	135,497.08	111,108.85
<b>Trade receivables outstanding from customers on account of Electricity Duty</b>		
For a period less than six months		
Secured & Considered good	334.86	443.73
Unsecured & Considered good	8,940.02	10,750.20
Considered Doubtful	818.36	1,084.03
	10,093.24	12,277.96
<b>TOTAL (B)</b>	<b>145,590.32</b>	<b>123,386.81</b>
<b>TOTAL (A + B)</b>	<b>1,755,984.38</b>	<b>1,427,003.13</b>
Less- Provision for Bad & Doubtful Debts	142,375.59	125,830.77
Add / Less- PPE Adjustment	-	(1,915.19)
<b>TOTAL</b>	<b>1,613,608.79</b>	<b>1,299,257.17</b>

**NOTE - 6**

**FINANCIAL ASSETS- CASH AND CASH EQUIVALENTS ( CURRENT )**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Cash in Hand</b>		
Cash in Hand ( Including Stamps in hand )	9,509.34	5,464.09
Cash at Bank (Fixed Deposits Maturity three months or Less than three months)	1,071.93	1,025.80
Cash Imprest with Staff	252.51	174.87
	10,833.78	6,664.76
<b>TOTAL</b>	<b>10,833.78</b>	<b>6,664.76</b>

**NOTE - 7**

**FINANCIAL ASSETS - BANK BALANCES ( CURRENT ) ( OTHER THAN NOTE 6 ABOVE )**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Balances with Banks</b>		
In Current & Other account	102,183.26	120,884.54
In Fixed Deposit accounts ( Maturity more than three months but less than twelve months )	8,535.09	16,760.47
PPE Adjustment Fixed Deposits	-	500.93
	110,718.35	138,145.94
<b>TOTAL</b>	<b>110,718.35</b>	<b>138,145.94</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
**4-A, GOKHLE MARG LUCKNOW**  
**CIN: U312200UP200SG027459**

**NOTE - 8**

**FINANCIAL ASSETS - OTHER ( CURRENT )**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Receivables from -</b>		
GOUP	34,147.95	26,571.69
Uttanchal PCL	1.41	1.41
UPJVNL	1.53	1.53
UPPTCL	29,244.30	29,041.89
KESCO	144.16	144.16
Dakshinanchal VVNL	8,538.06	8,536.25
Paschimanchal VVNL	7,671.84	7,675.15
Purvanchal VVNL	7,610.65	7,610.65
	87,359.90	79,582.73
Receivable against Loan (UPPCL)		
Receivable	1,299,251.70	1,200,853.67
Less: Payable	1,203,491.77	1,112,384.14
	95,759.93	88,469.53
Employees	9,817.55	10,259.30
Others	3,458.86	3,010.44
	13,276.41	13,269.74
<b>Total</b>	<b>196,396.24</b>	<b>181,322.00</b>

**NOTE - 9**

**OTHER CURRENT ASSETS**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>ADVANCES (Unsecured/Considered Good)</b>		
Suppliers / Contractors	1,915.95	1,800.45
<b>Less - Provision for Doubtful Advances</b>	<b>34.20</b>	<b>34.20</b>
Tax deducted at source		39.98
Inter Unit Transactions		110,620.88
		189,743.52
Theft of Fixed Assets Pending Investigation	522.50	522.50
Less - Provision for estimated losses	522.50	522.50
Income Accrued but not Due		329.36
		250.41
<b>Total</b>	<b>112,871.97</b>	<b>191,842.65</b>

*asp*

*31/3/2019*

*an*

*Sanjay*





**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459**NOTE - 10****EQUITY SHARE CAPITAL**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>(A) AUTHORISED :</b>		
200000000 Equity share of par value of Rs.1000/- each	2,000,000.00	2,000,000.00
(previous year 200000000 Equity share of par value Rs.1000/- each)		
<b>(B) ISSUED SUBSCRIBED AND FULLY PAID UP</b>		
125533016 Equity share of par value Rs.1000/- each	1,255,330.16	1,069,904.37
(Previous year 106990437 Equity share of par value Rs.1000/- each) fully paid up		
<b>TOTAL</b>	<b>1,255,330.16</b>	<b>1,069,904.37</b>

- a) During the year, the Company has issued **18542579** Equity shares of Rs.1000 each only and has not bought back any shares.
- b) The Company has only one class of equity shares having a par value Rs. 1000/- per share.
- c) During the year ended 31st March 2019, no dividend has been declared by board due to heavy accumulated losses.
- d) Paid up Share Capital includes Equity Shares allotted to UPPCL and 500 Promoter's shares.

**Details 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
UPPCL	125,532,516	99.9996%	106,989,937	99.9995%

**Reconciliation of No. of Shares :**

No. of shares as at 31.03.2018	Issued during the year	Buyback during the year	No. of shares as at 31.03.2019
106,990,437	18,542,579	-	125,533,016







**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U31220UP200SG027459

**NOTE- 11**

**OTHER EQUITY**

(Amount in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
<b><u>Share Application Money</u></b>				
As per last Financial Statement	424,217.63		528,721.34	
Add: Received during the year	249,924.22		238,791.83	
	674,141.85		767,513.17	
Less: Shares allotted during the year	185,425.79	488,716.06	343,295.54	424,217.63
<b><u>Capital Reserve</u></b>				
<b>(i) Consumer Contribution towards service line and other charges</b>				
As per last Financial Statement	174,724.71		151,948.42	
Add: Received during the year	35,556.53		26,900.60	
	210,281.24		178,849.02	
Less: Transfer to Statement of P&L Account	4,742.53	205,538.71	4,124.31	174,724.71
<b>(ii) Subsidies towards cost of capital assets</b>				
As per last Financial Statement	386,268.96		384,486.19	
Add: Received during the year	94,014.19		12,218.82	
	480,283.15		396,705.01	
Less: Transfer to Statement of P&L Account	10,484.44	469,798.71	10,436.05	386,268.96
<b>(iii) APDRP Grant</b>				
As per last Financial Statement	770.58		792.08	
Add: Received during the year	-		-	
	770.58		792.08	
Less: Transfer to Statement of P&L Account	20.92	749.66	21.50	770.58
<b><u>Restructuring Reserve</u></b>				
As per last Financial Statement	0.00		0.00	
Add: Addition during the year	-		-	
	0.00		0.00	
Less: Reduction during the year	-	0.00	-	0.00
<b><u>Surplus in the Statement of P&amp;L Account</u></b>				
As per last Financial Statement	(1,400,674.70)		(1,354,704.55)	
Add: Impact of Ind AS adjustment to retained earnings	-		(157.62)	
Add: Profit / (Loss) during the year	(74,648.22)	(1,475,322.92)	(45,812.53)	(1,400,674.70)
<b>GRAND TOTAL</b>		<b>(310,519.78)</b>		<b>(414,692.82)</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

Note - 12

**FINANCIAL LIABILITY - BORROWINGS ( NON CURRENT )**

(Amount in Lakhs)

PARTICULARS	Non- Current	
	As at 31.03.2019	As at 31.03.2018
<b>A. SECURED LOAN -</b>		
(i) Power Finance Corporation Ltd. ( R - APDRP) (Secured against hypothecation of New Created Assets)	109,646.47	108,230.66
(ii) Rural Electrification Corporation Ltd. (APDRP) (Secured against hypothecation of New Created Assets)	-	217.79
(iii) Rural Electrification Corporation Ltd. (R-APDRP) (Secured against hypothecation of New Created Assets)	24,022.31	25,718.31
(iv) Rural Electrification Corporation Ltd. (Saubhagya)	20,000.00	-
(v) Rural Electrification Corporation Ltd. (DDUGJY)	23,501.00	-
(vi) Power Finance Corporation Ltd. (IPDS)	2,200.00	-
(vii) Bonds	412,479.12	428,870.00
<b>Total</b>	<b>591,848.90</b>	<b>563,036.76</b>
<b>B. Unsecured Loans</b>		
(i) REC Transitional ( Guaranteed by Govt. of UP )	121,084.71	102,495.41
(ii) PFC Transitional ( Guaranteed by Govt. of UP )	164,821.20	93,604.88
(iii) UP GOVERNMENT Interest free Loan (UDAY Scheme)	94,675.44	189,350.88
Other	11,791.41	-
(iv) Bonds	106,466.85	189,350.88
	193,338.84	193,338.84
<b>Total</b>	<b>585,711.60</b>	<b>578,790.01</b>
<b>GRAND TOTAL</b>	<b>1,177,560.50</b>	<b>1,141,826.77</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A , GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

**NOTE- 13**

**OTHER FINANCIAL LIABILITIES ( NON CURRENT )**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Security Deposits from Consumers	58,257.50	51,506.35
<b><u>Provisions</u></b>		
VII Pay commission Provision	6,178.78	9,035.26
<b>TOTAL</b>	<b>64,436.28</b>	<b>60,541.61</b>

**NOTE- 14**

**FINANCIAL LIABILITY - BORROWINGS ( CURRENT )**

(Amount in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b><u>Unsecured Loans</u></b>		
New Okhla Industrial Dev. authority	3,202.75	3,202.75
<b>TOTAL</b>	<b>3,202.75</b>	<b>3,202.75</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U31220UP200SG027459

**NOTE- 15**

**FINANCIAL LIABILITY - TRADE PAYABLE ( CURRENT )**

(Amount in Lakhs)			
Particulars	As at 31.03.2019		As at 31.03.2018
Liability for Purchase of Power - UPPCL	615,118.89		377,422.38
Liability for Transmission Charges - UPPTCL	79,769.25	694,888.14	73,990.53
			451,412.91
<b>TOTAL</b>		<b>694,888.14</b>	<b>451,412.91</b>

**NOTE- 16**

**OTHER FINANCIAL LIABILITY ( CURRENT )**

(Amount in Lakhs)			
Particulars	As at 31.03.2019		As at 31.03.2018
Current Maturity of Long Term Borrowings		48,410.92	40,904.11
Interest on Security Deposits from Consumers		781.82	1,349.49
Liability for Capital Supplies/ Works		233,019.93	189,630.28
Liability for O & M Supplies / Works		31,251.57	29,146.20
Staff Related Liabilities	50,506.95	-	45,883.34
PPE Adjustment	-	50,506.95	2,037.33
Deposits & Retentions from Suppliers & Others		124,087.64	47,920.67
Electricity Duty & Other Levies payable to Govt.	174,737.97		108,357.65
PPE Adjustment	-	167,881.92	
Deposit for Electrification works		56.29	167,938.21
Sundry Liabilities	41,623.77	26,587.82	22,586.03
PPE Adjustment	-	-	36,901.60
Payable to UPRVUNL		41,623.77	62.88
Payable to UPPCL ( Corporate )		4.73	36,964.48
Payable	157,854.16		156,569.07
Less - Receivable	148,652.67	9,201.49	148,307.05
			8,262.02
Liabilities for Expenses		3,627.82	1,641.82
VII Pay commission Provision		2,856.48	2,090.86
<b>Liabilities towards Power Sector Employee</b>			
UPPCL CPF Trust Liability	1,225.68		575.90
Provident Fund Liability	29,247.22		29,643.84
Pension and Gratuity Liability	11,980.13	42,453.03	10,251.46
Interest Accrued but not Due on Borrowings		1,667.05	40,471.20
			1,781.34
<b>TOTAL</b>		<b>790,818.99</b>	<b>699,049.09</b>

Note:- Details of Current Maturity of Long Term Borrowings is annexed with this Note. (Refer Annexure to Note - 16)

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

Annexure to Note-16  
(Amount in Lakhs)

Particulars	Current Maturities	
	As at 31.03.2019	As at 31.03.2018
<b>SECURED LOAN</b>		
(i) Power Finance Corporation Ltd. ( R - APDRP) (Secured against hypothecation of New Created Assets)	4,873.31	4,517.36
(ii) Rural Electrification Corporation Ltd. (APDRP) (Secured against hypothecation of New Created Assets)	217.79	580.08
(iii) Rural Electrification Corporation Ltd. (R-APDRP) (Secured against hypothecation of New Created Assets)	2,601.31	2,444.63
(iv) Rural Electrification Corporation Ltd. (STL)	-	5,000.00
<b>Total</b>	<b>7,692.41</b>	<b>12,542.07</b>
<b>BONDS</b>		
(i) 9.75% Rated Bonds 05.12.17	8,580.88	-
(ii) 10.15% Rated Bonds 27.03.18	7,810.00	5,969.95
(iii) Power Finance Corporation Ltd.	-	5,821.46
(iv) Rural Electrification Corporation Ltd.	-	-
<b>Total</b>	<b>16,390.88</b>	<b>11,791.41</b>
<b>Unsecured Loans</b>		
<b>LOAN BY UPPCL on behalf of MVVNL</b>		
(i) REC Transitional ( Guaranteed by Govt. of UP )	10,704.29	5,500.00
(ii) PFC Transitional ( Guaranteed by Govt. of UP )	13,623.34	11,070.63
<b>Total</b>	<b>24,327.63</b>	<b>16,570.63</b>
	<b>48,410.92</b>	<b>40,904.11</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U31220UP200SG027459

**NOTE - 17**

**REVENUE FROM OPERATIONS**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
<b>SALE OF POWER</b>		
Extra State Consumers	2,270.45	3,214.07
<b>LARGE SUPPLY CONSUMERS</b>		
Industrial	184,522.61	177,429.97
Traction	13,965.36	26,163.76
PPE Adjustment Traction	-	471.23
Irrigation	6,232.69	9,008.89
Public Water Work	28,189.62	35,123.69
	232,910.28	248,197.54
<b>SMALL &amp; OTHER CONSUMERS</b>		
Domestic	426,284.11	333,776.35
Commercial	140,242.77	123,791.12
Industrial Low & Medium Voltage	37,053.24	37,349.94
Public Lighting	24,912.00	27,237.75
STW & Pump Canal	46,646.32	43,273.96
PTW & Sewage Pumping	27,287.08	23,465.14
Miscellaneous Charges from Consumers	48,766.29	16,699.68
Energy internally consumed	16,595.93	23,639.06
	767,787.74	629,233.00
<b>Sub Total</b>	<b>1,002,968.47</b>	<b>880,644.61</b>
Add : Electricity Duty	61,342.44	62,763.57
<b>Gross Sale of Power</b>	<b>1,064,310.91</b>	<b>943,408.18</b>
Less: Electricity Duty	61,342.44	62,763.57
<b>Net Sale of Power</b>	<b>1,002,968.47</b>	<b>880,644.61</b>

**NOTE - 18**

**OTHER INCOME**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
<b>a Revenue Subsidies &amp; Grants</b>		
Revenue Subsidy	245,457.62	130,929.54
RE Subsidy	24,572.95	3,320.96
Subsidy for Repayment of Loan	2,321.84	-
Subsidy for Repayment of Interest on Loan	3,672.39	-
Subsidy for Operational Losses	18,361.68	951.88
	294,386.48	135,202.38
<b>b Interest from :</b>		
Loans to Staff	0.02	0.68
Fixed Deposits	595.99	634.40
Others	979.61	263.03
PPE Adjustment Others	-	500.93
	1,575.62	1,399.04
<b>c Delayed Payment Charges from Consumers</b>	<b>79,032.84</b>	<b>97,118.04</b>
PPE Adjustment Delay Payment Charges	-	(2,285.09)
<b>d Other non operating income</b>		
Income from Contractors/Suppliers	1,542.32	945.05
PPE Adjustment Income From Contractors	-	(62.88)
Rental from Staff	3.00	3.63
Miscellaneous Receipts	351.90	2,189.00
	1,897.22	3,074.80
<b>e Excess found in Physical Verification of Stock</b>	<b>0.55</b>	<b>0.20</b>
<b>TOTAL</b>	<b>376,892.71</b>	<b>234,509.37</b>

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MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

NOTE - 19

COST OF POWER PURCHASE

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Power Purchased from UPPCL	1,166,519.40	916,201.69
Transmission Charges to UPPTCL	43,784.15	38,828.30
<b>TOTAL</b>	<b>1,210,303.55</b>	<b>955,029.99</b>

NOTE - 20

EMPLOYEES BENEFIT EXPENSES

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Salaries & Allowances	39,549.25	27,149.27
PPE Adjustment	-	224.12
Dearness Allowance	-	27,373.39
Other Allowances	2,314.90	13,074.83
PPE Adjustment	-	1,879.51
Bonus/ Ex-gratia	-	141.39
Medical Expenses ( Re-imbursement )	319.06	2,020.90
Earned Leave Encashment	713.28	396.93
Compensation	6,183.65	650.42
Staff Welfare Expenses	11.55	6,577.41
Pension & Gratuity	4.75	8.63
PPE Adjustment	4,636.92	7.28
Interest on General Provident Fund	-	3,931.79
Interest on Contributory Provident Fund	4,636.92	1,671.82
Other Terminal Benefits	2,192.69	5,603.61
<b>SUB TOTAL</b>	<b>62,470.26</b>	<b>59,739.01</b>
<b>LESS - Expenses Capitalised</b>	<b>32,729.20</b>	<b>21,415.09</b>
<b>TOTAL</b>	<b>29,741.06</b>	<b>38,323.92</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**  
4-A, GOKHLE MARG LUCKNOW  
CIN: U312200UP200SG027459

**NOTE - 21**

**FINANCE COST**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
<b>Interest on Loans</b>		
PFC	21,145.72	12,081.88
REC	15,411.55	8,943.25
GOUP	654.87	-
Banks	606.67	1,132.27
Working Capital	1,846.52	1,734.40
Interest on Consumers	1,513.31	4,409.65
Interest on Bonds	59,201.53	39,341.27
<b>Other borrowing costs</b>		
Finance Charges	0.01	2,158.60
Guarantee Charges	0.16	-
Bank Charges	139.76	249.71
<b>Sub Total</b>	100,520.10	70,051.03
<b>Less - Interest Capitalised</b>	9,871.07	9,912.50
<b>Less - PPE Adjustment</b>	-	771.19
	<b>90,649.03</b>	<b>59,367.34</b>

**NOTE - 22**

**DEPRECIATION AND AMORTIZATION EXPENSES**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
<b>Depreciation</b>		
Buildings	332.28	309.98
Other Civil Works	26.92	25.62
Plant & Machinery	16,350.92	14,454.65
Lines, Cable Network etc.	19,889.29	17,642.99
Vehicles	51.66	69.42
Furniture & Fixtures	71.93	72.57
Office Equipments	1,250.90	1,320.15
	37,973.90	33,895.38
<b>Less - Equivalent amount of dep. On Assets acquired against Consumers Contributions towards Service Line and other charges</b>	15,247.89	14,581.87
<b>GRAND TOTAL</b>	<b>22,726.01</b>	<b>19,313.51</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**

4-A, GOKHLE MARG LUCKNOW

CIN: U31220UP200SG027459

**NOTE - 23****ADMINISTRATIVE, GENERAL & OTHER EXPENSES**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Rent	45.10	26.32
Insurance	90.27	35.47
Communication Charges	713.79	619.03
Legal Charges	164.98	563.07
Audit Fee	42.80	32.28
Consultancy Charges	978.35	636.72
Technical Fees & Professional Charges	122.55	33.29
Travelling and Conveyance	580.35	711.68
Printing and Stationery	303.17	330.97
Advertisement Expenses	296.87	210.18
Electricity Charges	16,595.93	23,639.06
Water Charges	5.19	2.52
Entertainment	-	18.47
Expenditure on Trust	50.54	50.93
Payment to contractual personal	2,458.43	1,785.88
Expenses on Spot Billing Centre	14,208.05	4,976.68
Vehicles Expenses	219.30	655.92
Miscellaneous Expenses	2,472.33	2,399.07
Compensation ( Other than staff )	732.02	752.73
<b>TOTAL</b>	<b>40,080.02</b>	<b>37,480.27</b>

**NOTE - 24****REPAIRS AND MAINTENANCE**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
Plant & Machinery	13,172.66	8,985.59
Buildings	293.05	1,662.40
Other Civil Works	135.07	211.20
Lines, Cables Networks etc.	30,781.67	25,307.22
Furniture & Fixtures	0.60	1.85
Office Equipments	81.86	188.63
<b>TOTAL</b>	<b>44,464.91</b>	<b>36,356.89</b>

**NOTE - 25****BAD DEBTS & PROVISIONS**

(Amount in Lakhs)

Particulars	For the Year ended on 31.03.2019	For the Year ended on 31.03.2018
<b>PROVISIONS</b>		
Doubtful Debts ( Sale of Power )	16,544.82	15,094.59
<b>TOTAL</b>	<b>16,544.82</b>	<b>15,094.59</b>

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**MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED**

4-A, GOKHLE MARG LUCKNOW

CIN: U312200UP200SG027459

**STATEMENT OF CASH FLOW**

(Amount in Lakhs)

	2018-19	2017-18
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss Before Taxation & Extraordinary items	(74,648.22)	(45,812.53)
Adjustment For:		
a Depreciation	22,726.01	19,313.51
b Interest & Financial Charges	90,649.03	59,367.34
c Bad Debts & Other Provision	16,544.82	15,094.59
d Interest Income	(1,575.62)	(1,399.04)
e Prior Period Adjustment (Net)	-	(157.62)
f Fringe Benefit Tax	-	-
Sub Total	128,344.24	92,218.78
Operating Profit Before Working Capital Change	53,696.02	46,406.25
Adjustment for:		
a Stores & Spares	(20,759.92)	(33,501.90)
b Trade Receivable	(330,896.44)	(299,976.66)
c Other Current Assets	63,896.44	(106,621.89)
d Other Current Liab.	91,769.90	155,047.54
e Short-Term Borrowings	-	-
f Trade Payable	243,475.23	(158,088.12)
Sub Total	47,485.21	(443,141.03)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>101,181.23</b>	<b>(396,734.78)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
a Decrease (Increase) in Fixed Assets	(242,931.53)	(118,898.17)
c Decrease (Increase) in Work in Progress	(211,558.20)	(46,975.79)
d (Increase)/Decrease in Investments	-	-
e Decrease (Increase) in Other Non Current Assets	-	-
f Decrease/(Increase) in Restructuring A/c	-	-
g Decrease/(Increase) in Long Term Loans & Advances	-	-
h Interest Income	1,575.62	1,399.04
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES (B)</b>	<b>(452,914.11)</b>	<b>(164,474.92)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
a Proceeds from Borrowing	35,733.73	368,242.00
b Proceeds from Share Capital	185,425.79	343,295.54
c Proceed from Share Application Money	64,498.43	(104,503.71)
d Proceed from GOUP Subsidy and Consumer Contribution	129,570.72	39,119.42
e Other long term liabilities	3,894.67	3,858.21
f Interest & Financial Charges	(90,649.03)	(59,367.34)
g Accumulated losses as per transfer Scheme	-	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES (C)</b>	<b>328,474.31</b>	<b>590,644.12</b>
<b>NET INCREASE (DECREASE) IN CASH &amp; BANK BALANCE (A+B+C)</b>	<b>(23,258.57)</b>	<b>29,434.42</b>
<b>CASH &amp; BANK BALANCE AT THE BEGINNING OF THE YEAR</b>	<b>144,810.70</b>	<b>115,376.28</b>
<b>CASH &amp; BANK BALANCE AT THE END OF THE YEAR</b>	<b>121,552.13</b>	<b>144,810.70</b>

**Notes to the Statement of Cash Flow**

- (i) This Statement has been prepared under indirect method as prescribed by Ind AS 7.  
(ii) Cash and cash equivalent consists of cash in hand, bank balances with scheduled banks and fixed deposits with banks.  
(iii) The figures in this statement have been rounded off to the rupees in lakhs up to two decimals.  
(iv) Previous year figures have been regrouped and restated wherever considered necessary.

*ASP*  
**(Abha Sethi Tandon)**  
Company Secretary  
Part Time

*Shri 322149*  
**Dr. U. K. YADAV**  
G.M. (F&A)  
MVVN, LUCKNOW

*Rakesh K. Jari*  
**(RAKESH K. JARI)**  
Director (Finance)  
Madhyanchal Vidyut Vitran Nigam Ltd.  
Lucknow

*Sanjay Goyal*  
**(SANJAY GOYAL)**  
I.A.S.  
Managing Director  
4A, Gokhale Marg, Lucknow



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As per our separate report of even date  
For P.S. Bhargava & Co.  
(Chartered Accountants)

(FRN : 000834C)

*S.K. Bhargava*  
**(S.K. Bhargava)**  
Partner  
Membership No. 070078



# MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED

4-A, GOKHALE MARG, LUCKNOW

CIN - U31200UP2003SGC027459

## GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

NOTE No. 1A

### 1. REPORTING ENTITY

- (a) The Company is a wholly owned subsidiary of U.P. Power Corporation Limited, Luknow (A state Govt. Company) domiciled in India and is engaged in the distribution of electricity in its specified area.
- (b) The Company was incorporated under the Companies Act, 1956 on 01-05-2003 and commenced the business operation of w.e.f. 12-08-2003 in terms of Government of Uttar Pradesh Notification No. 2740/P-1/2003-24-14P/2003 dated 12-08-2003. The address of the Company's registered office is 4-A, Gokhle Marg, Lucknow, Uttar Pradesh - 226001.

### 2. GENERAL BASIS OF PREPARATION

- (a) The financial statements are prepared in accordance with the applicable provisions of the Companies Act, 2013. However where there is a deviation from the provisions of the Companies Act, 2013 in preparation of these accounts, the corresponding provisions of Electricity (Supply) Annual Accounts Rules 1985 have been adopted.
- (b) The accounts are prepared under historical cost convention, on accrual basis, unless stated otherwise 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 are accounted for on receipt basis after the recovery of principal in full.
- (d) **Statement of compliance**  
The financial statements are prepared on accrual basis of accounting, unless stated otherwise, and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.  
These financial statements were authorized by Board of Directors on 25.09.2019
- (e) **Functional and presentation currency**  
The financial statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Indian rupees has been rounded to the nearest rupees in lakhs (up to two decimals), except as stated otherwise.
- (f) **Use of estimates and management judgments**  
The preparation of financial statements require management to make judgements, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent Assets and Liabilities at the balance date. The estimates and management's judgements are based on previous experience and other factor considered reasonable and prudent in the circumstances. Actual results may differ for this estimate.  
Estimates and underlying assumptions are reviewed as on ongoing basis. Revisions to accounting estimates are recognised 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 cost relating to the acquisition and installation of Property, Plant and Equipment till the date of commissioning are capitalized.
- (c) Consumer Contribution, Grants and Subsidies received towards cost of capital assets are treated initially as capital reserve and subsequently amortized in the proportion in which depreciation on related asset is charged.
- (d) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- (e) Due to multiplicity of functional units as well as multiplicity of functions at particular unit, Employees cost to capital works are capitalized @ 15% on deposit works, 13.50% on distribution works and @ 9.5% on other works on the amount of total expenditure.
- (f) Borrowing cost during construction stage of capital assets are capitalized as per provisions of Ind AS-23.

#### 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.

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 addition to / deduction 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 the original cost except in case of temporary erections/construction where 100% depreciation is charged.





**V 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.

**VI REVENUE/ EXPENDITURE RECOGNITION**

- (a) Revenue from sale of energy is accounted for on accrual basis.
- (b) Late payment surcharge recoverable from consumer on energy bills is accounted for on cash basis due to uncertainty of realisation.
- (c) The sale of electricity does not include electricity duty payable to the State Government.
- (d) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission.
- (e) In case of detection of theft of energy, the consumer is billed on laid down norms as specified in Electricity Supply Code.
- (f) Penal interest, overdue interest, commitment charges restructuring charges and incentive/rebates on loans are accounted for on cash basis after final ascertainment

**VIII POWER PURCHASE**

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

- (a) The Bulk purchase of power is made available by the holding company (U.P. Power Corporation Limited) and the cost of Power Purchase is accounted for on accrual basis at the rates approved/bills raised by UPPCL.
- (b) Transmission charges are accounted for on accrual basis on raised by the U.P. Power Transmission Corporation Limited at the rates approved by UPERC.

**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 unrealizable 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.

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## **XII FOREIGN CURRENCY TRANSACTIONS**

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

## **XIII DEFERRED TAX LIABILITY**

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

## **XIV CASH FLOW STATEMENT**

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

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

### **Subsequent Measurement:**

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

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

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

## **XVI FINANCIAL LIABILITIES**

### **Initial recognition and measurement:**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. All the financial liabilities are recognized 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 amortized cost of a financial instrument and of allocating interest and other expenses over the relevant period. Since each borrowing has its own separate rate of interest and risk, therefore the rate of interest at which they are existing is treated as EIR. Trade and other payables are shown at contractual value.

A financial liability is derecognized 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.



*ASP*  
(Abha Sethi Tandon)  
Company Secretary  
Part Time

*Dr. U. K. YADAV*  
G.M. (F&A)  
MVVNL, LUCKNOW

*Rakesh Kumar*  
(RAKESH KUMAR)  
Director (Finance)  
Madhyanchal Vidyut Vitran Nigam Ltd.  
Lucknow

*Sanjay Goyal*  
(SANJAY GOYAL)  
I.A.S.  
Managing Director  
4A, Gokhale Marg, Lucknow

As per our separate report of even date  
For P.S. Bhargava & Co.  
(Chartered Accountants)  
(FRN : 000834C)

*S.K. Bhargava*  
(S.K. Bhargava)  
Partner  
Membership No. 070078

300919





**MADHYANCHAL VIDYUT VITRAN NIGAM  
LIMITED**

4-A GOKHLEY MARG LUCKNOW  
CIN-U31200UP2003SGC027459

**NOTE No.1B**

Notes on Accounts annexed to and forming part of Balance Sheet as at 31<sup>st</sup> March 2019 and Statement of Profit & Loss for the year ended on that date.

1. The Company was incorporated under the Companies Act 1956 on 01.05.2003, and commenced the business operation w.e.f. 12.8.2003 in terms of Government of U.P. Notification No. 2740/P-1/2003-24-14P/2003 dated 12.8.2003.
2. The Company is a wholly owned subsidiary of U.P. Power Corporation Limited, Lucknow (a State Government Company) and engaged in the business of distribution of electricity in its specified area.
3. **Financial Risk Management**

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

The group 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 with banks and financial institutions. In order to manage the risk, company accepts only high rated banks/FIs.
- (b) **Market 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

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material foreign currency transaction hence there is no Market Risk w.r.t foreign currency translation.

- (c) **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.
- (d) **Regulatory Risk:** The Company's substantial operations are subjects to regulatory interventions, introductions of new laws and regulations including changes in competitive framework. The rapidly changing regulatory landscape poses a risk to the Company. Regulations are framed by State Regulatory Commission as regard to Standard of Performance for utilities, Terms & Conditions for determination of tariff, obligation of Renewable Energy purchase, grant of open Access, Deviation Settlement Mechanism, Power Market Regulations etc. Moreover, the State/Central Government are notifying various guidelines and policy for growth of the sector. These Policies/Regulations are modified from time to time based on need and development in the sector. Hence the policy/regulation is not restricted only to compliance but also has implications for operational performance of utilities, return of Equity, Revenue, competitiveness, and scope of supply. To protect the interest of utilities, State Utilities are actively participating while framing of Regulations. ARR is regularly filed to UPERC considering the effect of change, increase/decrease, of power purchase cost and other expenses in deciding the Tariff of Sales of to ultimate consumers.

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- (e) **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:

Particulars	(Amount in Lakh)	
	31.03.2018	31.03.2019
<b>Financial Assets</b>		
Fixed Interest Rate Instruments- Deposits with Bank	18,287.20	9,607.02
<b>Total</b>	<b>18,287.20</b>	<b>9,607.02</b>
<b>Financial Liabilities</b>		
Fixed Interest Rate Instruments- Financial Instrument Loans	11,41,826.77	11,77,560.50
Variable Interest Rate Instruments- Cash Credit from Banks	0.00	0.00
<b>Total</b>	<b>11,41,826.77</b>	<b>11,77,560.50</b>

#### Fair value sensitivity analysis for fixed-rate instruments

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

4. **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 Uttar Pradesh Power Corporation Limited and the decision to transferring the share application money for issuing the shares is lay solely with Uttar Pradesh Power Corporation Limited. The Company acts on the instruction and orders of the Uttar Pradesh Power Corporation Limited to comply with the statutory requirements.

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

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5. The Equity includes 500 Equity Shares of Rs. 1000 each allotted to the subscribers of the Memorandum of Association and shown separately in Balance Sheet.

6. The loan taken by the Company during the financial year amounting to Rs. 1,75,928.98 Lakh, out of which Rs. 54,137.57 Lakh directly and Rs. 1,21,791.41 Lakh by Parent Company i.e. UPPCL for and on behalf of MVVNL as per details given below: -

(Rs. in Lakhs)

7.

S. No.	Particulars	MVVNL	UPPCL	Total
1	U.P Govt.	Nil	11,791.41	11,791.41
2	REC Ltd	44,603.92	25,000.00	26,102.92
3	PFC Ltd	9,533.65	85,000.00	92,333.65
4	Bonds	Nil	Nil	Nil
	<b>Total</b>	<b>54,137.57</b>	<b>1,21,791.41</b>	<b>1,75,928.98</b>

8. The Board of Directors of Madhyanchal Vidyut Vitran Nigam Limited has escrowed all the Revenue Receipt Accounts in favour of U.P Power Corporation Limited, Lucknow. The Parent Company has been further authorized to those escrow revenue accounts for raising or borrowing the funds for & on behalf of Madhyanchal Vidyut Vitran Nigam Limited for all necessary present and future financial needs including Power Purchases obligation.

9. Accounting entries of Inter Unit transactions after reconciliation have been incorporated in the current year. Reconciliation of outstanding balances is under progress and will be accounted for in coming year.

10. Disclosure as per Ind AS 24 issued (related party): -

(1) List of related parties:

(a) List of Parent and Fellow Subsidiary: -

Sr No.	Name	Nature of Relationship
1	Uttar Pradesh Power Corporation Limited	Parent
2	Dakshinanchal Vidyut Vitran Nigam Limited, Agra	Fellow Subsidiary
3	Purvanchal Vidyut Vitran Nigam Limited, Varanasi	Fellow Subsidiary
4	Paschimanchal Vidyut Vitran Nigam Limited, Meerut	Fellow Subsidiary
5	KESCO, Kanpur	Fellow Subsidiary
6	Sonebhadra Power Generation Company Limited	Fellow Subsidiary
7	Southern Power Transmission Corporation Limited	Fellow Subsidiary
8	Yamuna Power Generation Company Limited	Associate of Parent Company

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(b) Key Managerial Personnel: -  
(i) Parent Company: -

S. No.	Name	Designation	Working Period (FY 2018-19)	
			Appointment	Retirement/ Cessation
1	Sri. Alok Kumar	Chief Secretary (energy) and Chairman	20.05.2017	Working
2	Smt. Aparna U.	Managing Director	26.10.2017	Working
3	Sri. Sudhanshu Dwivedi	Director (Finance)	30.06.2016	Working
4	Sri. Satya Prakash Pandey	Director (PM & A)	01.07.2016	Working
5	Sri. Vijai Kumar	Director (Distribution)	06.01.2018	Working
6	Sri. Vinay Prakash Srivastava	Director (Corporate Planning)	04.01.2018	Working
7	Sri. Ashok Kumar Srivastava	Director (Comm.)	27.06.2018	Working
8	Sri. Amit Gupta	Managing Director,	22.01.2018	31.08.2018
	Dr. Chelliah Pandian Senthil	UPPTCL	10.09.2018	Working
9	Sri. Neel Ratan Kumar, Special Seceratory (Finance)	Part time Director, Finance Department	16.04.2013	Working
10	Smt. Manju Shankar	Part time Director, Bureau of Public Enterprises	10.12.2015	Working
11	Sri. Indra Mohan Kaushal	CFO	26.12.2017	13.11.2018
	Sri. Pramendra Nath Sahay		14.11.2018	Working
12	Sri. Pradeep Soni	Company Secretary	31.07.2017	Working

(ii) Madhyanchal Vidyut Vitran Nigam Ltd: -

SN	Name	Designation	Working Period (for FY 2017-18)	
			Appointment	Retirement/ Cessation
1	Sri. Alok Kumar	Chairman	20.05.2017	Working
2	Sri Subh Chand Jha	Managing Director	27.03.2018	04.04.2018
	Sri Sanjay Goyal		05.04.2018	Working
3	Sri Rakesh Kumar	Director (Finance)	31.12.2016	Working
4	Sri Subh Chand Jha	Director (PM & A)	21.06.2017	Working
5	Sri. Ajit Singh	Director (Tech.)	11.04.2017	01-09-2018
	Sri Sudhir Kumar Singh		03-09-2018	Working
6	Sri Subh Chand Jha	Director (Comm)	17.10.2017	28-06-2018
	Sri Brahm Pal		29-06-2018	Working

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7	Dr. Chelliah Pandian Senthil	Nominee Director	10-09-2018	Working
8	Smt. Aparna U	Nominee Director	26.10.2017	Working
9	Sri Sudhanshu Dwivedi	Nominee Director	30.06.2016	30-06-2019
10	Sri Amit Gupta	Nominee Director	22-01-2018	31-08-2018
11	Smt. Selva Kumari J	Woman Director	31-03-2016	02-08-2018
12	Sri. Umakant Yadav	CFO	05.09.2017	Working
13	Smt Neetu Arora Tandon	Company Secretary	10.09.2015	22-04-2018
	Smt. Abha Sethi Tandon		23-04-2018	Working

(c) The Company is a State Public Sector Undertaking (SPSU) controlled by State Government by holding majority of shares through its associate company. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for Government related entities and have made limited disclosures in the financial statements. Such entities which company has significant transactions includes, but not limited to, UP Power transmission corporation Limited, Uttar Pradesh Rajya Utpadan Nigam Limited and Uttar Pradesh Jal Vidyut Nigam Limited.

(d) Post Employment Benefit Plan; -

Uttar Pradesh Power Sector Employees Trust

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(2) Transactions with Related Parties: -

(i) Transactions during the year with Parent and Fellow Subsidiary: -

(Rs In Lakhs)

Particulars	Uttar Pradesh Power Corporation Limited		KESCO		Dakshinanchal vidyut vitran nigram limited		Paschimanchal Vidyut Vitran Nigam Limited		Purvanchal Vidyut Vitran Nigam Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
i) Sales	-	-	-	-	-	-	-	-	-	-
ii) Purchase	1166519.40	916201.69	-	-	-	-	-	-	-	-
iii) Dividend Received	-	-	-	-	-	-	-	-	-	-
iv) Equity Contribution Received	249924.22	238791.83	-	-	-	-	-	-	-	-
v) Loans Granted	-	-	-	-	-	-	-	-	-	-
vi) Guarantee Received	-	-	-	-	-	-	-	-	-	-
vii) Others	-	-	-	-	1.81	24.43	(3.31)	-	-	60.77

(ii) Transactions with Key Managerial Persons – Remuneration and benefits paid to key managerial personnel of Madhyanchal Vidyut Vitran Nigam Limited are as follows: -

(Rs In Lakhs)

Particulars	2018-19	2017-18
Salary & Allowances	140.24	132.99
Leave Encashment	22.36	22.58
Contribution to Gratuity /Pension/PF	22.29	21.97

(iii) Transactions with related parties under the control of same government

(Rs In Lakhs)

S. No.	Name of the company	Nature of Transactions	2018-19	2017-18
1	Uttar Pradesh Power Transmission Corporation Limited	Power Transmission Cost	43784.15	38828.30
2	Uttar Pradesh Rajya Vidhyut Utpadan Nigam Limited	N/A	Nil	Nil

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3	Uttar Pradesh Jal Vidhyut Utpadan Nigam Limited	N/A	Nil	Nil
4	U P Power Sector Employee Trust	Employee benefit contributions (net)	(1,981.83)	(137.17)

(iv) Outstanding Balances with related parties: -

(Rs In Lakhs)

Particulars	Balances as on 31.03.2019	Balances as on 31.03.2018
<b>Amount Payable towards loans</b>		
Uttar Pradesh Power Corporation Limited	(95,751.52)	(88,469.53)
KESCO	NIL	NIL
Dakshinanchal Vidyut Vitran Nigam Limited	NIL	NIL
Paschimanchal Vidyut Vitran Nigam Limited	NIL	NIL
Purvanchal Vidyut Vitran Nigam Limited	NIL	NIL
Key Managerial Personnel	NIL	NIL
Others		
Uttar Pradesh Power Transmission Corporation Limited	NIL	NIL
Uttar Pradesh Rajya Vidhyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Jal Vidhyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Power Sector Employees Trust	NIL	NIL
<b>Amount Payable towards other than loans</b>		
Uttar Pradesh Power Corporation Limited (IUT)	9,201.49	8,262.16
Uttar Pradesh Power Corporation Limited (Power Purchase)	6,15,118.90	3,77,422.38
KESCO	NIL	NIL
Dakshinanchal Vidyut Vitran Nigam limited	NIL	NIL
Paschimanchal Vidyut Vitran Nigam limited	NIL	NIL
Purvanchal vidyut vitran nigam limited	NIL	NIL
Key Managerial Personnel	NIL	NIL
Others		
Uttar Pradesh Power Transmission Corporation Limited	79,769.25	73,990.53
Uttar Pradesh Rajya Vidhyut Utpadan Nigam Limited	4.73	4.73

*Asst* 31/12/2018 *an* *Summary*



Uttar Pradesh Jal Vidhyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Power Sector Employees Trust	42,453.02	40,471.20
<b>Amount Receivable towards other than loans</b>		
Uttar Pradesh power corporation limited	NIL	NIL
KESCO	144.16	144.16
Dakshinanchal vidyut vitran nigam limited	8,538.06	8,536.25
Paschimanchal vidyut vitran nigam limited	7,671.85	7,675.15
Purvanchal vidyut vitran nigam limited	7,610.65	7,610.65
Key Managerial Personnel		
Others		
Uttar Pradesh Power Transmission Corporation Limited	29,244.30	29,041.89
Uttar Pradesh Rajya Vidhyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Jal Vidhyut Utpadan Nigam Limited	1.53	1.53

11. Receivables and payables from/to Inter Company/Inter DISCOM/Holding Company have been shown as net of receivables and payables. The details of receivable and payables have been shown in supplementary schedules.

12. The Company earns revenue primarily from supply of power to ultimate consumers situated in the area covered under its jurisdiction to supply the power. The Company procures the power from its Holding Company (UPPCL) which procures the power on our behalf and supplies the same to us.

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

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

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

13. (a) The Property, Plant and Equipment including Land remained with the Company after notification of final transfer scheme are inherited from erstwhile UPSEB, which had been the title holder of such Assets. The title deeds of new assets created after incorporation of the Company, are held in the respective units where such assets were created/purchased.
- (b) Where historical cost of a discarded/retired/obsolete Property, Plant and Equipment is not available, the estimated value of such assets and depreciation thereon has been adjusted and accounted for.
- (c) In terms of powers confirmed by the Notification no. GSR 627(E) dated 29<sup>th</sup> August 2014 of Ministry of Corporate Affairs, Govt. of India, the depreciation/ amortization on Property, Plant and Equipment / Intangible assets have been calculated taking into consideration the useful life of assets as approved in the orders of UPERC (terms & conditions for determination of distribution tariff) Regulation, 2006.
14. Capitalization of Interest on borrowed fund utilized during construction stage of Property, Plant & Equipment has been done by identifying the Schemes/Assets and the funds used for the purpose to the extent established. The Borrowing Cost has been capitalized for Rs. 9,871.07 lakhs during the year (Rs. 10,683.69 Lakhs Previous Year).
15. The amount of Equity, Loans, Subsidies and Grants were received from the State Government by the Uttar Pradesh Power Corporation Limited centrally, being the Parent Company and have been distributed by the Parent Company to the DISCOMs, which have been accounted for accordingly.
16. (a) The Stores and spares are valued at Cost.
- (b) The provision for bad and doubtful debts against debtors from sale of Power has been made @ 5% on the incremental debtors during the year.
17. Based on actuarial valuation report dated 09.11.2000 submitted by M/s Price Waterhouse Coopers to Uttar Pradesh Power Corporation Limited (the Parent Company) provision for accrued liability on account of Pension and Gratuity has been made @16.70% and 2.38% respectively on the amount of Basic pay, Grade pay and DA paid to employees.

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18. In the opinion of management, there is no specific indication of impairment of any assets as on balance sheet date as envisaged by Ind AS 36 of ICAI. Further, the assets of the corporation have been accounted for at their historical cost and most of the assets are very old where the impairment of assets is very unlikely.
19. Bill of power purchase and transmission charges are being taken in to account as per the bills raised by Uttar Pradesh Power Corporation Limited/Uttar Pradesh Power Transmission Corporation Limited after due verification.
20. Amount due to Micro, Small and medium enterprises (under the MSMED Act 2006) could not be ascertained and interest thereon could not be provided for want of sufficient related information.
21. Liability towards medical expenses and LTC has been provided to the extent established.
22. 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).

Amount in Lakh

Particulars	Earning per Share	
	31.03.2019	31.03.2018 (Restated)
(a) Net Loss after tax (numerator used for calculation)	(74,648.22)	(45,812.53)
(b) Weighted average number of Equity Shares* (denominator for calculating Basic EPS)	11,65,41,135	7,55,21,679
(c) Weighted average number of Equity Shares* (denominator for calculating Diluted EPS)	11,94,81,792	13,65,78,511
(d) Basic earnings per share of Rs. 1000/- each	(64.05)	(60.66)
(e) Diluted earnings per share of Rs. 1000/- each	(64.05)	(60.66)

(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 is ignored in calculating Diluted Earning Per Share).

23. Payments to Directors and officers in foreign currency towards foreign tours were Nil (Previous year NIL).

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

25. Additional Information required under the Schedule-III of the Companies Act, 2013 are as under: -

(a) Quantative details of energy purchased and sold: -

Sl.	Details	2018-19 (units in MU)	2017-18 (units in MU)
(i)	Total no of Units Purchased	21287.180	21857.019
(ii)	Total no of Units Sold	16697.541	17007.329
(iii)	Distribution Losses	21.56%	22.19%

(b) Contingent Liabilities and Commitments: -

Sl.	Details	Amount in Lakh	
		2018-19	2017-18
(1)	Claims against the Company not acknowledged as debts	116.24	166.99
(2)	Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(3)	Other money for which the Company is contingent liable	-	-
(4)	Statutory Dues	-	-

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

(Amount in Lakhs)

Particulars	Movement of Provisions			
	Opening Balance as on 01.04.2018	Provision Made During The Year	Withdrawal / Adjustment of Provision During the Year	Closing Balance as on 31.03.2019
Provision for Doubtful debts on Sundry Debtors (Sale of Power)	1,25,830.77	16,544.82	-	1,42,375.59
Provision for Doubtful Advances (Note-9)	34.20	-	-	34.20
Provision for estimated losses on theft of Property, Plant and Equipment pending for investigation	522.50	-	-	522.50
Provision for unserviceable stores (Note-4)	4121.52	-	-	4121.52
Provision for VII Pay commission (Non-Current)	9,035.26	-	2,856.48	6,178.78
Provision for VII Pay commission (Current)	2,090.86	2,856.48	2,090.86	2,856.48

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31/03/2019

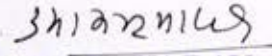
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- (b) Advance to Suppliers / Contractors has been shown net of Provision for doubtful advances under Capital Work In Progress (Note-3).
27. Since the Company is principally engaged in the distribution business of Electricity and there is no other reportable segment as per Ind AS 108, hence the disclosure as per Ind AS 108 on segment reporting is not required.
28. Due to heavy carried forward losses/depreciation and uncertainties to recover such losses/depreciation in near future, the deferred tax assets have not been recognized in accordance with Ind AS 12 issued by ICAI.
29. Consequent to the applicability of Ind AS the financial statements for the year ended 2018-19 has been prepared as per Ind AS. Accordingly previous year's figures have been regrouped/ restated wherever necessary to confirm to this year classification.
30. The figures as shown in the Balance Sheet, Statement of Profit & Loss & Notes shown in "( )" denotes negative figures.
31. Government dues in respect of Electricity Duty and other Levies amounting to Rs. 1,74,737.97 shown in Note-14 includes Rs. (954.78) on account of Other Levies realized from consumers.
32. The Annual Accounts of Financial Year 2015-2016 are yet to be adopted in Annual General Meeting as final comments of C&AG were received on 19.08.2019 and draft comments of C&AG for the year 2016-17 were received on 12.09.2019. The Supplementary audit of F/Y 2017-18 is yet to be initiated. AGM for F/Y 2015-16 to 2017-18 is yet to be held.
33. Some balances appearing under the heads 'Current Assets', 'Loans & Advances', 'Current Liabilities', Material in transit/under inspection/lying with contractors are subject to confirmation/reconciliation and subsequent adjustments, as may be required.

  
(Abha Sethi Tandon)  
Company Secretary  
Part Time


  
Dr. U.K. YADAV  
G.M. (F&A)  
MVVNL, LUCKNOW

  
(RAKESH KUMAR)  
Director (Finance)  
Madhyanchal Vidyut Vitran Nigam Ltd.  
Lucknow

  
(SANJAY GOYAL)  
I.A.S.  
Managing Director  
4A, Gokhale Marg, Lucknow



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As per our separate report of even  
For P.S. Bhargava & Co.  
(Chartered Accountants)  
(FRN : 000234C)  
  
(S.K. Bhargava)  
Partner  
Membership No. 070076