

Annual Financial Statements
of
Madhyanchal Vidyut Vitran Nigam Limited
Lucknow
Financial Year 2021-22

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MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

BALANCE SHEET
As on 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	Figures as at 31st March, 2022	Figures as at 31st March, 2021 (Restated)
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	17,06,063.92	14,16,694.24
(b) Capital work-in-progress	3	43,706.23	3,09,362.55
(2) Current assets			
(a) Inventories	4	1,02,708.26	83,305.25
(b) Financial Assets			
(i) Trade receivables	5	22,48,580.29	20,90,003.53
(ii) Cash and cash equivalents	6	1,06,186.12	1,17,005.17
(iii) Bank Balance (Other than ii above)	7	3,753.40	6,958.71
(iv) Other	8	2,96,554.75	3,20,831.19
(c) Other Current Assets	9	68,146.85	1,52,977.65
Total Assets		45,75,699.82	44,97,138.29
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	10	20,35,228.99	17,44,046.21
(b) Other Equity	11	(11,30,416.35)	(8,95,333.49)
(2) LIABILITIES			
(I) Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	15,76,173.78	15,89,901.00
(ii) Other financial liabilities	13	72,184.40	67,523.84
(II) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	14	9,94,249.41	10,03,664.27
(b) Other Financial Liabilities	15	10,28,279.59	9,87,336.46
Total Equity and Liabilities		45,75,699.82	44,97,138.29

General Information and Significant Accounting Policies

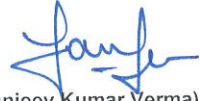
1A

Notes on Accounts

1B

Note 1A to 24 form Integral Part of Financial Statement.

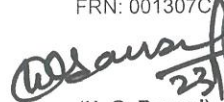

(Abha Sethi Tandon)
Acting Company Secretary
MVVNL, Lucknow
M.No.: F6733


(Sanjeev Kumar Verma)
Dy. General Manager
MVVNL, Lucknow


(Nidhi Kumar Narang)
Director (Finance)
MVVNL, Lucknow
DIN: 03473420


(Bhawani Singh Khangarot)
Managing Director
MVVNL, Lucknow
DIN: 08648162

As per our separate report of even date
For A. Sachdev & Co. (Chartered Accountants)
FRN: 001307C


(K. G. Bansal)
Partner
M. No.: 094274





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

STATEMENT OF PROFIT AND LOSS
For the year ended 31st March, 2022

(₹ in Lakhs)

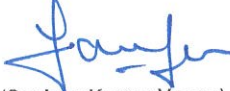
Particulars	Note No.	Figures for the year ended on 31st March, 2022	Figures for the year ended on 31st March, 2021 (Restated)
INCOME			
I Revenue From Operations	16	13,05,020.27	12,66,846.73
II Other Income	17	5,38,270.09	3,17,586.48
III Total Income (I + II)		18,43,290.36	15,84,433.21
EXPENSES			
Cost of Power Purchased	18	13,78,015.90	13,52,129.44
Employees Benefits Expenses	19	51,312.24	31,652.28
Finance Cost	20	1,72,556.71	1,30,925.62
Depreciation and Amortization Expenses	21	67,241.55	51,936.61
Other Expenses			
Administrative, General & Other Expenses	22	59,582.53	57,321.15
Repair & Maintenance	23	37,469.18	37,908.79
Bad Debts & Provisions	24	2,43,635.85	12,161.40
IV Total Expenses		20,09,813.96	16,74,035.29
V Profit / (Loss) before tax and exceptional items (III - IV)		(1,66,523.60)	(89,602.08)
VI Profit / (Loss) from Exceptional items		(37,696.34)	-
VII Profit / (Loss) before tax (V + VI)		(2,04,219.94)	(89,602.08)
VIII Tax Expenses:			
(1) Current tax		-	-
(2) Deferred tax		-	-
IX Profit / (Loss) for the period from continuing operations (VII - VIII)		(2,04,219.94)	(89,602.08)
X Profit / (Loss) from discontinued operations		-	-
XI Tax Expenses of discontinued operations		-	-
XII Profit / (Loss) from discontinued operations (after tax) (X - XI)		-	-
XIII Profit / (Loss) for the period (IX + XII)		(2,04,219.94)	(89,602.08)
XIV Other Comprehensive Income		-	-
XV Total Comprehensive Income for the period (XIII + XIV) Comprising Profit / (Loss) and Other Comprehensive Income for the period		(2,04,219.94)	(89,602.08)
XVI Earnings per equity share (continuing operation) :-			
(1) Basic		(109.72)	(51.38)
(2) Diluted		(109.72)	(51.38)
XVII Earnings per equity share (Discontinuing Operation) :-			
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (Continuing and Discontinuing Operation) :-			
(1) Basic		(109.72)	(51.38)
(2) Diluted		(109.72)	(51.38)

General Information and Significant Accounting Policies
Notes on Accounts

1A
1B

Note 1A to 24 form Integral Part of Financial Statement.

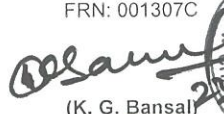

(Abha Sethi Tandon)
Acting Company Secretary
MVVNL, Lucknow
M.No.: F6733


(Sanjeev Kumar Verma)
Dy. General Manager
MVVNL, Lucknow


(Nidhi Kumar Narang)
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DIN: 03473420


(Bhawani Singh Khangarot)
Managing Director
MVVNL, Lucknow
DIN: 08648162

As per our separate report of even date
For A. Sachdev & Co. (Chartered Accountants)
FRN: 001307C


(K. G. Bansal)
Partner
M. No.: 094274





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A, GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

STATEMENT OF CHANGES IN EQUITY

Equity Share Capital	
Particulars	Amount
Balance as on 1st April, 2021	17,44,046.21
Issued during the year	2,91,182.78
Buyback during the year	-
Balance as on 31st March, 2022	20,35,228.99

Other Equity

Particulars	Capital Reserve				Restructuring Reserve	Share Application money pending Allotment	Total
	Reserve and Surplus	Consumer Contribution towards service line and other charges	Subsidies towards cost of capital assets	APDRP Grant			
Balance as on 1st April, 2020	(15,55,749.08)	2,27,767.99	5,61,296.36	729.32	-	85,517.35	(6,80,438.07)
Subsidy under Atmanirbhar Scheme	3,10,770.06	-	-	-	-	-	3,10,770.06
Add: Impact of Ind AS adjustment to retained earnings	(10,134.85)	-	-	-	-	-	(10,134.85)
Addition during the year	(89,602.10)	20,348.17	(5,26,407.26)	-	-	93,866.71	(5,01,794.48)
Reduction during the year	-	12,026.15	1,671.50	38.51	-	-	13,736.16
Balance as on 01st April, 2021	(13,44,715.97)	2,36,090.00	33,217.60	690.81	-	1,79,384.05	(8,95,333.51)
Addition during the year	(2,04,219.93)	29,247.18	17,786.64	-	-	2,27,541.97	70,355.86
Reduction during the year	-	12,465.55	1,753.89	36.47	-	-	14,255.91
Balance as on 31st, March, 2022	(15,48,935.89)	2,52,871.63	49,250.35	654.34	-	1,15,743.24	(11,30,416.34)

Asp
(Abha Sethi Tandon)
Acting Company Secretary
MVVNL, Lucknow
M.No.: F6733

Sanjeev
(Sanjeev Kumar Verma)
Dy. General Manager
MVVNL, Lucknow

Nidhi
(Nidhi Kumar Narang)
Director (Finance)
MVVNL, Lucknow
DIN: 03473420

Bhawani
(Bhawani Singh Khangarot)
Managing Director
MVVNL, Lucknow
DIN: 08648162

As per our separate report of even date
For A. Sachdev & Co.
(Chartered Accountants)
FRN: 0013070



K. G. Bansal
(K. G. Bansal)
Partner
M. No.: 094274



PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block			Depreciation			Net Block		
	As at 01.04.2021	Additions	Deductions / Adjustments	As at 31.03.2022	As at 01.04.2021	Additions	Deductions / Adjustments	As at 31.03.2022	As at 01.04.2021
Land & Land Rights	106.81	-	-	106.81	45.68	-	-	45.68	61.13
Buildings	22,657.91	6,688.67	-	29,346.58	6,756.20	(1,184.10)	-	23,974.48	16,101.71
Other Civil Works	1,416.81	-	-	1,416.81	776.48	16.51	-	623.82	640.33
Plant & Machinery	4,73,107.93	1,28,064.96	55,273.77	5,45,899.12	8,812.54	70,637.19	(4,554.52)	4,61,894.87	4,64,295.39
Lines, Cable Network etc.	11,36,544.84	3,16,061.24	18,334.38	14,34,271.70	2,04,426.00	11,177.58	(2,010.94)	12,16,657.18	9,32,118.84
Vehicles	600.59	14.03	3.77	610.85	596.49	(25.18)	(2.96)	36.56	4.10
Furniture & Fixtures	1,299.39	66.26	0.24	1,365.41	703.49	70.82	-	591.30	595.90
Office Equipments	12,614.75	98.16	0.22	12,712.69	9,737.91	750.24	0.04	2,224.58	2,876.84
Total	16,48,549.03	4,50,993.32	73,612.38	20,25,929.97	2,31,854.79	81,442.86	(6,568.40)	3,19,866.05	14,16,694.24
Previous Year	13,63,127.39	3,61,947.45	76,525.81	16,48,549.03	1,84,843.56	66,589.53	19,578.30	14,16,694.24	11,78,283.83

Particulars	Gross Block			Depreciation			Net Block		
	As at 01.04.2020	Additions	Deductions / Adjustments	As at 31.03.2021	As at 01.04.2020	Additions	Deductions / Adjustments	As at 31.03.2021	As at 01.04.2020
Land & Land Rights	106.81	-	-	106.81	45.68	-	-	45.68	61.13
Buildings	20,560.52	2,297.65	0.26	22,857.91	6,153.72	612.41	9.93	6,756.20	14,406.80
Other Civil Works	1,416.81	-	-	1,416.81	734.78	41.70	-	776.48	640.33
Plant & Machinery	3,98,168.04	1,50,301.05	75,361.16	4,73,107.93	5,065.62	22,303.99	18,556.77	4,64,295.39	3,93,102.42
Lines, Cable Network etc.	9,30,927.18	2,06,795.33	1,177.67	11,36,544.84	1,62,769.10	42,566.23	929.33	9,32,118.84	7,68,158.08
Vehicles	600.63	-	0.04	600.59	593.32	3.17	-	596.49	7.31
Furniture & Fixtures	1,200.94	98.45	-	1,299.39	632.63	70.86	-	703.49	568.31
Office Equipments	10,146.46	2,454.97	(13.32)	12,614.75	8,848.71	971.47	82.27	2,876.84	1,297.75
Total	13,63,127.39	3,61,947.45	76,525.81	16,48,549.03	1,84,843.56	66,589.53	19,578.30	3,19,866.05	14,16,694.24
Previous Year	10,35,629.21	3,74,294.36	63,940.08	13,45,983.49	1,54,793.82	47,765.94	22,598.92	14,16,694.24	8,80,835.39



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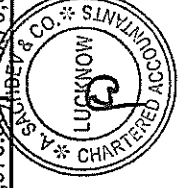
NOTE - 3

CAPITAL WORKS IN PROGRESS

Particulars	(₹ in Lakhs)				
	As at 01.04.2021	Additions	Deduction / Adjustments	Capitalised	As at 31.03.2022
(A) Capital Work in Progress *	1,53,380.93	2,79,567.23	-	4,21,199.38	11,748.78
	1,53,380.93	2,79,567.23	-	4,21,199.38	11,748.78
(B) Advance to Supplier/Contractor	1,55,981.62	12,563.17	(1,36,587.34)	-	31,957.45
	1,55,981.62	12,563.17	(1,36,587.34)	-	31,957.45
Total (A + B)	3,09,362.55	2,92,130.40	(1,36,587.34)	4,21,199.38	43,706.23

Particulars	(₹ in Lakhs)				
	As at 01.04.2020	Additions	Deduction / Adjustments	Capitalised	As at 31.03.2021
(A) Capital Work in Progress	2,59,614.57	2,97,361.80	(27,498.53)	3,76,096.91	1,53,380.93
	2,59,614.57	2,97,361.80	(27,498.53)	3,76,096.91	1,53,380.93
(B) Advance to Supplier/Contractor	2,60,456.74	-	(1,04,475.12)	-	1,55,981.62
	2,60,456.74	-	(1,04,475.12)	-	1,55,981.62
Total (A + B)	5,20,071.31	2,97,361.80	(1,31,973.65)	3,76,096.91	3,09,362.55

* It includes Establishment Cost related to works.





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

NOTE - 4

INVENTORIES

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
Stores and Spares				
Stock of Materials - Capital Works	1,464.20		1,529.69	
Stock of Materials - O & M	94,609.62	96,073.82	77,749.81	79,279.50
Others*		10,755.96		8,147.27
Sub Total		1,06,829.78		87,426.77
Less - Provision for Unserviceable Stores		4,121.52		4,121.52
Total		1,02,708.26		83,305.25

* 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: U31200UP2003SGC027459

NOTE - 5

FINANCIAL ASSETS - TRADE RECEIVABLES (CURRENT)

Particulars	As at 31.03.2022		As at 31.03.2021	
Trade receivables outstanding from customers on account of Supply of Power				
Secured & Considered good	65,739.61		62,094.82	
Unsecured & Considered good	19,82,082.41		18,52,420.13	
Considered Doubtful	3,74,878.02	24,22,700.04	1,53,940.16	20,68,455.11
Trade receivables outstanding from customers on account of Electricity Duty				
Secured & Considered good	6,444.78		5,429.01	
Unsecured & Considered good	1,94,313.49		1,70,014.08	
Considered Doubtful	36,751.17	2,37,509.44	14,064.47	1,89,507.56
SUB TOTAL		26,60,209.48		22,57,962.67
Less - Provision for Bad & Doubtful Debts		4,11,629.19		1,67,959.14
Total		22,48,580.29		20,90,003.53

NOTE - 6

FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS (CURRENT)

Particulars	As at 31.03.2022		As at 31.03.2021	
Cash in Hand				
Cash in Hand (Including Stamps in hand)	804.40		3,922.95	
In Current & Other account	1,01,280.59		1,10,661.10	
Cash at Bank (Fixed Deposits with maturity upto three months	4,099.48		2,412.89	
Cash Imprest with Staff	1.65	1,06,186.12	8.24	1,17,005.17
Total		1,06,186.12		1,17,005.17

NOTE - 7

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

Particulars	As at 31.03.2022		As at 31.03.2021	
Balances with Banks				
In Fixed Deposit accounts (Maturity after three months but within twelve months)		3,753.40		6,958.71
Total		3,753.40		6,958.71





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A, GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

NOTE - 8

FINANCIAL ASSETS - OTHER (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
Receivables from -				
GoUP	1,31,049.76		1,40,391.50	
Ultrakhand PCL	1.41		1.41	
UPJVNL	1.53		1.53	
UPPTCL	29,375.25		29,352.69	
KESCO	578.55		423.62	
Dakshinanchal VVNL	9,587.98		9,069.63	
Paschimanchal VVNL	7,895.16		7,741.64	
Purvanchal VVNL	7,866.08	1,86,355.72	7,691.66	1,94,673.68
Receivable against Loan (UPPCL)				
Receivable	14,42,622.01		12,18,295.12	
Less: Payable	13,65,422.03	77,199.98	11,28,934.75	89,360.37
Employees	5,783.77		10,782.53	
Others	27,215.28	32,999.05	26,014.62	36,797.15
Total		2,96,554.75		3,20,831.19

NOTE - 9

OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
ADVANCES -O&M (Unsecured/Considered Good)				
Suppliers / Contractors	0.35		1,103.77	
Less - Provision for Doubtful Advances	-	0.35	34.20	1,069.57
Tax deducted at source		674.48		30.63
Inter Unit Transactions		67,461.74		1,51,714.81
Theft of Fixed Assets Pending Investigation	522.50		522.50	
Less - Provision for Estimated Losses	522.50	-	522.50	-
Income accrued but not due		10.28		162.64
Total		68,146.85		1,52,977.65





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A, GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

NOTE - 10

EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
(A) AUTHORISED : 300000000 Equity share of par value of Rs.1000/- each (Previous year 300000000 Equity share of par value Rs.1000/- each)	30,00,000.00	30,00,000.00
(B) ISSUED, SUBSCRIBED AND FULLY PAID UP 203522899 Equity share of par value Rs.1000/- each (Previous year 174404621 Equity share of par value Rs.1000/- each) fully paid up	20,35,228.99	17,44,046.21
Total	20,35,228.99	17,44,046.21

- a) During the year, the Company has issued 29118278 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 2022, 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 31.03.2022		As at 31.03.2021	
	No. of Shares	%age holding	No. of Shares	%age holding
UPPCL	20,35,22,399	99.9998%	17,44,04,621	99.9997%

Reconciliation of No. of Shares :

No. of shares as at 01.04.2021	Issued during the Year	Buyback during the Year	No. of shares as at 31.03.2022
17,44,04,621	2,91,18,278	-	20,35,22,899





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
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NOTE- 11

OTHER EQUITY

Particulars	As at 31.03.2022		As at 31.03.2021	
Share Application Money				
As per last Financial Statement	1,79,384.05		85,517.35	
Add: Received during the year	2,27,541.97		93,866.71	
	4,06,926.02		1,79,384.05	
Less: Shares allotted during the year	2,91,182.78	1,15,743.24	-	1,79,384.05
Capital Reserve				
(i) Consumer Contribution towards service line and other charges				
As per last Financial Statement	2,36,090.00		2,27,767.99	
Add: Received during the year	29,247.18		20,348.16	
	2,65,337.18		2,48,116.15	
Less: Transfer to Statement of P&L Account	12,465.55	2,52,871.63	12,026.15	2,36,090.00
(ii) Subsidies towards cost of capital assets				
As per last Financial Statement	33,217.60		5,61,296.36	
Add: Received during the year	17,786.64		(5,26,407.26)	
	51,004.24		34,889.10	
Less: Transfer to Statement of P&L Account	1,753.89	49,250.35	1,671.50	33,217.60
(iii) APDRP Grant				
As per last Financial Statement	690.81		729.32	
Add: Received during the year	-		-	
	690.81		729.32	
Less: Transfer to Statement of P&L Account	36.47	654.34	38.51	690.81
Restructuring Reserve *				
As per last Financial Statement	-		-	
Add: Received during the year	-		-	
	-		-	
Less: Reduction during the year	-		-	
Surplus in the Statement of P&L Account				
As per last Financial Statement	(13,44,715.97)		(15,55,749.08)	
Add: Subsidy under Atmanirbhar Scheme	-		3,10,770.06	
Add: Impact of Ind AS adjustment to retained earnings	-		(10,134.85)	
Add: Profit / (Loss) during the year	(2,04,219.94)	(15,48,935.51)	(89,602.08)	(13,44,715.95)
Total		(11,30,416.35)		(8,95,333.49)

* Note:- The Closing Balance of Restructuring Reserve as on 31.03.2022 is Rs. 306/- (Prev. Year Rs. 306/-).





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

FINANCIAL LIABILITY - BORROWINGS (NON CURRENT)

Note - 12

PARTICULARS	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
A. SECURED LOAN -		
(i) Power Finance Corporation Ltd. (R - APDRP) (Secured against hypothecation of New Created Assets)	68,764.59	1,09,737.61
(ii) Rural Electrification Corporation Ltd. (R-APDRP) (Secured against hypothecation of New Created Assets)	15,433.49	18,749.92
(iii) Rural Electrification Corporation Ltd. (Saubhagya) (Secured against hypothecation of New Created Assets)	68,289.74	68,330.69
(iv) Power Finance Corporation Ltd. (Non-Saubhagya)	11,804.35	7,008.87
(v) Rural Electrification Corporation Ltd. (DDUGJY)	34,063.21	34,083.47
(vi) Power Finance Corporation Ltd. (IPDS)	18,731.46	18,774.43
(vii) <u>Bonds (Issued by UPPCL on behalf of MVVNL)</u>		
8.97% Rated Bonds 17.02.17	73,137.14	91,421.43
8.48% Rated Bonds 27.03.17	40,491.43	50,614.29
9.75% Rated Bonds 05.12.17	54,345.59	65,786.76
10.15% Rated Bonds 27.03.18	78,100.00	93,720.00
9.70 % Rated Bonds 30.03.22	1,40,920.00	-
	3,85,994.16	3,01,542.48
Total	6,24,081.00	5,58,227.47
B. UNSECURED LOAN - (Procured by UPPCL on behalf of MVVNL)		
(i) REC Transitional (Guaranteed by Govt. of UP)	3,66,192.12	4,00,566.74
(ii) PFC Transitional (Guaranteed by Govt. of UP)	4,15,061.71	4,38,671.26
(iii) UP Government	7,074.84	9,433.13
(iv) <u>Bonds (Issued by UPPCL on behalf of MVVNL)</u>		
9.70 % Rated Bonds 04.07.16	82,920.90	92,676.30
9.70 % Rated Bonds 28.09.16	72,698.31	81,753.00
9.70 % Rated Bonds 30.03.17	8,144.90	8,623.10
	1,63,764.11	1,83,002.40
Total	9,52,092.78	10,31,673.53
Grand Total	15,76,173.78	15,89,901.00

OTHER FINANCIAL LIABILITIES (NON CURRENT)

Note - 13

PARTICULARS	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Security Deposits from Consumers	72,184.40	67,523.84
Grand Total	72,184.40	67,523.84





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

FINANCIAL LIABILITY - TRADE PAYABLE (CURRENT)

NOTE- 14

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
Liability for Purchase of Power - UPPCL	8,62,244.06		8,82,889.58	
Liability for Transmission Charges - UPPTCL	1,32,005.35	9,94,249.41	1,20,774.69	10,03,664.27
Total		9,94,249.41		10,03,664.27

OTHER FINANCIAL LIABILITY (CURRENT)

NOTE- 15

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
Current Maturity of Long Term Borrowings *		2,26,151.67		1,66,282.71
Interest on Security Deposits from Consumers		6,732.68		6,942.31
Liability for Capital Supplies/ Works		93,628.12		1,62,395.21
Liability for O & M Supplies / Works		4,953.30		29,451.76
Staff Related Liabilities		69,875.85		66,847.88
Deposits & Retentions from Suppliers & Others		1,25,546.63		1,37,534.80
Electricity Duty & Other Levies payable to Govt.		2,77,968.71		2,31,696.66
Deposit for Electrification works		30,916.13		29,411.24
Sundry Liabilities		83,227.87		70,244.07
Payable to UPRVUNL		4.73		4.73
Payable to UPPCL (Corporate)				
Payable	1,74,931.66		1,69,023.63	
Less - Receivable	1,75,668.22	(736.56)	1,49,763.96	
Liabilities for Expenses		3,537.17		2,800.43
Liabilities towards Power Sector Employees Trust				
Contributory Provident Fund Liability	1,569.87		2,406.47	
General Provident Fund Liability	36,560.02		34,285.76	
GPF Pension and Gratuity Liability	13,515.99	51,645.88	12,109.09	48,801.32
Prov. for Loss being incurred by GPF Trust	22,260.25		-	
Prov. for Loss being incurred by CPF Trust	15,436.09	37,696.34	-	
Interest Accrued but not Due on Borrowings		17,131.07		15,663.67
Total		10,28,279.59		9,87,336.46

*Note:- Details of Current Maturity of Long Term Borrowings is annexed with this Note. (Refer Annexure to Note - 15)





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A, GOKHLE MARG LUCKNOW
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Annexure to Note-15

CURRENT MATURITY OF LONG TERM BORROWINGS

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
SECURED LOANS		
(i) Power Finance Corporation Ltd. (R - APDRP) (Secured against hypothecation of New Created Assets)	5,006.39	5,006.38
(ii) Rural Electrification Corporation Ltd. (R-APDRP) (Secured against hypothecation of New Created Assets)	3,137.35	2,972.71
(iii) Power Finance Corporation Ltd. (IPDS) (Secured against hypothecation of New Created Assets)	1,373.32	1,320.73
(iv) Bonds		
9.75% Rated Bonds 05.12.17	11,441.18	11,441.18
10.15% Rated Bonds 27.03.18	15,620.00	15,620.00
8.97% Rated Bonds 17.02.17	18,284.28	18,284.28
8.48% Rated Bonds 27.03.17	10,122.86	10,122.86
Total	64,985.38	64,768.14
UNSECURED LOANS		
Loan by UPPCL on behalf of MVNVL		
(i) REC Transitional (Guaranteed by Govt. of UP)	75,429.53	40,900.18
(ii) PFC Transitional (Guaranteed by Govt. of UP) UP Government	65,319.33	50,756.15
(iii) Bonds		
9.70 % Rated Bonds 30.03.17	1,179.14	-
	19,238.29	9,858.24
Total	1,61,166.29	1,01,514.57
Grand Total	2,26,151.67	1,66,282.71





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
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NOTE - 16

REVENUE FROM OPERATIONS

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<u>Sale of Power</u>		
Extra State Consumers	372.82	761.54
<u>Large Supply Consumers</u>		
Industrial	2,65,492.91	2,30,292.74
Traction	1,904.14	413.52
Irrigation	13,305.76	9,164.65
Public Water Work	28,110.33	33,653.96
	3,08,813.14	2,73,524.87
<u>Small & Other Consumers</u>		
Domestic	5,88,541.61	5,97,985.61
Commercial	2,05,239.68	1,73,115.97
Industrial Low & Medium Voltage	35,431.55	33,809.05
Public Lighting	20,633.80	21,955.73
STW & Pump Canal	60,443.06	1,03,077.27
PTW & Sewage Pumping	43,223.02	34,407.59
Miscellaneous Charges from Consumers	28,412.45	16,888.83
Energy internally consumed	13,909.14	17,320.27
	9,95,834.31	9,92,560.32
Sub Total	13,05,020.27	12,66,846.73
Add. Electricity Duty	69,874.45	73,323.18
Gross Sale of Power	13,74,894.72	13,40,169.91
Less: Electricity Duty	69,874.45	73,323.18
Net Sale of Power	13,05,020.27	12,66,846.73

NOTE - 17

OTHER INCOME

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<u>(A) Revenue Subsidies & Grants</u>		
Revenue Subsidy	3,28,182.60	1,12,260.82
RE Subsidy	38,171.36	22,239.58
Subsidy for Repayment of Interest on Loan	1,203.29	2,366.59
Subsidy for Operational Losses	1,42,833.99	1,38,580.57
	5,10,391.24	2,75,447.56
<u>(B) Interest from :</u>		
Loans to Staff	0.07	0.08
Fixed Deposits	315.26	561.78
Others	1,360.41	1,533.57
	1,675.74	2,195.43
<u>(C) Delayed Payment Charges from Consumers</u>	18,410.54	38,385.65
<u>(D) Other Non-Operating Income</u>		
Income from Contractors/Suppliers	2,097.88	1,346.64
Rental from Staff	3.99	9.10
Miscellaneous Receipts	5,690.71	202.02
	7,792.58	1,557.76
<u>(E) Excess found in Physical Verification of Stock</u>	(0.01)	0.08
Total	5,38,270.09	3,17,586.48

[Handwritten Signature]





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

COST OF POWER PURCHASE

NOTE - 18

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Power Purchased from UPPCL	13,12,242.16	12,87,817.97
Transmission Charges to UPPTCL	65,773.74	64,311.47
Total	13,78,015.90	13,52,129.44

EMPLOYEES BENEFIT EXPENSES

NOTE - 19

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Salaries & Allowances	46,264.10	43,877.36
Dearness Allowance	11,874.50	7,194.80
Other Allowances	2,666.43	2,881.67
Bonus/ Ex-gratia	88.96	122.71
Medical Expenses (Re-imbursement)	580.50	642.49
Earned Leave Encashment	4,301.01	2,463.80
Compensation	13.85	36.35
Staff Welfare Expenses	13.32	48.02
Pension & Gratuity	6,884.83	5,901.02
Interest on General Provident Fund	2,613.97	2,439.31
Interest on Contributory Provident Fund	120.39	172.64
Other Terminal Benefits	3,781.16	3,164.15
Sub Total	79,203.02	68,944.32
Less - Expenses Capitalised	27,890.78	37,292.04
Total	51,312.24	31,652.28





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
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NOTE - 20

FINANCE COST

Particulars	As at 31.03.2022		As at 31.03.2021	
<u>Interest on Loans</u>				
PFC	57,161.88		40,176.72	
REC	59,427.97		37,585.80	
GOUP	1,045.76		1,197.94	
NOIDA	-		2,219.39	
Working Capital	29.02	1,17,664.63	521.31	81,701.16
Interest to Consumers		2,140.05		3,131.98
Interest on Bonds		49,440.32		54,851.23
<u>Other borrowing costs</u>				
Finance Charges	1,486.64		44.26	
Guarantee Charges	0.04		0.05	
Bank Charges	1,825.04	3,311.71	4,701.31	4,745.62
Sub Total		1,72,556.71		1,44,429.99
Less - Interest Capitalised		-		13,504.37
Total		1,72,556.71		1,30,925.62

NOTE - 21

DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	As at 31.03.2022		As at 31.03.2021	
<u>Depreciation</u>				
Buildings	731.50		612.40	
Other Civil Works	42.67		41.70	
Plant & Machinery	25,692.95		22,194.64	
Lines, Cable Network etc.	54,119.28		42,543.19	
Vehicles	12.02		19.84	
Furniture & Fixtures	79.09		73.56	
Office Equipments	819.96	81,497.47	187.44	65,672.77
Less - Equivalent amount of Dep. on Assets acquired against Consumers' Contributions towards Service Line and other charges		14,255.92		13,736.16
Total		67,241.55		51,936.61





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A, GOKHLE MARG LUCKNOW
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NOTE - 22

ADMINISTRATIVE, GENERAL & OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Rent	87.03	31.57
Insurance	24.73	78.32
Communication Charges	580.52	533.98
Legal Charges	138.16	833.79
Audit Fee	59.76	70.29
Consultancy Charges	1,146.07	1,282.98
Technical Fees & Professional Charges	1,047.54	370.51
Travelling and Conveyance	1,021.35	1,219.42
Printing and Stationery	382.98	492.07
Advertisement Expenses	595.58	423.17
Electricity Charges	13,909.14	17,320.27
Water Charges	1.46	59.05
Payment to contractual personnel	6,409.25	4,299.08
Expenses on Spot Billing Centre	23,986.88	21,895.32
Vehicles Expenses	5,941.50	4,375.04
Miscellaneous Expenses	2,981.83	2,551.14
Compensation (Other than staff)	1,268.75	1,485.15
Total	59,582.53	57,321.15

NOTE - 23

REPAIRS AND MAINTENANCE

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Plant & Machinery	11,345.38	6,984.07
Buildings	62.81	230.47
Other Civil Works	331.73	412.25
Lines, Cables Networks, etc.	25,681.93	30,216.37
Furniture & Fixtures	5.76	3.42
Office Equipments	41.57	62.21
Total	37,469.18	37,908.79

NOTE - 24

BAD DEBTS & PROVISIONS

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<u>Provisions</u>		
Doubtful Debts (Sale of Power)	2,43,670.05	12,161.40
Provision for Doubtful Advances	(34.20)	-
Total	2,43,635.85	12,161.40





MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED
4-A , GOKHLE MARG LUCKNOW
CIN: U31200UP2003SGC027459

STATEMENT OF CASH FLOW

(₹ in Lakhs)

Particulars	Figures as at the end of Current year ended on 31st March, 2022	Figures as at the end of Previous year ended on 31st March, 2021 (Restated)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Taxation & Exceptional Items	(1,66,523.60)	(89,602.08)
Adjustment For:		
a Depreciation	67,241.55	51,936.61
b Interest & Financial Charges	1,72,556.71	1,30,925.62
c Bad Debts & Other Provision	2,43,635.85	12,161.40
d Interest Income	(1,575.74)	(2,195.43)
e Prior Period Adjustment (Net)/Exceptional Items	(37,696.34)	(10,134.85)
Sub Total	4,44,062.03	1,82,693.35
Operating Profit Before Working Capital Changes	2,77,538.43	93,091.27
Adjustment For:		
a Stores & Spares	(19,403.01)	(16,884.21)
b Trade Receivable	(4,02,246.81)	(2,38,247.14)
c Other Current Assets	1,12,346.75	(87,400.37)
d Other Current Liab.	40,943.13	41,510.62
e Short-Term Borrowings	-	(3,202.75)
f Trade Payable	(9,414.86)	94,868.29
Sub Total	(2,77,774.80)	(2,09,355.56)
NET CASH FROM OPERATING ACTIVITIES (A)	(236.37)	(1,16,264.29)
B CASH FLOW FROM INVESTING ACTIVITIES		
a Decrease / (Increase) in Fixed Assets	(3,70,867.16)	(3,04,083.19)
b Decrease / (Increase) in Work in Progress	2,65,656.32	2,10,708.77
c (Increase) / Decrease in Investments	-	-
d Decrease / (Increase) in Other Non Current Assets	-	-
e Decrease / (Increase) in Restructuring A/c	-	-
f Decrease / (Increase) in Long Term Loans & Advances	-	-
g Interest Income	1,675.74	2,195.42
NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	(1,03,535.10)	(91,179.00)
C CASH FLOW FROM FINANCING ACITIVITIES		
a Proceeds from Borrowings	(13,727.22)	4,55,119.66
b Proceeds from Share Capital	2,91,182.78	-
c Proceeds from Share Application Money	(63,640.81)	93,866.71
d Proceeds from GoUP Subsidy and Consumer Contribution	47,033.82	(5,06,059.09)
e Proceed from Subsidy under Atmanirbhar Scheme	-	3,10,770.06
f Other long term liabilities	4,660.56	1,922.06
g Interest & Financial Charges	(1,72,556.71)	(1,30,925.62)
h Accumulated losses as per transfer Scheme	-	-
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	92,952.42	2,24,693.78
NET INCREASE / (DECREASE) IN CASH & BANK BALANCE (A+B+C)	(10,819.05)	17,250.49
CASH & BANK BALANCE AT THE BEGINNING OF THE YEAR	1,17,005.17	99,754.68
CASH & BANK BALANCE AT THE END OF THE YEAR	1,06,186.12	1,17,005.17

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.


(Abha Sethi Tandon)
Acting Company Secretary
MVVNL, Lucknow
M.No. F6733


(Sanjeev Kumar Verma)
Dy. General Manager
MVVNL, Lucknow


(Nidhi Kumar Narang)
Director (Finance)
MVVNL, Lucknow
DIN: 03473420


(Bhawani Singh Khangarot)
Managing Director
MVVNL, Lucknow
DIN: 08648162

As per our separate report of even date

For A. Sachdev & Co.
(Chartered Accountants)
FRN: 0013070


(K. G. Bansal)
Partner
M. No.: 094274



MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED

4-A, GOKHALE MARG, LUCKNOW

CIN – U31200UP2003SGC027459

NOTE No.1A

GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

1. **REPORTING ENTITY**
 - (a) The Company is a wholly owned subsidiary of U.P. Power Corporation Limited, Lucknow (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 4A, 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 14.07.2022.
 - (e) **Functional and presentation currency**

The financial statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Indian rupees has been rounded to the nearest rupees in lakhs (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**

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 months 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 except as stated otherwise under notes on accounts.
- (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) In terms of Part-B of Schedule-II of the companies Act, 2013, the company has followed depreciation rate/useful life using the straight line method and residual value of Property, Plant and Equipment as notified by the UPERC Tariff Regulations.
- (b) Depreciation on addition to/deduction from Property, Plant and Equipment during the year is charged on Pro-rata basis.

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.

VII 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.

VIII 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.

IX 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.

X 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.

XI 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.

XII 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".

XIII CASH FLOW STATEMENT

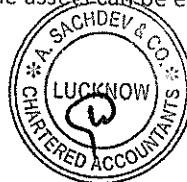
Cash Flow Statement is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of Cash Flow'.

XIV 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 becomes 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.

XV **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.

XVI **MATERIAL PRIOR PERIOD ERRORS**

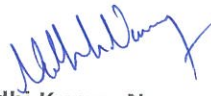
Material prior period errors are corrected retrospectively by restating the comparative amount for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balance of assets, liabilities and equity for the earliest period presented,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



(Abha Sethi Tandon)
Acting Company Secretary
MVVNL, Lucknow
M.No.: F6733



(Sanjeev Kumar Verma)
Dy. General Manager
MVVNL, Lucknow

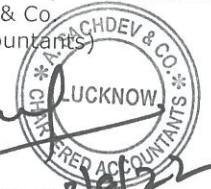
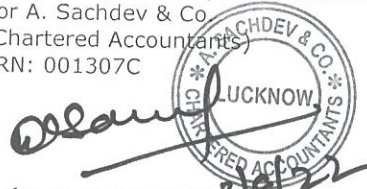


(Nidhi Kumar Narang)
Director (Finance)
MVVNL, Lucknow
DIN : 03473420



(Bhawani Singh Khangarot)
Managing Director
MVVNL, Lucknow
DIN : 08648162

As per our separate report of even date
For A. Sachdev & Co.
(Chartered Accountants)
FRN: 001307C



(K. G. Bansal) 23/8/22
Partner
M. No.: 094274



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 31st March 2022 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. 12.08.2003 in terms of Government of U.P. Notification No. 2740/P-1/2003-24-14P/2003 dated 12.08.2003.
2. The Company is a wholly owned subsidiary of U.P. Power Corporation Limited, Lucknow (a State Government Company) and is 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 are derived 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 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, forecasting 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 to ultimate consumers.

- (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 (e.g. 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	(₹ in Lakhs)	
	31.03.2022	31.03.2021
Financial Assets		
Fixed Interest Rate Instruments- Deposits with Bank	7,852.88	9,371.59
Total	7,852.88	9,371.59
Financial Liabilities		
Fixed Interest Rate Instruments-Financial Instrument Loans	18,02,325.45	17,56,183.71
Variable Interest Rate Instruments- Cash Credit from Banks	0.00	0.00
Total	18,02,325.45	17,56,183.71

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.

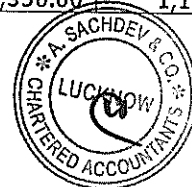
4. **Capital Management:** The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an appropriate capital structure of debt and equity.

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.

5. The Equity includes 500 Equity Shares of ₹ 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 ₹1,13,913.45 Lakh, out of which ₹ 8,563.45 Lakh is taken directly and ₹1,05,350.00Lakh is taken by the Parent Company i.e. UPPCL for and on behalf of MVVNL as per details given below :-

S. No.	Particulars	(₹ in Lakhs)		
		MVVNL	UPPCL	Total
1	REC Ltd	0.00	52,675.00	52,675.00
2	PFC Ltd	8563.45	52,675.00	61,238.45
	Total	8563.45	1,05,350.00	1,13,913.45



7. Guarantee issued by the State Government in support of borrowings directly taken by the company as on 31.03.2022 is NIL whereas Guarantee taken by UPPCL (Holding Company) on behalf of the company as on 31.03.2022 is ₹20,454.20 Crore.
8. The Board of Directors of Madhyanchal Vidyut Vitran Nigam Limited has escrowed all the Revenue Receipt Accounts in favor of U.P. Power Corporation Limited, Lucknow. The Parent Company has been further authorized to escrow those 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: -

S. 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	Southern Power Transmission Corporation Limited	Fellow Subsidiary

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

S. No.	Name & DIN	Designation	Appointment	Retirement/ Cessation
1.	Shri M. Devraj (08677754)	Chairman	02.02.2021	Working
2.	Sri Panraj Kumar (08095154)	Managing Director	10.03.2021	Working
3.	Sri. Ajay Kumar Purwar (08544396)	Director (PM & A)	10.07.2019	Working
4.	Sri. Ashwani Kumar Srivastava (07677222)	Director (Distribution)	02.03.2021	Working
5.	Shri Anil Kumar Awasthi	CFO	05.03.2020	Working
6.	Km. Niharika Gupta	Company Secretary	18.03.2020	29.07.2021
7.	Dr. Jyoti Arora	Company Secretary	30.07.2021	Working
8.	Shri Ashok Kumar Srivastava	Director (Commercial)	27.06.2018	26.06.2021

(Handwritten Signature)



(ii) Madhyanchal Vidyut Vitran Nigam Ltd: -

S. No.	Name	Designation	Working Period (for FY 2021-22)	
			Appointment	Retirement/ Cessation
1	Shri M. Devraj (08677754)	Chairman	01.02.2021	Working
2	Sri. Surya Pal Gangwar (07082538)	Managing Director	03.01.2020	27.01.2022
	Sri Chandra Vijay Singh		27-01-2022	Working
3	Sri Pradeep Kakkar (09096257)	Director (PM & A)	19.01.2021	Working
4	Sri Pradeep Kakkar (09096257)	Director (Comm)	05.02.2021	Working
5	Sri Sudhir Kumar Singh (08387334)	Director (Tech.)	03.09.2018	02.09.2021
	Sri Pradeep Kakkar (09096257)		21.09.2021	Working
6	Sri. Mahesh Chandra Pal (08766010)	Director (Finance)	29.02.2020	Working
7	Smt. Saumya Agarwal (08049292)	Women Director	28.07.2020	Working
8	Sri Pankaj Kumar (08095154)	Nominee Director	10.03.2021	Working
9	Dr. Senthil Pandian C. (08235586)	Nominee Director	10.09.2018	23.07.2021
10	Sri P. Guruprasad (07979258)	Nominee Director	23.07.2021	Working
11	Sri. Sudhir Arya (05135780)	Nominee Director	30.07.2019	14.07.2021
12	Sri. Ranjan Kumar Srivastava (07338796)	Nominee Director	17.07.2021	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 has 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



(2) Transactions with Related Parties: -

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

(₹ in Lakhs)

Particulars	Uttar Pradesh Power Corporation Limited		KESCO		Dakshinanchal Vidyut Vitran Nigam Limited		Paschimanchal Vidyut Vitran Nigam Limited		Purvanchal Vidyut Vitran Nigam Limited	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
i) Sales		-		-		-		-		-
ii) Purchase	13,12,242.16	12,87,817.97		-		-		-		-
iii) Dividend Received				-		-		-		-
iv) Equity Contribution Received	2,27,541.97	93,866.71		-		-		-		-
v) Loans Granted		-		-		-		-		-
vi) Guarantee Received		-		-		-		-		-
vii) Others (net)		-	154.93	279.46	518.35	507.31	153.52	69.74	174.42	(3.08)

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

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Salary & Allowances	65.23	115.87
Leave Encashment	26.16	25.53
Contribution to Gratuity /Pension/PF	1.53	5.51

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

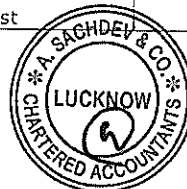
(₹ in Lakhs)

S. No.	Name of the company	Nature of Transactions	FY 2021-22	FY 2020-21
1	Uttar Pradesh Power Transmission Corporation Limited	Power Transmission Cost	65,773.74	64,311.47
2	U.P. Power Sector Employee Trust	Employee benefit contributions (net)	(40,540.90)	(2,593.84)

(D) Outstanding Balances with related parties: -

(₹ in Lakhs)

Particulars	Balances as on 31.03.2022	Balances as on 31.03.2021 (Restated)
Amount Payable towards loans :-		
Uttar Pradesh Power Corporation Limited	(77,199.98)	(89,360.37)
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 Vidyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Jal Vidyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Power Sector Employees Trust	NIL	NIL



Amount Payable towards other than loans : -		
Uttar Pradesh Power Corporation Limited (IUT)	(736.56)	19,259.67
Uttar Pradesh Power Corporation Limited (Power Purchase)	8,62,244.06	8,82,889.58
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	1,32,005.35	1,20,774.69
Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	4.73	4.73
Uttar Pradesh Jal Vidyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Power Sector Employees Trust	89,342.22	48,801.32
Amount Receivable towards other than loans : -		
Uttar Pradesh power corporation limited	NIL	NIL
KESCO	578.55	423.62
Dakshinanchal Vidyut Vitran Nigam limited	9,587.98	9,069.63
Paschimanchal Vidyut Vitran Nigam limited	7,895.16	7,741.64
Purvanchal Vidyut Vitran Nigam limited	7,866.08	7,691.66
Key Managerial Personnel	NIL	NIL
Others	NIL	NIL
Uttar Pradesh Power Transmission Corporation Limited	29,375.25	29,352.69
Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	NIL	NIL
Uttar Pradesh Jal Vidyut 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.

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.

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.

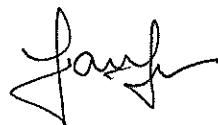
(b) Where historical cost of a discarded/retired/obsolete Property, Plant and Equipment is not available, the estimated value of such assets and depreciation thereon has been adjusted and accounted for.

(c) In terms of powers confirmed by the Notification no. GSR 627(E) dated 29th 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 rates of depreciation as approved in the orders of UPERC (terms & conditions for determination of distribution tariff) Regulation, 2019.

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. During the year no borrowing Cost has been capitalized (₹13,504.37 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. Electricity Dues receivables from Government consumers have not been considered for provisioning of Bad and Doubtful debts. The provisioning of Bad and Doubtful debts for Non-Government consumers have been made as follows :-
- | Age of Dues receivable from Non-Government consumers | Provisioning percentage (% of outstanding balance) |
|--|--|
| Up to 6 months | 0% |
| Greater than 6 months and up to 1 year | 0% |
| Greater than 1 year and up to 2 years | 7.5% |
| Greater than 2 year and up to 3 years | 15% |
| Greater than 3 years | 25% |
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 of employees covered under GPF scheme has been made @16.70% and 2.38% respectively on the amount of Basic pay, Grade pay and DA paid to employees. The provision for accrued liability of Gratuity of employees covered under CPF scheme and provision for accrued liability for Earned Leave Encashment of all employees has been made on the basis of actuarial valuation report dated 02.05.2022 submitted by M/s Mithras Consultants, Gurgaon, Haryana.
 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. In accordance with the provisions of IND AS 8 (accounting policies, changes in accounting estimates and errors), prior period(s) errors/omission have been corrected retrospectively by restating the comparative amounts of profit & loss for the prior period i.e. F.Y. 2020-21 to the extent practicable along with changes in basic and diluted earnings per share. If the error /omission relates to a period prior to the comparative figure i.e. before F.Y 2020-21, the equity of the comparative period has been restated. The opening balance sheet items have also been restated wherever required.




RECONCILIATION OF PRIOR PERIOD ADJUSTMENTS
Statement of Profit and Loss
For the year ended on 31st March 2022

(₹ in Lakhs)

S.No.	PARTICULARS	Note No.	Audited figures for the year ended 31st March 2021	Adjustment of PPE Related to the year ended 31st March 2021	Adjustment of PPE Related Prior to the year ended 31st March 2020 and before	Total	Restated Figures For the year ended 31st March 2021	Other Equity (Reserve & Surplus) Restated for the period ended 31st March 2020 and before
	REVENUE							
I	Revenue From Operations	16	1266846.74	-	5765.65	5765.65	1266846.74	5765.65
II	Other Income	17	317639.62	53.15	(18.39)	34.76	317586.48	(18.39)
III	Total Revenue (I + II)		1584486.36	53.15	5747.26	5800.40	1584433.21	5747.26
	EXPENSES							
	Cost of Power Purchased	18	1352129.44	-	-	-	1352129.44	-
	Employees Benefits Expenses	19	31596.64	(55.64)	364.93	309.29	31652.29	364.93
	Finance Cost	20	133664.87	(2.97)	(4683.47)	(4686.44)	130925.62	(4683.47)
	Depreciation and Amortization Expenses	21	51935.71	-	(784.21)	(784.21)	51936.61	(784.21)
	Other Expenses		-	-	-	-	-	-
	Administrative, General & Other Expenses	22	57323.61	2.45	1749.73	1752.18	57321.16	1749.73
	Repair & Maintenance	23	36255.98	347.20	(1034.58)	(687.39)	37908.79	(1034.58)
	Bad Debts & Provisions	24	12161.40	-	-	-	12161.40	-
IV	Total Expenses		1677067.67	291.03	(4387.59)	(4096.56)	1674035.31	(4387.59)
V	Profit / (Loss) before tax and exceptional items (III - IV)		(92581.31)	(237.88)	10134.85	9896.97	(89602.10)	10134.85
VI	Profit / (Loss) from Exceptional items		-	-	-	-	-	-
VII	Profit / (Loss) before tax (V + VI)		(92581.31)	(237.88)	10134.85	9896.97	(89602.10)	10134.85
VIII	Tax Expenses:							
	(1)Current tax		-	-	-	-	-	-
	(2)Deferred tax		-	-	-	-	-	-
IX	Profit / (Loss) for the period from continuing operations (VII - VIII)		(92581.31)	(237.88)	10134.85	9896.97	(89602.10)	10134.85
X	Profit / (Loss) from discontinued operations		-	-	-	-	-	-
XI	Tax Expenses of discontinued operations		-	-	-	-	-	-
XII	Profit / (Loss) from discontinued operations (after tax) (X - XI)		-	-	-	-	-	-
XIII	Profit / (Loss) for the period (IX + XII)		(92581.31)	(237.88)	10134.85	9896.97	(89602.10)	10134.85
XIV	Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss (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 Income for the period (XIII + XIV) comprising Profit / (Loss) and Other Comprehensive Income for the period		(92581.31)	(237.88)	10134.85	9896.97	(89602.10)	10134.85

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Reconciliation of financial statement line items which are retrospectively restated as under in accordance with Ind AS-8" Accounting Policies, Change in Accounting Estimates and Errors".

BALANCE SHEET
As at 31st March 2022

(₹ in Lakhs)

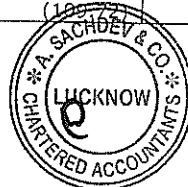
S.No.	PARTICULARS	Note No.	Audited figures as at 31st March 2021	Adjustments	Restated Figures as at 31st March 2021	Remarks
	ASSETS					
(1)	Non-current assets					
	(a) Property, Plant and Equipment	2	1416435.33	(258.92)	1416694.25	PPE Adjustment
	(b) Capital work-in-progress	3	309362.55	-	309362.55	
(2)	Current assets					
	(a) Inventories	4	82978.83	(326.42)	83305.25	PPE Adjustment
	(b) Financial Assets					
	(i) Trade receivables	5	2095769.18	5765.65	2090003.53	PPE Adjustment
	(ii) Cash and cash equivalents	6	117005.17	-	117005.17	
	(iii) Bank Balance	7	6958.71	-	6958.71	
	(Other than ii above)					
	(iv) Others	8	322505.81	1674.62	320831.19	PPE Adjustment
	(c) Other Current Assets	9	152959.25	(18.39)	152977.64	PPE Adjustment
	Total Assets		4503974.82	6836.54	4497138.28	
	EQUITY AND LIABILITIES					
(1)	EQUITY					
	(a) Equity Share Capital	10	1744046.21	-	1744046.21	PPE Adjustment
	(b) Other Equity	11	(888177.85)	7155.64	(895333.49)	
(2)	LIABILITIES					
(I)	Non-Current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	12	1589995.13	94.14	1589900.99	PPE Adjustment
	(ii) Other financial liabilities	13	67523.84	-	67523.84	
(II)	Current liabilities					
	(a) Financial Liabilities					
	(i) Trade payables	14	1003664.27	-	1003664.27	PPE Adjustment
	(b) Other Financial Liabilities	15	986923.23	(413.23)	987336.47	
	Total Equity and Liabilities		4503974.82	6836.54	4497138.28	

23. 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).

(₹ in Lakhs)

Particulars	Earning per Share	
	31.03.2022	31.03.2021 (Restated)
(a) Net Loss after tax (numerator used for calculation)	(2,04,219.94)	(89,602.08)
(b) Weighted average number of Equity Shares (denominator for calculating Basic EPS)	1,861.27	1,744.05
(c) Weighted average number of Equity Shares (denominator for calculating Diluted EPS)	2,032.72	1,864.81
(d) Basic earnings per share of ₹ 1000/- each	(109.72)	(51.38)
(e) Diluted earnings per share of ₹ 1000/- each	(100.72)	(51.38)

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(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 Earnings Per Share).

24. Payments to Directors and officers in foreign currency towards foreign tours were Nil (Previous year NIL).
25. Debts due from Directors were Nil (Previous year NIL).
26. Quantitative details of energy purchased and sold and Computation of AT&C Losses are given as below: -

Table 1

S. No.	Particulars	(₹ in Lakhs)	
		Financial Year	
		2021-22	2020-21 (Restated)
A	Input Energy (MkWh)	24,352.979	23,520.968
B	Energy Sold (MkWh)	20,125.983	18,765.222
C	Distribution Losses (MkWh)	17.36%	20.22%
D	Revenue from sale of Energy (₹ Cr.)	13,050.20	12,668.47
E	Adjusted Revenue from Sale of Energy on Subsidy Received basis (₹ Cr.)	16,332.03	13,791.08
F	Opening Debtors for Sale of Energy (₹ Cr.)	22,579.63	20,205.00
G	Closing Debtors for Sale of Energy (₹ Cr.)	26,602.09	22,579.63
H	Adjusted Closing Debtors for sale of Energy (₹ Cr.)	26,602.09	22,579.63
I	Collection Efficiency (Including Revenue Subsidy) (%)	75.37%	82.78%
J	Units Realized (MkWh) = [Energy Sold*Collection efficiency]	15,169.090	15,534.121
K	Units Unrealized (MkWh) = [Net Input Energy-Units Realized]	9,183.716	7,986.847
L	AT&C Losses (%) = [(Units Unrealized/Net Input Energy)*100]	37.71%	33.96%

Table 2

S. No.	Particulars	(₹ in Lakhs)	
		Financial Year	
		2021-22	2020-21
1	Subsidy Booked during the year (₹ Cr.)	5,103.91	2,754.48
2	Subsidy received during the year (₹ Cr.)	5,197.33	1,776.40
i)	Subsidy received against subsidy booked for current year (₹ Cr.)	5,103.91	1,776.40
ii)	Subsidy received against subsidy booked for previous years (₹ Cr.)	93.42	-

27. Details of Contingent Liabilities and Commitments are as under: -

S. No.	Details	(₹ in Lakhs)	
		FY 2021-22	FY 2020-21
1	Claims against the Company not acknowledged as debts	3558.51	130.00
2	Other money for which the Company is contingent liable (Interest for moratorium period on GOI loan from PFC)	-	11,176.26

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

Particulars	Movement of Provisions			
	Opening Balance as on 01.04.2021	Provision Made During The Year	Withdrawal / Adjustment of Provision During the Year	Closing Balance as on 31.03.2022
Provision for Doubtful debts on Sundry Debtors (Sale of Power) (Note-5)	1,67,959.14	2,43,670.05	-	4,11,629.19
Provision for Doubtful Advances (Note-9)	34.20	-	34.20	-
Provision for estimated losses on theft of Property, Plant and Equipment pending for investigation (Note-9)	522.50	-	-	522.50
Provision for unserviceable stores (Note-4)	4,121.52	-	-	4,121.52

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

Ageing Schedules: -

(A) Work-in-progress (Capital expenditure)

Amount in CWIP for a period of F.Y. 2021-22		(₹ in Lakhs)
Less than 1 year		5188.91
1-2 year		3249.25
2-3 year		866.45
More than 3 years		2444.17
Total		11,748.78

(B) Trade Receivables:

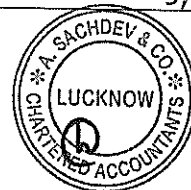
Ageing	Non-Government Dues		Government Dues	Total
Less than 6 months	4,89,734.79	91,015.39		5,80,751.18
6 months - 1year	69,134.63	10,857.79		79,992.42
1-2 year	1,08,260.01	55,810.25		1,64,070.26
2-3 year	1,52,895.34	10,029.04		1,62,924.38
More than 3 years	15,22,301.56	1,50,169.68		16,72,471.24
Total	23,42,326.33	3,17,883.15		26,60,209.48*

* The above total trade receivable includes unbilled debtors amounting to Rs 77,342.44 Lacs.

(C) Trade Payables:

Outstanding for following periods from due date of payment		(₹ in Lakhs)
Less than 1 year		9,94,249.41
1-2 year		-
2-3 year		-
More than 3 years		-
Total		9,94,249.41

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30. Since the Company is principally engaged in the distribution 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.
31. Due to heavy carried forward losses/unabsorbed depreciation and uncertainties to recover such losses/unabsorbed depreciation in near future, the deferred tax assets have not been recognized in accordance with Ind AS 12 issued by ICAI.
32. The figures as shown in the Balance Sheet, Statement of Profit & Loss & Notes shown in "()" denotes negative figures.
33. GoUP vide its GO Number 445/24-1-21-731 (Budget)/2020 dated 05.03.2021 accepted to pay grant / subsidy of ₹ 97,808.00 Lakhs as additional subsidy determined by UPERC from FY 2007-08 to FY 2019-20 which is payable to company in coming 10 years under "Aatmanirbhar Bharat Yojana". Accordingly, the company had accounted for the accepted claim from GoUP of ₹ 97,808.00 Lakhs during FY 2020-21 as "receivable from GoUP". Out of total subsidy receivable, the company has received ₹9,341.74 Lakhs during the current financial year and ₹ 88,466.26 Lakhs is to be received from GoUP in subsequent nine years.
34. Government dues in respect of Electricity Duty and other Levies amounting to ₹ 2,77,968.71 lakh shown in Note-15 includes (₹ 1225.71 lakhs) on account of Other Levies realized from consumers.
35. The Annual Accounts of Financial Year 2019-20 & 2020-21 are yet to be adopted in Annual General Meeting as final comments of C&AG are awaited.
36. 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.
37. As per the requirement of Section 135 of Schedule-VII of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rules 2014, the company has incurred losses during the three immediately preceding financial years as per Section 198 of Companies Act, 2013, hence no CSR activity has been undertaken and accordingly no provision has been made by the company in this regard.
38. The company has not created any new regulatory assets in the latest tariff determination cycle.
39. The company has not transacted with any company during the financial year 2021-22, the name of which had been struck off by ROC.
40. The company has not surrendered any income during the financial year 2021-22, under the provisions of Income Tax Act, 1961.
41. The company has not revalued its Property, Plants and Equipment/Intangible Assets during the financial year 2021-22.
42. No proceedings have been initiated or are pending against the company for holding any Benami Property under the Benami transactions (Prohibition Act, 1988 and Rules made thereunder).
43. The company has not traded or invested in Crypto Currency or virtual currency during the financial year 2021-22.



44. Financial Ratios as required under the Schedule-III of the Companies Act, 2013 are as under: -

S. No.	Particulars	Formula	Numerator		Denominator		Ratio		% Change						
			2021-22	2020-21	2021-22	2020-21	20-21	21-22							
			(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)									
1	Current Ratio	Current Assets/Current Liabilities	Current Assets includes			Current Liabilities includes									
			-Inventory	1,02,708.26	83,305.25	-Trade Payables	9,94,249.41	10,03,664.27							
			-Trade Receivable	22,48,580.29	20,90,003.53	-Short term debt(current LTB)	2,26,151.67	1,66,282.71							
			-Cash & Cash equivalents	1,06,186.12	1,17,005.17	-Outstanding Expenses	-	-							
			-Bank Balance	3,753.40	6,958.71	-Provision for taxation	-	-							
			-Loans & Advances	2,96,554.75	3,20,831.19	-Other current liabilities	8,02,127.92	8,21,053.75	1.40	1.39	0.01	0.59%			
			-Receivables/Accruals	-	-										
			-Other current assets	68,146.85	1,52,977.65										
			Total	28,25,929.67	27,71,081.50	Total	20,22,529.00	19,91,000.73							
			2	Debt-Equity Ratio	Total Debt/Equity or Shareholder's fund	Debt includes			Equity includes						
						-Short term debt (current LTB)	2,26,151.67	1,66,282.71	-Equity Share Capital	20,35,228.99	17,44,046.21				
-Long term debt	15,76,173.78	15,89,901.00				-Accumulated profits	(11,30,416.35)	(8,95,333.49)	1.99	2.07	(0.08)	(3.83%)			
-Other fixed obligation	-	-													
Total	18,02,325.45	17,56,183.71				Total	9,04,812.64	8,48,712.72							
3	Debt Service Coverage Ratio	Earnings available for debt service includes plus Instalments				Earnings available for debt service includes			Denominator includes						
						-Net profit after tax	(2,04,219.94)	(89,602.08)	-Interest	1,72,556.71	1,44,429.99				
						-depreciation	67,241.55	51,936.61	-Principal (Current Maturity Opening)	1,66,282.71	1,16,459.25				
						-Amortization									
						-Interest	1,72,556.71	1,30,925.62							
						-Other non-cash/non-operating Expenses & Incomes									
			- Other Income												
			- Provision for Doubtful Debt	2,43,635.85	12,161.40										
			- Exceptional Items	(37,696.34)	-										
			- Re-measurement of Defined Benefit Plans	11,185.84	8,364.82										
			Total	2,52,703.67	1,13,786.37	Total	3,38,839.42	2,60,889.24	0.75	2.29	(1.55)	(67.47%)			
4	Return on Equity	Net profit available for equity shareholders/Equity Shareholder's fund	Net profit available for Equity shareholder's fund includes			Equity Shareholder's fund includes									
			-Net profit after taxes minus Preference Shareholder's dividend	(2,04,219.94)	(89,602.08)	-Equity Share Capital	20,35,228.99	17,44,046.21	(0.11)	(0.12)	(113.79%)				
			Total	(2,04,219.94)	(89,602.08)	Total	9,04,812.64	8,48,712.72							



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5	Inventory Turnover Ratio	Cost of Goods sold/Average Inventory	Cost of goods sold includes Revenue from operation minus Credit sales includes -Revenue from operation	13,78,015.90	13,52,129.44	Denominator includes -Average Inventory	93,006.76	74,863.15	14.82	18.06	(3.25)	Times	(17.97%)
6	Trade Receivable Turnover Ratio	Credit sales/Average account receivables	Credit sales includes -Revenue from operation	13,74,894.72	13,40,169.91	Denominator includes -Average Trade Receivable	24,59,086.08	21,39,232.45	0.56	0.63	(0.07)	Times	(10.75%)
7	Trade Payable Turnover Ratio	Credit purchases/Average account payables	Credit purchase includes -Cost of power purchased	13,78,015.90	13,52,129.44	Denominator includes -Average Trade payables	9,98,956.84	9,56,230.13	1.38	1.41	(0.03)	Times	(2.44%)
8	Net Capital Turnover Ratio	Total Sales/Shareholder's Equity	Total Sales includes -Revenue from operation	13,74,894.72	13,40,169.91	Shareholder's Equity includes -Equity Share capital	20,35,228.99	17,44,046.21	1.52	1.58	(0.06)	Times	(3.77%)
9	Net Profit Ratio	Net Profit x 100/Sales	Total Net profit includes Net profit after tax	13,74,894.72	13,40,169.91	-Accumulated profits Total Sales includes	(11,30,416.35)	(8,95,333.49)	(0.15)	(0.07)	(0.08)	Percent	(122.16%)
10	Return on Capital Employed	EBIT x 100/ Capital Employed	EBIT includes -Earnings before interest & tax	(2,04,219.94)	(89,602.08)	Capital employed includes -Total Assets minus Current Liabilities	13,74,894.72	13,40,169.91				Percent	(156.69%)
11	Return on Investment	Return x 100/Owner's equity or fund invested in business	-Profit before tax -Interest Total Return includes -Return from investments	(2,04,219.94)	(89,602.08)	Owner's Equity or Fund Invested	45,75,699.82	44,97,138.29	(0.01)	0.02	(0.03)	Percent	(113.79%)
12	Creditor Days	(Liability for power purchase/Cost of power purchase)*365	Liability for power purchase	9,94,249.41	10,03,664.27	Cost of power purchase	13,78,015.90	13,52,129.44	263.35	270.93	(7.58)	Days	(2.80%)

45. Explanation for change in the ratio by more than 25% as compared to the preceding year:-

S. No.	Particulars	% Change	Explanation
1	Debt Service Coverage Ratio	(67.47%)	Due to increase in principal repayment of unsecured loans/bonds taken by UPPCL on behalf of MVVNL and increase in Interest expense of REC & PFC loans
2	Return on Equity	(113.79%)	Due to major change in provisioning estimates of bad & doubtful debts & exceptional items along with increase in Employees Benefits Expenses, Finance Cost & Depreciation and Amortization expenses.
3	Net Profit Ratio	(122.16%)	Due to major change in provisioning estimates of bad & doubtful debts & exceptional items along with increase in Employees Benefits Expenses, Finance Cost & Depreciation and Amortization expenses.
4	Return on Capital Employed	(156.69%)	Due to major change in provisioning estimates of bad & doubtful debts & exceptional items along with increase in Employees Benefits Expenses & Depreciation and Amortization expenses.
5	Return on Investment	(113.79%)	Due to major change in provisioning estimates of bad & doubtful debts & exceptional items along with increase in Employees Benefits Expenses, Finance Cost & Depreciation and Amortization expenses.

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46. Exceptional Items of ₹ 37,696.34 lakhs represent provision for loss being incurred by U.P State Power Sector Employees Trust and U.P. Power Corporation Contributory Provident Fund Trust for amounts invested in Fixed Deposits, Unrealized Interest & Notional Interest thereon due to insolvency of Dewan Housing Finance Corporation Limited (DHFL).

The amount of provision has been made on the basis of Letter no. 787/12/UPSPSET/DHFL/2019 dated 11-07-2022 of U.P State Power Sector Employees Trust and Letter no. 1021/102/CPF Trust/DHFL/FDR/Notional Loss/2022 dated 11-07-2022 of U.P. Power Corporation Contributory Provident Fund Trust.



(Abha Sethi Tandon)
Acting Company Secretary
MVVNL, Lucknow
M.No.: F6733



(Sanjeev Kumar Verma)
Dy. General Manager
MVVNL, Lucknow



(Nidhi Kumar Narang)
Director (Finance)
MVVNL, Lucknow
DIN : 03473420



(Bhawani Singh Khangarot)
Managing Director
MVVNL, Lucknow
DIN : 08648162

As per our separate report of even date
For A. Sachdev & Co.
(Chartered Accountants)
FRN: 001307C



(K. G. Bansal)
Partner
M. No.: 094274



23/08/22