



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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### **NOTICE OF 18<sup>TH</sup> ADJOURNED ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 18<sup>th</sup> Adjourned Annual General Meeting of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore will be held on Thursday the 28<sup>th</sup> day of January, 2021 at 11.30 a.m. at the registered office of the company situated at GPH Compound, Polo Ground Indore, to transact the following business:

#### **ORDINARY BUSINESS:**

- (1) To receive consider and adopt the Audited Financial Statement, Statement of Profit and Loss for the Financial year ended on 31<sup>st</sup> March 2020, the Balance Sheet as at that date & Cash Flow statement, together with the Board's Report, the Auditors Report and the comments of the Comptroller and Auditor General of India.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Financial Statements, the audited Balance Sheet as at 31<sup>st</sup> March, 2020 and Statement of Profit and Loss & Cash Flow Statement of the Company for the Financial year ended on 31<sup>st</sup> March, 2020 together with the Board's Report, the Auditors Report and the comments of the Comptroller and Auditor General of India and replies thereon be and are hereby received, considered, approved and adopted."

Place: INDORE

By order of the Board of Directors

Date : 25<sup>th</sup> January, 2021

Company Secretary

#### **NOTES:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote at the meeting instead of himself and proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. A Proxy Form is enclosed.
2. Documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days except Sundays and holidays between 11.00 a.m. and 5.00 p.m. up to the day of the Adjourned Annual General Meeting.
3. Members are requested to notify the change, if any, in their address at the Registered Office of the Company.
4. Pursuant to Section 101(1) of the Companies Act, 2013 consent to hold the 18<sup>th</sup> Adjourned Annual General Meeting at a shorter notice has been given by the requisite number of members of the company in writing.



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

**FORM NO. MGT-11**

## Proxy form

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN:U40109MP2002SGC015121

Name of the company : MADHYA PRADESH PASCHIM KSHETRA VIDYUT VITARAN COMPANY LTD.

Registered Office : G.P.H. COMPOUND, POLO GROUND, INDORE

Name of the member(s) :

Registered address :

E-mail ID :

\_\_\_\_\_

Folio No. :

\_\_\_\_\_

I/We, being the member(s) of ..... shares of the above named company, hereby appoint:

1. Name : .....  
Address :  
Email ID :  
Signature : ..... or failing him
  2. Name : .....  
Address :  
Email ID :  
Signature : ..... or failing him
  3. Name : .....  
Address :  
Email ID :  
Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18<sup>th</sup> Adjourned Annual General Meeting of the Company, to be held on Thursday the 28<sup>th</sup> day of January, 2021 at 11.30 a.m. at GPH Compound, Polo Ground, Indore and at any adjournment thereof in respect of such resolutions as are indicated below :

**Ordinary Business**

- (1) To receive consider and adopt the Audited Financial Statement, Statement of Profit and Loss for the Financial year ended on 31<sup>st</sup> March 2020, the Balance Sheet as at that date & Cash Flow Statement, together with the Board's Report, the Auditors Report and the comments of the Comptroller and Auditor General of India.

Signed this ..... day of ..... 2021

**Signature of Shareholder**

Signature of Proxy holder (s)

Affix  
Revenue  
Stamp



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### **NOTICE OF 18<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 18<sup>th</sup> Annual General Meeting of Madhya Pradesh Paschim Kshetra Vitaran Company Limited, Indore will be held on Thursday the 31<sup>st</sup> day of December, 2020 at 11.15 a.m. at the registered office of the company situated at GPH Compound, Polo Ground, Indore, to transact the following businesses:

#### **ORDINARY BUSINESS:**

- (1) To receive consider and adopt the Audited Financial Statements, Statement of Profit and Loss for the year ended on 31<sup>st</sup> March 2020, the Balance Sheet as at that date & Cash Flow Statement, together with the Board's Report, the Auditors Report and the comments of the Comptroller and Auditor General of India.**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Financial Statements, the audited Balance Sheet as at 31<sup>st</sup> March, 2020 and Statement of Profit and Loss & Cash Flow Statement of the Company for the Financial year ended on 31<sup>st</sup> March, 2020 together with the Board's Report, the Auditors Report and the comments of the Comptroller and Auditor General of India and replies thereon be and are hereby received, considered, approved and adopted."

- (2) To take note of the appointment of Statutory Auditors of the company for the financial year 2020-21 by the Comptroller and Auditor General of India**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, appointment of M/s Khandelwal Kakani&Co., Chartered Accountants, Indore as Statutory Auditors of the company for the Financial year 2020-21, by the Comptroller and Auditor General of India be and is hereby noted;

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to pay remuneration of Rs.6,00,000/- (Rupees Six Lacs only) to the Statutory Auditors and reimbursement of their actual out-of-pocket expenses shall remain upto Rs.50,000/- (Rupees Fifty Thousand only) for the Financial year 2020-21."



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### **SPECIAL BUSINESS:**

#### **(3) Ratification of Remuneration of Cost Auditor**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs.17,990/- (Rupees Seventeen Thousand Nine Hundred Ninety Only) plus applicable tax, payable to M/s Sorabh Sethi & Co., Cost Accountants, Lucknow, who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2020-21;

Place : INDORE

By order of the Board of Directors

Date : 30.12.2020

Company Secretary

### **NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote at the meeting instead of himself and proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. A Proxy Form is enclosed.
2. Documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days except Sundays and holidays between 11.00 a.m. and 5.00 p.m. up to the day of Annual General Meeting.
3. Pursuant to provisions of section 139 of the Companies Act, 2013 the Statutory Auditors for the Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of Section 142 of the Companies Act, 2013 the remuneration of the Auditors appointed by the C&AG of India under Section 139 of the Act shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine.
4. Pursuant to Section 101(1) of the Companies Act, 2013 consent to hold the Annual General Meeting at a shorter notice has been given by the requisite number of members of the company in writing.
5. Members are requested to notify the change, if any, in their address at the Registered Office of the Company.
6. A statement pursuant to the provisions of Section 102 of the Companies Act, 2013 is annexed hereto as "Annexure to the notice"



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### ANNEXURE TO THE NOTICE

#### **Statement in respect of the special business pursuant to the provisions of Section 102 of the Companies Act, 2013**

##### **Item no.3**

The Board has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the company for the financial year 2020-21 as per the following details:

Name of the Cost Auditor	Audit Fees
M/s Sorabh Sethi & Co., Cost Accountants, Lucknow	Rs.17,990/- (Rupees Seventeen Thousand Nine Hundred Ninety Only) plus applicable tax

Pursuant to the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out for ratification of the remuneration payable to the Cost Auditor for the financial year 2020-21.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend this Ordinary Resolution for your approval.

Place: INDORE

FOR AND ON BEHALF OF THE BOARD

Date : 30.12.2020

Company Secretary





**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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**BOARD'S REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 18<sup>th</sup> Annual Report together with Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2020.

**(1) HIGH LIGHTS OF FINANCIAL RESULTS:**

(Rs. In crores)

	<b>Financial Year ended on 31/03/2020</b>	<b>Financial Year ended on 31/03/2019</b>
<b>Total Income</b>	<b>15724.87</b>	13993.92
<b>Total expenditure</b>	<b>14855.68</b>	13949.88
<b>Profit / (Loss) Before Exceptional Items and Tax</b>	<b>869.18</b>	44.04
<b>Exceptional Items (Income) / Expenses</b>	<b>(59.90)</b>	(609.28)
<b>Profit/ (Loss) Before Tax</b>	<b>929.08</b>	(565.25)
<b>Profit/(Loss) For The Period</b>	<b>929.08</b>	(565.25)

**(2) REVIEW OF OPERATIONS:**

During the year under review, the Company has earned a total income of Rs.15724.87 Crores as against a total income of Rs.13,993.92 Crores in the previous year. Further, the company has incurred a profit of Rs.929.08Crores as against a loss of Rs.565.25 Crores in the previous year.

**(3) ACTIVITIES AND KEY PROJECTS UNDERTAKEN BY THE COMPANY:**

**(A) Commercial:**

The Company's commercial highlights for the Financial Year 2019-20 and its comparison with Financial Year 2018-19 are as below:

<b>Particulars</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>% Inc./ Dec.</b>
No. of Consumers	HT	3504	3673
	LT	5349675	5526863
	Total	5353179	5530536
Load (KW)	HT	1286387	1312814
	LT	9545675	10145602
	Total	10832062	11458416
Temporary Irrigation Pump Connection Served (no.)	84723	100145	18.20



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Permanent Irrigation Pump Load (KW)	4265420	4564076	7.00
Power Supplied (Cr. Unit)	2059.86	2221.76	7.86
Revenue Demand (Rs. In Cr.)	13802.09	15715.53	13.86
Cash Collected (Rs. In Cr.)	7571.07	8354.10	10.34
AT&C Loss (%)	15.06	14.49	-0.57
T&D Loss (%)	16.65	11.10	-5.55
Billing Efficiency (%)	83.35	88.90	5.55
CRPU (Rs.)	3.08	3.25	5.52
RPU (Rs.)	5.25	6.12	16.57
Unit sold per consumer per month (Kwh)	319	335	5.02
Demand per Consumer per month (Rs.)	2140	2368	10.65
Demand per unit (Rs.)	6.70	7.07	5.52

The following commercial actives were performed to improve the revenue as well as customer satisfaction:

1. During the Financial Year 2019-20, Sahaj Bhaar Vruddhi Scheme was launched by the Company. Under this scheme, irrigation consumers have been encouraged to self-declare their connected load of the pump to avoid any penalty for past periods. With this activity, sanctioned load of Permanent Agriculture pump consumers got enhanced by seven percent (7%).
2. The company is operating Sahaj Bhugtaan Seva Vahan for the payment of electricity bills of the consumers in remote rural areas in every rural division. During the Financial Year 2019-20, an amount of Rs. 22.63 Crores was collected using the said facility.
3. In order to encourage digital payments, a special drive was launched to collect consumer bills through various online modes. As a result, the number of consumers who paid their bill using digital avenues increased to 15.77 lacs as compared to 5.63 lacs as on March, 2019.
4. Vigorous efforts were made for 100% meterisation of the urban consumers under company area and except for the number of meters that got reported defective in business as usual scenario, 100% meterisation has been completed in the Company.

### **(B) Operations cell and Discom Control Centre activities:**

- (a) The Operations cell O/o MDWZ undertakes various tasks for the improvement of the Discom's performance in the area of power supply reliability, outage management and network maintenance activities etc.
- (b) The Operations cell regularly monitors the supply hours and loading of all 33 KV and 11 KV feeders of Discom through RFMS, Web-SCADA and SHMS. The operation cell also provides fortnightly loading data of all 33 KV & 11 KV feeders to the planning cell and according to the load growth of the system, advises to the planning cell for enhancement of power transfer



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capacity and system strengthening to deliver uninterrupted quality electricity supply to consumers.

- (c) Discom Control Centre headed by CE (Operation) functions round the clock to forecasts the day ahead, month ahead and year ahead requirement of power of the company with consideration of the weather & field conditions and submit the same to the Power Management Company for the arrangement of power accordingly. The DCC in coordination with SLDC, Jabalpur controls the load in real time for maintaining the grid stability and reliability in such a manner that uninterrupted 24 hours power supply to Non-irrigation and 10 hours to Irrigation consumers could be delivered.
- (d) Operation cell undertakes various activities relating to Energy-Audit also. The input to the company is from Ex-bus generator to 33 KV Interface point of Discom (i.e. 33 KV incoming points of EHV transformer of Transco) & injection of RE Generators (Solar, Wind & Biomass etc.). The Power purchase bills, Transmission Charges bills, SLDC charges bills etc. are verified by the Operations Cell, for subsequent Payment/Adjustment by the Finance Section of the Company. The Energy input at 33/11 KV S/s & feeder wise input on 11 KV is also audited by the Operations Cell.
- (e) In operation cell, it is also proposed to establish a round the clock "Input Monitoring Cell" for 11 KV feeder level input monitoring.

### **(C) Smart Meter:**

The Company has implemented First Smart Metering Project in India over RF (865-867 Mhz) on large scale for 1.2 lakh consumers of Indore City. Due to implementation of Smart Meter, accurate and timely billing data, real time monitoring of loading, unbalancing, hourly consumption and health of DTRs is available to the Company with substantial reduction in manpower and vehicle deployment as more than 59919 no. of successful remote disconnections/reconnections were done during the financial year 2019-20. Also, the consumer can check the real time consumption through mobile app.

Further, during the financial year 2019-20, there was a net increase in sold units by 42.65 MUs, leading to improvement in the billing efficiency of the selected feeder of smart metering during financial year by 14.98% from 66% baseline to 80.98%. There was an average increase of Rs.550 per consumer bill in development area. As a result, additional revenue of Rs.84.83 crores was generated till May, 2020 and Capex cost of ongoing project has already been recovered till May, 2020 and 178 consumers have converted their connections from domestic to NDL/IP.

Also, 1103 no. of theft cases were detected due to which an additional billing of Rs.6.70 crores was done. On the basis of the recorded MD, there is an increase in 26.58 MW load of Smart Metering consumer and more than Rs. 62 lacs were recovered against MD>SL Penalty. PF Penalty (PF<0.80)



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imposed on more than 28432 bills of SSI and an incentive was extended to 78821 no. of PF<0.85 bills of SSI.

More than 15 Indian discoms, 3 international discoms, members of Smart Grid Committee from CEA, NSGM, PGGIL and financing agencies i.e. PFC, REC, ADB, KFW have visited and appreciated Indore Smart Metering Project and paper on reforms in West Discom, Indore was published in the magazine Metering India, 2019 having nationwide circulation.

Order of merit has been awarded to the Company for ISGF Innovation Award, 2019 and 2020 for best Smart Grid Project in India by Utility. Further, Indore Smart Metering Project available at PFC IPDS portal under "Best Practices" for implementation of Smart Metering Project.

### (D) **WORKS AND PLANNING**

#### A. **Mukhya Mantri Sthai Krishi Pump Connection Yojna:**

GoMP has introduced a new scheme namely "**Mukhya Mantri Sthai Krishi Pump Connection Yojna**" from October, 2016 for providing electricity to agricultural permanent pump connection to the farmers in place of on-going scheme "Anudan Yojna". As on March, 2020, 50889 no. of pump applications were received and served.

#### B. **Own Your Transformer Scheme:**

This scheme has been introduced by the MP Govt. w.e.f. from 04<sup>th</sup> May, 2011 for providing new agricultural permanent pump connection by installing DTR at consumer cost. As per MPERC Regulation no. 4.2.6 w.e.f 02<sup>nd</sup> March, 2013, 3% supervision charges are payable to MPPKVCL. The maintenance of 11 KV Line is done by company, as it is the property of the company & maintenance of DTR is done by the consumer. From the inception of the scheme till March, 2020, 11907 no. of pump connections were completed and connection was served.

#### C. **System Strengthening Scheme (SSTD):**

This scheme is introduced by Government of MP for providing reliable and good quality power supply to all consumers. In the FY 2019-20, following works has been completed upto March, 2020.

<b>Sl. No.</b>	<b>Particulars</b>	<b>Unit</b>	<b>Progress</b>
1	New 33/11 KV Sub-station	No.	5
2	Additional Power Transformer	No.	9
3	Augmentation in existing Power Transformer capacity	No.	3



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4	33KV line	Km.	162
5	11KV line	Km.	282
6	11KV Line (Cond. Aug.)	Km.	594
7	DTR	No.	529
8	Financial Expenditure	Rs in Lakh	70.29

### (E) Vigilance:

Vigilance Section of the Company make continuous efforts for prevention of theft of electricity and misuse and violation of tariff order. Progress of vigilance activities carried by the Company during the Financial Year 2019-20 are as follows:

Connection checked (in number)	73572
Cases detected (in number)	16616
Amount Billed (Rs. in lakh)	5436.90
Amount Realized (Rs. in lakh)	7301.99

### (F) Information Technology:

The company has developed Next Generation Billing System (NGB) based on open source technology. NGB is an in-house developed software by MPPKVCL's IT team at a very low cost. The billing system has been successfully implemented across the company. 55 lakh active consumers are being billed on NGB. Following are the key benefits of NGB:

- Fast processing of billing data; 1800 bills per min vs CCNB ability of 600 bills per minute
- Web billing system accessible to distribution centre level as compared to non web based Sybase system available up to circle level
- User friendly system with ease of operation
- Compatible with current Operating Systems and removes need for maintaining specialized machines
- Centralized system aids in MIS reports and provides end to end visibility across levels providing data integrity
- VPN provided for enhanced security
- Quick corrections from DC levels (Consumer info/Bills)
- AMC/FMS/ATS costs are negligible due to in-house resources
- New development and CR costs are non existent
- Negligible license/royalty fees required till date and negligible requirement for scale up system
- Developed in-house resources through capacity building approach rather than to rely on external resources
- Cost efficiency achieved for application support and FMS reduced to negligible amount



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### **HUMAN RESOURCE MANAGEMENT AND ADMINISTRATION:-**

The Chief General Manager (HR&A) in Madhya Pradesh Paschim Kshetra Vidyut Company Limited, Indore, is responsible for Establishment/Service related matters of company employees, their functioning and policy formulation i.e. Posting and transfer, grant of higher pay scale, recruitment of company cadre employees, take disciplinary proceeding against delinquent employees, manpower planning for future vacancies, Anukampa Niyukti (Recruitment on compassionate grounds), regularization of probation period, character and antecedent verification of employees appointed by the company, disbursement of salary and various bills like T.A., Medical bills. Further, recruitment is carried on by the Human Resource Department in the following ways:

#### **DIRECT RECRUITMENT :**

##### a) **On Regular Basis:**

Since the inception of the company direct recruitment on various posts on regular basis namely Assistant Engineer (D), Accounts Officer (D), Manager- HR/IT, Asst. Manager-HR/IT, Junior Engineer, Office Assistant Gr-III, Testing Assistant, Line Attendant (D) has been carried out by the Company.

##### b) **On Contract Basis:**

Direct recruitment on various posts on Contract basis namely Assistant Engineer (C), Chartered Accountant (C), Manager-HR (C), Company Secretary (C), Publicity Officer (C), Programmer (C), Junior Engineer (C), Accounting Assistant (C) & Line Attendant (C) has been carried out by the Company to meet the manpower requirements of the Company.

Previously, recruitment has been done with help of external agencies like IIM, Indore (managerial candidates (MHR, M-IT, AE, AO, AMHR, AM-IT, JE) and SGSITS (Office Assistant and line assistant cadres) and **presently direct recruitment is carried out through MP-online.**

##### c) **Recruitment through Compassionate Appointments:**

After the formulation of Company's Compassionate Appointment Policy in 2013 and subsequent amendments thereof various candidates from deceased employees family have been appointed as per the then effective policy on Compassionate grounds. At present, new Compassionate Policy "**MPPKVCL Anukampa Niyukti Niti, 2018**" is in effect since 01 January, 2018.

During the Financial Year 2019-20, on officer level - 01 no. (Accounts Officer), Technical staff - 44 (Line attendant) and Non technical staff - 11 (Office Assistant Gr-III) were recruited. Further, a module of "Online Appraisal Process" for 1357 personnel working in the company on contract basis was also developed. The Manpower Strength in the company is as follows:

<b>Class wise Sanctioned &amp; Filled posts of the Company</b>		
Category	Sanctioned ( As on dated 09.06.2011 )	Filled (As on 31.03.2020)
Class I	243	119
Class II	546	386
Class III	4892	4164
Class IV	2968	3535
Total (Regular)	8649	8204
Contract	2532	1384



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Also, during the year under review, higher pay scale to 184 officers & employees has been awarded in various cadres i.e. Additional Chief Engineer, Superintending Engineer, Executive Engineer, Assistant Engineer, Junior Engineer, Section Officer, Office Assistant, Testing Assistants etc.

### **Training:**

The Company is highly committed towards improvement of the skills & productivity of officers & employees by organizing regular training programs as per statutory guidelines & instructions of Central & State Government.

During the Financial Year 2019-20, the Company made a provision for an amount of Rs.1 Cr for training & development purposes which has been judiciously used in imparting short term technical and management trainings to the officers & employees held by reputed Institutes & technology forums & conduct of In-house refresher trainings for technical/non-technical staff round the year.

Further, a new initiative of Safety Training for Technical staff was undertaken in the financial year 2019-20 to minimize accidents at workplace and approx. 6400 officers & employees particularly Line staff were provided knowledge of personal & workplace safety by demonstration based approach. The Safety training programs received wide appreciation across Company.

During the financial year 2019-20, a total of approx. 8315 mandays of training was imparted to Technical/Non-technical officers & employees of the Company.

### **Welfare activities:**

- 1. Independence Day and Republic Day-** Independence Day and Republic Day were celebrated in the company campus. On the occasion of 15<sup>th</sup> August, 2019, 196 nos. of best performing Officers/employees were awarded with certificates and trophies and on the occasion 26<sup>th</sup> January, 2020, 253 nos. of Officers/employees were given certificates.
- 2. Protsahan Yojna – Sona/Chandi Scheme-** on the Occasion of 15<sup>th</sup> August, 2019, 45 Nos of Best performing Officers and employees achieving targets as per the said scheme in FRT were awarded with gold/silver Coins. On the occasion of 26<sup>th</sup> January, 2020, 191 Nos of best performing officers and employees achieving targets, in FRT were awarded with gold/silver coins.
- 3. Company's Sthapna Diwas Celebration (01<sup>st</sup> July, 2019) –** The company celebrated its Establishment Day on 01<sup>st</sup> July, 2019, which was first time celebrated in Company's history after inception with zeal and on this occasion 45 Nos of best performing Officers and employees in their relevant fields were awarded with mementos.
- 4. Madhya Pradesh Sthapna Diwas Celebration(01<sup>st</sup> November, 2019)** –The company celebrated Madhya Pradesh Sthapana Diwas on 01<sup>st</sup> November, 2019, which was first time celebrated in Company's history. On this occasion, 20 Nos of Best performing Officers (SE and DE) from both Indore and Ujjain regions were awarded with the mementos.
- 5. Urja Keerti Samman Samaroh:** First time in the company's history, *Urja Keerti Samman Samaroh* was organized in Indore and Ujjain region to appreciate the work of all those line staff's who have performed outstanding in Rabi season & for collecting revenue during the financial year 2019-20. It was organized in Indore on 4<sup>th</sup> January, 2020 in which 29 nos. line staff were awarded with this honor and in Ujjain it was organized on 6<sup>th</sup> January, 2020 where 32 nos. line staff were awarded with the same. On the same day a "Margdarshika" was also released for providing information related to safety equipments and safety benchmark for the line staff to adhere to.



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6. **Library:** In order to spread wisdom and knowledge, well equipped and hygienic library & study center "Gyan Mitra" has been opened in GPH campus, Pologround, Indore at Company head office on 17<sup>th</sup> December, 2019. Around 800 Employees (Regular, Contract, Outsource and their family members) working in the campus and employees and their family members from all 15 Circles/districts of the company can avail this facility free of cost.
7. **Creche:** Another great initiative & incredible approach towards children of the women working in the company a "**Creche**" was build and inaugurated in Urja Parisar, GPH Campus, Pologround, Indore on 4<sup>th</sup> November, 2019 so that the female staff can give their 100 percent contribution towards their work for the development of the company; at the same time can take care of their children from time to time.
8. **Woman's Day celebration-8<sup>th</sup> March 2020:** Woman's day was celebrated in the company's campus to show equality and respect for women working in the company and on the occasion of Woman's Day 24 Nos of female employees who had completed 30 years of service or who had attained the age of 60 years in the company were felicitated with mementos and 7 Nos of female employees were awarded with mementos for brining accolades to company in field of sports and cultural activity. Also, a *Pink Rally* was organized in the campus and which was finished on the campus ground where they made 'W' in campus ground with woman chain depicting women empowerment.
9. **Annual Sports activity:** Annual regional sports activities allotted by Central Sports Committee, Jabalpur were organized under company's Indore region and Ujjain region in which all the regions of transmission, generation and distribution companies participated.
10. **Wellness week:** Recently, virtual webinar 'Wellness Week' (*Heartfulness- Purity weaves destiny*) was conducted from 18<sup>th</sup> August – 22<sup>nd</sup> August, 2020 at company level for wellness and happiness where 600 participants from all over the company had participated in the program and various known speakers were invited for motivation.
11. **Further, 11 Nos.** of Hospitals were recognized for treatment of Company employees and their dependents.

### **Centralized Call Center - 1912:**

- a. Resolution of Consumer Complaints: The total number of complaints received during the Financial Year 2018-19 from RAPDRP Town were 353576 which were resolved with average response time of 106 mins. where-in the total complaint received during the Financial Year 2019-20 from Town and rural is 882578 which were resolved in average time of 99.6 mins. It clearly reflects that by continuous monitoring and followup, inspite of increase in number of complaints by 529002 i.e. almost by 149% from Financial Year 2018-19 to 2019-20, the average time limit of resolving a complaint was reduced by 6 mins.
- b. The Energy Department has directed the company to conduct a survey of 500 random consumers per day. The directions have been complied and during the financial year 2019-20, the Company conducted a survey of 117486 Consumers. The Company stood first among the MP Discoms by resolving 98.87% complaints of dissatisfied consumers on same day.



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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- c. The company receives various types of complaints received on social media platforms also (like Twitter; whatsapp, Facebook, etc). The section takes follow up of the same for timely resolution and feedback.
- d. Everyday 20000-30000 calls are made to consumers to minimize the arrears and enhance revenue.
- e. CCC-1912 team also make calls to the Line Staff to take suitable safety precautions while working on Line to avoid accidents.
- f. Audit is an ongoing process and feedback is given to the agents for improvement of the quality of services of CCC-1912.
- g. Training is imparted to the agents on regular basis in order to enhance the quality of services and consumer satisfaction. Also, time to time briefings and updates are given to CCE to improve their working and deliver correct information to the consumer.

### **Projects:**

Your Company has been executing several projects which are mentioned below:

#### **(a) DDUGJY Scheme**

The DDUGJY Scheme has been launched by the Government of India covering all aspects of rural power distribution including intensive electrification, Metering and Feeder Separation work. Under this scheme, 60% of the project cost is provided as grant by the Government of India on achievement of prescribed milestones. All unelectrified villages irrespective of the population criteria are covered for electrification, in accordance with the guidelines of the scheme. All erstwhile ongoing rural electrification schemes such as RGGVY have been included in DDUGJY. 11 Nos. Districts works has been completed out of 15 districts. The company has achieved 96% financial progress under the scheme, 68 Nos. S/s have been erected and extensive electrification has been done by the company by laying of 387.7 Kms. of 33 KV line, 3992.7 Kms. of 11 KV line and 9604.15 Kms. of LT line. Further, till November, 2020 the company has completed the installation of 240635 meters

#### **(b) Saubhagya Yojna**

Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya Yojna) had been launched by Hon'ble Prime Minister of India on 25<sup>th</sup> September, 2017, which aims to ensure electrification of households in the country for economical weaker families residing in village and sub urban areas without taking any charges. All the beneficiaries were identified and served connection on the basis of SECC 2011 data. In areas where it was technically not feasible to provide electricity from grid, solar kits were installed in 1530 nos. households. In July, 2018, all Districts were declared electrified for 100% households under Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya Yojna). The Company has achieved 100% household electrification with 4.09 Lakh connections within 10 months of launching



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of the scheme and became the first Discom in the country to complete Saubhagya Yojna. The achievement of Discom has been acclaimed by Ministry of Power, Government of India by awarding Saubhagya Award for grant of 100 Crores for System Strengthening Works and 50 Lakh for employees of the company.

### **(c) Integrated Power Development Scheme (IPDS)**

The Government of India has launched Integrated Power Development Scheme (IPDS) for the Urban areas having population above 5000 according to Census-2011 on 3<sup>rd</sup> December, 2014. Power Finance Corporation Limited is the Nodal Agency for operationalization and implementation of the scheme under the overall guidance of the Ministry of Power. The main objectives of the scheme are :

- (i) Providing access to electricity for all urban households;
- (ii) 24x7 power supply for consumers in urban area and
- (iii) Reduction of AT&C losses as per trajectory (discom-wise) finalized by the Ministry of Power in consultation with States;

Further, the main Components of IPDS are detailed as under:

- (i) Strengthening of Sub-transmission and Distribution network in urban areas,
- (ii) Metering of distribution transformers/feeders/consumers in urban areas.
- (iii) IT enablement of distribution sector and strengthening of distribution network.

The IPDS is being implemented in 15 circles under the jurisdiction of the company. The amount sanctioned for implementation of projects under IPDS for system strengthening works in 111 towns of the company is Rs.523.67 crores, for IT enablement works in 87 towns is Rs.15.06 crores, for ERP system is Rs.7.97 crores and for setting up of 6 Nos. GIS sub-stations is Rs.29.67 crores. The physical works in all the 111 towns under IPDS-System Strengthening works have been completed on 31<sup>st</sup> March, 2020. In addition, 1.17 lacs smart meters have been installed in Indore city under IPDS. ERP project is also completed under IPDS. The works of 6 Nos. GIS Sub-Stations in Indore City (3.Nos.) Khandwa (2 Nos.) & Ratlam (1 Nos.) and IT enablement works in 87 towns are under progress.

### **(d) ADB Loan Projects**

The Company has been executing various projects through ADB Loans for system strengthening, loss reduction & voltage improvement. Under ADB Loan 3066, wherein work of 40 Nos. new 5 MVA 33/11 KV Sub-Station has been completed, 48 Nos. 33 KV Feeder Separation work has been completed, Augmentation of 100 Nos. Transformer from 3.15 to 5 MVA, Augmentation of 11 Nos. Transformer from 5 to 8 MVA and installation work of 57 Nos. Additional 5 MVA Transformer has been completed at existing 33/11 KV Sub-Station. The work of installation of 1221 Nos. 100 KVA DTR has been completed alongwith laying of new 421.38 kms 11 KV lines and new 504.82 kms LT lines. Till date, under ADB loan 3066, the company has expended an amount of Rs.216.60 crores. Apart from it,



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material procurement of 100 KVA DTR is under process and procurement XLPE cable is completed from the savings of ADB Loan 3066.

(e) ERP

The Company has implemented the Enterprise Resource Planning (ERP) application system. This implementation is across key offices in the company under loan facility of Asian Development Bank (ADB) for the Company. The purpose of this project is to implement a state-of-the-art integrated application system in order to carry out the tasks in the Project Planning, Procurement, Material Management/Stores, Human Resource Management and Finance/Accounting in a more streamlined manner.

**(4) SHARE CAPITAL:**

During the year under review, 4,89,55,422 equity shares were allotted on 19<sup>th</sup> July, 2019 to the holding company and existing shareholder M/s M.P. Power Management Company Limited, Jabalpur, a wholly owned Government of M.P. Undertaking. As such, the issued, subscribed and paid up share capital of the Company as on 31<sup>st</sup> March, 2020 was Rs.56,73.96 crores divided into 56,73,96,709 equity shares of Rs.100/- each against the Authorized Share Capital of Rs.7500 Crores divided into 75 Crores equity shares of Rs.100/- each.

The entire issued and paid up Share Capital of the company is held by the holding company M/s. M.P. Power Management Company Limited, Jabalpur (An undertaking of Government of Madhya Pradesh) and its nominees.

**(5) DIVIDEND:**

During the Financial Year 2019-2020, no dividend was declared by the company.

**(6) DEPOSITS:**

During the Financial Year 2019-2020, the Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 and rules made there under.

**(7) RESERVES:**

During the Financial Year 2019-2020, no amount was transferred to General Reserve.

**(8) SUBSIDIARIES,JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiaries, joint ventures or associate companies. However, the Company is a subsidiary company of M/s. M.P. Power Management Company Limited, Jabalpur, a wholly owned Government of M.P. Company, since 1<sup>st</sup> April, 2012.



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### **(9) DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Pursuant to Order No. E-5/724/IAS/Leave/5/1 Bhopal dated 21<sup>st</sup> August, 2019 of GoMP, General Administration Department, Shri Sukhveer Singh, IAS (DIN:02390931), the then Chairman of the company has been granted leave for 143 days from 26<sup>th</sup> August, 2019 to 15<sup>th</sup> January, 2020 and Shri Nitesh Kumar Vyas, IAS (DIN:02320055) was given charge of Managing Director of M.P. Power Management Company Limited, Jabalpur and accordingly, he became the Chairman of the company w.e.f. 26<sup>th</sup> August, 2019.

Pursuant to order no. F5A(7)/2019/E/IV, Bhopal dated 5<sup>th</sup> July, 2019 issued by the Finance Department, GoMP read with order no. MD/WZ/01/HR/366, Indore dated 29<sup>th</sup> July, 2019, issued by the company, Shri N. R. Biwalkar, was appointed as Chief Financial Officer of the company w.e.f. 17<sup>th</sup> July, 2019 and Shri Sanjay Vatsa, Addl. Director (F&A) was relieved from the additional responsibility of Chief Financial Officer vide order no. MD/WZ/01/E1/09/367, Indore dated 29<sup>th</sup> July, 2019, issued by the company.

Further, the tenure of Dr. Rakesh Saxena (DIN:07570628), Director, Shri Govindram Sakseria Institute of Technology and Science and Independent Director of the Company came to an end on 26<sup>th</sup> July, 2019 and accordingly, he ceased to be an Independent Director of the Company.

Further, according to Order No.MD/MR/Estt./DKT/66-67 dated 20<sup>th</sup> April, 2020 issued by Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal, Shri P. K. Chaturvedi (DIN:07179652) Nominee Director of the Company was granted Voluntary retirement from his services w.e.f. 31<sup>st</sup> May, 2020 and accordingly, he has been relieved from the post of Officer on Special Duty, Energy Department, Government of Madhya Pradesh and has ceased to be a Nominee Director of the Company.

Pursuant to Order No. E-1/173/2020/5/ek dated 6<sup>th</sup> June, 2020 issued by General Administration Department, GoMP, Shri Akash Tripathi, IAS (DIN:05276428), has been posted as Secretary, Energy Department, GoMP and Managing Director of M.P. Power Management Company Limited, Jabalpur and accordingly, he has ceased to be a Nominee Director of the Company w.e.f. 7<sup>th</sup> June, 2020 (date of handing over the charge).

Further, due to the appointment of Shri Akash Tripathi, IAS (DIN:05276428)as Secretary, Energy Department, GoMP and Managing Director of M.P. Power Management Company Limited, Jabalpur, Shri Nitesh Kumar Vyas, IAS (DIN:02320055), the then Chairman was relieved from the additional charge of Managing Director, M.P. Power Management Company Limited, Jabalpur w.e.f. 17<sup>th</sup> June, 2020 (date of handing over the charge).



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According to Order No. E-1/173/2020/5/ek dated 6<sup>th</sup> June, 2020 issued by General Administration Department, GoMP, Dr. Pawan Kumar Sharma, IAS (DIN:07581500), has been posted as Commissioner, Indore Division, Indore. Further, according to Order No. 5232/3019/2020/13 dated 15<sup>th</sup> July, 2020 issued by Energy Department, GoMP,

Dr. Pawan Kumar Sharma, IAS (DIN:07581500), has been appointed as a Government Nominee Director of the Company w.e.f. 15<sup>th</sup> July, 2020.

Also, according to order no. 5548/F-3/6/2017/13 dated 28<sup>th</sup> July, 2020 issued by Energy Department, GoMP, Dr. Prashant Salwan (DIN:08837872), Professor, IIM, Indore was appointed as an Independent Director of the Company for a period of three years w.e.f. 28<sup>th</sup> July, 2020.

Further, it has came to knowledge that Shri Ajay Choubey (DIN:07622546) Nominee Director of the Company was relieved from his services w.e.f. 31<sup>st</sup> July, 2020 and accordingly, he was relieved from the post of Deputy Secretary, Finance Department, GoMP and has ceased to be a Nominee Director of the Company.

Also, according to Order No. E-1/239/2020/5/ek dated 19<sup>th</sup> August, 2020 issued by General Administration Department, GoMP read with Order No. 5988/3869/2020/thirteen dated 24<sup>th</sup> August, 2020 issued by Energy Department, GoMP, Shri Amit Tomar, IAS (DIN:08880998) has been posted as Managing Director of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore and according to Order No. E-1/239/2020/5/ek dated 19<sup>th</sup> August, 2020 issued by General Administration Department, GoMP, Shri Vikas Narwal, IAS (DIN:07884369), the then Managing Director was relieved from the charge of Managing Director of the Company w.e.f. 20<sup>th</sup> August, 2020 (date of handing over the charge).

Also, according to order no. F-13-33/2006/E/4 dated 12<sup>th</sup> October, 2020 read with Dy. Secy., Energy Department, GoMP Order No.7283/3873/2020/13 dated 16<sup>th</sup> October, 2020, issued by Energy Department, GoMP, Shri Manoj Kumar Jain (DIN:07898001), Dy. Secy. Finance Department GoMP, has been appointed as Nominee Director of the Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited w.e.f. 12<sup>th</sup> October, 2020.

The Board places its appreciation on record for the services extended by Shri Sukhveer Singh, IAS (DIN:02390931), Shri Nitesh Kumar Vyas, IAS (DIN:02320055), the then Chairman of the company, Shri Akash Tripathi, IAS (DIN:05276428), Shri P. K. Chaturvedi (DIN:07179652), Shri Ajay Choubey (DIN:07622546), Nominee Directors of the company, Shri Vikas Narwal, IAS (DIN:07884369), the then Managing Director of the company and Dr. Rakesh Saxena (DIN:07570628), the then Independent Director of the company, during their tenure.



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The members of the Board of Directors of the Company as on 31<sup>st</sup> March, 2020 were as follows:

Sr. No	Name of Directors	Designation	From	DIN
1	Shri Nitesh Kumar Vyas, IAS MD, MPPMCL	Chairman	26/08/2019	02320055
2	Shri Vikas Narwal, IAS	Managing Director	11/02/2019	07884369
3	Shri Akash Tripathi, IAS, Commissioner, Indore	Nominee Director	08/03/2019	05276428
4	Shri Ajay Choubey, Deputy Secretary, GoMP, Finance Department, Bhopal	Nominee Director	10/08/2016	07622546
5	Shri Prashant Chaturvedi, Officer On Special Duty, GoMP, Energy Department, Bhopal	Nominee Director	23/03/2018	07179652
6	Dr. Trapti Jain, Associate Professor, Indian Institute of Technology, Indore	Independent Director	23/05/2018	07182298
7	Shri Manoj Kumar Jhawar, Director (Commercial)	Whole Time Director	21/12/2018	07306454

The Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2020 were as follows:

Name of Key Managerial Personnel	Designation	From	DIN/PAN
Shri Vikas Narwal, IAS	Managing Director	11/02/2019	07884369
Shri N. R. Biwalkar	Chief Financial Officer	17/07/2019	AGXPB2826L
Smt. Aradhana Kulkarni	Company Secretary	18/09/2018	AJVPK4548F

**Particulars of Change in Director(s)/ Key Managerial Personnel during the year:**

Name	DIN/PAN	Designation at the beginning/ during the financial year	Date of appointment / change in designation / cessation	Nature of change (Appointment / Change in designation / Cessation)
Shri Sukhveer Singh, IAS	02390931	Chairman	24/08/2019	Cessation



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Shri Nitesh Kumar Vyas, IAS	02320055	Chairman	26/08/2019	Appointment
Dr. Rakesh Saxena	07570628	Independent Director	26/07/2019	Cessation

**(10) DECLARATION BY INDEPENDENT DIRECTOR(S):**

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

**(11) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

The following Meetings of the Board of Directors were held during the Financial Year 2019-20:

S.No	No. of Meeting	Date of Meeting	Total Number of directors as on the date of meeting	Attendance	
				Number of directors attended	As % of total Attendance
1	83	19/07/2019	8	5	62.50%
2	84	28/09/2019	7	5	71.43%
3	85	15/10/2019	7	5	71.43%
4	86	20/12/2019	7	4	57.14%
5	87	22/02/2020	7	5	71.43%
6	88	07/03/2020	7	4	57.14%

**COMMITTEE MEETINGS:**

The details of number of Committee Meetings attended by the Directors during the Financial Year 2019-20 are tabulated below:

S.No.	Type of Meeting	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
				Number of members attended	As % of total members
1	Audit Committee	16/04/2019	3	2	66.67%
2	Audit Committee	27/09/2019	2	2	100.00%
3	Audit Committee	11/10/2019	2	2	100.00%
4	Audit Committee	14/02/2020	2	2	100.00%
5	Corporate Social Responsibility Committee	20/12/2019	4	3	75.00%



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**Attendance of Directors**

Sr. No.	Name of Directors	Board Meetings			Committee Meetings			Whether attended AGM held on 08/08/2019 (16 <sup>th</sup> Adjourned AGM), 24/10/2019 (17 <sup>th</sup> AGM) and 04/03/2020 (17 <sup>th</sup> Adjourned AGM)
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1	Shri Sukhveer Singh, IAS (DIN:02390931) Managing Director, MPPMCL Chairman	1	1	100.00	0	0	00.00	No
2	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL Chairman	5	5	100.00	1	1	100.00	No
3	Shri Akash Tripathi, IAS, (DIN:05276428) Nominee Director	6	0	00.00	0	0	00.00	No
4	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director	6	6	100.00	4	3	75.00	Yes
5	Shri Ajay Choubey, (DIN:07622546), Deputy Secretary, GoMP, Finance Department Nominee Director	6	4	66.67	0	0	0.00	No
6	Shri Prashant Chaturvedi, (DIN:07179652) Officer On Special Duty, GoMP, Energy Department Nominee Director	6	6	100.00	1	1	100.00	No



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7	Dr. Rakesh Saxena, (DIN:07570628) Director, Shri Govindram Seksaria Institute of Technology & Science, Indore Independent Director	1	0	00.00	1	1	100.00	No
8	Dr. Smt. Trapti Jain, (DIN:07182298) Associate Professor, IIT, Indore Independent Director	6	1	16.67	5	4	80.00	No
9	Shri Manoj Kumar Jhawar, (DIN:07306454) Director (Commercial)	6	5	83.33	0	0	0.00	Yes

**(12) COMMITTEES OF BOARD OF DIRECTORS DURING THE FINANCIAL YEAR 2019-20:**

Corporate Social Responsibility Committee		
Sr. No.	Name of Directors	Designation
1.	Shri Sukhveer Singh, IAS (DIN:02390931) Managing Director, MPPMCL (till 24 <sup>th</sup> August, 2019) Chairman	Chairman
2.	Shri Nitesh Kumar Vyas, IAS (DIN: 02320055) Managing Director, MPPMCL (w.e.f. 26 <sup>th</sup> August, 2019) Chairman	Chairman
3.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director	Member
4.	Shri Prashant Chaturvedi(DIN:07179652) OSD, GoMP, Energy Department, Nominee Director	Member
5.	Dr. Smt. Trapti Jain (DIN:07182298) Associate Professor, Indian Institute of Technology, Indore, Independent Director	Member

**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

<b>Audit Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
1.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director	Chairman
2.	Dr. Rakesh Saxena (DIN:07570628) Director, Shri Govindram Seksaria Institute of Technology & Science, Indore, Independent Director	Member
3.	Dr.. Trapti Jain (DIN:07182298) Associate Professor, Indian Institute of Technology, Indore, Independent Director	Member

<b>Nomination and Remuneration Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
1.	Shri Sukhveer Singh, IAS (DIN:02390931) Managing Director, MPPMCL (till 24 <sup>th</sup> August, 2019) Chairman	Chairman
2.	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL (w.e.f. 26 <sup>th</sup> August, 2019) Chairman	Chairman
3.	Shri Ajay Choubey (DIN:07622546) Deputy Secretary, Finance Department, GoMP, Nominee Director	Member
4.	Dr. Trapti Jain (DIN:07182298) Associate Professor, Indian Institute of Technology, Indore, Independent Director	Member

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<b>Business Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
1.	Shri Sukhveer Singh, IAS (DIN:02390931) Managing Director, MPPMCL (till 24 <sup>th</sup> August, 2019) Chairman	Chairman
2.	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL (w.e.f. 26 <sup>th</sup> August, 2019) Chairman	Chairman
3.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director	Member
4.	Shri Ajay Choubey(DIN:07622546) Deputy Secretary, Finance Department, GoMP, Nominee Director	Member
5.	Shri Prashant Chaturvedi(DIN:07179652) OSD, GoMP, Energy Department, Nominee Director	Member

<b>Management Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
1.	Shri Sukhveer Singh, IAS (DIN:02390931) Managing Director, MPPMCL (till 24 <sup>th</sup> August, 2019) Chairman	Chairman
2.	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL (w.e.f. 26 <sup>th</sup> August, 2019) Chairman	Chairman
3.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director	Member
4.	Shri Ajay Choubey (DIN:07622546) Deputy Secretary, Finance Department, GoMP Nominee Director	Member
5.	Shri Prashant Chaturvedi(DIN:07179652) OSD, Energy Department, GoMP Nominee Director	Member



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### **(13) DIRECTORS' RESPONSIBILITY STATEMENT:**

As required by clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 your directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **(14) CORPORATE SOCIAL RESPONSIBILITY (CSR):**

As per requirement of the provisions of section 135 of the Companies Act, 2013, the company has formulated a CSR policy which is available in the website of the company viz. [www.mpwz.co.in](http://www.mpwz.co.in). Further, company should spend in every financial year, at least two percent of the average net profits of the company made during the three immediate preceding financial years. Since, no net profit was made during three immediate preceding financial years, the Company was not required to spend any amount towards Corporate Social Responsibility activities.

### **(15) EXTRACT OF THE ANNUAL RETURN:**

The extract of the annual return in Form No. MGT- 9 is forming part of this report. The annual return of the company is also available on the website of the company, weblink of which is [http://www.mpwz.co.in/portal/Indore\\_home.portal?\\_nfpb=true&\\_pageLabel=abtUs\\_reports\\_ind](http://www.mpwz.co.in/portal/Indore_home.portal?_nfpb=true&_pageLabel=abtUs_reports_ind).

### **(16) RELATED PARTY TRANSACTIONS:**

Particulars of contracts and arrangements with related parties as per provisions of the Companies Act, 2013, are disclosed in Form AOC-2, annexed hereto and is forming part of this Report. Details of all related party transactions are mentioned in Note No. 35 to the Financial Statements.

### **(17) PARTICULARS OF LOAN, GUARANTEE OR SECURITY U/S 186:**

The company is exempted from the provisions of section 186(11) of the Companies Act, 2013. Therefore, the Company was not required to report on the details of loan, guarantee or security given. Further, the company has not made any investments during the year under review.



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**(18) PARTICULARS OF REMUNERATION PAID TO MANAGING DIRECTOR AND WHOLE TIME DIRECTOR UNDER SECTION 197:**

The company, being a government company, is exempted from the provisions of section 197 of the Companies Act, 2013. However, the Company has reported the details of remuneration paid to Managing Director and Whole-Time Directors of the company in Form MGT-9. Further, the Managing Director has not received remuneration or commission from the subsidiary companies as the company is having no subsidiaries.

**(19) SECRETARIAL STANDARDS:**

During the Financial Year 2019-20, the Company has generally complied the Secretarial Standards framed under the Companies Act, 2013.

**(20) AUDITORS:**

Pursuant to Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India has appointed M/s Khandelwal Kakani & Co., Chartered Accountants, Indore as Statutory Auditors to audit the accounts of the Company for the period ended on 31<sup>st</sup> March, 2020.

**(21) EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITOR:**

Replies to Statutory Auditors Report are forming part of this Report. Further, no frauds were reported by the auditors under sub-section (12) of section 143 of the Companies Act, 2013.

**(22) SECRETARIAL AUDIT REPORT:**

M/s Sonam Geda & Co., Practicing Company Secretaries, Indore, were appointed as Secretarial Auditors to conduct Secretarial Audit of the records and documents of the Company for Financial Year 2019-20. The Secretarial Auditor Report is self explanatory, annexed hereto and is forming part of this Report.

**(23) COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA:**

Comments of the Comptroller and Auditor General of India (CAG) and replies thereon are annexed hereto and forming part of this Report.

**(24) COST AUDITOR:**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records.

The Board of Directors, on recommendation of Audit Committee has appointed Messrs Sourabh Sethi & Co., Cost Accountants, Lucknow as Cost Auditor to audit Cost Accounting Records of the Company for the Financial Year commencing on 1<sup>st</sup> April, 2019 at the remuneration of Rs.17,990/- only (plus Service Tax).

The Cost Audit Report for the Financial Year 2019-20 was filed with the Ministry of Corporate Affairs on 18<sup>th</sup> November, 2020.



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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### **(25) RISK MANAGEMENT POLICY:**

The company has developed and implemented a risk management policy. This policy includes review of periodic assessment of risks, their probable impact on profitability, operational activities, action taken for mitigation and their effectiveness.

### **(26) DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:**

The Company has established a Vigil Mechanism Policy to report genuine concerns of grievances. The Vigil Mechanism Policy has been posted on the website of the Company viz [www.mpwz.co.in](http://www.mpwz.co.in).

### **(27) RIGHT TO INFORMATION:**

In order to promote transparency and accountability, an appropriate mechanism has been setup in the company in line with, Right to Information Act, 2005. The Company has nominated Joint Secretary II as Public Information officer at its Corporate Office to provide required information to the citizens under the provisions of the said Act.

### **(28) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

In line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, an 'Internal Complaints Committee' has been constituted in the Company for redressal of complaint(s) against sexual harassment of women employees. The Committee is headed by a senior level woman official of the Company. During the Financial Year 2019-2020, no compliant was received related to sexual harassment in the Company.

### **(29) CHANGES IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business.

### **(30) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED DURING THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There were no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

### **(31) DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No significant and material orders were passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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### **(32) INTERNAL FINANCIAL CONTROL:**

The Company has its own internal audit department. Company has adequate internal financial control system in place and operative effectiveness of such control except material weaknesses highlighted by the statutory auditor in their Audit Report. However, the Company is attempting for further strengthening of internal financial control system.

### **(33) GENERAL MEETINGS:**

The details of last three Annual General Meetings (AGM) are as under:

AGM	For the Financial Year	Venue	Date	Time
16 <sup>th</sup> Adjourned	2017-18	GPH Compound Polo Ground, Indore	8 <sup>th</sup> August, 2019	12.30 P.M.
17 <sup>th</sup>	2018-19	GPH Compound Polo Ground, Indore	24 <sup>th</sup> October, 2019	05.00 P.M.
17 <sup>th</sup> Adjourned	2018-19	GPH Compound Polo Ground, Indore	4 <sup>th</sup> March, 2020	12.30 P.M.

The 28<sup>th</sup> Extra Ordinary General Meeting was held on Tuesday, 16<sup>th</sup> April, 2019 at the registered office of the Company situated at GPH Compound, Polo Ground, Indore but was adjourned as the quorum was not present. The 28<sup>th</sup> Adjourned Extra Ordinary General Meeting was held on Tuesday, 23<sup>rd</sup> April, 2019 at the registered office of the Company situated at GPH Compound, Polo Ground, Indore. Further, the 29<sup>th</sup> Extra Ordinary General Meeting was held on Thursday, 24<sup>th</sup> October, 2019 at the registered office of the Company situated at GPH Compound, Polo Ground, Indore.

### **(34) PARTICULARS OF EMPLOYEES:**

There was no employee who falls under the category defined under the sub-rule(2) of Rule-5 of (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in Chapter-XIII of Companies Act, 2013.

### **(35) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information in respect of Conservation of Energy and Technology Absorption are not applicable as the company is not engaged in production activities.

There was no foreign exchange earning or outgo during the period under review.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### (36) **ACKNOWLEDGEMENT:**

The Board wishes to thank to the members, employees, Banks, Government Authorities, Business Associates and others for their valuable contribution and support. Your Directors also take this opportunity to place on record the valuable contribution support received from the associates of the Company.

For and on behalf of the Board of Directors

Place : Indore

Date: 20/01/2021

Manoj Kumar Jhawar

Amit Tomar, IAS

DIN:07306454

DIN:08880998

Director (Commercial)

Managing Director



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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**FORM NO. MGT – 9**

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

(i)	CIN	U40109MP2002SGC015121
(ii)	Registration Date	31/05/2002
(iii)	Name of the Company	MADHYA PRADESH PASCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED
(iv)	Category / Sub-Category of the Company	PUBLIC LIMITED (STATE GOVT. COMPANY)
(v)	Address of the Registered Office and contact details	GPH COMPOUND, POLO GROUND, INDORE, MADHYA PRADESH- 452003 The Company Secretary, 0731-2426322
(vi)	Whether listed company	No
(vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the Business Activities contributing 10% or more of the total turnover of the Company is stated below:

<b>Sl. No</b>	<b>Name and Description of main Products/ Services</b>	<b>NIC Code of the Product/ Service</b>	<b>% to total turnover of the Company</b>
1	Distribution of electricity	99691120	<b>100%</b>



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	M.P. Power Management Company Limited, Shakti Bhavan, Rampur, Jabalpur	U40109MP2006SGC018637	Holding	100	2(46)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity)**

**i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year					No. of Shares held at the end of the year					% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares			
(A) Promoters											
(1) Indian											
a) Individual / HUF	-	10*	10*	-	-	10*	10*	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	518441277	518441277	100%	NIL	56,73,96,699	56,73,96,699	100%	0		
e) Banks / FI	-	-	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-	-	-



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

<b>Sub-Total (A)(1):</b>		518441277	518441277	100%	NIL	56,73,96,699	56,73,96,699	100%	0
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-Total(A)(2):</b>	-	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoters (A) = (A)(1) +(A)(2)</b>		518441277	518441277	100%	NIL	56,73,96,699	56,73,96,699	100%	0
<b>(B) Public Shareholding</b>	-	-	-	-	-	-	-	-	-
<b>(1) Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total(B)(1):</b>	-	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>	-	-	-	-	-	-	-	-	-	-
<b>a) Bodies Corporate</b>	-	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>	-	-	-	-	-	-	-	-	-	-
i) Individual Share holders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-	-
ii) Individual Share holders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-	-
<b>c) Others (specify)</b>	-	-	-	-	-	-	-	-	-	-



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

<b>Sub-Total (B)(2):</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Public Share holding (B)=(B) (1)+ (B)(2)</b>	-	-	-	-	-	-	-	-	-	-
<b>(C) Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	518441287	518441287	100%	NIL	56,73,96,709	56,73,96,709	100%	0	

\* Equity shares are held by the nominees of M.P. Power Management Company Limited, Jabalpur, holding company

**ii) Shareholding of Promoters**

100% of the Paid-up Share Capital of the Company is held by M.P. Power Management Company Limited, Jabalpur and its Nominees. MPPMCL is under the Administrative control of Government of M.P., Energy Department.

Sl No.	Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	<b>M.P. Power Management Company Ltd.</b>	518441277	<b>100.00%</b>	Nil	567396699	<b>100.00%</b>	Nil	Nil
2	Shri Vikas Narwal (DIN:07884369)	1	----	Nil	1	----	Nil	0
3	Shri Manoj Pushp	1	----	Nil	0	----	NA	Negligible
4	Shri Santosh Tagore	0	----	NA	1	----	Nil	Negligible
5	Shri Shivlal Karwadiya	1	----	Nil	1	----	Nil	0



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

6	Shri Sanjay Mohase	1	----	Nil	1	----	Nil	0
7	Shri Kailash Shiva	1	----	Nil	1	----	Nil	0
8	Shri Gajra Mehta	1	----	Nil	1	----	Nil	0
9	Shri Manoj Kumar Jhawar (DIN:07306454)	1	----	Nil	1	----	Nil	0
10	Shri Punit Dubey	1	----	Nil	1	----	Nil	0
11	Shri Ravishankar Khatri	1	----	Nil	1	----	Nil	0
12	Shri Sanjay Vatsa	1	----	Nil	0	----	NA	Negligible
13	Shri N.R. Biwalkar	0	----	NA	1	----	Nil	Negligible
	<b>Total</b>	518441287	<b>100.00%</b>	Nil	567396709	<b>100.00%</b>	Nil	

**iii) Change in Promoters' Shareholding (Please specify, if there is no change)**

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	518441277	100%	-----	-----
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Allotment of 4,89,55,422 Equity shares on 19 <sup>th</sup> July, 2019	100%		100%
	At the end of the year			567396699	100%



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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**iv) Shareholding Pattern of top ten Shareholders:**

Nil (100% of the Paid-up Share Capital of the Company is held by M.P. Power Management Company Limited, Jabalpur and its Nominees. MPPMCL is under the Administrative control of Energy Department, Government of M.P.

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	<b>For Each of the Top 10 Shareholders</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	----	-----	---	---
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	----	-----	---	---
	At the end of the year (or on the date of separation, if separated during the year)	----	-----	---	---

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No	<b>For Each of the Directors and KMP</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No. of Shares</b>	<b>% of total shares of the Company</b>
<b>1</b>	<b>Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Chairman</b>				
	At the beginning of the year	----	-----	---	----
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc):	----	-----	---	----
	At the end of the year	----	-----	-----	-----



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

<b>2</b>	<b>Shri Vikas Narwal, IAS (DIN:07884369) Managing Director</b>				
	At the beginning of the year	1	--	--	--
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer/ bonus/ sweat equity etc):	--	--	--	--
	At the end of the year	----	--	1	--

<b>3</b>	<b>Shri Akash Tripathi, IAS (DIN:05276428) Nominee Director</b>				
	At the beginning of the year	----	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g.allotment/ transfer/ bonus/ sweat equity etc):	----	----	-----	---
	At the end of the year	----	----	-----	---

<b>4</b>	<b>Shri Ajay Choubey (DIN:07622546) Deputy Secretary, Finance Department, GoMP, Nominee Director</b>				
	At the beginning of the year	----	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g.allotment/transfer/bonus/sweat equity etc):	----	----	-----	---
	At the end of the year	----	----	-----	---

<b>5</b>	<b>Shri Prashant Chaturvedi (DIN:07179652) OSD, GoMP, Energy Department Nominee Director</b>				
	At the beginning of the year	----	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	----	----	-----	---
	At the end of the year	----	----	-----	---

**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

<b>6</b>	<b>Dr. Trapti Jain (DIN:07182298) Independent Director</b>				
	At the beginning of the year	----	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	----	----	-----	---
	At the end of the year	----	----	-----	---

<b>7</b>	<b>Dr. Manoj Kumar Jhawar (DIN:07306454) Director (Commercial)</b>				
	At the beginning of the year	1	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	----	----	-----	---
	At the end of the year	----	----	1	---

<b>1</b>	<b>Shri N.R. Biwalkar, Chief Financial Officer (KMP)</b>				
	At the beginning of the year	Nil	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc): Increase in Shareholding by transfer of one Equity Share on 28 <sup>th</sup> September, 2019	----	----	---	---
	At the end of the year	----	----	1	---

<b>2</b>	<b>Smt. Aradhana Kulkarni, Company Secretary (KMP)</b>				
	At the beginning of the year	----	----	-----	---
	Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	----	----	-----	---
	At the end of the year	----	----	-----	---



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(Rs. in Crores)

	<b>Secured Loans Excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year 2018-19</b>				
i) Principal Amount	839.77	10300.53	0	11140.30
ii) Interest due but not paid	28.60	1939.96	0	1968.56
iii) Interest accrued but not due	75.12	23.43	0	98.55
<b>Total (i+ii+iii)</b>	<b>943.49</b>	<b>12263.92</b>	<b>0</b>	<b>13207.41</b>
<b>Change in Indebtedness during the financial year 2019-20</b>				
Addition	278.47	952.60	0	1231.07
Reduction	95.43	851.48	0	946.91
<b>Net Change</b>	<b>183.04</b>	<b>101.12</b>	<b>0</b>	<b>2177.98</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1003.26	9659.49	0	10662.75
ii) Interest due but not paid	53.37	2682.64	0	2736.01
iii) Interest accrued but not due	69.92	22.91	0	92.83
<b>Total (i+ii+iii)</b>	<b>1126.54</b>	<b>12365.04</b>	<b>0</b>	<b>13491.59</b>



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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**VI. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri Vikas Narwal, IAS (DIN:07884369) Managing Director	Dr. Manoj Kumar Jhawar (DIN:07306454) Director (Commercial)	
1	Gross Salary	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1332145	3205992	4538137
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	109611	329255	438866
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>1441756</b>	<b>3535247</b>	<b>4977003</b>
	<b>Ceiling as per Act</b>	<b>Not Applicable</b>		



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

**B. Remuneration to other Directors:-**

<b>S. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>		<b>Total Amount (in Rs.)</b>
		Dr. Rakesh Saxena (DIN: 07570628)	Dr. Trapti Jain (DIN: 07182298)	
<b>1</b>	<b>Independent Directors:</b> -Fee for attending Board/ Committee Meetings	-	10000/ 5000	10000/ 5000
	-Commission	-	-	-
	- Others, please specify	-	-	-
	<b>Total (1)</b>	-	-	10000/ 5000
<b>2</b>	<b>Other Non Executive Directors:</b> -Fee for attending Board /Committee Meetings	-	-	-
	-Commission	-	-	-
	-Others, please specify	-	-	-
	<b>Total (2)</b>	-	-	-
	<b>Total (B1+B2)</b>	-	-	10000/ 5000
	<b>Total Managerial Remuneration</b>	-	-	10000/ 5000
	<b>Overall Ceiling as per the Act</b>	<b>Rs. 1 Lac per meeting</b>		



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD**

S. No.	Particulars of Remuneration	CEO	Company Secretary	Chief Financial Officer	
		N.A.	Smt. Aradhana Kulkarni	Shri N.R. Biwalkar (w.e.f. 17 <sup>th</sup> July, 2019)	Total
1	Gross Salary	-	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	683700	802465	1486165
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>		<b>683700</b>	<b>802465</b>	<b>1486165</b>



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	AUTHORITY [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Place : Indore

Manoj Kumar Jhawar

Amit Tomar, IAS

Date: 20/01/2021

DIN:07306454

DIN:08880998

Director (Commercial)

Managing Director



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

Annexure to the Board's Report 2019-20

**Particulars of contracts/arrangements entered into by the company with related parties**

**Form AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

<b>1. Details of contracts or arrangements or transactions not at arm's length basis</b>							
Name(s) of the related party and nature of relationship (a)	Nature of contracts/arrangements/transactions (b)	Duration of the contracts / arrangements / transactions (c)	Salient terms of the contracts or arrangements or transactions including the value, if any (d)	Justification for entering into such contracts or arrangements or transactions (e)	Date of approval by the Board (f)	Amount paid as advances, if any (g)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188 (h)
Not Applicable							
<b>2. Details of material contracts or arrangement or transactions at arm's length basis</b>							
Name(s) of the related party and nature of relationship (a)	Nature of contracts/arrangements/transactions (b)	Duration of the contracts/arrangements /transactions (c)	Salient terms of the contracts or arrangements or transactions including the value, if any (d) (Rs.in Crores)	Date(s) of approval by the Board, if any (e)	Amount paid as advances, if any (f) (Rs.in Crores)		
M. P. Power Management Company Limited, Jabalpur (Holding Company)	Power purchase	Continuous	10617.17	-	3817.64		



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### FORM NO.MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> March, 2020

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,

The Members,

**Madhya Pradesh Paschim Kshetra Vitaran Company Limited**

GPH COMPOUND POLO GROUND INDORE MP 452003 IN

CIN:U40109MP2002SGC015121

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Madhya Pradesh Paschim Kshetra Vitaran Company Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Madhya Pradesh Paschim Kshetra Vitaran Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Madhya Pradesh Paschim Kshetra Vitaran Company Limited for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder,
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder: The Company is Government Company and hence the provisions of this Act are not applicable to the Company during the Audit Period.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: In accordance with information given by management, Company has not dealt with any transaction with the foreign countries during the Audit period and hence this is not applicable.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: The Company is Government Company and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: The Company is not listed and hence the provisions of this Act are not applicable to the Company during the Audit Period.

(vi) During the audit period, under the review the Company has generally complied with the provisions of the specifically laws applicable to the Company as per the representation made by the management and we relies on the same.

- a) MPERC (Guidelines for reporting Regulatory Compliance) Regulations-2005.
- b) M.P. Electricity Supply Code-2004.
- c) MPERC (Establishment of forum and electricity ombudsman for redressal of grievance of the consumer) Regulations-2004.
- d) MPERC (Distribution Performance S slandered) Regulations-2004.
- e) MPERC Electricity Distribution Code.
- f) MPERC (Monitoring of Performance of Licensees and Generating Companies) MIS Regulations-2004.
- g) MPERC (Security Deposit) Regulations-2004.
- h) The Conditions of Distribution licenses for Distributions Licenses (including deemed Licensee) 2004.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with Stock Exchange: not applicable to the Company during the Audit Period.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, Standards, etc. mentioned above **subject to the following observations:**



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

- 1. The Audit committee was not duly constituted for part of the year in accordance to Section 177 of Companies Act, 2013.**
- 2. The Nomination and Remuneration Committee was not duly constituted as per Section 178 (1) of Companies Act, 2013.**
- 3. The Company has made non- compliance of section 118 of Companies Act and Rule 25 of Companies (Management and Administration) Rules, 2014 in respect of the various minutes of the meeting are not recorded within prescribed time limit.**
- 4. The Company has filed various forms and returns after the prescribed time in the Companies Act, with the payment of Additional fees.**

We Further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors & Women Director **except Director (Technical) and an Independent Director**. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws, ESIC, PF, Bonus, Gratuity etc by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

We further report that during the audit period, as informed by the management, the Company has no specific event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Note: This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

*Place: Indore  
Date :31/10/2020*

*For: Sonam Geda & Co.  
Company Secretaries*

*Sonam Geda  
ACS No.43363  
C P No.:16559  
UDIN:A043363B001128348*



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### 'Annexure -1'

To,  
The Members

**Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited**  
GPH COMPOUND POLO GROUND INDORE MP 452003 IN  
CIN: U40109MP2002SGC015121

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

*Place: Indore*  
*Date :31/10/2020*

*For: Sonam Geda & Co.*  
*Company Secretaries*

*Sonam Geda*  
ACS No.43363  
C P No.:16559  
UDIN:A043363B001128348



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

भारतीय लेखा एवं लेखापरीक्षा विभाग  
महालेखाकार का कार्यालय  
(आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा) मध्य प्रदेश  
(लेखापरीक्षा -II) म.प्र.  
53, अरेराहिल्स, होशंगाबाद रोड, भोपाल 462011

पत्र सं./लेखापरीक्षा प्रबंधन समूह-IV/ओ.ए.डी.-1C/2020-21/जा.न 44

दिनांक 22/12/2020

प्रति,

प्रबंध संचालक,  
मध्य प्रदेश पश्चिम क्षेत्र विद्युत वितरण  
कंपनी लिमिटेड, इन्दौर

**विषय:-** मध्य प्रदेश पश्चिम क्षेत्र विद्युत वितरण कंपनी लिमिटेड, इन्दौर के 31 मार्च 2020 को समाप्त वर्ष के वित्तीय विवरण पर कंपनी अधिनियम 2013 की धारा 143 (6) (बी) के अधीन भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं अंशदाताओं की वार्षिक साधारण सभा में प्रस्तुत करने हेतु मध्यप्रदेश पश्चिम क्षेत्र विद्युत वितरण कंपनी लिमिटेड, इन्दौर के 31 मार्च 2020 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143 (6) (बी), के अधीन टिप्पणीयों का प्रमाण पत्र (comments Certificate) प्रेषित कर रहा हूँ जिसे आप संचालकों के प्रतिवेदन के साथ अनुलग्नक के रूप में प्रकाशित करें।

संलग्न:- उपरोक्तानुसार

भवदीय

उपमहालेखाकार  
(लेखापरीक्षा प्रबंधन समूह-IV)



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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### **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENT OF MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED, INDORE FOR THE YEAR ENDED 31 MARCH 2020.**

The preparation of financial statements of Madhya Pradesh Pashchim Kshetra Vidyut Vitaran Company Limited, for the year ended 31 March 2020 in accordance with financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on these Financial Statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 04 July 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Madhya Pradesh Pashchim Kshetra Vidyut Vitaran Company Limited for the year ended 31 March 2020 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6) (a) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

#### **Comment on Notes to the Financial Statements**

##### **Note 36 - Contingent Liabilities/Contingent Assets**

###### **36(2)-2a- Contingent Assets**

The above includes Rs.76.12 crore being interest paid by the Company to the Rural Electrification Corporation on behalf of Government of Madhya Pradesh under the tripartite agreement. Since the same is receivable from State Government as per the tripartite agreement, the disclosure as contingent asset is not correct. The same should have been accounted for as receivable (Current Asset) from GoMP. Incorrect accounting treatment resulted in overstatement of Interest expenses by Rs.76.12 crore with corresponding understatement Profit for the year extent and understatement of Other Current Assets by Rs.76.12 crore as on reporting date.

For and on the behalf of the  
COMPTROLLER AND AUDITOR GENERAL OF INDIA

Place : Bhopal  
Date : 22.12.2020

(Bijit Kumar Mukharjee)  
Accountant General,  
(Economic & Revenue Sector Audit)  
Madhya Pradesh, Bhopal



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### REPLIES OF COMPANY ON FINAL COMMENTS ISSUED BY COMPTROLLER AND AUDITOR GENERAL OF INDIA ON ANNUAL FINANCIAL STATEMENTS FOR FY 2019-20.

S. NO.	CAG COMMENTS / OBSERVATION	REPLY OF MPPKVCL, INDORE
1	<p><b>Note 36 - Contingent Liabilities/Contingent Assets</b></p> <p><b>36(2)-2a- Contingent Assts</b></p> <p>The above includes Rs.76.12 crore being interest paid by the Company to the Rural Electrification Corporation on behalf of Government of Madhya Pradesh under the tripartite agreement. Since the same is receivable from State Government as per the tripartite agreement, the disclosure as contingent asset is not correct. The same should have been accounted for as receivable (Current Asset) from GoMP. Incorrect accounting treatment resulted in overstatement of Interest expenses by Rs.76.12 crore with corresponding understatement Profit for the year extent and understatement of Other Current Assets by Rs.76.12 crore as on reporting date.</p>	<p>The suggestion of CAG, India for disclosing the fact as "Receivable" under "Current Assets" from GoMP shall be complied in the next year's Financial Statements.</p>

**Chief Financial Officer  
MPPKVCL, Indore**

**Managing Director  
MPPKVCL, Indore**

**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED****Replies Of Company on Audit Report issued by Statutory Auditor on Annual Financial Statements for FY 2019-20**

S. No.	Heading/S. No. in Auditor's Report	Statutory Auditor's Observation	Reply of MPPKVCL. Indore
1	<b>Basis for Qualified Opinion</b>		
(i)	(i)	<p>During earlier years, there were differences observed in the balances between the amounts of receivables as per the Consumer Subsidiary Ledgers &amp; Sundry Debtors for Sale of Power as shown in the Financial Statements and report was qualified to the extent of these differences.</p> <p>The Company was able to reconcile the subsidiary ledgers pertaining to HT customers, but exercise to reconcile LT customers was nor performed and neither any information regarding such reconciliation was produced to us. Accordingly, we are understatement/overstatement of sundry debtors for Sale of Power</p>	<p>The company has reconciled the amounts of receivables shown as per Consumer Subsidiary Ledgers (in billing software) and Sundry Debtor for Sale of Power (in Financial Statements) as on Balance Sheet date i.e 31, March, 2020 pertaining to HT customers and submitted the Same to auditor.</p> <p>However, as informed by IT department, there are various billing cycle operated in LT billing system for different - different circles due to which matching of Consumer Subsidiary Ledgers (in billing software) and Sundry Debtor for sale of Power (in Financial Statements) as on Balance date i.e 31, March, 2020 is not feasible.</p>



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

S. No.	Heading/S. No. in Auditor's Report	Statutory Auditor's Observation	Reply of MPPKVCL. Indore
(ii)		<p>The Company has practice of capitalization of assets on receipt of Completion report from various offices. However we have observed delays in submission of them by respective offices. The Company does not have exact details of scheme wise/project wise opening and closing CWIP and in absence of this the Company has no direct link between creation of specific capital assets under the scheme or project. Due to unavailability of aforesaid information, we are unable to comment on the Stage of Completion of assets and Capitalization of Interest. Due to non-capitalization of huge CWIP there is a direct impact on assets being put to use and charging of depreciation and accordingly we are unable to quantify the exact Capitalization of CWIP. Capitalization of Interest, Depreciation and its Consecutive effect on profit of the Company.</p>	<p>As per policy of the Company Capitalisation from Capital work in progress (CWIP) is being done only on receipt of Technical Certificate (Annexure-G/PCR) from the respective field offices.</p> <p>In order to comply with the said policy, many letters were issued to field offices to prepare completion certificate to cover maximum capitalisation amount.</p> <p>Further, to speed up the process and get work done on priority basis, the same has been included in monthly performance evaluation parameter (KPI) of the Circles offices of the Company.</p>
2	<b>Emphasis of matter &amp; Other Matter paragraph</b>	<p>In these paragraphs, attention of members are invited by the Auditor on some items of Significant Accounting Policies in Note No. 42 of the Annual Financial Statements of the company without qualifying his Audit opinion, hence replies for such item is not required to be provided.</p>	
3	<b>Report on Other and Regulatory</b>	<p>In this section, the auditor report on other Legal and Regulatory Requirements under the Companies Act, hence replies for such item is not required to be provided.</p>	
(i)	<b>Annexure-"A" To The Auditor's Report</b>		



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

<b>S. No.</b>	<b>Heading/S. No. in Auditor's Report</b>	<b>Statutory Auditor's Observation</b>	<b>Reply of MPPKVCL. Indore</b>
(ii)	<b>1(b)</b>	As informed and explained to us, the management, during the year, has physically verified the items of the fixed assets of the company at reasonable intervals although reports of such verification are pending due to Covid 19. Therefore, we are unable to comment on the efficacy of physical verification and discrepancies, if any, between the physical balance and book records.	The Company has duly submitted physical verification certificate to auditor containing item wise and location wise details of fixed assets up to division level received from some of the field offices which are available to us.
(iii)	<b>1(c)</b>	As informed and explained to us, the Company does not have title deeds in respect of land & building transferred to the Company by erstwhile MPSEB. Further, as per the information provided to us during the year Company has done remeasurement of its land at 663.69 hectares which was earlier ascertained at 404.791. However, title deeds are in the name of the Company for 227.99 hectares only out of total area of land admeasuring 663.69 hectares.	The Civil department of the Company is entrusted with the task of transferring of title deed of land & building in the name of Company.
5	<b>Annexure-“B” To The Auditor's Report</b>	<b>Internal Financial Controls Over Financial Reporting</b>	
	<b>I</b>	The Company did not have an appropriate internal control system for reconciliation of balances as per Consumer Subsidiary Ledger and Sundry Debtors for Sale of Power. Pertaining to LT consumers.	As informed by IT department there are various billing cycle operated in LT billing system for different-different circles due to which matching of Consumer Subsidiary Ledgers (in billing software and Sundry Debtor for Sale of Power (in Financial Statements) as on Balance Sheet date i.e. 31, March, 2020 is not feasible.



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

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S. No.	Heading/S. No. in Auditor's Report	Statutory Auditor's Observation	Reply of MPPKVCL, Indore
	<b>II</b>	<p>The Company did not have an appropriate internal control system for ageing/details of Capital Work in Progress. There is a possibility of undercapitalization caused by delay in receipt of Completion Certificates.</p>	<p>As per policy of the Company Capitalisation from Capital work in progress (CWIP) is being done only on receipt of Technical Certificate (Annexure-G/PCR) from the respective field offices.</p> <p>In order to comply with the said policy, many letters were issued to field offices to prepare completion certificate to cover maximum capitalisation amount.</p> <p>Further, to speed up the process and get work done on priority basis, the same has been included in monthly performance evaluation parameter (KPI) of the Circles offices of the Company.</p>

**Chief Financial Officer  
MPPKVCL, Indore**

**Managing Director  
MPPKVCL, Indore**



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**

**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**BALANCE SHEET AS AT MARCH 31, 2020**

Amount in Rs. Crores				
S. No	Particulars	Notes	As at 31-03-2020	As at 31-03-2019
	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Property, Plant And Equipment	6.1	4,690.50	4,434.93
	(b) Capital Work-In-Progress	6.2	3,186.19	2,745.74
	(c) Other Intangible Assets	7	19.39	20.58
	(d) Financial Assets			
	(i) Loans	9A	0.00	(0.00)
	(ii) Other Financial Assets	10A	6.47	0.24
	(e) Non-Current Tax Assets	11A	5.14	16.07
	(f) Other Non-Current Assets	12A	337.80	489.20
	<b>Total Non-Current Assets</b>		<b>8,245.49</b>	<b>7,706.75</b>
(2)	<b>Current Assets</b>			
	(a) Inventories	13	228.45	182.63
	(b) Financial Assets			
	(i) Trade Receivables	14	2,027.38	1,601.48
	(ii) Cash And Cash Equivalents	15	307.15	560.30
	(iii) Bank Balances Other Than (ii)	15	503.57	459.17
	(iv) Loans	9B	0.02	0.02
	(v) Other Financial Assets	10B	481.67	385.20
	(c) Current Tax Assets	11B	16.12	-
	(d) Other Current Assets	12B	6,673.00	5,587.33
	<b>Total Current Assets</b>		<b>10,237.36</b>	<b>8,776.13</b>
	<b>Total Assets</b>		<b>18,482.85</b>	<b>16,482.89</b>
	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	(a) Equity Share Capital	16	5,673.97	5,184.41
	(b) Other Equity	17	(10,412.29)	(10,851.81)
	<b>Total Equity</b>		<b>(4,738.32)</b>	<b>(5,667.40)</b>
(2)	<b>Liabilities</b>			
	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	18A	9,565.14	9,901.04
	(ii) Other Financial Liabilities	19A	1,284.45	1,125.52
	(b) Provisions	20A	3,760.04	3,145.90
	(c) Deferred Income	21A	1,990.10	2,011.26
	(d) Other Non-Current Liabilities	22A	539.56	493.88
	<b>Total Non-Current Liabilities</b>		<b>17,139.29</b>	<b>16,677.60</b>
(3)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	18B	-	169.76
	(ii) Trade Payables	23	1,254.64	1,238.93
	(iii) Other Financial Liabilities	19B	4,123.22	3,376.38
	(b) Provisions	20B	216.22	162.84
	(c) Deferred Income	21B	209.97	189.69
	(d) Other Current Liabilities	22B	277.83	335.09
	<b>Total Current Liabilities</b>		<b>6,081.88</b>	<b>5,472.69</b>
	<b>Total Liabilities</b>		<b>23,221.17</b>	<b>22,150.29</b>
	<b>Total Equity and Liabilities</b>		<b>18,482.85</b>	<b>16,482.89</b>

Significant Accounting Policies And Notes on Financial Statements  
(Note 01 To 42) Forming An Integral Part Of The Financial Statements

As Per Our Report of Even Date

**FOR KHANDELWAL KAKANI & COMPANY**  
CHARTERED ACCOUNTANTS  
FRN: 001311C

**CA: RAKESH BHAWSAR**

PARTNER

M NO: 401314

PLACE: INDORE

DATE : 04.07.2020

**FOR AND ON BEHALF OF THE BOARD**  
**MPPKVCL, INDORE**

**(VIKAS NARWAL)**  
MANAGING DIRECTOR  
(DIN:07884369)

**(N. R. BIWALKAR)**  
CHIEF FINANCIAL OFFICER

**(Dr. M.K.JHAWAR)**  
DIRECTOR (COMMERCIAL)  
(DIN: 07306454)

**(Dr. SHAILESH KARDAM)**  
DY. DIRECTOR (ACCOUNTS)

**(A. KULKARNI)**  
COMPANY SECRETARY



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**

**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

<b>Amount in Rs. Crores</b>				
<b>S.No</b>	<b>Particulars</b>	<b>Notes</b>	<b>Year ended 31-03-2020</b>	<b>Year ended 31-03-2019</b>
I	Revenue From Operations	24	15,227.32	13,581.65
II	Other Income	25	497.56	412.27
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>15,724.87</b>	<b>13,993.92</b>
<b>IV</b>	<b>Expenses</b>			
(1)	Purchase of Power and Transmission Expenses	26	11,693.34	11,090.74
(2)	Employee Benefits Expense	27	1,369.50	1,233.76
(3)	Finance Costs	28	989.03	921.22
(4)	Depreciation and Amortisation Expense	29	355.09	322.97
(5)	Other Expenses	30	274.82	240.23
<b>IV</b>	<b>Total Expenses (IV)</b>		<b>14,681.78</b>	<b>13,808.91</b>
<b>V</b>	<b>Profit/(loss) Before Exceptional Items and Tax (III - IV)</b>		<b>1,043.10</b>	<b>185.01</b>
<b>VI</b>	<b>Less: Total Exceptional (Income) / Expenses (A-B)</b>	31	<b>(59.90)</b>	<b>609.28</b>
<b>VII</b>	<b>Profit / (loss) Before Tax (V-VI)</b>		<b>1,103.00</b>	<b>(424.28)</b>
<b>VIII</b>	<b>Tax Expense</b>		-	-
<b>IX</b>	<b>Profit / (Loss) For The Year-From Continuing Operations (VII - VIII)</b>		<b>1,103.00</b>	<b>(424.28)</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
(i)	Items That Will Not Be Recycled To P&L			
a)	Remeasurement Gains / (Losses) on Employees Defined Benefit Plans		(173.92)	(140.97)
	<b>Total Other Comprehensive Income</b>		<b>(173.92)</b>	<b>(140.97)</b>
<b>XI</b>	<b>Total Comprehensive Income For The Period (IX + X)</b>		<b>929.08</b>	<b>(565.25)</b>
<b>XII</b>	<b>Earnings Per Equity Share:</b>			
(1)	Basic EPS	32	16.81	(15.60)
(2)	Diluted EPS	32	16.37	(10.87)

Significant Accounting Policies And Notes on Financial Statements  
(Note 01 To 42) Forming An Integral Part Of The Financial Statements

As Per Our Report of Even Date

**FOR KHANDELWAL KAKANI & COMPANY**  
CHARTERED ACCOUNTANTS  
FRN: 001311C

**FOR AND ON BEHALF OF THE BOARD**  
**MPPKVCL, INDORE**

**CA: RAKESH BHAWSAR**

PARTNER

M NO: 401314

PLACE: INDORE

DATE : 04.07.2020

**(VIKAS NARWAL)**

MANAGING DIRECTOR  
(DIN:07884369)

**(N. R. BIWALKAR)**  
CHIEF FINANCIAL OFFICER

**(Dr. M.K.JHAWAR)**  
DIRECTOR (COMMERCIAL)  
(DIN: 07306454)

**(Dr. SHAILESH KARDAM)**  
DY. DIRECTOR (ACCOUNTS)

**(A. KULKARNI)**  
COMPANY SECRETARY



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**  
**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2020**

S.No	Particulars	Amount in Rs. Crores	
		Year ended 31-03-2020	Year ended 31-03-2019
<b>A.</b>	<b>Cash Flows From Operating Activities</b>		
	<b>Profit / (Loss) for the year</b>	<b>1,103.00</b>	<b>(424.28)</b>
	<b>Adjustments for:</b>		
(1)	Income tax expense	-	-
(2)	Allowance for Expected Credit Loss	-	0.00
(3)	Depreciation and Amortisation expense	355.09	322.97
(4)	Finance costs	778.08	683.88
(5)	Interest income	(50.05)	(74.05)
(6)	Net (gain) / loss on disposal of scrap materials	(7.71)	(19.04)
(7)	Sundry Creditor written back	(204.90)	(148.11)
(8)	Income from Consumer Contribution	(190.33)	(169.41)
(9)	Doubtful debts written off	0.13	762.68
(10)	Government Grant	(59.90)	(153.40)
(11)	Amortisation of supervision charges	-	(9.24)
	<b>Cash Flows From Operating Activities</b>	<b>1,723.41</b>	<b>772.00</b>
	<b>Movements in working capital:</b>		
(1)	(Increase) / decrease in inventories	(45.82)	(45.71)
(2)	(Increase) / decrease in trade receivables	(426.03)	(531.73)
(3)	(Increase) / decrease in loans and other financial asset	(117.14)	(48.27)
(4)	(Increase) / decrease in other assets	(1,085.67)	(2,759.18)
(5)	Increase / (decrease) in Provisions	493.60	385.70
(6)	Increase / (decrease) in trade payables	220.61	297.47
(7)	Increase / (decrease) in other financial liabilities	115.56	(34.84)
(8)	Increase / (decrease) in other liabilities	(30.04)	192.85
	<b>Cash (Used In) / Generated From Operations</b>	<b>848.47</b>	<b>(1,771.72)</b>
	Income taxes receipt/(paid)	(5.19)	(7.86)
	<b>Net Cash Generated By Operating Activities</b>	<b>843.28</b>	<b>(1,779.58)</b>
<b>B.</b>	<b>Cash Flows From Investing Activities</b>		
(1)	Interest received from banks and others	64.49	54.27
(2)	Proceeds from disposal of scrap materials	15.24	20.94
(3)	Receipts/(Payment) made to the government authorities	0.43	(8.02)
(4)	Deposits placed with banks	(2,823.30)	(2,365.73)
(5)	Liquidation of FDR placed with Bank	2,778.89	2,358.95
(6)	Proceeds from deposits against temporary connections	18.46	18.40
(7)	Payments for PPE, CWIP, Intangible Assets (incl cap.adv)	(838.87)	(1,523.47)
	<b>Net Cash Used In Investing Activities</b>	<b>(784.66)</b>	<b>(1,444.65)</b>
<b>C.</b>	<b>Cash Flows From Financing Activities</b>		
(1)	Proceeds from issue of Equity Shares	-	544.83
(2)	Proceeds from Grants and Consumer Contributions	249.35	657.58
(3)	Proceeds/(Re-payment) from borrowings	(477.56)	1,647.32
(4)	Finance cost paid	(83.56)	(26.71)
	<b>Net Cash From Financing Activities</b>	<b>(311.77)</b>	<b>2,823.03</b>
	<b>Net Increase Or (Decrease) In Cash Or Cash Equivalents</b>	<b>(253.16)</b>	<b>(401.21)</b>
	<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	<b>560.30</b>	<b>961.50</b>
	<b>Cash And Cash Equivalents At The End Of The Year</b>	<b>307.15</b>	<b>560.30</b>

**Notes:**

- 1) The above statement of cash flows has been prepared under the indirect method set out in Ind AS: 7.  
 2) For the purpose of Statement of Cash Flows, Cash and Cash Equivalents comprises has been given in next table.

Significant Accounting Policies And Notes on Financial Statements  
 (Note 01 To 42) Forming An Integral Part Of The Financial Statements

As Per Our Report of Even Date

**FOR KHANDELWAL KAKANI & COMPANY**

CHARTERED ACCOUNTANTS

FRN: 001311C

**FOR AND ON BEHALF OF THE BOARD**  
**MPPKVCL, INDORE**

**CA: RAKESH BHAWSAR**  
 PARTNER

**(VIKAS NARWAL)**  
 MANAGING DIRECTOR  
 (DIN:07884369)

M NO: 401314  
 PLACE: INDORE

**(N. R. BIWALKAR)**  
 CHIEF FINANCIAL OFFICER  
**(Dr. M.K.JHAWAR)**  
 DIRECTOR (COMMERCIAL)  
 (DIN: 07306454)

DATE : 04.07.2020

**(Dr. SHAILESH KARDAM)**  
 DY. DIRECTOR (ACCOUNTS)  
**(A. KULKARNI)**  
 COMPANY SECRETARY



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**

**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2020**

2) For the purpose of Statement of Cash Flows, Cash and Cash Equivalents comprises is as follow:

S.No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
(a)	Balances with banks	214.81	201.29
(b)	Cash in hand	0.24	0.21
(c)	Collection suspense account	0.00	(0.00)
(d)	Balances with banks in form of FDR	92.10	358.81
	<b>Total Cash and Cash Equivalents</b>	<b>307.15</b>	<b>560.30</b>

3) Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financial activities are as under:

Amount in Rs. Crores			
S.No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
	<b>Long term Borrowings</b>		
(i)	- Opening balance	11,140.29	9,492.97
(ii)	- Received during the year	254.78	2,983.25
(iii)	- Repayment made during the year	(732.34)	(1,190.38)
(iv)	- Changes on account of foreign currency fluctuations		-
(v)	- Conversion Under Uday Scheme		(145.55)
	<b>Total Liabilities From Financing Activities</b>	<b>10,662.73</b>	<b>11,140.29</b>

4) During the current year, the Company has entered into the following non-cash financing activities which are not reflected in the statement of cash flows:

- (i) During the current financial year, the Company had an opening balance amounting to Rs. 489.55 crore under Share Application Money Pending Allotment. The Company has allotted Equity shares to its holding company Madhya Pradesh Power Management Company Ltd.,.
- (ii) During the previous financial year, the Company had an opening balance amounting to Rs. 1969.44 crore under share application money pending allotment and additional Rs. 544.83 was received for the subscription and allotment of Equity shares to its holding company Madhya Pradesh Power Management Company. After the said allotment, the Company still holds Rs. 489.55 crore in Share Application Pending Allotment, against which the shares will be issued in the current reporting period.

**(Dr. SHAILESH KARDAM)**  
DY. DIRECTOR (ACCOUNTS)

**(N.R. BIWALKAR)**  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020**

<b>A. EQUITY SHARE CAPITAL</b>		<b>Amount in Rs. Crores</b>
<b>Particulars</b>		<b>Amount</b>
<b>Balance As At 01-04-2018</b>		<b>3,159.69</b>
Changes In Equity Share Capital During The Year		
- Issue Of Equity Share Capital		2,024.72
<b>Balance As At 31-03-2019</b>		<b>5,184.41</b>
Changes In Equity Share Capital During The Year		
- Issue Of Equity Share Capital		489.56
<b>Balance As At 31-03-2020</b>		<b>5,673.97</b>

**B. OTHER EQUITY**

<b>Particulars</b>	<b>Other Equity</b>			<b>Total</b>
	<b>General Reserves (Insurance)</b>	<b>Share Application Money Pending Allotment</b>	<b>Retained Earnings</b>	
			<b>Profit and Loss</b>	
<b>A) Balance As At 01-04-2018</b>	<b>79.22</b>	<b>1,969.44</b>	<b>(10,846.10)</b>	<b>(8,797.44)</b>
a) Profit for the year	-	-	(424.28)	(424.28)
b) Cumulated Impact of adoption of IND AS-115			(9.24)	(9.24)
c) Share Application Money Received during the year	-	544.83	-	544.83
d) Share Alloted during the year	-	(2,024.72)	-	(2,024.72)
e) OCI - Remeasurment of defined benefit obligation	-	-	(140.97)	(140.97)
<b>B) Balance As At 31-03-2019</b>	<b>79.22</b>	<b>489.55</b>	<b>(11,420.59)</b>	<b>(10,851.82)</b>
a) Profit for the year	-	-	1,103.00	1,103.00
b) Share Application Money Received during the year	-	-	-	-
c) Share Alloted during the year	-	(489.55)	-	(489.55)
e) OCI - Remeasurment of Employees Defined Benefit Obligation	-	-	(173.92)	(173.92)
<b>C) Balance As At 31-03-2020</b>	<b>79.22</b>	<b>0.00</b>	<b>(10,491.51)</b>	<b>(10,412.29)</b>

Significant Accounting Policies And Notes on Financial Statements  
 (Note 01 To 42) Forming An Integral Part Of The Financial Statements

As Per Our Report of Even Date

**FOR KHANDELWAL KAKANI & COMPANY**  
 CHARTERED ACCOUNTANTS  
 FRN: 001311C

**FOR AND ON BEHALF OF THE BOARD**  
**MPPKVCL, INDORE**

**CA: RAKESH BHAWSAR**

PARTNER

M NO: 401314

PLACE: INDORE

DATE : 04.07.2020

**(VIKAS NARWAL)**  
 MANAGING DIRECTOR  
 (DIN:07884369)

**(N. R. BIWALKAR)**  
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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 6 - PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS**

**NOTE: 6.1 - PROPERTY, PLANT AND EQUIPMENT**

Amount in Rs. Crores

Particulars	Freehold Land	Leasehold Land	Buildings	Other Civil Works	Plant and Machinery	Lines & Cables Networks	Vehicles	Furniture and Fixtures	Office Equipment	Capital Stores & Spares	Total Tangible Assets
<b>CURRENT YEAR - FY 2019-20</b>											
<b>A) Cost or Deemed Cost</b>											
<b>Cost As At April 01, 2019</b>	<b>4.25</b>	<b>1.11</b>	<b>127.24</b>	<b>22.81</b>	<b>1,905.36</b>	<b>3,179.79</b>	<b>2.42</b>	<b>5.08</b>	<b>67.12</b>	<b>129.50</b>	<b>5,444.67</b>
Additions			4.66	0.00	123.68	477.91	0.18	0.15	4.91		611.49
Disposals					(1.51)	(10.73)	(0.03)			(4.16)	(16.44)
Transferred To Project											-
<b>Cost As At March 31, 2020</b>	<b>4.25</b>	<b>1.11</b>	<b>131.90</b>	<b>22.81</b>	<b>2,027.53</b>	<b>3,646.96</b>	<b>2.57</b>	<b>5.23</b>	<b>72.03</b>	<b>125.33</b>	<b>6,039.72</b>
<b>B) Accumulated Depreciation As At April 01, 2019</b>		<b>0.29</b>	<b>15.49</b>	<b>2.09</b>	<b>408.09</b>	<b>527.58</b>	<b>0.29</b>	<b>0.82</b>	<b>27.65</b>	<b>27.42</b>	<b>1,009.74</b>
Charge for the period		0.05	5.24	0.90	121.72	197.50	0.23	0.26	9.23		348.39
Disposals					(1.09)	(7.79)	(0.02)				(8.91)
Other re-classifications											-
<b>Accumulated Depreciation As At March 31, 2020</b>		<b>0.34</b>	<b>20.73</b>	<b>2.99</b>	<b>528.72</b>	<b>717.29</b>	<b>0.49</b>	<b>1.08</b>	<b>36.88</b>	<b>40.69</b>	<b>1,349.21</b>
<b>C) Net Carrying Value As at March 31, 2019</b>	<b>4.25</b>	<b>0.82</b>	<b>111.75</b>	<b>20.71</b>	<b>1,497.27</b>	<b>2,652.21</b>	<b>2.13</b>	<b>4.25</b>	<b>39.47</b>	<b>102.07</b>	<b>4,434.93</b>
<b>D) Net Carrying Value As At March 31, 2020</b>	<b>4.25</b>	<b>0.77</b>	<b>111.17</b>	<b>19.82</b>	<b>1,498.81</b>	<b>2,929.68</b>	<b>2.07</b>	<b>4.14</b>	<b>35.15</b>	<b>84.64</b>	<b>4,690.51</b>

Particulars	Freehold Land	Leasehold Land	Buildings	Other Civil Works	Plant and Machinery	Lines & Cables Networks	Vehicles	Furniture and Fixtures	Office Equipment	Capital Stores & Spares	Total Tangible Assets
<b>PREVIOUS YEAR - FY 2018-19</b>											
<b>A) Cost or Deemed Cost</b>											
<b>Cost As At April 01, 2018</b>	<b>4.25</b>	<b>1.11</b>	<b>98.09</b>	<b>5.89</b>	<b>1,516.78</b>	<b>2,503.64</b>	<b>1.60</b>	<b>4.77</b>	<b>62.21</b>	<b>139.44</b>	<b>4,337.77</b>
Additions	0.00	-	29.15	16.92	390.31	680.27	0.90	0.31	4.91	-	1,122.77
Disposals	-	-	-	-	(1.73)	(4.12)	(0.07)	-	-	-	(5.92)
Transferred To Project	-	-	-	-	-	-	-	-	-	(9.95)	(9.95)
<b>Cost As At March 31, 2019</b>	<b>4.25</b>	<b>1.11</b>	<b>127.24</b>	<b>22.81</b>	<b>1,905.36</b>	<b>3,179.79</b>	<b>2.42</b>	<b>5.08</b>	<b>67.12</b>	<b>129.50</b>	<b>5,444.67</b>
<b>B) Accumulated Depreciation As At April 01, 2018</b>		<b>0.24</b>	<b>10.31</b>	<b>1.20</b>	<b>293.56</b>	<b>357.72</b>	<b>0.19</b>	<b>0.57</b>	<b>18.39</b>	<b>14.76</b>	<b>696.95</b>
Charge for the period	-	0.05	5.18	0.90	114.66	172.66	0.15	0.25	9.26	13.71	316.81
Disposals	-	-	-	-	(1.18)	(2.80)	(0.05)	-	-	-	(4.02)
Other re-classifications	-	-	-	-	1.05	-	-	-	-	(1.05)	-
<b>Accumulated Depreciation As At March 31, 2019</b>		<b>0.29</b>	<b>15.49</b>	<b>2.09</b>	<b>408.09</b>	<b>527.58</b>	<b>0.29</b>	<b>0.82</b>	<b>27.65</b>	<b>27.42</b>	<b>1,009.74</b>
<b>C) Net Carrying Value As at April 01, 2018</b>	<b>4.25</b>	<b>0.86</b>	<b>87.78</b>	<b>4.69</b>	<b>1,223.22</b>	<b>2,145.92</b>	<b>1.41</b>	<b>4.19</b>	<b>43.82</b>	<b>124.68</b>	<b>3,640.83</b>
<b>D) Net Carrying Value As At March 31, 2019</b>	<b>4.25</b>	<b>0.82</b>	<b>111.75</b>	<b>20.71</b>	<b>1,497.27</b>	<b>2,652.21</b>	<b>2.13</b>	<b>4.25</b>	<b>39.47</b>	<b>102.07</b>	<b>4,434.93</b>

(Dr.SHAILESH KARDAM)  
DY. DIRECTOR (ACCOUNTS)

(N. R.BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 6 - PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS**

**NOTE: 6.2- CAPITAL WORK-IN-PROGRESS**

Particulars		<b>Amount in Rs. Crores</b>
		<b>As at 31-03-2020</b>
Capital Work-In-Progress At Cost		3,186.19
<b>Total Capital Work-In-Progress</b>		<b>3,186.19</b>

Carrying Amount of CWIP		<b>Amount in Rs. Crores</b>
		<b>Total CWIP Amount</b>
<b>Balance As At April 01, 2018</b>		<b>2,231.68</b>
Additions		1,630.85
Other adjustments		-
Capitalised during the year		(1,116.79)
<b>Balance As At March 31, 2019</b>	2,745.74	<b>2,745.74</b>
Additions		1,046.14
Other adjustments		-
Capitalised during the year		(605.69)
<b>Balance As At March 31, 2020</b>	3,186.19	<b>3,186.19</b>

\* The Company has opted exemption under para 5 (b) of IND As 116 considering the low value of Lease Hold Assets as compared to the asset base of the Company.

**(Dr. SHAILESH KARDAM)**  
DY. DIRECTOR (ACCOUNTS)

**(N. R. BIWALKAR)**  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 7 - OTHER INTANGIBLE ASSETS**

**A) Carrying Amount of:**

Particulars	Amount in Rs. Crores		
	As at 31-03-2020	As at 31-03-2019	As at 01-04-2018
(a) Computer Software	19.39	20.58	26.71
<b>Total</b>	<b>19.39</b>	<b>20.58</b>	<b>26.71</b>

**B) Cost or Deemed Cost of Computer Software**

Particulars	Amount in Rs. Crores
<b>Balance As At April 01, 2018</b>	<b>40.21</b>
Additions	0.02
Disposals	-
<b>Balance As At March 31, 2019</b>	<b>40.23</b>
Additions	5.51
Disposals	-
<b>Balance As At March 31, 2020</b>	<b>45.75</b>

**C) Accumulated Amortisation**

Particulars	Amount in Rs. Crores
<b>Balance As At April 01, 2018</b>	<b>13.49</b>
Amortisation Expense	6.15
Disposals	-
<b>Balance As At March 31, 2019</b>	<b>19.65</b>
Amortisation Expense	6.70
Disposals	-
<b>Balance As At March 31, 2020</b>	<b>26.35</b>

**D) Net Carrying Amount (B-C)**

Particulars	Amount in Rs. Crores
<b>Balance As At April 01, 2018</b>	<b>26.71</b>
Additions/Adjustments	0.02
Disposals	-
Amortisation Expense	6.15
<b>Balance As At March 31, 2019</b>	<b>20.58</b>
Additions	5.51
Disposals	-
Amortisation Expense	6.70
<b>Balance As At March 31, 2020</b>	<b>19.39</b>

**(Dr. SHAILESH KARDAM)**

DY. DIRECTOR (ACCOUNTS)

**(N. R. BIWALKAR)**

CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 8 - INVESTMENTS - NON CURRENT**

**I. Other Investments**

**Amount in Rs. Crores**

	Particulars	As at 31-03-2020		As at 31-03-2019	
		Qty	Amount	Qty	Amount
	<b>Unquoted Investments</b>				
	<b>Investments in Equity</b>				
(a)	<b>Unsecured, considered good</b>				
i)	Investments In R.E. Co-Operative Society	-	1.37	-	1.37
	<b>Less:</b>				
	Provision For Dimunition In Value	-	(1.37)	-	(1.37)
	<b>Total - Investments</b>	-	-	-	-
	<b>Total - Other Non-Current Investments</b>	-	-	-	-

**Additional Information**

**Amount in Rs. Crores**

	Particulars	As at 31-03-2020		As at 31-03-2019	
		Qty	Amount	Qty	Amount
a)	Aggregate Amount Of Investments And Market Value	-	-	-	-
b)	Aggregate Amount Of Unquoted Investments	-	1.37	-	1.37
c)	Aggregate Amount Of Impairment In Value	-	(1.37)	-	(1.37)

**Note:**

- 1) The fair value of investment in REC society (Unlisted) is not ascertainable due to non-availability of its financial statement. However, due to huge losses incurred by the society, the Company has made full provision against the Loans /Investment in such REC society.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 9 - LOANS**

**A. Non-Current**

Particulars	As at 31-03-2020	As at 31-03-2019	Amount in Rs. Crores
<b>I) Loans to Employees</b>			
a) Considered good - Unsecured	0.00	(0.00)	
<b>II) Loans to REC Society</b>			
a) Considered good - Unsecured	-	-	
b) Credit Impaired	3.74	3.74	
c) Less: Allowance for credit losses	(3.74)	(3.74)	
<b>Total Non-Current Loans</b>	<b>0.00</b>	<b>(0.00)</b>	

**B. Current**

Particulars	As at 31-03-2020	As at 31-03-2019	Amount in Rs. Crores
<b>I) Loans to Employees</b>			
a) Considered good - Unsecured	0.02	0.02	
<b>Total Current Loans</b>	<b>0.02</b>	<b>0.02</b>	

**Note:**

- 1) The fair value of Loan to REC society (Unlisted) is not ascertainable due to non-availability of its financial statement. However, due to huge losses incurred by the society, the Company has made full provision against the Loans /Investment in such REC society.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 10 - OTHER FINANCIAL ASSETS**

**A. Non-Current**

Particulars	As at 31-03-2020	As at 31-03-2019	<b>Amount in Rs. Crores</b>
(a) Security Deposits	6.47	0.24	
<b>Total Other Non-Current Financial Assets</b>	<b>6.47</b>	<b>0.24</b>	

**B. Current**

Particulars	As at 31-03-2020	As at 31-03-2019	<b>Amount in Rs. Crores</b>
(a) Interest accrued and due	18.67	33.11	
(b) Interest accrued and but not due	0.00	0.00	
(c) Amount recoverable from employees	0.17	0.21	
(d) Other claims & Receivables	13.27	24.76	
(e) Provision for Unbilled Revenue	449.75	327.31	
(f) Receivable from Franchisee	19.36	19.36	
(g) Other receivables	0.01	0.01	
<u>Less:</u> (h) Impairment on Receivable	(19.57)	(19.57)	
<b>Total Other Current Financial Assets</b>	<b>481.67</b>	<b>385.20</b>	

**Note:**

1) See note: 42(H) regarding Impairment on Franchisee Receivables

2)Unbilled Revenue is classified as Financial Asset as right to consideration is unconditional upon passage of time.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 11 - TAX ASSETS**

**A. Non-current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2020	As at 31-03-2019
(a) TDS Receivable	5.14	16.07
<b>Total Non Current Tax Assets</b>	<b>5.14</b>	<b>16.07</b>

**B. Current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2020	As at 31-03-2019
(a) TDS Receivable and Advance Tax	16.12	-
<b>Total Current Tax Assets</b>	<b>16.12</b>	<b>-</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2020**

Particulars	As at 31-03-2020	As at 31-03-2019
Accounting profit before Income Tax	929.08	(565.25)
Income tax at india's statutory income tax rate pf 34.94% (31st March 2020-34.94%)	324.62	(197.50)
Income Exempted from Tax	-	-
Utilisation of previously unrecognised tax lossess	(324.00)	197.50
Non-deductible expenses for tax purpose	-	-
<b>Income tax at effective tax rate</b>	<b>-</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 12 - OTHER ASSETS**

**A. Non-Current**

Particulars	As at 31-03-2020	Amount in Rs. Crores As at 31-03-2019
(a) Capital Advance (Secured, considered good)	326.42	477.39
(b) Deposit with Govt. / Court	11.37	11.37
(c) Input tax Rebate/VAT Receivable	0.02	0.44
<b>Gross Other Non-Current Assets</b>	<b>337.80</b>	<b>489.20</b>
Less: Allowance for Bad and Doubtful	-	-
<b>Total Other Non-Current Assets</b>	<b>337.80</b>	<b>489.20</b>

<b>Classification Of Non Current Assets:</b>		
(a) Secured, considered good	326.42	477.39
(b) Unsecured, considered good	11.38	11.81
(c) Doubtful	-	-
<b>Gross Other Non-Current Assets</b>	<b>337.80</b>	<b>489.20</b>

**B. Current**

Particulars	As at 31-03-2020	Amount in Rs. Crores As at 31-03-2019
(a) Advances to staff	0.41	0.31
(b) Advances for O&M Supplies/Works	1.44	1.44
(c) Advance payment made to MPPMCL (See Note: 42 (B))	3,817.64	4,064.49
(d) Prepaid expenses	0.20	0.16
(e) Receivable from Govt. For Subsidy (See Note: 38 (B))	2,853.31	1,520.92
(Unsecured, considered good)		
<b>Total Other Current Assets</b>	<b>6,673.00</b>	<b>5,587.33</b>

<b>Classification Of Other Current Assets:</b>		
(a) Secured, considered good	1.44	1.44
(b) Unsecured, considered good	6,671.56	5,585.89
(c) Doubtful	-	-
<b>Gross Other Current Assets</b>	<b>6,673.00</b>	<b>5,587.33</b>

**Note:**

- 1) The amount of Rs. 2.48 Crs is lying with IT Department under protest which included In S.No. 12(A)(b).

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 13 - INVENTORIES**

(Lower Of Cost And Net Realisable Value)

**Amount in Rs. Crores**

<b>Particulars</b>	<b>As at 31-03-2020</b>	<b>As at 31-03-2019</b>
(a) Stock of materials at stores	214.80	143.24
(b) Material pending inspection	3.83	27.83
(c) Other Material Accounts	0.08	0.74
(d) Scrap material held for sale	5.81	6.76
(e) Material at site (Capital)	-	19.28
Less: Liability of suppliers for material at site	-	(19.28)
(f) Inventory With Other Parties	1.89	2.45
(g) Material in Transit	2.05	1.61
<b>Total Inventories</b>	<b>228.45</b>	<b>182.63</b>

**Note:-**

- 1) The cost of Inventories recognised as Expenses is Rs.43.22 Crores for Current Year (PY Rs. 39.58 Crores)

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 14 - TRADE RECEIVABLES**

**A. Non-Current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2020	As at 31-03-2019
<b>Receivable from Consumers for Sale of Power</b>		
(a) Unsecured, considered good	2,642.70	2,381.40
(b) Unsecured, considered doubtful	578.64	414.04
Less: Allowance for Expected Credit Losses	(1,193.96)	(1,193.96)
<b>Total Trade Receivables -NET</b>	<b>2,027.38</b>	<b>1,601.48</b>

**Note:**

1) See note: 42(O) for ECL

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 15 - CASH AND CASH EQUIVALENTS**

Particulars	As at 31-03-2020	Amount in Rs. Crores As at 31-03-2019
<b>Cash and Cash Equivalents</b>		
(a) Balances with banks	214.81	201.29
(b) Cheque, Drafts in hand	-	-
(c) Cash in hand	0.24	0.21
(d) Cash in transit	-	-
(e) Collection suspense account	0.00	(0.00)
(f) Balances with banks in form of FDR (FDRs having maturity less than 3 months)	92.10	358.81
(g) Other bank balances	-	-
<b>Total Cash And Cash Equivalents</b>	<b>307.15</b>	<b>560.30</b>
<b>Other Bank Balances</b>		
(h) Balances with banks in form of FDR (FDRs having maturity more than 3 months but less than 12 months)	503.57	459.17
<b>Total Cash And Bank Balance</b>	<b>810.72</b>	<b>1,019.47</b>

**Note:**

1) Also refer Note 42(b) for the restrictions on use of revenue collected by the Company under directions issued by GoMP vide Gazzet notification for "Cash Flow Mechanism".

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 16 - EQUITY SHARE CAPITAL**

Particulars	As at 31-03-2020	As at 31-03-2019	Amount in Rs. Crores	As at 01-04-2018
<b>A) Authorised Share Capital:</b>				
As At 31.03.2020: 75,00,00,000 Fully Paid-Up Equity Shares of Rs. 100 Each (As At 31.03.2019: 75,00,00,000 Fully Paid-Up Equity Shares of Rs. 100 Each)	7,500.00	7,500.00	5,500.00	
<b>Total Authorised Share Capital</b>	<b>7,500.00</b>	<b>7,500.00</b>	<b>5,500.00</b>	
<b>B) Issued And Subscribed Capital Comprises:</b>				
As At 31.03.2020: 56,73,96,709 Fully Paid-Up Equity Shares of Rs. 100 Each (As At 31.03.2019: 51,84,41,287 Fully Paid-Up Equity Shares of Rs. 100 Each)	5,673.97	5,184.41	3,159.69	
<b>Total Issued And Subscribed Capital</b>	<b>5,673.97</b>	<b>5,184.41</b>	<b>3,159.69</b>	

**N-16.1 Fully Paid Equity Shares**

Particulars	Number of Shares	Amount in Rs. Crores
<b>Balance As At April 01, 2018</b>	<b>31,59,69,246</b>	<b>3,159.69</b>
Issue of shares	20,24,72,041	2,024.72
<b>Balance As At March 31, 2019</b>	<b>51,84,41,287</b>	<b>5,184.41</b>
Issue of shares	4,89,55,422	489.56
<b>Balance As At March 31, 2020</b>	<b>56,73,96,709</b>	<b>5,673.97</b>

**16.2 Rights Attached To Equity Shares**

The Company has one class of equity shares having a par value of Rs. 100 each and have been issued at par for consideration other than cash. Each shareholder is eligible for one vote per share held. During the year ended March 31, 2020 no dividend has been declared or paid by the Company. There are no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

As per the directions issued by GoMP vide order number: 6071/13/12/02 dated 20/03/2012 the shares held by GoMP have been transferred to MP Power Management Company Limited. Accordingly, w.e.f. 01/04/2012, MP Power Management Company Limited is the holding Company. The entire share capital of MP Power Management Company Limited is held by the Government of Madhya Pradesh.

**16.3 Details of Shares Held By Each Shareholder Holding More Than 5% Of Shares**

	As at 31-03-2020		As at 31-03-2019		As at 01-04-2018	
	No. of shares held	% of holding of shares	No. of shares held	% of holding of shares	No. of shares held	% of holding of shares
<b>Fully Paid Equity Shares</b>						
(a) MPPMCL, Jabalpur	56,73,96,699	100%	51,84,41,277	100.00%	31,59,69,236	100.00%
<b>Total</b>	<b>56,73,96,699</b>	<b>100%</b>	<b>51,84,41,277</b>	<b>100.00%</b>	<b>31,59,69,236</b>	<b>100.00%</b>

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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
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**NOTE: 16 - EQUITY SHARE CAPITAL**

**16.4 Additional Details of Equity Shares Capital Money**

S. No	Financial Year	Particulars / Orders of GoMP Received During the Year	Amount Rs. Crs	
1	2008-09	Opening Balance (As on 01-04-2008) (After FOBS adjustment)		502.13
2		GoMP Order No. F-5-9/2008/13 Dated 26/08/2008	36.23	
3		GoMP Order No. F-5-37/2008/13 Dated 04/09/2008	20.07	
4		GoMP Order No. F-5-38/2008/13 Dated 04/09/2008	18.20	
5		GoMP Order No. 741/497/4/B-7/2008 Dated 15/10/2018	35.00	
6		GoMP Order No. 5669/13/2006 Dated 2/9/2006	15.00	
7		Received by Chq No. 048526 Dated 12/03/2009	36.23	
	<b>Sub-Total FY 2008-09</b>	<b>Amount as on 31-03-2009</b>	<b>160.72</b>	<b>662.85</b>
1	2009-10	GoMP Order No. F-5-38/2007/13 Dated 30/09/2009	14.80	
2		GoMP Order No. F-5-37/2007/13 Dated 30/09/2009	26.30	
3		GoMP Order No. F-5-37/2007/13 Dated 30/09/2009	11.00	
4		GoMP Order No. F-5-37/2007/13 Dated 01/02/2010	11.00	
5		GoMP Order No. F-5-13/2008/13 Dated 29-03-2010	2.00	
6		GoMP Order No. F-5-38/2007/13 Dated 28/01/2010	14.80	
7		GoMP Order No. F-5-09/2008/13 Dated 31/03/2010	132.90	
8		GoMP Order No. F-5-09/2008/13 Dated 31/03/2010	9.30	
9		GoMP Order No. F-5-09/2008/13 Dated 31/03/2010	285.23	
	<b>Sub-Total FY 2009-10</b>	<b>Amount as on 31-03-2010</b>	<b>507.33</b>	<b>1,170.18</b>
1	2010-11	GoMP Order No.: F-5-20/2010/13 Dated 18/06/2010	6.37	
2		GoMP Order No.: F-13/2010/13 Dated 28/08/2010	6.38	
3		GoMP Order No.: F-5-07/2010/13 Dated 29/10/2010	2.50	
4		GoMP Order No.: F-5-13/2010/13 Dated 16/11/2010	6.37	
5		GoMP Order No.: F-5-20/2010/13 Dated 22/02/2011	15.38	
6		Equity Transfer by MPSEB Dt 21/02/2011	15.87	
	<b>Sub-Total FY 2010-11</b>	<b>Amount as on 31-03-2011</b>	<b>52.87</b>	<b>1,223.05</b>
1	2011-12	GoMP Order No: F-5-13/2011/13 Dated 03/06/2011	24.00	
2		GoMP Order No: F-5-11/2011/13 Dated 03/06/2011	5.68	
3		GoMP Order No: F-5-11/2011/13 Dated 28/09/2011	1.20	
4		GoMP Order No: F-5-13/2011/13 Dated 24/09/2011	43.51	
5		GoMP Order No: F-5-11/2011/13 Dated 29/09/2011	1.64	
6		GoMP Order No: F-5-11/2011/13 Dated 24/12/2011	1.80	
7		GoMP Order No: F-5-13/2011/13 Dated 27/12/2011	12.49	
8		GoMP Order No: F-5-11/2011/13 Dated 30/12/2011	2.46	
9		GoMP Order No: F-5-11/2011/13 Dated 17/02/2012	7.42	
10		GoMP Order No: F-5-13/2011/13 Dated 28/03/2012	10.50	
11		GoMP Order No: F-5-13/2011/13 Dated 07/03/2012	90.77	
12		Equity Transfer by MPSEB Dated 28/06/2010	206.40	
	<b>Sub-Total FY 2011-12</b>	<b>Amount as on 31-03-2012</b>	<b>407.86</b>	<b>1,630.91</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 16 - EQUITY SHARE CAPITAL**

S. No	Year	Particulars / Orders of GoMP Received During the Year	Amount Rs. Crs	-
		<b>Opening Balance (As on 01-04-2012)</b>		<b>1,630.91</b>
1	2012-13	GoMP Order No:F-5-12/2012/Thirteen dtd 11/01/13	40.00	
2		GoMP Order No: F-5-13/2011/Thirteen dtd 10/01/13	43.35	
3		GoMP Order No:F-5-12/2012/Thirteen dtd 21/06/12	27.63	
4		GoMP Order No:F-5-13/2011/Thirteen dtd 10/09/12	12.35	
5		GoMP Order No:F-5-12/2012/Thirteen dtd 10/09/12	71.72	
	<b>Sub-Total FY 2012-13</b>	<b>Amount as on 31-03-2013</b>	<b>195.05</b>	<b>1,825.96</b>
1	2013-14	GoMP Order No:F-5-5/2013/Thirteen dtd 01/03/14	16.05	
2		GoMP Order No:F-5-5/2013/Thirteen dtd 20/09/13	25.84	
3		GoMP Order No:F-5-5/2013/Thirteen dtd 20/08/13	25.84	
4		GoMP Order No:F-5-12/2013/Thirteen dtd 09/05/13	51.69	
	<b>Sub-Total FY 2013-14</b>	<b>Amount as on 31-03-2014</b>	<b>119.42</b>	<b>1,945.38</b>
1	2014-15	GoMP Order No:F-5-11/2014/Thirteen dtd 08/05/14	48.00	
2		GoMP Order No:F-5-11/2014/Thirteen dtd 19/09/14	72.00	
	<b>Sub-Total FY 2014-15</b>	<b>Amount as on 31-03-2015</b>	<b>120.00</b>	<b>2,065.38</b>
1	2015-16	GoMP Order No:F-5-08/2015/Thirteen dtd 01/10/15	11.10	
2		GoMP Order No:F-5-08/2015/Thirteen dtd 03/02/16	28.97	
	<b>Sub-Total FY 2015-16</b>	<b>Amount as on 31-03-2016</b>	<b>40.07</b>	<b>2,105.45</b>
1	2016-17	GoMP Order No:F-5-08/2015/Thirteen dtd 08/07/16	24.39	
2		GoMP Order No:F-5-08/2015/Thirteen dtd 02/02/17	161.11	
3		GoMP Order No:2097/R-433/2017/Thirteen dtd 31/03/17	758.48	
	<b>Sub-Total FY 2016-17</b>	<b>Amount as on 31-03-2017</b>	<b>943.98</b>	<b>3,049.43</b>
1	2017-18	GoMP Order No:F-5-02/2017/Thirteen dated 25/09/17	97.00	
2		GoMP Order No:F-5-08/2015/Thirteen dated 23/06/17	13.26	
3		GoMP Order No:F-5-02/2017/Thirteen dated 21/03/18	347.21	
4		GoMP Order No:F-5-04/2018/Thirteen dated 31/03/18	83.90	
5		GoMP Order No:F-5-02/2018/Thirteen dated 20/03/18	299.47	
6		GoMP Order No:F-5-02/2018/Thirteen dated 31/03/18	53.16	
7		GoMP Order No:F-5-02/2018/Thirteen dated 31/03/18	1,185.71	
	<b>Sub-Total FY 2017-18</b>	<b>Amount as on 31-03-2018</b>	<b>2079.70</b>	<b>5,129.13</b>
1	2018-19	GoMP Order No:F-5-08/2015/Thirteen dated 28/09/18	50.00	
2		GoMP Order No:F-5-02/2018/Thirteen dated 29/05/18	5.28	
3		GoMP Order No:F-5-02/2017/Thirteen dated 25/02/19	49.10	
4		GoMP Order No:F-5-02/2018/Thirteen dated 13/02/19	256.34	
5		GoMP Order No:F-5-02/2017/Thirteen dated 26/03/19	8.48	
6		GoMP Order No:F-5-04/2018/Thirteen dated 12/03/19	81.66	
7		GoMP Order No:F-5-04/2019/Thirteen dated 31/03/19	31.98	
		GoMP Order No:F-5-02/2017/Thirteen dated 31/03/19	62.00	
	<b>Sub-Total FY 2018-19</b>	<b>Amount as on 31-03-2019</b>	<b>544.83</b>	<b>5,673.97</b>
1	2019-20			-
2				-
	<b>Sub-Total FY 2019-20</b>	<b>Amount as on 31-03-2020</b>		<b>5,673.97</b>
	As on 31-MARCH-2020	<b>Bifurcation:</b>		
		<b>A) Issued &amp; Subscribed Capital</b>		<b>5,673.97</b>
		<b>B) Share App. Pending for Allotment</b>		-

(Dr. SHAILESH KARDAM)  
DY. DIRECTOR (ACCOUNTS)

(N.R.BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 17 - OTHER EQUITY**

		Amount in Rs. Crores		
Particulars		As at 31-03-2020	As at 31-03-2019	As at 01-04-2018
a)	General Reserves - Other Reserves (Insurance)	79.22	79.22	79.22
b)	Share Application Money Pending Allotment	0.00	489.55	1,969.44
c)	Other Comprehensive Income	-	-	-
d)	Accumulated - Profit and loss	(10,491.51)	(11,420.59)	(10,846.10)
e)	Other Balances	0.00	0.00	-
<b>Total</b>		<b>(10,412.29)</b>	<b>(10,851.82)</b>	<b>(8,797.44)</b>

**17.1: Additional Details**

Particulars		Reserves and Surplus			Total
		General Reserves - Insurance	Share App. Pending Allotment	Retained Earnings	
A	<b>Balance As At 01.04.2018</b>	<b>79.22</b>	<b>1,969.44</b>	<b>(10,846.10)</b>	<b>(8,797.44)</b>
a	Cumulated Impact of adoption of IND AS-115			(9.24)	(9.24)
b	Profit for the year	-	-	(424.28)	(424.28)
c	Share Application Money Rec.	-	544.83	-	544.83
d	Share Allotted during the year	-	(2,024.72)	-	(2,024.72)
e	OCI - Remeasurement of defined benefit obligation	-	-	(140.97)	(140.97)
B	<b>Balance As At 31.03.2019</b>	<b>79.22</b>	<b>489.55</b>	<b>(11,420.59)</b>	<b>0.00</b>
a	Profit for the year	-	-	1,103.00	1,103.00
b	Share Application Money Rec.	-	-	-	-
c	Share Allotted during the year	-	(489.55)	-	(489.55)
d	OCI - Remeasurement of Defined Benefit Obligation	-	-	(173.92)	(173.92)
C	<b>Balance As At 31.03.2020</b>	<b>79.22</b>	<b>0.00</b>	<b>(10,491.51)</b>	<b>0.00</b>
					<b>(10,412.29)</b>

**Notes:**

**1) General Reserves - Insurance**

Insurance Reserve like Insurance on property, fidelity and storage cum erection have not been created by charging profit and loss account from F.Y. 2012-13.

**2) Share App. Pending Allotment**

During current year, Share Application Money / Adjustments received from GoMP amounting to Rs. NIL (Previous year Rs. 544.83 crores). Out of which Amount of Rs.NIL is pending for allotment as on Balance Sheet date (Previous year Rs. 489.55 crores) which would be issued to the MPPMCL - Number of Shares would be NIL at par of Rs. 100.

**3) Retained Earnings**

- a) Retained Earnings are the losses of the Company till date net of appropriations.
- b) The amount that can be distributed by the Company as dividends to its equity shareholders is determined based upon the Company's standalone financial statements and also considering the requirements of the Companies Act, 2013. Thus, the amount reported above under retained earnings are not distributable in its entirety.

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**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18 - BORROWINGS**

**Amount in Rs. Crores**

Particulars	As at 31-03-2020	As at 31-03-2019
<b>I. Non-Current Borrowings</b>		
<b>A) Unsecured - At Amortised Cost</b>		
a) Term Loan from PFC	-	-
b) Term Loan from REC	512.50	950.00
c) Term Loan from GoMP	1,040.10	1,085.26
d) Working Capital from GoMP	-	-
<b>B) Secured - At Amortised Cost</b>		
a) Term Loan from PFC	129.05	132.49
b) Term Loan from REC	833.71	683.50
c) Term Loan from GoMP	-	-
<b>C) Perpetual Loan From GoMP (See Note No:42(K))</b>		
Amount at the beginning of the year	7,049.78	7,195.33
Add: Amount Received during the year	-	-
Less: Amount Paid during the year	-	(145.55)
<b>Amount at the End of the year</b>	<b>7,049.78</b>	<b>7,049.78</b>
<b>Total Non-Current Borrowings (A+B+C)</b>	<b>9,565.14</b>	<b>9,901.04</b>

**II. Current Borrowings**

**Amount in Rs. Crores**

<b>A) Unsecured - At Amortised Cost</b>		
a) Working Capital Loan from PFC	-	169.76
b) Working Capital Loan from REC	-	-
c) Other - Working Capital Loan	-	-
<b>Total Current Borrowings</b>	<b>-</b>	<b>169.76</b>

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**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18.1 - TERMS & CONDITIONS OF LONG TERMS BORROWINGS**

Lending Agency	Loan / Scheme Name	Loan Amount Sanctioned (In Rs Crs)	Balance as on 31/03/20	Balance as on 31/03/19	Interest Rate	Terms and Conditions for Repayment			Details of Security	Government Guarantee
			Principal Not Due	Principal Not Due		Moratorium Period	Principal Repayment Period	Interest Repayment		
<b>1) SECURED LOAN</b>										
<b>PFC</b>	ADB-III counterpart 20806003	74.13	-	-	Prevailing on disbursement date 11.5%	-	Quarterly 15th April, 15th July, 15th Oct & 15th Jan every year	Same as Principal	Hypothecation of future movable assets to the extent Rs. 74.13 Crs.	-
	RAPDRP Part-A Including SCADA Part-A	75.28	54.76	54.76	As Notified by Ministry of Finance (Currently 9%)	As per the decision of RAPDRP steering committee.	Annual Installment will pay in 10 Monthly Installment (except April and May month) starting from 15 June every year.	Interest will accrue from the date of release of loan by MoP to PFC. However payment will be due with principal installment.	Hypothecation of future assets shall be created to the extent of Rs. 75.28 Crs.	-
	RAPDRP Part-B Including SCADA Part-B	135.17	87.29	82.23	As Notified by Ministry of Finance (Currently 9%)	Up to 15/05/15 (i.e. 5 years from the sanction date 19/03/10 & 06/07/10). Further depend up on decision of RAPDRP steering committee.	Annual Installment will pay in 10 Monthly Installment starting from 15 June to 15 March every year.	Interest will accrue from the date of release of loan by MoP to PFC. However payment will be due with principal installment.	Hypothecation of future assets shall be created to the extent of Rs. 135.17 Crs.	
<b>Sub Total-A</b>		<b>284.58</b>	<b>142.05</b>	<b>136.99</b>						
<b>REC</b>	Feeder Separation	708.23	3.51	4.38	Prevailing at the time of Disbursement (10.75 To 11.5%)	Up to 15/01/2015	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.	Hypothecation of future assets to be created out of sanctioned project loan of Company to the extent of Rs. 708.23 Crs.	Govt. Guarantee is of Rs. 171.23 Crs.
	RAPDRP Part-B	405.44	69.60	81.30	Prevailing at the time of Disbursement (10% To 11%)	Up to 15/12/2015	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.	Hypothecation of all the future movables and stocks to the extent Rs. 405.44 Crs to be created on paripassu basis under RAPDRP part-B project procured out of this loan.	Govt. Guarantee is of Rs. 108.00 Crs.
	Mukhya Mantri Sthayi Krishi Pump Yojna (MMSKPY)	600.00	145.00	145.00	Prevailing at the time of Disbursement (9.25%)	3 years from first disbursement upto 15/03/2021	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.	Hypothecation of all the future movables and stocks to the extent Rs. 660.00 Crs to be created under MMSKPY project.	-
	DDUGJY (Deen Dayal Upadhyay Gram Jyoti Yojna)	372	372	372	Prevailing at the time of Disbursement (9.25%-10.50%)	3 years from first disbursement upto 15/10/2021	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.	Hypothecation of all the future movables and stocks to the extent of Rs. 929.99 Crs to be created under DDUGJY project.	See Note No: 36
	IPDS (Integrated Power Development Scheme)	209.47	157.10	93.4	Prevailing at the time of Disbursement (9.50-10.50%)	3 years from first disbursement upto 15/10/2022	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.	Hypothecation of all the future movables and stocks to the extent of Rs. 523.64 Crs to be created under IPDS project.	
	Saubhagya	95.96	95.96	-	Prevailing at the time of Disbursement (10.75%)	3 years from first disbursement	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.	Hypothecation of all the future movables and stocks to the extent of Rs. 319.88 Crs to be created under Saubhagya project.	
<b>Sub Total - B</b>		<b>2391.10</b>	<b>843.17</b>	<b>696.08</b>						
<b>Total Secured Loans (A+B)</b>		<b>2675.68</b>	<b>985.22</b>	<b>833.07</b>						

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**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

## **NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18.1 - TERMS & CONDITIONS OF LONG TERMS BORROWINGS**

Lending Agency	Loan / Scheme Name	Loan Amount Sanctioned (In Rs Crs)	Balance as on 31/03/20	Balance as on 31/03/19	Interest Rate	Terms and Conditions for Repayment			Details of Security	Government Guarantee
			Principal Not Due	Principal Not Due		Moratorium Period	Principal Repayment Period	Interest Repayment		
<b>2) UNSECURED LOANS</b>										
REC	MTL Loan	150.00	75.00	150.00	9.15%	12 Months up to 31/03/19	24 Equal monthly installment	Monthly	-	-
	MTL Loan	150.00	75.00	150.00	9.15%					
	MTL Loan	1200.00	800.00	1200.00	9.80%	12 Months up to 31/07/19	24 Equal monthly installment	Monthly	-	-
<b>Sub Total - A</b>		<b>1500.00</b>	<b>950.00</b>	<b>1500.00</b>						
ADB	ADB -2347	235 (Approx)	157.89	167.58	ADB Rates (Sum of LIBOR + 0.60%)+1%	Up to 25 March 2014	40 Equal Half Yearly Installments	Half Yearly 30 Sep and 31 Mar.	-	-
	ADB -2520	250 (Approx)	159.54	168.85	ADB Rates (Sum of LIBOR + 0.60%-0.40%)+1%	Up to 03 May 2015	40 Equal Half Yearly Installments	Half Yearly 30 Sep and 31 Mar.	-	-
	ADB -2764	270 (Approx)	185.91	197.56	ADB Rates (Sum of LIBOR + 0.60%-0.30%)+1%	Up to 15 July 2016	40 Equal Half Yearly Installments	Half Yearly 30 Sep and 31 Mar.	-	-
	ADB -2732	21.11 (Approx)	24.73	26.19	do	Up to 09 Dec 2016	do	do	-	-
	ADB -OLD (Transferred by MPSEB in FOBS)	110.24	32.14	38.81	(9% To 12%)	-	20 Equal Annual Installments	Annually on 15 March or the date of order (Varies order to order)	-	-
	ADB -2820	285 (Approx)	257.91	271.17	ADB Rates (Sum of LIBOR + 0.60%-0.20%)+1%	Up to 01 June 2017	40 Equal Half Yearly Installments	Half Yearly 30 Sep and 31 Mar.	-	-
	ADB-3066	203 (Approx)	184.08	187.85	ADB Rate(Sum of LIBOR+0.60%-0.20%+0.10%)+1%	Up to 30 April 2019	40 Equal Half Yearly Installment	Half Yearly 30 Sep and 31 Mar	-	-
Term Loan	Term Loan (Plan Fund)	532.88	130.03	162.94	14.50% to 16.50%	-	5 Equal Annual Installments	Annual Installments	-	-
	IPDS Loan	45.37	31.86	15.47	14.50%	-	5 Equal Annual Installments	Annual Installments	-	-
<b>Sub Total - B</b>		<b>1952.60</b>	<b>1164.09</b>	<b>1236.42</b>						
<b>Total Unsecured Loans (A+B)</b>		<b>3452.60</b>	<b>2114.09</b>	<b>2736.42</b>						
<b>3) SHORT TERM WORKING CAPITAL LOANS</b>										
PFC	STL	500	0	169.76	10.15%	6 month from the date of disbursement	15th of Every Month	15th of Every Month	-	-
<b>Total Working Capital Loans</b>		<b>500</b>	<b>0</b>	<b>169.76</b>					-	
<b>4) PP BOND</b>										
<b>5) PERPETUAL LOAN FROM GOMP</b>		8569.44	7049.78	7049.78	SBI Base Rate	For interest Upto 31/03/17, however the extension proposal is under process.	-	Annually 31 mar		

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**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18.2 - ADDITIONAL DETAILS OF GoMP BORROWINGS**

Amount in Rs. Crores				
S. No	Scheme	GoMP Scheme Code	GoMP Sanction details	Loan Amount
1	IPDS	2034	F-5-05/2017/13, 09-03-17	19.25
2		2034	F-5-05/2017/13, 01-07-17	2.90
3		2034	F-5-05/2017/13, 26-03-18	2.00
4		2034	F-5-05/2017/13, 11-02-20	21.22
	<b>Total IPDS - A</b>			<b>45.37</b>
1	SSTD (Plan fund)	7900	F-5-11/2014/13 dt 08/05/2014	26.51
2		7900	F-5-11/2014/13 dt 19/09/2014	39.31
3		7900	F-5-11/2014/13 dt 19/03/2015	59.40
4		7900	F-5-8/2015/13 dt 01/10/2015	20.72
5		7900	F-5-8/2015/13 dt 03/02/2016	54.08
6		7900	F-5-8/2015/13 dt 08-07-16	56.92
7		7900	F-5-8/2015/13 dt 23-06-17	30.94
8		7900	F-5-8/2015/13 dt 15-02-19	25.00
9		7900	F-5-9/2019/13 dt 30-12-19	50.00
	<b>Total SSTD (Plan Fund) - B</b>			<b>362.88</b>
1	ADB SSTD (IND-2347, IND-2520, IND-2732)	7900	F-5-10/2009/13 dtd 23/03/10	22.13
2		7900	F-5-10/2009/13 dtd 30/03/10	2.62
3		7900	F-5-05/2010/13 dtd 15/02/11	51.88
4		7900	F-5-05/2010/13 dtd 31/03/11	15.49
5		7900	F-5-16/2011/13 dtd 06/07/11	3.65
6		7900	F-5-10/2011/13 dtd 26/09/11	47.30
7		7900	F-5-16/2011/13 dtd 21/11/11	5.46
8		7900	F-5-16/2011/13 dtd 06/01/12	18.28
9		7900	F-5-16/2011/13 dtd 21/03/12	11.13
10		7900	F-5-16/2011/13 dtd 30/03/12	5.77
11		7900	F-5-20/2012/13 Dtd 23/07/2012	32.23
12		7900	F-5-20/2012/13 Dtd 09/10/2012	19.71
13		7900	F-5-20/2012/13 Dtd 04/12/2012	9.32
14		7900	F-5-20/2012/13 Dtd 24/01/2013	8.29
15		7900	F-5-20/2012/13 Dtd 30/03/2013	33.05
16		7900	F-5-20/2012/13 Dtd 22/07/2013	5.64
17		7900	F-5-20/2012/13 Dtd 12/11/2013	28.71
18		7900	F-5-20/2013/13 Dtd 28/01/2014	7.06
19		7900	F-5-16/2014/13 Dtd 06/06/2014	34.37
20		7900	F-5-16/2014/13 Dtd 02/09/2014	12.43
21		7900	F-5-18/2014/13 Dtd 24/01/2015	16.36
22		7900	F-5-16/2017/13 Dtd 24-03-2017	0.56
23		7900	F-5-16/2017/13 Dtd 24-03-17	4.68
24		7900	F-5-16/2017/13 Dtd 28-03-18	9.72
25		7900	F-5-16/2017/13 Dtd 29-03-18	4.90
26	ADB-III 33/11 KV S/s & DTR meeting renovation & moderdnization (IND-3066)	7255	F-5-18/2014/13 Dtd 23/01/2015	12.18
27		7900	F-5-18/2014/13 Dtd 24/01/2015	1.96
28		7255	F-5-7/2017/13 Dtd 21-03-17	56.61
29		7255	F-5-7/2017/13 Dtd 13-11-17	26.78
30		7255	F-5-7/2017/13 Dtd 28-03-18	1.89
31		7255	F-5-7/2017/13 Dtd 28-03-18	30.58
32		7255	F-5-7/2017/13 Dtd 29-03-19	16.43
33		7255	F-5-13/2019/13 Dtd 20-09-19	0.93
34		7255	GoMP order Pending	46.35
	<b>Total ADB SSTD &amp; ADB-III - C</b>			<b>604.46</b>

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**ANNUAL FINANCIAL STATEMENTS- FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18.2 - ADDITIONAL DETAILS OF GoMP BORROWINGS**

S. No	Scheme	GoMP Scheme Code	GoMP Sanction details	Amount in Rs. Crores
1	ADB FSP (IND-2764 & IND-2830)	5523	F-5-7/2012/13 dtd 29/03/12	32.51
2		5523	F-5-28/2012/13 Dtd 02/11/12	2.72
3		5523	F-5-28/2012/13 Dtd 24/11/12	64.83
4		5523	F-5-28/2012/13 Dtd 09/01/13	17.22
5		5523	F-5-28/2012/13 Dtd 17/01/13	32.92
6		5523	F-5-28/2012/13 Dtd 06/02/13	5.43
7		5523	F-5-28/2012/13 Dtd 04/03/13	8.31
8		5523	F-5-28/2012/13 Dtd 20/03/13	8.22
9		5523	F-5-28/2012/13 Dtd 26/03/13	3.65
10		5523	F-5-11/2013/13 Dtd 11/06/13	8.41
11		5523	F-5-11/2013/13 Dtd 13/09/13	39.62
12		5523	F-5-11/2013/13 Dtd 03/10/13	13.99
13		5523	F-5-11/2013/13 Dtd 22/11/13	9.23
14		5523	F-5-11/2013/13 Dtd 04/02/14	15.91
15		5523	F-5-11/2013/13 Dtd 18/02/14	13.96
16		5523	F-5-10/2014/13 Dtd 30/04/14	4.43
17		5523	F-5-10/2014/13 Dtd 06/06/14	2.37
18		5523	F-5-10/2014/13 Dtd 19/08/14	36.57
19		5523	F-5-10/2014/13 Dtd 26/09/14	6.85
20		5523	F-5-10/2014/13 Dtd 23/12/14	11.59
21		5523	F-5-10/2014/13 Dtd 19/02/15	16.00
22		5523	F-5-09/2015/13 Dtd 06/06/15	2.85
23		5523	F-5-09/2015/13 Dtd 14/01/16	12.70
24		5523	F-5-09/2015/13 Dtd 27/02/16	9.79
25		5523	F-5-06/2016/13 Dtd 06-09-16	9.27
26		5523	F-5-06/2016/13 Dtd 09-03-17	28.13
27		5523	F-5-06/2016/13 Dtd 22-03-17	11.60
28		5523	F-5-06/2016/13 Dtd 20-12-17	38.03
29		5523	F-5-06/2016/13 Dtd 28-03-18	15.56
30		5523	F-5-20/2018/13 Dtd 18-12-18	5.57
31		5523	F-5-20/2018/13 Dtd 18-12-18	21.66
32		5523	F-5-20/2018/13 Dtd 25-02-19	4.84
33		5523	F-5-20/2018/13 Dtd 30-03-19	0.41
34		5523	F-5-14/2019/13 Dtd 18-09-19	9.69
35		5523	GoMP order Pending	6.79
			<b>Total ADB FSP - D</b>	<b>531.63</b>
1	ADB Loan Transferred by erstwhile MPSEB in Op Balances			110.24
			<b>Total ADB Old - E</b>	<b>110.24</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18.2 - ADDITIONAL DETAILS OF GoMP BORROWINGS**

S. No	Scheme	GoMP Scheme Code	GoMP Sanction details	Amount in Rs. Crores
1	Perpetual Loan (Conversion of Liability of Sardar Sarovar payables)	6661	F-5-4/2012/13 dtd 31-03-12	216.51
2		6661	F-5-4/2012/13, 14-08-12	22.93
3		6661	F-5-4/2012/13, 04-09-12	10.12
4		6661	F-5-4/2012/13, 18-09-12	9.55
5		6661	F-5-4/2012/13, 13-12-12	21.92
6		6661	F-5-4/2012/13, 26-12-12	38.23
7		6661	F-5-4/2012/13, 05-03-13	24.32
8		6661	F-5-4/2012/13, 30-03-13	32.38
9		6661	F-5-4/2012/13, 07-10-13	57.92
10		6661	F-5-4/2012/13, 03-01-14	60.82
11		6661	F-5-4/2012/13, 13-02-14	15.79
12		6661	F-5-4/2012/13, 26-03-14	28.34
13		6661	F-5-4/2012/13, 03-06-14	17.20
14		7633	F-5-4/2015/13, 31-03-15	146.20
15		7633	F-5-4/2012/13, 30-12-15	73.24
16		7633	F-5-4/2012/13, 06-02-16	16.15
17		7633	F-5-4/2015/13, 31-03-16	31.73
18		7633	F-5-6/2015/13, 15-02-17	152.34
19	Perpetual Loan (Conversion of Liability of Electricity Duty ED payables)	6660	F-5-6/2012/13 dtd 31-03-12	387.09
20		6660	F-5-6/2012/13, 25-07-12	30.73
21		6660	F-5-6/2012/13, 09-08-12	33.90
22		6660	F-5-6/2012/13, 18-09-12	35.64
23		6660	F-5-6/2012/13, 07-11-12	66.29
24		6660	F-5-6/2012/13, 26-12-12	31.37
25		6660	F-5-6/2012/13, 09-01-13	33.40
26		6660	F-5-6/2012/13, 31-01-13	31.19
27		6660	F-5-6/2012/13, 25-03-13	51.70
28		6660	F-5-6/2012/13, 25-03-13	31.23
29		6660	F-5-6/2012/13, 15-05-13	10.96
30		6660	F-5-6/2012/13, 11-06-13	31.37
31		6660	F-5-6/2012/13, 22-07-13	33.80
32		6660	F-5-6/2012/13, 07-08-13	36.11
33		6660	F-5-6/2012/13, 17-10-13	37.53
34		6660	F-5-6/2012/13, 13-11-13	36.11
35		6660	F-5-6/2012/13, 23-12-13	34.65
36		6660	F-5-6/2012/13, 27-01-14	70.12
37		6660	F-5-6/2012/13, 13-02-14	34.52
38		6660	F-5-6/2012/13, 12-03-14	33.39
39		6660	F-5-6/2012/13, 28-03-14	62.05
40		6660	F-5-6/2012/13, 09-07-14	5.50
41		7632	F-5-6/2015/13, 31-03-15	452.21
42		7632	F-5-6/2015/13, 01-08-15	71.26

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**NOTE: 18.2 - ADDITIONAL DETAILS OF GoMP BORROWINGS**

S. No	Scheme	GoMP Scheme Code	GoMP Sanction details	Amount in Rs. Crores
43	Contd... Perpetual Loan (Conversion of Liability of Electricity Duty ED payables)	7632	F-5-6/2015/13, 30-12-15	41.21
44		7632	F-5-6/2015/13, 20-01-16	40.09
45		7632	F-5-6/2015/13, 02-01-16	40.12
46		7632	F-5-6/2015/13, 03-11-15	134.25
47		7632	F-5-6/2015/13, 22-03-16	100.12
48		7632	F-5-6/2015/13, 11-03-16	37.43
49		7632	F-5-6/2015/13, 23-07-16	56.62
50		7632	F-5-6/2015/13, 22-08-16	40.54
51		7632	F-5-6/2015/13, 23-09-16	44.65
52		7632	F-5-6/2015/13, 20-09-16	50.41
53		7632	F-5-6/2015/13, 07-10-16	42.45
54		7632	F-5-4/2015/13, 25-02-17	116.71
55		7632	F-5-6/2015/13, 25-03-17	151.10
56	Perpetual Loan (Conversion of Loan liability)	6659	F-5-5/2012/13 dtd 31-03-12 (Note: Rs 1374.11 Cr has been Converted into Equity & grant under UDAY scheme by GoMP during FY 17-18 and Rs 145.55 Cr has been converted during FY 18-19.)	2117.06
57		8910	F-5-5/2015/13, 31-03-15	1379.23
			<b>Total Perpetual Loan - F</b>	<b>7049.78</b>
			<b>Grand Total (A+B+C+D+E+F)</b>	<b>8704.36</b>
	As on 31-March, 2020	<i>Bifurcation</i>		
		<b>A) Schedule 18 -Borrowings GoMP</b>		
		<b>B) Schedule 19-Other Financial Liab- B Current (a) &amp; (c) GoMP</b>		

**18.3 Additional Details of Govt. Guarantee**

Amount in Rs. Crores

S. No	Lending Agency	Name of Scheme	GoMP Order No. and Date	Validity of Guarantee	Sanctioned Guarantee	O/s Loan against Govt. Guarantee
1	REC New Delhi	Feeder Separation	F-5-24/13/2010 dtd 13.01.2011	Till Repayment of Guarantee Amount	171.23	3.51
2		RAPDRP-B	F-5-07/2011/13 dtd 04.10.2011	Till Repayment of Guarantee Amount	108.00	69.60
		<b>Total (1+2+3)</b>			<b>279.23</b>	<b>73.11</b>

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**NOTE: 19 - OTHER FINANCIAL LIABILITIES**

(Classified At Amortised Cost)

**A. Non current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2020	As at 31-03-2019
a) Security Deposit From Consumers	1,284.45	1,125.52
<b>Total Other Non-Current Financial Liabilities</b>	<b>1,284.45</b>	<b>1,125.52</b>

**B. Current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2020	As at 31-03-2019
(a) Current Maturity Of Long-Term Loans		
<b>(I) Secured:</b>		
(i) Term Loan from PFC	13.00	4.50
(ii) Term Loan from REC	9.45	12.58
<b>(II) Unsecured:</b>		
(i) Term Loan from PFC	-	-
(ii) Term Loan from REC	437.50	550.00
(iii) Term Loan from GoMP	124.00	151.16
(b) Deposits from suppliers/contractors	60.54	60.38
(c) Principal Re-payment overdue		
(i) Bonds (SLR)	-	-
(ii) Debenture (PP Bond)	5.12	5.12
(iii) Loans from PFC	18.05	6.70
(iv) On GoMP Loans	490.49	339.44
(d) Interest accrued but not due on borrowings	93.15	98.56
(e) Interest accrued and due on borrowings		
(i) Bonds (SLR)	-	-
(ii) Debenture (PP Bond)	0.70	0.70
(iii) Loans from PFC	53.37	28.60
(iv) On GoMP Loans	2,682.00	1,939.26
(f) Staff related liability including wage revision	94.58	139.99
(g) Registration charges for New Connection	30.01	22.30
(h) Other liabilities-MPPTCL	(3.75)	2.56
(i) Other miscellaneous liabilities	3.11	2.56
(j) Deposits for Supervision	11.92	11.99
<b>Total Other Current Financial Liabilities</b>	<b>4,123.22</b>	<b>3,376.38</b>

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**NOTE: 20 - PROVISIONS**

**A. Non current**

**Amount in Rs. Crores**

<b>Particulars</b>	<b>As at 31-03-2020</b>	<b>As at 31-03-2019</b>
(a) Provision for Employee benefits		
(i) Retirement benefits obligations		
- Pension obligation	3,011.35	2,501.36
- Retirement Gratuity	316.35	308.30
(ii) Other long-term employee benefits		
- Leave Encashment	432.35	336.24
<b>Total Non Current Provisions</b>	<b>3,760.04</b>	<b>3,145.90</b>

**B. Current**

**Amount in Rs. Crores**

<b>Particulars</b>	<b>As at 31-03-2020</b>	<b>As at 31-03-2019</b>
(a) Provision for Employee benefits		
(i) Retirement benefits obligations		
- Pension obligation	127.18	103.09
- Retirement Gratuity	35.87	5.61
(ii) Other long-term employee benefits		
- Leave Encashment	24.29	24.29
(b) Provision for Expenses	28.88	
<b>Total Current Provisions</b>	<b>216.22</b>	<b>162.84</b>

**Notes:**

- 1) The provision for Employee Terminal Benefits i.e Leave Encashment, Gratuity and Pension have been made based on Actuarial Valuation carried out by the Company as at 31 March, 2020 (See Note: 42(P)).

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**NOTE: 21 - DEFERRED INCOME**

<b>A. Non-Current</b>		<b>Amount in Rs. Crores</b>	
	<b>Particulars</b>	<b>As at 31-03-2020</b>	<b>As at 31-03-2019</b>
(a)	Supply Affording And Other Charges	-	-
(b)	Grants Towards Cost of Capital Assets	-	-
(c)	Grants For Electrification under various schemes i.e. RGGVY, Etc.	-	-
(d)	Deferred Income-Consumer Contribution/Grant	1,990.10	2,011.26
<b>Total Non Current Deferred Income</b>		<b>1,990.10</b>	<b>2,011.26</b>

<b>B. Current</b>		<b>Amount in Rs. Crores</b>	
	<b>Particulars</b>	<b>As at 31-03-2020</b>	<b>As at 31-03-2019</b>
(a)	Supply Affording And Other Charges	-	-
(b)	Grants Towards Cost of Capital Assets	-	-
(c)	Grants For Electrification under various schemes i.e. RGGVY, Etc.	-	-
(d)	Deferred Income-Consumer Contribution/Grant	209.97	189.69
<b>Total Current Deferred Income</b>		<b>209.97</b>	<b>189.69</b>

**Note:**

- 1) The deferred revenue arises as a result of the benefit received against property, plant and equipment which has been received from Government and the customers. It is recognised as "Revenue" in proportion to the Depreciation of the asset and classified under "Other Income" (See Note:25(b)(iv)).

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**NOTE: 22 - OTHER LIABILITIES**

**A. Non-current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2020	As at 31-03-2019
(a) Deposit Against Services	161.70	143.24
(b) Electrification Charges/ Consumer Contribution	377.86	350.64
<b>Total Other Non-Current Liabilities</b>	<b>539.56</b>	<b>493.88</b>

**B. Current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2020	As at 31-03-2019
(i) Liability related to various taxes	3.95	10.06
(ii) ED Payable to Government	142.38	139.41
(iii) Diff. due to FOBS (See Note: 42(A))	69.94	69.94
(iv) Advances from GoMP	0.04	0.04
(v) Other income received in advance	3.45	1.51
(vii) Other current liabilities	2.55	31.15
(viii) Creditors for Accrued Wages and Salaries	55.53	82.97
<b>Total Other Current Liabilities</b>	<b>277.83</b>	<b>335.09</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 23 - TRADE PAYABLES**

Particulars		Amount in Rs. Crores	
		As at 31-03-2020	As at 31-03-2019
(a)	Creditors for capital supplies		
	- Dues to micro and small enterprises	-	-
	- Others	-	-
(b)	Creditors for supplies and services		
	- Dues to micro and small enterprises	-	-
	- Liability to supplier/contractors	640.76	550.98
	- Liability for purchase of power	-	-
	- Liability for Transmission charges	613.88	687.95
	- Other liabilities towards MPPMCL	-	-
	- Other liabilities towards MPSEB/MPPMCL	-	-
	- Others	-	-
<b>Total Current Trade Payables</b>		<b>1,254.64</b>	<b>1,238.93</b>

**Notes:**

- 1) Dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company.

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**NOTE: 24 - REVENUE FROM OPERATIONS**

Particulars	Year ended 31-03-2020	Year ended 31-03-2019	Amount in Rs. Crores
<b>I. REVENUE FROM SALE OF PRODUCT</b>			
<b>(a) Revenue From Sale Of Power</b>			
(i) Domestic light and fan	2,227.03	2,380.81	
(ii) Commercial light and fan	1,048.22	949.53	
(iii) Industrial medium and low voltage	505.41	461.29	
(iv) Industrial power: High Tension	3,209.78	3,062.22	
(v) Public lighting	102.51	102.12	
(vi) Irrigation and Agricultural Dewatering	225.80	482.00	
(vii) Public water works & Sewerage Pumping	508.66	484.69	
(viii) Supplies in bulk	60.59	36.15	
(ix) Other Revenue from consumers	20.59	74.64	
<b>Gross Revenue from Sale of Power</b>	<b>7,908.57</b>	<b>8,033.46</b>	
<b>LESS:</b>			
(i) Discount to Consumers for timely payment of bills	(4.43)	(3.82)	
<b>Net Revenue from Sale of Power (a)</b>	<b>7,904.14</b>	<b>8,029.64</b>	
<b>(b) Revenue Subsidy From GoMP</b>			
(i) Income from Subsidy against free supply	2,157.55	1,965.90	
(ii) Income from Tariff Subsidy	4,853.00	3,305.38	
<b>Sub Total (b)</b>	<b>7,010.55</b>	<b>5,271.28</b>	
<b>Total Revenue And Subsidy (a+b)</b>	<b>14,914.68</b>	<b>13,300.93</b>	
<b>ADD:</b>			
<b>(c) Electricity Duty Recovery</b>			
(i) Electricity Duty Recovery	637.00	557.01	
(ii) Other state levies recovery	-	-	
<b>Total (c)</b>	<b>15,551.68</b>	<b>13,857.93</b>	
<b>LESS:</b>			
<b>(d) Electricity Duty Payable</b>			
(i) Electricity duty Payable (Contra)	(637.00)	(557.01)	
(ii) Other state levies Payable (Contra)	-	-	
<b>Total Revenue From Sale of Product (a+b+c-d)</b>	<b>14,914.68</b>	<b>13,300.93</b>	
<b>II. REVENUE FROM SALE OF SERVICES</b>			
(i) Metering charges	71.39	69.32	
(ii) Wheeling/ U.I. Charges recovery	8.98	10.85	
(iii) Supervision charges	22.82	21.22	
<b>Total Revenue From Sale of Service</b>	<b>103.19</b>	<b>101.39</b>	
<b>III. OTHER OPERATING REVENUE</b>			
(i) Delayed Payment Charges from Consumers	209.44	179.33	
<b>Total Revenue From Operations (I+II+III)</b>	<b>15,227.32</b>	<b>13,581.65</b>	

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**NOTE: 25 - OTHER INCOME**

Particulars	Amount in Rs. Crores	
	Year ended 31-03-2020	Year ended 31-03-2019
<b>(a) Interest Income</b>		
(i) Interest on staff loans and advances	0.15	0.19
(ii) Interest on FDR in Banks	48.65	71.37
(iii) Interest on advances to suppliers/contractors	0.81	2.58
(iv) Interest from banks (Other than fixed deposit)	0.53	0.00
(v) Other Income	0.06	0.10
<b>Total- (a)</b>	<b>50.19</b>	<b>74.24</b>
<b>(b) Other Non-Operating Income</b>		
(i) Renting Income	2.35	0.83
(ii) Income from staff welfare activities	0.02	0.02
(iii) Amount written off by MP TRANSCO (See Note: 42(J))	204.90	148.11
(iv) Miscellaneous Income	42.06	0.62
(v) Profit on Sale of Scrap	7.71	19.04
(vi) Amortisation of "Deferred Income" (See Note: 21)		
(a) RGGVY / CC-Assets	106.63	87.76
(b) Government Grant	50.23	50.23
(c) Supp. Affor./ Electrification Charges etc	33.46	31.42
<b>Total- (b)</b>	<b>447.36</b>	<b>338.04</b>
<b>Total Other Income (a+b)</b>	<b>497.56</b>	<b>412.27</b>

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**NOTE: 26 - POWER PURCHASE AND TRANSMISSION CHARGES**

Particulars	Year ended 31-03-2020	Amount in Rs. Crores Year ended 31-03-2019
<b>A. Power Purchase Expenses</b>	—	—
i) Monthly Energy bill	10,867.71	9,908.89
ii) DSM /UI Charges as per DSM Accounts	(249.29)	(12.65)
iii) Reactive Charges	(1.25)	(3.41)
<b>B. Transmission Charges</b>	—	—
i) Transmission Charges- MPPTCL	1,071.03	1,193.38
ii) SLDC Fees	5.14	4.53
<b>Total</b>	<b>11,693.34</b>	<b>11,090.74</b>

**Note:**

- 1) See note: 42(I) for Power Purchase & Transmission Charges

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**NOTE: 27 - EMPLOYEE BENEFIT EXPENSE**

Particulars	Year ended 31-03-2020	Amount in Rs. Crores Year ended 31-03-2019
(a) Salaries And Wages		
i) Regular Employees	558.57	555.06
ii) Contract/ Outsourced Employees	207.20	203.06
iii) DA and Other Allowance	102.09	78.11
iv) Others	2.27	1.54
(b) Staff Welfare Expenses	1.49	0.61
(c) Terminal Benefits		
i) Pension	354.68	307.21
ii) Gratuity	44.40	41.55
iii) Others	15.54	16.58
(d) Earned Leave Encashment	111.61	57.05
(e) Other Employee Related Expense	3.83	4.33
<b>Gross Total</b>	<b>1,401.68</b>	<b>1,265.09</b>
Less: Employee Cost Capitalised	(32.18)	(31.33)
<b>Total Employee Benefit Expense-Net</b>	<b>1,369.50</b>	<b>1,233.76</b>

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**NOTE: 28 - FINANCE COSTS**

Particulars	Year ended 31-03-2020	Amount in Rs. Crores Year ended 31-03-2019
(a) Interest cost on Loans		
(i) REC Loans	83.55	22.97
(ii) PFC Loans	18.09	15.41
(b) Interest on state government loans	730.22	745.35
(c) Penal Interest in respect of capital liabilities	13.24	6.94
(d) Interest to consumers	70.84	65.37
(e) Interest on borrowings for working capital	131.15	161.42
(f) Other interest & Finance charges	-	9.84
(h) Cost of raising finance	0.55	0.00
(i) Other charges	9.81	10.88
<b>Gross Finance Costs</b>	<b>1,057.46</b>	<b>1,038.17</b>
<b>Less:</b>		
i) Rebate in interest on timely payment	(0.85)	(0.33)
ii) Interest & Finance Expense Capitalised (See Note 42(M))	(67.58)	(116.63)
<b>Total Finance Costs - NET</b>	<b>989.03</b>	<b>921.22</b>

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**NOTE: 29 - DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	Amount in Rs. Crores	
	Year ended 31-03-2020	Year ended 31-03-2019
a) Depreciation of Plant, Property and Equipment	348.39	316.81
b) Amortisation of Intangible Assets	6.70	6.15
<b>Total Depreciation And Amortisation Expense</b>	<b>355.09</b>	<b>322.97</b>

**Note:**

1) See note: 42(D) for Depreciation

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**NOTE: 30 - OTHER EXPENSES**

Particulars	Year ended 31-03-2020	Amount in Rs. Crores Year ended 31-03-2019
<b>(a) Repairs And Maintenance Expenses</b>		
(i) Building	8.23	10.76
(ii) Plant and machinery	111.43	101.28
(iii) Lines cables and network assets	30.61	5.09
(iv) Station supplies and distribution and transmission	-	-
(v) Vehicle	1.17	1.09
(vi) Furniture and fixtures	0.17	0.14
(vii) Hydraulic works	-	-
(viii) Office equipments	0.37	0.40
(ix) Other civil works	1.10	0.55
Less: Repair and Maintenance charges Capitalised	(0.56)	(0.64)
<b>Total Repairs And Maintenance Expenses- NET</b>	<b>152.52</b>	<b>118.66</b>
<b>(b) Administrative And General Expenses</b>		
i. Rent	0.29	0.34
ii. Rates & Taxes	12.41	11.23
iii. Entry tax	0.01	0.04
iv. Commercial tax	-	-
v. Professional tax	0.00	0.00
vi. Insurance	0.02	0.02
vii. Communication expenses	6.26	6.75
viii. Legal charges	1.24	1.52
ix. Audit fees	0.41	0.46
x. Consultancy charges	0.63	1.15
xi. Technical fees	0.00	0.00
xii. Other professional charges	1.23	1.56
xiii. Conveyance & travel expenses	41.39	43.08
xiv. Servicing and contract work	23.07	24.64
xv. Electricity charges- Offices	23.77	25.48
xvi. Freight	0.17	0.21
xvii. Other expenses	16.18	14.28
Less: Administrative general expenses capitalised	(7.18)	(10.11)
<b>Total Administrative And General Expenses- NET</b>	<b>119.92</b>	<b>120.65</b>

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**(N.R. BIWALKAR)**  
CHIEF FINANCIAL OFFICER



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**NOTE: 30 - OTHER EXPENSES**

Particulars	Year ended 31-03-2020	Amount in Rs. Crores Year ended 31-03-2019
<b>(c) Miscellaneous Expenses</b>		
i. Bad and Doubtful Debts- Written-off	0.13	-
ii. Provision for Bad and Doubtful Debts / E.C.L - Net (See Note 42(O))	-	0.00
iii. Sundry Expenses	1.55	0.76
iv. Loss on Sale of Scrap	-	-
v. Small and low value written off	0.00	-
vi. Other miscellaneous expenses/Losses written off	0.20	0.17
<b>Total Miscellaneous Expenses</b>	<b>1.87</b>	<b>0.93</b>
<b>(d) Other Expenses</b>	0.52	0.00
<b>Total Other Expenses (a+b+c+d)</b>	<b>274.82</b>	<b>240.23</b>

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**NOTE: 31 - EXCEPTIONAL ITEMS**

Particulars	<b>Amount in Rs. Crores</b>	
	<b>Year ended 31-03-2020</b>	<b>Year ended 31-03-2019</b>
<b>A) Exceptional Income</b>		
a) Revenue Grant From Government (See Note 42(K))	(59.90)	(153.40)
<b>B) Exceptional Expenses</b>	-	-
a) Write Off Under Mukhya Mantri Bakaya Bil Mafi Yojna (See Note 42(R))	-	762.68
<b>Total Exceptional (Income) / Expenses (A-B)</b>	<b>(59.90)</b>	<b>609.28</b>

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**NOTE: 32 - EARNINGS PER SHARE**

<b>Particulars</b>		<b>Year ended 31-03-2020</b>	<b>Year ended 31-03-2019</b>
		(Rs. Per Share)	(Rs. Per Share)
a)	Basic Earnings Per Share	16.81	(15.60)
b)	Basic And Diluted Earnings Per Share	16.37	(10.87)

**32.(1) BASIC AND DILUTED EARNINGS PER SHARE**

The Earnings and Weighted Average Number of Equity Shares used in the calculation of Basic and Diluted Earnings Per Share are as follows:-

<b>Particulars</b>		<b>Year ended 31-03-2020</b>	<b>Year ended 31-03-2019</b>
a)	Earnings used in the calculation of EPS -(In Rs Crs)	929.08	(565.25)
b)	Weighted Average Number of Equity Shares -(In Nos)	55.28	36.23
c)	<b>Basic and Diluted Earning Per Share (a/b)</b>	<b>16.81</b>	<b>(15.60)</b>

**32.(2) DILUTED EARNINGS PER SHARE**

The earnings used in the calculation of diluted earnings per share are as follows:

<b>Particulars</b>		<b>Year ended 31-03-2020</b>	<b>Year ended 31-03-2019</b>
a)	Earnings used in the calculation of EPS -(In Rs Crs)	929.08	(565.25)
b)	Weighted Average Number of Equity Shares -(In Nos)	56.74	52.02
c)	<b>Diluted Earning Per Share (a/b)</b>	<b>16.37</b>	<b>(10.87)</b>

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**NOTE: 33 - FINANCIAL INSTRUMENTS**

**NOTE: 33.1 Categories of Financial Instruments**

Particulars		Amount in Rs. Crores	
		As at 31-03-2020	As at 31-03-2019
<b>Financial assets</b>			
(i) Mandatorily measured at fair value through profit and loss			
(a) Investments		-	-
(ii) Measured at amortised cost			
(a) Cash and bank balances		810.72	1,019.47
(b) Loans		0.02	0.02
(c) Trade receivables		2,027.38	1,601.48
(d) Other financial assets		488.14	385.44
(iii) Financial assets carried at cost			
	<b>Sub-Total</b>	<b>3,326.26</b>	<b>3,006.40</b>
<b>Financial liabilities</b>			
Measured at amortised cost			
(a) Borrowings		9,565.14	10,070.79
(b) Trade payables		1,254.64	1,238.93
(c) Other financial liabilities		5,407.67	4,501.91
	<b>Sub-Total</b>	<b>16,227.45</b>	<b>15,811.64</b>

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**NOTE: 33 - FINANCIAL INSTRUMENTS**

The company's objectives when managing capital are to

- maximize the shareholder value;
- safeguard its ability to continue as a going concern; and
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the company's capital management, equity capital includes issued equity capital, share application money pending allotment and all other equity reserves attributable to the equity holders of the company. The company manages its capital structure and makes adjustments in light of changes in economic conditions, regulatory framework. The Company is not subject to any externally imposed capital requirements.

**NOTE: 33.3 Financial Risk Management**

The Company's principal financial liabilities comprise loans and borrowings denominated in Indian rupees, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's capital investments and operations.

The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that are generated from its operations and other financial assets measured at amortised cost.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Diversification of bank deposits. Cash flow mechanism notified by Government of Madhya Pradesh.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Monitoring of interest rates. Mix portfolio of fixed and floating interest bearing loans. Interest rates are unhedged

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**NOTE: 33 - FINANCIAL INSTRUMENTS**

**Risk management framework**

Managing director and chief financial officer of the Company evaluates and manages the uncertainties in the Company. They conduct meetings at regular intervals involving other high level officers of the company and provides updates to the Audit Committee/Board.

The management of financial risks by the Company is summarized below:-

**NOTE: 33.3.1 Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities on account of accounts receivable balances on sale of electricity is based on tariff rate approved by electricity regulator, loans and advances and from its financing activities due to deposits with banks and financial institutions and other financial instruments.

**A. Credit Risk Management:**

A default on a financial asset is when the counterparty fails to make contractual payments for HT customers within 1 year of when they fall due for LT customers within 15 days of when they fall due. This definition of default is determined considering the business environment in which the Company operates and other macro-economic factors.

Assets are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

**I. Trade Receivables**

The Company primarily provides electricity distribution facilities to general public in Madhya Pradesh, broadly divided in two groups namely, high tension consumers and low tension consumers. Company has a receivable security mechanism in the form of security deposits obtained at the time of issuing connections to its consumers. Considering the volume and nature of trade receivables, management believes that trade receivables do not have significant credit risk if it is outstanding for not more than 1 year from the date they fall due. For trade receivables outstanding for more than 1 year, management provides for credit loss based on lifetime expected credit loss model.

**II. Cash and cash equivalents**

The cash and cash equivalents are held with Scheduled Banks and do not have any significant credit risk.

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**NOTE: 33 - FINANCIAL INSTRUMENTS**

**III. Deposits with banks and financial institutions**

Term deposits are placed with scheduled banks and have negligible credit risk.

**IV. Loans To Employees**

The erstwhile MPSEB /Company has given loans to its Employees. The risk of default in respect of these loans is considered negligible.

**V. Other financial assets**

The Company has given advances to various other parties. Management believes that these are current in nature and are collectible in full. The risk of default in respect of these advances is considered insignificant.

**C. Provision for expected credit losses**

**(A) Financial Assets For Which Loss Allowance Is Measured Using 12 Month Expected Credit Losses**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables) are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore expected credit loss provision is not required.

**(B) Financial Assets For Which Loss Allowance Is Measured Using Life Time Expected Credit Losses**

The Company has a receivable security mechanism in the form of security deposits obtained at the time of issuing connections to its consumers. For trade receivables outstanding for more than 1 year, management provides for credit loss based on lifetime expected credit loss model.

**NOTE: 33.3.2 Liquidity Risk**

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position comprising the undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows and matching the maturity profiles of financial assets and liabilities.

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The Company depends on Cash Flow Mechanism notified by Government of Madhya Pradesh dated March 29, 2012 and external sources of liquidity to provide working capital and to fund capital expenditure. As per the Cash Flow Mechanism, the revenue collections of the Company are remitted to the Madhya Pradesh Power Management Company Limited ("the Holding Company") and in turn the Holding Company remits funds to the Company for meeting working capital and other liquidity requirements, as per the requests raised by the Company from time to time.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt and total equity, including perpetual loan from Government of Madhya Pradesh.

**A) Expected Maturity For Non-Derivative Financial Assets**

Particulars	Amount in Rs. Crores						
	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total	Carrying Amount
<b>March 31, 2020</b>							
Non-interest bearing							
a) Trade receivables	1,158.99	289.75	578.64	-	-	<b>2,027.38</b>	<b>2,027.38</b>
b) Loans	0.02	-	-	-	-	<b>0.02</b>	<b>0.02</b>
c) Other financial assets	456.25	25.22	0.19	-	6.47	<b>488.14</b>	<b>488.14</b>
<b>March 31, 2019</b>							
Non-interest bearing							
a) Trade receivables	949.95	237.49	414.04	-	-	<b>1,601.48</b>	<b>1,601.48</b>
b) Loans	0.02	-	-	-	-	<b>0.02</b>	<b>0.02</b>
c) Other financial assets	326.97	33.33	24.90	-	0.24	<b>385.44</b>	<b>385.44</b>

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The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn based on the undiscounted cashflows of financial liabilities based on the earliest date on which the Company can be required to pay. The table include both interest and principal cashflows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**B) Expected maturity for Non-derivative financial liabilities**

Particulars	Amount in Rs. Crores						
	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total	Carrying Amount
<b>March 31, 2020</b>							
a) Borrowings	3,926.83	-	-	2,515.35	7,049.78	<b>13,491.96</b>	<b>13,491.96</b>
b) Trade payables	55.53	940.66	258.46	-	-	<b>1,254.64</b>	<b>1,254.64</b>
c) Other financial liabilities		101.04	95.35	-	1,284.45	<b>1,480.84</b>	<b>1,480.84</b>
<b>March 31, 2019</b>							
a) Borrowings	84.49	85.27	-	1,561.65	8,339.38	<b>10,070.79</b>	<b>10,070.79</b>
b) Trade payables	82.97	938.72	217.24	-	-	<b>1,238.93</b>	<b>1,238.93</b>
c) Other financial liabilities	2,401.92	45.60	928.87	-	1,125.52	<b>4,501.91</b>	<b>4,501.91</b>

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**NOTE: 33 - FINANCIAL INSTRUMENTS**

**33.3.3 Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

**i) Foreign currency risk**

The Company is not exposed to foreign currency risk since all of its financial assets and financial liabilities are denominated in INR.

**ii) Interest rate risk**

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in INR.

**iii) Other price risk**

The Company's exposure to equity securities price risk arises from investments held by the Company in listed securities. However, at the reporting date since the company does not holds quoted securities. It is not exposed to price risk.

**NOTE: 34. FAIR VALUE MEASURMENTS**

**NOTE: 34.1 Fair Value of Compaines financial asset that are measured at Fair Value on a Recurring Basis**

The Company has no such financial asset.

**NOTE: 34.2 Fair value disclosures of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required):-**

The disclosure relating to the fair values of financial assets and financial liabilities that ae measured at other than fair value are not required as the management of the Company has determined the carrying amount of such financial assets and liabilities appoximates the fair value.

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**NOTE: 35 - RELATED PARTY TRANSACTIONS**

As per the directions issued by the GoMP vide order no: 6071/13/12/02 dated 20/03/2012 the share hold by Governor been transferred to MP Power Management Company Limited. Accordingly w.e.f. 01/04/2012, MP Power Management Limited become the Holding Company. The entire Share Capital of MP Power Management Company is held by the GoMP. Information regarding related parties as required by IND-AS-24 are as given below:

**A) Holding Company**

- i) MP Power Management Company Limited (MPPMCL), Jabalpur

**B) Fellow- Subsidiaries**

- i) M.P. Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur
- ii) M.P. Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal

**B) Directors & Key Managerial Personnel:**

- i) Shri Vikas Narwal, IAS, Managing Director -(w.e.f 11-02-2019)
- ii) Shri Manoj Jhawar, Director (Commercial)
- iii) Shri N.R. Biwalkar, Chief Financial Officer, KMP (w.e.f 31-07-2019)
- iv) Shri Sanjay Vatsa, Chief Financial Officer, KMP (Upto 31-07-2019)
- v) Smt. Aradhna Kulkarni, Company Secretary, KMP (w.e.f. 18-09-2018)

**NOTE: 35.(1) Remuneration of Directors & Key Management Personnel**

The remuneration of directors and other members of key management personnel during the year are as follows:

Particulars	Amount in Rs. Crores	
Remuneratio to Director & KMP	Year ended 31-03-2020	Year ended 31-03-2019
i) Salary / Remuneration	0.60	0.88
ii) Other Expenses & Perquisites	0.07	0.05
<b>Total</b>	<b>0.67</b>	<b>0.93</b>

**NOTE: 35.(2) Details of Outstanding Balance**

During the financial year, there have been Inter-Company transactions amongst the unbundled entities on account of Requirements. The Receivable/ (Payable) from each of the Companies as on 31st March for the repective years are as below:

Related party		Amounts owed by/owed to Related parties as at	
		As at 31.03.2020	As at 31.03.2019
i) M.P. Poorv Kshetra V.V. Co. Ltd , Jabalpur		5.27	6.51
ii) M.P. Madhya Kshetra V.V. Co. Ltd , Bhopal		0.18	0.18
iii) MP Power Management Co. Ltd., Jabalpur		3,817.64	4,064.65

\*(The above amounts are subject to confirmation/ reconciliation with MPMCL and its other subsidiary Companies)

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**NOTE: 35 - RELATED PARTY TRANSACTIONS**

**NOTE: 35.(3) Loans to Related Parties/ KMP**

Details of Loans to Related Parties given / paid during the financial year are as below:-

Particulars	As at 31.03.2020	Amount in Rs. Crores	As at 31.03.2019
i) M.P. Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur	-	-	-
ii) M.P. Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal	-	-	-
	-	-	-

**NOTE: 35.(4) Details of Transaction with Related Parties**

Details of Transaction with Related Parties during the financial year are as below:-

Particulars	Nature	As at 31.03.2020	Amount in Rs. Crores	As at 31.03.2019
i) M.P. Poorv Kshetra V.V. Co. Ltd , Jabalpur	Stock Transfer	1.24	0.94	
ii) M.P. Madhya Kshetra V.V. Co. Ltd , Bhopal	Stock Transfer	-	(0.99)	
iii) MP Power Management Co. Ltd., Jabalpur	Power Purchase	10,617.17	9,892.84	

\*Transactions performed with related party were made on terms equivalent to those that prevail in arm's length transactions

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**NOTE: 36 - CONTINGENT LIABILITIES / CONTINGENT ASSETS**

As per the management policy, Contingent liabilities are not recognised but for material amount of Rs. 1.00 Crs or more are disclosed in the financial statements of the Company. Accordingly, the contingent liabilities exceeding Rs 1.00 Crore as on date are as under:

**NOTE: 36.(1) Contingent Liabilities**

**a) Claims against the Company not acknowledged as debts**

S.No	Particulars
a)	Joint Contingent Liability, amounting of Rs. 448 Crs as informed by MPSEB for all the group companies. However, Company wise detail is not made available by MPSEB (Previous year Rs. 448 Crs.).
b)	In view of pending final settlement of PP Debenture interest liability, the interest liability on PP Debentures may arise in future, however the amount of same is not ascertainable as on date (Previous year Rs. 0.70 Crs.).
c)	During previous years MP Power Transmission Company (MPPTCL) have raised the bills for Carrying Cost. However, the same are not approved by MPERC, hence they have not been accounted-for in books of accounts of the Company till issuance of any further clarification/ guidelines of MPERC. As on Balance Sheet total amount of Carrying Cost is Rs. 168.20 Crs only (Previous year Rs. 162.07 Crs.)
d)	Demand for Service Tax on Meter Rent, Delay Payment Charges and Penalty thereon has been raised by the Commissioner (Central Excise, Customs & Service Tax) amounting to Rs. 215.62 crore for F.Y. 2012-13, 2013-14, 2014-15 & 2015-16 vide order dated – 29/11/2018, Company has filed appeal against the said order before the Central Excise and Service Tax Appellate Tribunal (CESTAT) vide appeal no. 50513/2019.
e)	The Company has filled petitions against the ordered awarded by the Hon'ble Court in respect of two HT Consumers namely "The National Steel And Agro Industries Ltd" and "Confederation of Real Estate Developers Association of India" amount of Rs. 79.43 crores.

**Note: Claims against the Company not acknowledged as debt includes:**

- 1) Demand from various statutory authorities towards above mentioned taxes is contesting by the Company at appellate authorities. It is expected that the ultimate outcome of these proceedings will be in favour of the Company and will not have any material adverse effect on the Company's financial position and results of operation.
- 2) Claims of Transmission Company for supply of electricity pending for clarificaiton from MPERC those have arisen in the ordinary course of business. The Company reasonably expect that these legal actions when ultimately concluded and determined will be in favour of the Company and will not have material adverse effect on the Company's results of operation or financial position.

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**NOTE: 36 - CONTINGENT LIABILITIES / CONTINGENT ASSETS**

**NOTE: 36.(2) Contingent Assets**

S.No	Particulars
1)	The West Central Railways, moved to open access for power supply in its Railway Traction Sub-Stations during January 2016. Therefore, the railways are liable to Cross Subsidy charges to the DISCOMs of Madhya Pradesh. In this connection, MP Poorva Kshetra Vidyut Vitran Company Limited (East DISCOM) was assigned as a nodal agency for collecting Cross Subsidy Charges from railways on behalf of all three DISCOMs of the State of Madhya Pradesh. Accordingly, East DISCOM raised demand of Cross Subsidy Charges amounting to Rs. 277.42 Crs from the Railways for period from January 2016 to March 2017 which includes the share of all three DISCOMs of the State. However DISCOM wise bifurcation of the figures is not available.
2)	(a) The Company is executing Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) for rural electrification and Integrated Power Development Scheme (IPDS) for Strengthening of sub-transmission and distribution network in urban areas. A tripartite agreement was entered among the GoMP, REC and DISCOMs that if any loan is taken from REC then the entire amount of loan along with interest related to DDUGJY shall be repaid by the GoMP in full. Similarly for IPDS scheme, a GoMP order was passed which stated that any loan taken by DISCOM from REC shall be repaid by the GoMP. However, the payment/reimbursement is based on the availability of budget. There is an uncertainty involved in respect of the timing of collectability and is dependent on the disbursement order to be passed by GoMP. The amount recoverable from GoMP on account of interest is Rs. 51.08 Crores for the year 2019-20 and Rs. 76.12 Crores till 31st March, 2020. Once the disbursement order is passed by GoMP, the amount shall be recorded as amount receivable from GoMP.  (b) As per the terms of tripartite agreement executed between REC, GoMP and Company, the Govt. of MP shall be the custodian of the assets created on implementation of the DDUGJY project(s). Govt. of MP have authorized the MPPKVCL to operate and maintain these assets to power supply in the project areas and derive consequential benefits out of the assets created under the project(s).

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**NOTE: 37- DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED BY THE SCHEDULE III:**

**(A) As At And For The Year Ended March 31, 2020**

Name of the entity in the Group	Net Assets i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Subsidiaries Indian				N.A				
<b>Total</b>	-	-	-	-	-	-	-	-

**(B) As At And For The Year Ended March 31, 2019**

Name of the entity in the Group	Net Assets i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Subsidiaries Indian				N.A				
<b>Total</b>	-	-	-	-	-	-	-	-

(Dr. SHAILESH KARDAM)  
DY. DIRECTOR (A/C, TAX & TARIFF)

[110]

(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
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**NOTE: 38- DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED BY CEA, MOP, GOVT. OF INDIA**

**A) COMPUTATION OF AGGREGATE TECHNICAL & COMMERCIAL (AT&C) LOSSES:**

S.No	Particulars	UOM	Methodology	Year ended 31-03-2020
A	Input Energy (MKwh)	In MU's	Energy Generated-Auxiliary Consumption + Energy Purchased (Gross)*-Energy traded/Inter-state sales.	26,083.24
B	Transmission Losses (MKwh)	In MU's		1,091.22
C	Net input Energy at Discom Periphery	In MU's	A-B	24,992.02
D	Energy Sold (MKwh)	In MU's	Energy sold to all categories of consumers excluding units of Energy Traded/ Inter-state sales.	22,217.00
E	Revenue from sale of energy (Rs.Cr)	In Rs Crs	Revenue from sale of Energy to categories of consumers (Including Subsidy Booked) but excluding Revenue from Energy Traded/ Inter-state sales.	14,986.07
F	Adjusted Revenue from sale of Energy on Subsidy received basis (Rs.Cr)	In Rs Crs	Revenue from sale of Energy (same as E above) <b>minus</b> Subsidy Booked <b>plus</b> Subsidy received against subsidy booked during the year.	13,653.68
G	Opening Debtors for sale of Energy (Rs.Cr)	In Rs Crs	Opening Debtors for sale of Energy as shown in receivables Schedule (Without deducting Provisions for Doubtful debtors). Unbilled Revenue shall not be considered as debtors.	2,795.43
H	Closing Debtors for sale of Energy (Rs.Cr)	In Rs Crs	I) Closing Debtors for sale of Energy as shown in receivables Schedule (Without deducting Provisions for Doubtful debts Unbilled Revenue shall not be considered as debtors.  II) Any Amount written off during the year directly from (i)	3,221.34  0.13
I	Adjusted Closing Debtors for sale of Energy (Rs.Cr)	In Rs Crs	H (I+II)	3,221.47
J	Collection Efficiency (%)	In %	(F+G-I)/E*100	88.27%
K	Units realized (MKwh) = [Energy sold*Collection efficiency]	MU's	D*I/100	19,610.12
L	Units unrealized (MKwh) = [Net input Energy – Units Realized]	MU's	C-K	5,381.90
M	<b>AT &amp;C Losses (%) = [{Units Unrealized/Net input Energy}*100]</b>	In %	<b>L/C*100</b>	<b>21.53%</b>

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**NOTE: 38- DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED BY CEA, MOP, GOVT. OF INDIA**

**B) DETAILS OF SUBSIDY BOOKED AND RECEIVED**

**Amount in Rs. Crores**

S.No	Particulars			Year ended 31-03-2020
<b>1)</b>	<b>Subsidy Opening Balance</b>			<b>1,520.92</b>
a)	Tariff & Free Supply etc. Yojna		955.21	
b)	MMBBM Yojna (Samadhan)		565.71	
<b>2)</b>	<b>Subsidy Booked During the year</b>			<b>7,013.14</b>
a)	Tariff & Free Supply etc. Yojna Incls Wheeling		7,013.14	
b)	MMBBM Yojna (Samadhan)		-	
<b>3)</b>	<b>Subsidy Received During the year</b>			<b>5,680.75</b>
a)	Tariff & Free Supply etc. Yojna		5,541.50	
i)	Against Current Year	4,824.41		
ii)	Against Previous Year	717.09		
b)	MMBBM Yojna (Samadhan)		139.25	
i)	Against Previous Year	139.25		
<b>4)</b>	<b>Subsidy Closing Balance</b>			<b>2,853.31</b>
a)	Tariff & Free Supply etc. Yojna		2,426.85	
i)	Against Current Year	2,426.85		
ii)	Against Previous Year			
b)	MMBBM Yojna (Samadhan)		426.46	

**Note:-**

1) As per Cash Flow Mechanism (CFM), all "Subsidy Claims" on monthly basis is being submitted to GoMP via MP Power Management Company. The GoMP reimburse the claim in form of Amount or Adjustment to the Company via MP Power Management Company. Details of Subsidy booked, received and outstanding during the year is mentioned in the table.

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**NOTE: 39 - COMMITMENTS**

Particulars		Amount in Rs. Crores	
		As at 31-03-2020	As at 31-03-2019
<b>A)</b>	Estimated Amount of Contracts Remaining To Be Executed On Capital Account And Not Provided For The Following Capital Schemes		
1	ADB-PPR/ERP	48.64	48.88
2	DDUGJY	85.34	267.49
3	IPDS	153.35	207.93
4	DEPOSIT WORK	7.57	10.38
5	FSP	Nil	87.93
6	MDAS	7.68	7.68
7	R-APDRP	79.04	82.09
8	RGGVY	1.83	13.02
9	SCADA	12.09	7.03
10	SSTD	42.30	60.32
11	Saubhagya	2.14	14.33
<b>Total</b>		<b>439.98</b>	<b>807.08</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**1 Defined benefit plans :**

**Gratuity and Pension scheme:**

Gratuity is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the enterprise.

**Recognition of Actuarial Gains/Losses**

All the remeasurements, comprising of actuarial gains/losses on DBO & Fair value of assets, arising during the reporting period have been recognized in full through outside of Profit & Loss account through Other Comprehensive Income.

**Discount Rate**

Discount Rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep & secondary bond market in India, government bond yields are used to arrive at the discount rate.

**Risk Posed by the Plan**

Gratuity is a multiple of last drawn salary paid at the time of retirement/resignation/death. The actuarial risk i.e. unusual (typically high) salary growth or turnover rate can increase the cost of providing the benefit. It can also alter timing of cashflows. This risk is borne by the employer. Gratuity is paid as lumpsum and hence there is no longevity risk involved.

**Asset Information**

The scheme is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company.

**Funding Requirements**

Currently there are no minimum funding requirements in India. The investments made by the trust are regulated by the Income Tax Act. The enterprise and the trustees should ensure compliance with the provisions of the said act.

**Special Events**

We have not been informed about any benefit improvements, curtailments & settlements during the inter-valuation period.

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**2 Note on Leave Availment**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

<b>Pension Plan</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Discount rate(s)	6.33%	7.30%
Expected rate(s) of salary increase	7.50%	7.50%
Expected Rate of Return on Assets	NA	NA
Post retirement pension increase rate	2.50%	2.50%
Mortality	Pre retirement : IALM (2012-14) Ultimate Post retirement : LIC (1996-98) Annuitants	Pre retirement : IALM (2012-14) Ultimate Post retirement : LIC (1996-98) Annuitants
Employee Turnover/ Withdrawal Rate	0.25%	0.25%
Retirement Age	62 years	62 years

<b>Gratuity Plan</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Discount rate(s)	6.33%	7.30%
Expected rate(s) of salary increase	7.50%	7.50%
Expected Rate of Return on Assets	NA	NA
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	0.25%	0.25%
Retirement Age	62 years	62 years

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

Leave Encashment	31-Mar-20	31-Mar-19
Discount rate(s)	6.33%	7.30%
Expected rate(s) of salary increase	7.50%	7.50%
Expected Rate of Return on Assets	NA	NA
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	0.25%	0.25%
Leave Availment Ratio	1.00%	1.00%
Retirement Age	62 years	62 years

**Amount Recognized in Balance Sheet at Period-End as follows:**

<b>March 31, 2020</b>		<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Present Value of Unfunded Defined Benefit Obligation		351.93	3,137.38
Fair value of Plan Assets			
<b>Total</b>		<b>351.93</b>	<b>3,137.38</b>
Present Value of Funded Defined Benefit Obligation		-	-
Unrecognised Asset due to the Asset Ceiling		-	-
<b>Net Defined Benefit (Asset)/Liability Recognised in Balance Sheet</b>		<b>351.93</b>	<b>3,137.38</b>

<b>March 31, 2019</b>		<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Present Value of Unfunded Defined Benefit Obligation		313.90	2,604.45
Fair value of Plan Assets			
<b>Total</b>		<b>313.90</b>	<b>2,604.45</b>
Present Value of Funded Defined Benefit Obligation		-	-
Unrecognised Asset due to the Asset Ceiling		-	-
<b>Net Defined Benefit (Asset)/Liability Recognised in Balance Sheet</b>		<b>313.90</b>	<b>2,604.45</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End are as follows:**

<b>Year ended March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Service Cost	20.92	160.42
Net Interest Cost	23.47	192.22
Past Service Cost	-	-
Administration Expenses	-	-
(Gain)/Loss due to settlements/Curtailments/Terminations/Divestitures	-	-
<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss</b>	<b>44.40</b>	<b>352.64</b>

<b>Year ended March 31, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Service Cost	18.77	141.54
Net Interest Cost	22.79	165.66
Past Service Cost	-	-
Administration Expenses	-	-
(Gain)/Loss due to settlements/Curtailments/Terminations/Divestitures	-	-
<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss</b>	<b>41.56</b>	<b>307.21</b>

**Current / Non-Current Bifurcation**

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Current Benefit Obligation	35.87	103.09
Non - Current Benefit Obligation	316.05	2,501.36
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>351.94</b>	<b>2,604.45</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>March 31, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Current Benefit Obligation	5.61	127.18
Non - Current Benefit Obligation	308.30	3,010.21
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>313.89</b>	<b>3,137.38</b>

**Actual Return on Plan Assets**

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Interest Income on Plan Assets	-	-
Remeasurements on Plan Assets	-	-
<b>Actual Return on Plan Assets</b>	<b>-</b>	<b>-</b>

<b>March 31, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Interest Income on Plan Assets	-	-
Remeasurements on Plan Assets	-	-
<b>Actual Return on Plan Assets</b>	<b>-</b>	<b>-</b>

**Analysis of Amounts Recognised in Other Comprehensive (Income)/Loss at Period-End**

<b>Year ended March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Amount recognized in OCI, Beginning of Period	15.96	822.01
<b>Remeasurements due to :</b>		
Effect of Change in demographic assumptions	-	381.81
Effect of Change in financial assumptions	20.19	-
Effect of experience adjustments	(20.19)	(201.52)
(Gain)/Loss on Curtailments/Settlements	-	-
Return on plan assets (excluding interest)	-	-
Changes in asset ceiling	-	-
<b>Total charge/(gain) on remeasurements recognized in OCI</b>	<b>(6.38)</b>	<b>180.29</b>
<b>Amount recognized in OCI, End of Period</b>	<b>9.59</b>	<b>1,002.30</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Year ended March 31, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Amount recognized in OCI, Beginning of Period	35.23	661.77
<b>Remeasurements due to :</b>		
Effect of Change in demographic assumptions	(1.11)	(181.87)
Effect of Change in financial assumptions	5.46	133.22
Effect of experience adjustments	(23.61)	475.33
(Gain)/Loss on Curtailments/Settlements	-	-
Return on plan assets (excluding interest)	-	-
Changes in asset ceiling	-	-
<b>Total charge/(gain) on remeasurements recognized in OCI</b>	<b>(19.27)</b>	<b>160.24</b>
<b>Amount recognized in OCI, End of Period</b>	<b>15.96</b>	<b>822.01</b>

**March 31, 2019**

<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss and Other Comprehensive Income year ended March, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Amount recognized in P&L, End of Period	44.40	352.64
Amount recognized in OCI, End of Period	(6.38)	180.29
<b>Total Net Defined Benefit Cost/(Income) Recognized at Period-End</b>	<b>38.02</b>	<b>532.93</b>

**March 31, 2019**

<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss and Other Comprehensive Income year ended March, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Amount recognized in P&L, End of Period	41.56	307.21
Amount recognized in OCI, End of Period	(19.27)	160.24
<b>Total Net Defined Benefit Cost/(Income) Recognized at Period-End</b>	<b>22.29</b>	<b>467.44</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Change in the Unrecognised Asset due to the Asset Ceiling During the Period year ended March, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Unrecognised Asset, Beginning of Period	-	-
Assets Unrecognised during the Period	-	-
<b>Unrecognised Asset, End of Period</b>	<b>-</b>	<b>-</b>
<b>Change in the Unrecognised Asset due to the Asset Ceiling During the Period year ended March, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Unrecognised Asset, Beginning of Period	-	-
Assets Unrecognised during the Period	-	-
<b>Unrecognised Asset, End of Period</b>	<b>-</b>	<b>-</b>
<b>Change in Defined Benefit Obligation during the Period year ended March, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation, Beginning of Period	313.90	2,604.44
Net Current Service Cost	20.92	160.42
Interest Cost on DBO	23.47	192.22
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(6.38)	180.29
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid by Employer	-	-
Benefits Paid from Fund	-	-
Past Service Cost	-	-
Losses / (Gains) on Curtailments/Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>351.94</b>	<b>3,137.37</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Change in Defined Benefit Obligation during the Period year ended March, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation, Beginning of Period	291.62	2,137.01
Net Current Service Cost	18.77	141.54
Interest Cost on DBO	22.79	165.66
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(19.27)	160.24
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid by Employer	-	-
Benefits Paid from Fund	-	-
Past Service Cost	-	-
Losses / (Gains) on Curtailments/Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>313.90</b>	<b>2,604.44</b>
<b>Change in Fair value of Plan Assets during the Period year ended March, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Fair value of Plan Assets, Beginning of Period	-	-
Interest Income Plan Assets	-	-
Actual Company Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency Exchange Rates	-	-
Actuarial Gains/(Losses)	-	-
Benefits Paid from Fund	-	-
Acquisition/Business Combination/Divestiture	-	-
Assets extinguished on Settlements/Curtailments	-	-
<b>Fair value of Plan Assets, End of Period</b>	<b>-</b>	<b>-</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Change in Fair value of Plan Assets during the Period year ended March, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Fair value of Plan Assets, Beginning of Period	-	-
Interest Income Plan Assets	-	-
Actual Company Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency Exchange Rates	-	-
Actuarial Gains/(Losses)	-	-
Benefits Paid from Fund	-	-
Acquisition/Business Combination/Divestiture	-	-
Assets extinguished on Settlements/Curtailments	-	-
<b>Fair value of Plan Assets, End of Period</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of Balance Sheet Amount year ended March, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Balance Sheet (Asset)/Liability, Beginning of Period	313.920	2,604.450
True-up	-	-
Total Charge/(Credit) Recognised in Profit and Loss	44.398	352.637
Total Remeasurements Recognised in OC (Income)/Loss	(6.375)	180.294
Acquisition/Business Combination/Divestiture	-	-
Benefit Payouts directly by the Company	-	-
Actual Company Contribution	-	-
Other Events	-	-
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>351.95</b>	<b>3,137.39</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Reconciliation of Balance Sheet Amount year ended March, 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Balance Sheet (Asset)/Liability, Beginning of Period	291.62	2,137.01
True-up	-	-
Total Charge/(Credit) Recognised in Profit and Loss	41.58	307.21
Total Remeasurements Recognised in OC (Income)/Loss	(19.27)	160.24
Acquisition/Business Combination/Divestiture	-	-
Benefit Payouts directly by the Company	-	-
Actual Company Contribution	-	-
Other Events	-	-
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>313.92</b>	<b>2,604.45</b>

<b>Asset Category as at 31 March 2020</b>	<b>Quoted Value</b>	<b>Non-Quoted Value</b>	<b>Total</b>
Government of India Securities (Central and State)	0.00%	0.00%	0.00%
High quality corporate bonds (including Public Sector Bonds)	0.00%	0.00%	0.00%
Equity shares of the Company	0.00%	0.00%	0.00%
Insurer Managed Funds & T-bills	0.00%	0.00%	0.00%
Cash (including Bank Balance, Special Deposit Scheme)	0.00%	0.00%	0.00%
Others	0.00%	0.00%	0.00%
<b>Total</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

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**(N.R.BIWALKAR)**  
CHIEF FINANCIAL OFFICER



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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Asset Category as at 31 March 2019</b>	<b>Quoted Value</b>	<b>Non-Quoted Value</b>	<b>Total</b>
Government of India Securities (Central and State)	0.00%	0.00%	0.00%
High quality corporate bonds (including Public Sector Bonds)	0.00%	0.00%	0.00%
Equity shares of the Company	0.00%	0.00%	0.00%
Insurer Managed Funds & T-bills	0.00%	0.00%	0.00%
Cash (including Bank Balance, Special Deposit Scheme)	0.00%	0.00%	0.00%
Others	0.00%	0.00%	0.00%
<b>Total</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

<b>Expected Cashflows for the Next Ten Years as at March 31 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Year - 2021	36.99	131.141
Year - 2022	43.85	145.590
Year - 2023	50.67	159.005
Year - 2024	50.47	172.965
Year - 2025	53.69	189.724
Year - 2026	45.29	207.771
Year - 2027	48.00	230.025
Year - 2028	37.52	253.319
Year - 2029	24.01	277.390
Year - 2030	18.22	304.582
Year - 2031 onwards	180.41	6,007.753

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<b>Expected Cashflows for the Next Ten Years as at March 31 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Year - 2020	13.39	106.782
Year - 2021	56.82	118.547
Year - 2022	102.77	129.470
Year - 2023	108.44	140.837
Year - 2024	103.42	154.483
Year - 2025	103.64	169.178
Year - 2026	81.04	187.299
Year - 2027	80.54	206.265
Year - 2028	60.96	225.866
Year - 2029	36.34	248.006
Year - 2030 onwards	215.01	4,891.827

<b>Defined Benefit Obligation by Participant Status as at 31 March 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Actives	351.95	1,634.93
Vested Deferreds	-	-
Retirees	-	1,502.46
<b>Total Defined Benefit Obligation</b>	<b>351.95</b>	<b>3,137.38</b>

<b>Defined Benefit Obligation by Participant Status as at 31 March 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Actives	291.60	1,346.89
Vested Deferreds	-	-
Retirees	-	1,257.56
<b>Total Defined Benefit Obligation</b>	<b>291.60</b>	<b>2,604.45</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Sensitivity analysis -**

<b>Defined Benefit Obligation by Participant Status as at 31 March 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation - Discount Rate + 100 basis points	(20.20)	(339.59)
Defined Benefit Obligation - Discount Rate - 100 basis points	22.06	395.28
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	19.28	297.65
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(17.68)	274.90

<b>Defined Benefit Obligation by Participant Status as at 31 March 2019</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation - Discount Rate + 100 basis points	(14.87)	(266.67)
Defined Benefit Obligation - Discount Rate - 100 basis points	16.53	312.26
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	14.06	246.99
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(12.63)	228.55

**Disclosures related to Leave Encashment**

**Amount Recognized in Balance Sheet at Period-End as follows:**

<b>Particulars</b>		<b>March 31, 2020 (In Rs. Crs)</b>	<b>March 31, 2019 (In Rs. Crs)</b>
Defined Benefit Obligation		456.63	360.52
Fair value of Plan Assets		-	-
Unfunded Status - (Surplus)/Deficit		<b>456.63</b>	<b>360.52</b>
Present Value of Unfunded Defined Benefit Obligation		-	-
Unrecognised Asset due to Asset Ceiling		-	-
(Asset)/Liability Recognised in the Balance Sheet			
<b>(Asset)/Liability Recognised in the Balance Sheet</b>		<b>456.63</b>	<b>360.52</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Amount Recognized in profit and loss for the Period-End are as follows:**

Particulars	March 31, 2020 (In Rs. Crs)	March 31, 2019 (In Rs. Crs)
Service Cost	28.38	26.06
Net Interest Cost	26.47	25.98
Past Service Cost	-	-
Remeasurements	56.77	5.00
(Gain)/Loss due to settlements/Curtailments/Terminations/Divestitures	-	-
Administration Expenses	-	-
<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss</b>	<b>111.61</b>	<b>57.04</b>

**Current / Non-Current Bifurcation**

Particulars		March 31, 2020 (In Rs. Crs)	March 31, 2019 (In Rs. Crs)
Current Benefit Obligation		97.543	24.294
Non - Current Benefit Obligation		359.083	336.234
<b>(Asset)/Liability Recognised in the Balance Sheet</b>		<b>456.63</b>	<b>360.53</b>

Change in Defined Benefit Obligation during the Period year ended		March 31, 2020 (In Rs. Crs)	March 31, 2019 (In Rs. Crs)
Defined Benefit Obligation, Beginning of Period		360.52	331.10
Net Current Service Cost		28.38	26.06
Interest Cost on DBO		26.47	25.99
Actual Plan Participants' Contributions		-	-
Actuarial (Gains)/Losses		56.77	5.00
Changes in Foreign Currency Exchange Rates		-	-
Acquisition/Business Combination/Divestiture		-	-
Benefits Paid		(15.50)	(27.62)
Past Service Cost		-	-
Losses / (Gains) on Curtailments/Settlements		-	-
<b>Defined Benefit Obligation, End of Period</b>		<b>456.63</b>	<b>360.53</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Change in Fair value of Plan Assets during the Period year ended</b>		<b>March 31, 2020 (In Rs. Crs)</b>	<b>March 31, 2019 (In Rs. Crs)</b>
Fair value of Plan Assets, Beginning of Period		-	-
Interest Income Plan Assets		-	-
Actual Company Contributions		-	-
Actual Plan Participants' Contributions		-	-
Actual Taxes Paid		-	-
Actual Administration Expenses Paid		-	-
Changes in Foreign Currency Exchange Rates		-	-
Actuarial Gains/(Losses)		-	-
Benefits Paid		-	-
Acquisition/Business Combination/Divestiture		-	-
Assets extinguished on Settlements/Curtailments		-	-
<b>Fair value of Plan Assets, End of Period</b>		-	-

<b>Asset Category as at</b>		<b>March 31, 2020</b>	<b>March 31, 2019</b>
Government of India Securities (Central and State)		0.00%	0.00%
High quality corporate bonds (including Public Sector Bonds)		0.00%	0.00%
Equity shares of listed companies		0.00%	0.00%
Real Estate / Property		0.00%	0.00%
Cash (including Special Deposits)Cash (including Bank Balance, Special Deposit		0.00%	0.00%
Other (including assets under Schemes of Insurance)		0.00%	0.00%
<b>Total</b>		<b>0.00%</b>	<b>0.00%</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Actual Return on Plan Assets**

<b>Particulars</b>		<b>March 31, 2020</b>	<b>March 31, 2019</b>
Expected Return on Plan Assets		-	-
Remeasurements Gains/(Losses) on Plan Assets		-	-
<b>Actual Return on Plan Assets</b>		-	-

<b>Expected Contributions for the Next Financial Year</b>		<b>March 31, 2020</b>	<b>March 31, 2019</b>
Expected Contributions		-	-

<b>Reconciliation of Amounts recognised in Balance Sheet</b>		<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balance Sheet (Asset)/Liability, Beginning of Period		360.52	331.10
Total Charge/(Credit) Recognised in Profit & Loss		111.61	57.04
Acquisition/Business Combination/Divestiture		-	-
Benefit Payouts		(15.50)	(27.62)
<b>Balance Sheet (Asset)/Liability, End of Period</b>		<b>456.63</b>	<b>360.52</b>

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**41 - ADDITIONAL DISCLOSURE FOR IND-AS-115**

**Impact of application of Ind AS 115 'Revenue from Contracts with Customers'**

In accordance with the transition guidance in Ind AS 115, the Company has only applied this standard to contracts that are incomplete as at April 01, 2018. The company's accounting policies for its revenue streams are disclosed in Note 2.18. Apart from supervision charges collected from consumers for the construction of assets, the application of Ind AS 115 does not have any significant impact on the financial position and/or financial performance of the company. Also the rebate to customers on prompt payment of dues is considered as a variable consideration which is being considered as a part of transaction price and presented on net basis with revenue from operations. The amount of adjustment for each line item of financial statement affected by the application of Ind AS 115 is as given below:

**(a) Impact on Statement of Profit and Loss for the year ended March 31, 2020**

Due to Implementation of Ind AS 115, Revenue from Operation decreased by Rs. 0.06 crore. Profit for the year decreased by Rs.0.06 crores during the year.

**(b) Unsatisfied performance obligations**

The following amount relates to unsatisfied performance obligations

Particulars	Amount in Rs Crs	
	As at 31.03.2020	As at 31.03.2019
Transaction price related to unsatisfied (or partially satisfied) performance obligation	11.92	11.99
<b>These performance obligations are expected to be satisfied within</b>	<b>6 months</b>	<b>6 months</b>

The Company has applied significant judgements in estimating the completion time for the projects for which the supervision charges, based on the past experience available with the Company, the Company has estimated that the supervision work will take around 6 months for its completion, so it has deferred the amount received on account of supervision charges received during the last 6 months and recorded it as advance received from customers.

**(c) Movement in unbilled revenue**

Particulars	Amount in Rs Crs	
	As at 31.03.2020	As at 31.03.2019
Balance at the beginning.	327.31	278.94
Add: Revenue recognised during the year.	449.75	327.31
Less: Invoiced during the period	-327.31	-278.94
Less: Impairment/Reversal	-	-
<b>Balance at the end</b>	<b>449.75</b>	<b>327.31</b>

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**41 - ADDITIONAL DISCLOSURE FOR IND-AS-115**

**(d) Transaction Price - Remaining Performance Obligation**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and

**(e) Disaggregation of revenue from contract with customers**

There are no aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2020, other than those meeting the exclusion criteria mentioned above. Revenue is disaggregated by type and nature of product or services. The Company is engaged in the business of distribution of power. The Company is managed organisationally as a unified entity and accordingly the management considers sale of power as a single business segment, the revenue from

**Sale of Power**

Particulars	Amount in Rs Crs	
	As at 31.03.2020	As at 31.03.2019
<b>Nature of Goods/Services</b>		
Distribution of power	14,919.12	13,304.74
Sale of Services	103.19	101.39
Others	209.44	179.33
Other Revenue		
<b>Total</b>	<b>15,231.75</b>	<b>13,585.46</b>

**(f) Contract Balances**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as revenue as and when the performance obligation is satisfied.

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**41 - ADDITIONAL DISCLOSURE FOR IND-AS-115**

Particulars	As at 31.03.2020	Amount in Rs Crs As at 31.03.2019
<b>Contract Assets</b>		
Receivables from Group Companies		
Non-Current	-	-
Current	5.62	6.83
<b>Contract Liabilities</b>		
Advance received from customers		
Non-Current	-	-
Current	11.92	11.99
<b>Consumer Contribution</b>		
Non-Current	-	-
Current	377.86	350.64
Deferred Income		
Non-Current	1,990.10	2,011.26
Current	-	-
<b>Receivables</b>		
Trade Receivables (Gross)	3,221.34	2,795.43
Unbilled Revenue	449.75	327.31
(Less): Allowance for Doubtful Debts	-1,193.96	-1,193.96
Net Receivables	2,477.13	1,928.79
<b>Total</b>	<b>4,862.63</b>	<b>4,309.50</b>

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**41 - ADDITIONAL DISCLOSURE FOR IND-AS-115**

**(g) Significant changes in the contract assets and the contract liabilities balances during the year are as follows:**

**Amount in Rs Crs**

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Opening Balances</b>		
Receivables from Group Companies	6.83	6.86
Consumer Contribution	-350.64	-288.38
Deferred Income	-2,011.26	-1,747.75
Advance received from customers	-11.99	-9.24
	<b>-2,367.05</b>	<b>-2,038.51</b>
Add: Revenue recognised during the year	202.31	169.41
Less: Advance received from Consumers	-209.51	-497.95
	<b>-7.20</b>	<b>-328.54</b>
<b>Closing Balances</b>		
Receivables from Group Companies	5.62	6.83
Consumer Contribution	-377.86	-350.64
Deferred Income	-1,990.10	-2,011.26
Advance received from customers	-11.92	-11.99
	<b>(2,374.26)</b>	<b>(2,367.05)</b>

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**41 - ADDITIONAL DISCLOSURE FOR IND-AS-115**

**(h) Details of revenue from contract with customer and the contracted price**

The entity determines transaction price based on expected value method considering its past experiences of refunds or significant reversals in amount of revenue

Particulars	<b>Amount in Rs Crs</b>	
	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Contracted price	15,231.75	13,585.46
Add/Less: Adjustment for financing component.		
Less: Rebate on prompt payment	4.43	3.82
<b>Balance at the end</b>	<b>15,227.32</b>	<b>13,581.65</b>

**(i) Practical expedients availed**

The Company has availed the following practical expedient:

- a) The Company has not adjusted the promised amount of consideration for the effects of a significant financing component at contract inception, that the period between when the Company transfers a promised good or service to a customer and when the customer pays for that goods or service is one year or less.
  
- b) The Company has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Therefore, the Company has availed the practical expedient and has recognised the revenue in the amount to which the entity has a right to invoice.

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**41 - ADDITIONAL DISCLOSURE FOR IND-AS-115**

**(j) Other disclosures**

The Company satisfies the performance obligation upon rendering of services i.e. providing electricity application and supply of electricity. The Company is satisfying its performance obligation over the period of time and the revenue is recognised on the basis of output method. The per unit tariff charged by the Company is fixed by the tariff regulations, which is multiplied to the number of units consumed by the customer at the end of the billing cycle. Hence the Company uses the output method which gives the accurate transaction price since the invoicing is done on the basis of the units consumed by the customer.

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## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED** **ANNUAL FINANCIAL STATEMENTS-FY 2019-20**

### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **1) GENERAL CORPORATE INFORMATION**

Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (hereinafter also known as West DISCOM or The Company, CIN-U40109MP2002SGC015121) was incorporated under the Companies Act, 1956 through an order of the Government of Madhya Pradesh dated July 01, 2002 as a wholly owned Government of Madhya Pradesh undertaking.

Subsequently, the Government of Madhya Pradesh appointed Madhya Pradesh Power Management Company Limited as the parent company of all three distribution companies through a notification order and transferred the shares of West DISCOM held by it to Madhya Pradesh Power Management Company Limited.

The Company is engaged in the business of distribution or retail supply of electricity with in the areas of Indore and Ujjain Commissionaire in the State of Madhya Pradesh and is governed by the provisions of the Electricity Act, 2003. The commercial operation of the company has been started from FY 2005.

#### **2) SIGNIFICANT ACCOUNTING POLICIES**

##### **2.01: Statement of Compliance**

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 to the extent applicable. The Company has adopted all the issued Ind As.

##### **2.02: Basis of Preparation and Presentation**

The financial statements of the Company have been prepared in all material aspects with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (IND-AS) prescribed under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015 &2016 and other relevant provision of the Act. Further, as the Company is governed by the Electricity Act, 2003, the Company has followed the provisions of this Act read with rules made to the extent they are inconsistent with the provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act, 2013.

Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared on historical cost basis, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosures in these financial statements

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is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IND-AS 2 – Inventories or value in use in IND-AS 36 – Impairment of Assets.

**2.03: Use of Estimates**

The preparation of these financial statements are in conformity with the recognition and measurement principles of IND-AS which requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of, fair value of unquoted securities and impairment of investments, valuation of current and deferred tax expense, valuation of defined benefit obligations, regulatory deferral accounts and provisions and contingent liabilities.

**2.04: Inventories**

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Unserviceable / damaged stores and spares are identified and written down based on the rates specified under the technical assessment.

**2.05: Property, Plant and Equipment**

Property, plant and equipment are stated at cost less depreciation. The cost comprises the purchase price and any other applicable costs attributable in bringing the assets to their working condition for their intended use, including borrowing costs and other overheads attributable to Property, Plant and Equipment. Depreciation commences when the assets are ready for their intended use. Although, Freehold land are not depreciated.

In the case of commissioned assets, deposit work / cost plus contracts where final settlement of bills with contractors is yet to be effected; capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement. Capitalisation from Capital work in progress (CWIP) is being done only on receipt of Technical / Completion Certificate from the respective field officers.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

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Spares parts, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized. The carrying amount of those spare parts, standby equipment and servicing equipment that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts, standby equipment and servicing equipment are treated as Stores and spares and are classified as Inventory.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values (up to 90% of the original cost of assets and at the rates notified by the Central Electricity Regulatory Commission (CERC) vide notification no. L-1/144/2013-CERC dated 21/02/2014 from 01/04/2014 onwards) using the straight-line method.

Where the rates are not prescribed by CERC, the rates prescribed by Central Electricity Authority (CEA). In case rates for any specific asset is not prescribed by CERC or CEA, the useful life prescribed under Schedule-II of the Companies Act, 2013 is used.

The Depreciation Rates charged by the Company during the year are as below:

Assets Category	Freehold Land	Leasehold Land	Buildings	Other Civil Works	Plant and Machinery	Lines & Cables Networks	Vehicles	Furniture and Fixtures	Office Equipment	Intangible Assets
Depreciation Rate	0%	3.34%	3.34%	3.34%	5.28%	5.28%	9.50%	6.33%	6.33%	15%

Capital Spares lying under Inventory have been capitalised under IND-AS and are being depreciated in their remaining useful life.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Assets received from the customers or assets constructed on receipt of amounts from the customers and on obtaining the control over the asset, the Company recognises them as property, plant and equipment and depreciate over their expected useful lives on the same basis as the owned assets.

**2.06: Intangible Assets or Internally Generated Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight -line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

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The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported—at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**2.07: Capital Work In Progress**

In respect of supply-cum erection contracts, the value of supplies received at site and accepted as liable to be paid, is treated as capital work in progress.

Incidental expenditure prior to construction, preliminary project expenditure on identification, survey/feasibility studies of the project, etc. is apportioned to capital work in progress on the basis of accretion thereto. These expenses, however, are charged to Statement of profit and loss in case the project is abandoned.

Deposit work or cost plus contracts are accounted for on the basis of statement of account received from concerned office.

Corporate office expenses, expenses of divisions/ offices catering to operation and maintenance (O&M) as well as capital works and stores expenses are booked to capital works to the extent identified, the rest are booked to operation and maintenance (O&M).

Expenses including employee cost in respect of construction divisions and offices identified in assisting the construction activity are fully capitalised and accounted as cost of capital assets.

Borrowing costs attributable to the qualifying assets during their construction are capitalised based on the weighted average interest rate.

Claims for Price variations in the form of escalation in contracts are accrued for on acceptance basis.

**2.08: Impairment**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss, if any.

If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit and loss.

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When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**2.09: Leasing**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee.

**Leased assets:** Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

A leased asset is amortized at the rates prescribed by CERC.

**2.10: Government Grants**

Grants and subsidies from the government are not recognized at their fair value until there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be compiled with.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate and presented within other income. Specifically, government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other income.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**2.11: Borrowing Costs**

General and specific borrowing cost directly related to a particular project under construction or acquisition of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period they occur. The borrowing cost is measured at amortized cost using the effective interest method.

**2.12: Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical valuation and past experience. No provision is recognized for liabilities whose future outcome cannot be ascertained with reasonable certainty.

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When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities are not recognised but for material amount of Rs. 1.00 crores or more are disclosed unless the possibility of outflow of resources are remote. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate. Contingent assets are generally not recognized but are disclosed when inflow of economic benefit is probable.

**2.13: Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having an original maturity of three months or less.

**2.14: Cash Flow Statement**

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts or cash credit liabilities. In the balance sheet, bank overdrafts or cash credit liabilities are shown within borrowings in current liabilities.

**2.15: Income Taxes**

Tax expense represents the sum of current tax and deferred tax.

**Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated by using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred Tax**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.



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Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

A deferred tax asset arising from unused tax losses or tax credits are recognized only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

**2.16: Employee Benefits**

**2.16.1: Defined Benefit Plans**

The liability to pay defined benefits to the personnel who retired from the service of the board on or before 31st May 2005 is vested with Madhya Pradesh Power Transmission Co. Ltd (MP Transco). However, the liability to pay defined benefit to the personnel who retire after 31st May 2005 is vested with respective transferee Company.

Further, the contribution towards the pension and other terminal benefits for the past service rendered by the personnel up to 31st May 2005 in MPSEB/MPEB shall be made by MP Transco and contributions for the part of service rendered under the transferee shall be provided by the respective transferee Company.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period from April 01, 2017 onwards. Re-measurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability.

The retirement benefit obligation recognised in the balance sheet represents the actual obligation in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.



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**2.16.2: Defined Contribution Plans**

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

**2.16.3: Short-Term and Other Long-Term Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employee's upto the reporting date.

**2.17: Financial Instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

**A) Financial Assets**

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and interest on principal amount outstanding. During the year the Company did not have any such financial asset.

**Financial Assets at Fair Value Through Profit or Loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss. During the year the Company did not have any such financial asset.

**Derecognition of Financial Assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of

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ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing of the proceeds received.

**Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. IND-AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**B) Financial Liability & Equity Instruments (Classification as Debt or Equity)**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**Financial Liabilities**

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method. Other financial liabilities are measured at amortized cost using the effective interest method.

**Effective Interest Method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the other income line item.

**De-recognition of Financial Liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

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**Offsetting Financial Instruments**

Financial assets and liabilities of the Company are offset and the net amount reported in the balance sheet, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

**2.18: Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable net of trade discount and volume rebates.

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered. Revenue from such contracts is recognised over time for each unit of electricity delivered at the rate approved through tariff order.

Output method is used to recognize revenue based on the Company's efforts or outputs to the satisfaction of a performance obligation to deliver power. As at each reporting date, revenue from sale of power includes an accrual of power supplied to the customers but not yet billed which is also presented as unbilled revenue as a part of other financial assets.

Revenue income is recognised as and when accrued by written communication from any regulatory or statutory authority, unless the same is under litigation or process of litigation. Further income receivable through regulatory mechanism in respect of additional cost incurred during the period over and above cost allowed in prevailing tariff order is recognised based on the applicable available orders and regulations of regulatory authorities.

Sale of power does not include electricity duty as it is not the income of the Company but collected on behalf of the Government of Madhya Pradesh and it is accounted for as electricity duty payable to the Government.

The Company receives contribution from consumers in accordance with the regulation that is being used to construct or acquire items of property, plant and equipment in order to connect the consumer to the Company's distribution network. The assets so constructed or acquired from the customers are recognised at their fair value when they meet the definition of an asset and all attached conditions are complied with.

Amount received from the customer towards construction of a property, plant and equipment are included in non-current liabilities as consumer contribution towards capital assets and are credited to the statement of profit and loss on a systematic basis over the expected useful lives of the related assets and presented within Other Income.

Supervision charges in relation to assets constructed by the customer are recognised as revenue at a point in time when the services are rendered .



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Receipts of claims for warranty and liquidated damage are accounted as and when the claims are acknowledged by the management and the collection of the amount is certain.

Consumers are billed on a monthly basis and are given a credit period for making the payments. No delayed payment charges ('DPC') is charged for amount collected during the credit period from customers. Thereafter, DPC is charged at the rate prescribed in the agreement on the outstanding balance once the dues are received.

Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts/regulation are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

Bill against theft of electricity, surcharge and any other dues of permanently disconnected consumers are raised when such theft has been detected.

Sale of scrap are accounted for when sale take place.

Revenue from meter rentals is accounted for on accrual basis based on the rates provided in the MPERC regulations. The revenue is recognised on a monthly basis for each billing cycle along with electricity bills issued for the revenue from sale of power.

Rebate allowed to companies on realisation of bills are accounted for when it is ascertained and confirmed.

Revenue Subsidies received from State Government are accounted to statement of Profit and Loss Account

**Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**2.19: Expense Recognition**

All expenses are recognised in the Statement of Profit and Loss on accrual basis as per the necessary terms of the contracts entered into with suppliers and service providers.

Expenses such as, Medical reimbursement to the employees Annuity Pension, Payment of Travelling Expenses, Payment of Accident compensation and Price escalation in purchase of materials for fixed asset , revenue stores and Projects are recorded as and when claims are admitted.



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The Interest on security deposits from consumer recognised in the year in which actual bill of power raised to the consumer.

**2.20: Earning Per Share**

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus Issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

**2.21: Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crore as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

**3: CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

**Critical Judgments in Applying Accounting Policies:**

The following are the critical judgments, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

**I) Financial Assets at Amortized Cost**

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows. Details of these assets are set out in note 32.

**II) Regulatory Deferral Accounts**

IND-AS - 114 Regulatory Deferral Accounts permits the Company to apply the requirements of this standard in its first IND-AS financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP. As the Company had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND-AS 114 does not apply to the Company.

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**III) Depreciation rates, method and residual value of property, plant and equipment**

In terms of Part B of Schedule II of the Companies Act, 2013, the Company has followed the depreciation rates, depreciation method and residual value of the items of property, plant and equipment as notified by the respective regulators in accordance with the Electricity Act, 2003 with respect to the assets falling under regulated business.

**Key Sources of Estimation Uncertainty:**

**I) Deferred Tax Assets**

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**II) Provisions**

Provisions (excluding provision for salary) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

**III) Contingent Liabilities**

Contingent liabilities arising from past events the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

**IV) Capitalisation of Overheads**

Costs directly attributable to project under construction include cost of various divisions including STC and stores department, establishment cost, administrative and general overhead, repairs and maintenance cost and interest during construction and other costs including unavoidable costs as well as price variation that are directly attributable to construction activities. Such costs are accumulated under CWIP (Capital work in progress) after netting off any revenue generated before the commercial operation. Unsettled liabilities for consultancy charges in case of contracts are accounted for on estimated basis as per terms of the contracts.

The Company has been allocating the above cost except for price consultancy charges, on pro-rata basis. During the year the Company has charged 4.25% Overhead on Capital Work In Progress.

**V) Impairment of Property, Plant and Equipment**

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).



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**VI) Revenue from contracts with customers**

Supervision charges received from customers in relation to the construction of the asset is received in advance but the revenue for the same is recognised once the construction of the asset is complete. Management has estimated that it generally takes 06 months to complete a project. Hence the amount received in the last 06months in lieu of supervision charges has been treated as an advance received from customers.

**VII) Fair Value Measurements and Valuation Processes:**

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

**42:Other Notes on Financial Statements For Year Ending 31<sup>st</sup> March, 2020**

**A. Final Opening Balance Sheet**

- a) GoMP vide notification no. 292 dated 12th June, 2008 notified final opening balances belonging to Companywhich were accounted for the first time in the financial statements for FY 2008-09.
- b) The Company is in the process of obtaining justification / explanation for some of the items of the opening balances which are still under reconciliation with erstwhile MPSEB / MPPMCL. The cumulative balance of such items amounting to Rs. 69.94 Crores [Credit] (Previous year Rs. 69.94 Crores [Credit])are mentioned in Account Code 469470 and shown under the head "Other Current Liabilities".
- c) Opening balances as transferred to the Company vide GoMP notification no. 292 dated 12<sup>th</sup> June, 2008 includes balances of fixed assets in the form of land and buildings for which Company does not have Title deeds /legal documents which are yet to be executed in the Company's favour.

**B. Cash Flow Mechanism**

- a) In Compliance with the direction issued by GoMP vide Gazetted notification No.-140 dated 29-03-2012, regarding Cash flow mechanism the Company remits its entire revenue to MP. Power Management Company (Earlier TRADECO) on daily & immediate basis.
- b) As a part of the accepted operational arrangement between the unbundled entities and MPSEB, MPSEB (w.e.f. 13/04/2012, MP Power Management Company Ltd) has been entrusted with the task of cash management function for all the Companies. This methodology of retaining centralized Cash Control has been in operation for the current financial year and will be in operation till further Orders of the State Government.

(DR. SHAILESH KARDAM)  
DY. DIRECTOR (A/C, TAX & TARIFF)

(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
**ANNUAL FINANCIAL STATEMENTS-FY 2019-20**

**NOTES TO THE FINANCIAL STATEMENTS**

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- c)** The Company is required to buy power from Single source i.e. from MPPMCL as per the inter-se bulk supply agreement. The revenue received from the MPPKVCL, Indore will be treated as ad-hoc payment against power supply bills issued by MPPMCL. The MPPMCL shall release the payment/Fund to the Company following the priorities mentioned in the notification.
  - d)** The Company has remitted advance payment Rs. 3817.64 (as at March, 2020) against the power supply by MPPMCL, which were short term in nature and shall be set off against future monthly power supply bill of the Company
  - e)** The Company's share of interest on loan taken by MPPMCL for its working capital has been accounted - for under the head interest and finance charges, if any. This is as per prevailing cash flow mechanism notified by GoMP.
  - f)** Company's share of common costs, if any pertaining to the departments serving the unbundled entities has been charged to the Company on the basis of advice received from MPPMCL.
- C.** The provision for interest on staff loans has been made on actual loan balances available with the Company as per policy followed by the erstwhile MPSEB.
- D.** Depreciation on addition/deletion of PPE during the year is provided on prorate basis.

**E. Remuneration to Auditors**

The remunerations paid to/provided for various Auditorsof Company during the year are as below:

S. No.	Particulars	FY 2019-20	FY 2018-19
1	Statutory Audit Fee	Rs. 0.0600 Crs	Rs. 0.0600 Crs
2	Tax Audit Fee	Rs. 0.0082 Crs	Rs. 0.0082 Crs
3	Cost Audit Fee	Rs. 0.0020 Crs	Rs. 0.0095 Crs
4	VAT / GST Audit Fee	Rs. 0.0240 Crs	Rs. 0.0240 Crs

\*\* (Excluding applicable Taxes & Reimbursement of Out of Pocket Expenses, if any)

- F.** In accordance with directions issued by the ICAI on 'Impairment of Assets' the Management is in the process of carrying out a review of its assets with respect to economic performance. The Management is of the opinion that economic performance of the Fixed Assets of the Company is not worse than expected and therefore there is no impairment as on the date of the Balance Sheet.
- G.** The Company has identifying non-moving and obsolete stock & spares & value the same on Cost or NRV whichever is less.
- H.** During the year 2006-07 the Company had appointed franchisee under section-14 of the Electricity Act, 2003 for distribution of electricity and maintenance of 12 distribution centres (9 in Dewas and 3 in Ratlam). Most of these franchisees have become in-operative and

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**NOTES TO THE FINANCIAL STATEMENTS**

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amount receivable from them (Rs. 3.80Crs) is still appearing in Sundry Debtors which has been fully provided for.

Further, during FY 2014-15, the Company had appointed franchisee in Ujjain City Circle. Transactions related with franchisee are properly accounted for in books of accounts of the Company. However, no franchisee is operative as on the balance sheet date.

- I.** The Power Purchase Expenses and Transmission Charges (Including Re-active Charges & UI Charges) have been considered on the rates approved by the MPERC and up to the extent of bills/advises received.
- J.** During the year, MP Power Transmission Company Limited, Jabalpur has written off the amount of Rs.204.90Crores (Previous year Rs. 148.11 Crores) from outstanding payable towards Transmission charges to them. The same has been classified under Other Non-Operating Income.

**K. Ujwal Discom Assurance Yojana (UDAY)**

- a)** UDAY has been launched for Operational and financial turnaround of Power Distribution Companies by Government of India, Ministry of Power on 20th November, 2015. In this scheme, Madhya Pradesh Discoms have joined the UDAY scheme and entered into Memorandum of Understanding (MoU)with Government of India on 10.08.2016.
- b)** MPPKVCL has loan/debt of Rs.9764.96 Croresoutstanding as at September-2015. As per the MoU, GoMP shall take over 75% of the above debt in a five years period from 2016-17 to 2020-21 in a phased manner which would reduce the interest burden of the Company.
- c)** As per UDAY guidelines, during FY 2019-20, GoMP has taken over the 10% amount of loss of the Company of FY 2018-19 amount of Rs. 56.5 Crores in Revenue Grant which hasbeen shown as Exceptional Income.
- d)** GoMP has not converted any amount of Perpetual Loan in Grant during the current year (Previous year Rs.145.55 Crs) under UDAY Scheme.
- e)** Further, the government shall have a right to convert the outstanding amount of Perpetual Loan & Interest in to Working Capital Loan or any type of loan as decided by the government in case of Initial Public offer/Issue in future.

**L. Capital Spares**

- a)** As per Para-8 of IND AS:16:Property, Plant and Equipment, Items such as Spare parts, stand-by equipment and servicing equipment are recognised as Property, Plant and Equipment (PPE) when they meet the definition of PPE.
- b)** As the numbers of Transformers in Capital Spares-PPE are voluminous and frequency of transaction is very high, it would be very difficult to ascertain information necessary to charge depreciation such as, its dates of purchase, remaining useful life, salvage value, etc.

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- c)** Therefore, in the absence of all the necessary information required to ascertain appropriate depreciation rate, the management has decided to take best judgment according to Para-57 of IND-AS: 16, for computing depreciation on Capital Spares. Accordingly, it has been estimated that remaining useful life of such Transformers categorised as Capital Spares shall have 50% of total useful life which comes out 8.5 years as on Balance Sheet date and charged the depreciation accordingly.
- M.** Interest of Rs.67.58 Crores has been capitalized at the rate of 7.20% and shown as part of the cost of capital assets during the year (Refer note-28).
- N.** In view of large number of Meter items in PPE due to non-identification of exact cost and year of acquisition at the time of disposal, the Gross Block is reduced with the estimated cost and accumulated depreciation is adjusted as if the asset is fully depreciated to the extent of 90% of the cost. All gains & losses on sale of fixed assets are credited to or charged to Profit & loss A/c.
- O. Expected Credit Loss (ECL)**
- a)** The Company has computed the Impairment of trade receivables on the basis of the Expected Credit Loss (ECL) model which is based on the past trend of provisions made by the Company in previous years under the Indian GAAP and not on the actual bad debt.
  - b)** As per the model the allowance for credit loss is comparatively less than the amount provided for by the Company in previous year. Taking into consideration the prudence and expecting higher credit loss in the coming years the management is of the opinion to carry the same amount of provision as that last year in the books of accounts of the Company.
  - c)** While Computing the ECL model effect of impairment on provision for unbilled revenue has also been taken into account.
- P. Actuarial Valuation of Employee Benefits**
- a)** During the year Company has carried out actuarial valuation of the Defined Benefit Obligation in accordance with IND AS-19 "Employee Benefits". Necessary disclosure has been made in accordance with IND-AS:19 in Note:40.
  - b)** As per, "*Madhya Pradesh Electricity Regulatory Commission (Terms and Condition for Allowing Pension and Terminal Benefit Liabilities of Personnel of the Board and Successor Entities) Regulations, 2012 (G-38 of 2012)*" -The Liability on account of Pension and Gratuity attributable to Madhya Pradesh Power Transmission Company Ltd for the period of services rendered up to 01/06/2005 has not been considered in the above valuation. Confirmation of the said liabilities attributable to Madhya Pradesh Power Transmission Company Ltd. is under progress.
- Q.** Interest on Consumer Security Deposits has been paid at the rate of 6.50% per annum during the year.



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

- R.** As per Comments of Comptroller And Auditor General of India (C&AG) received under section 143(6)(b) of the Companies Act, 2013 on Annual Financial Statements of FY 2018-19 following compliances have been made:
- a) The amount of Rs.762.68Crs waived off under "MukhyaMantriBakaya Bill MafiYojana" has been shown as "Exceptional Item" in Statement of Profit and Loss for FY 2018-19.
- b) The amounts of Rs.79.43 Crs toward claims made by the Consumers before the Hon'ble High Court in respect of two pending cases have been disclosed under Contingent Liabilities.
- S.** Expenditure in Foreign Currency during the year - NIL. (Previous year - NIL)
- T.** C.I.F. value of imports - NIL. (Previous year – NIL)
- U.** Earning in Foreign exchange - NIL. (Previous year – NIL)
- V.** Sitting fees paid to Directors – Rs. 43,000 (Previous year – NIL)

**W. Date of approval of Annual Financial Statements (IND-AS-10)**

The Financial Statements were approved at the 89th Board Meeting of the Company held on 27th June, 2020 by the following directors present at the Meeting:

- a) Shri Akash Tripathi (DIN:05276428), IAS, Chairman
- b) Shri Vikas Narwal (DIN:07884369), IAS, Managing Director
- c) Shri Ajay Choubey (DIN:07622546), Dy. Secy., Fin. Deptt., GoMP Nominee Director
- d) Dr. Manoj Kumar Jhawar (DIN:07306454), Director (Commercial)
- e) Dr. Trapti Jain (DIN:07182298), Independent Director

Further, the Board of Directors of the Company is having power to amend the same, if required by any statute or through any other legal obligation or for showing true & fair view of financial statement.

**X. Segment reporting –**

The Company is engaged in the business of distribution of power. The Company is managed organizationally as a unified entity and accordingly the management considers sale of power as a single business segment in terms of Ind AS 108: Operating Segments. Further, as the Company's operations are carried out only in India, there are no reportable geographical segment.

**Y. Impact of Covid 19**

As the Company is covered under the essential supply category, the Company basis their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic. There has been no major impact on the revenue earnings of the company apart from deferment in the collection process in order to provide relief to its customers.

(DR. SHAILESH KARDAM)  
DY. DIRECTOR (A/C, TAX & TARIFF)

(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER

Further the Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The Company has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

- A.** Previous year figures have been regrouped and rearranged wherever necessary.

**As Per Our Report of Even Date**  
**FOR KHANDELWAL KAKANI & COMPANY**  
CHARTERED ACCOUNTANTS  
FRN:001311C

**FOR AND ON BEHALF OF THE BOARD**

**CA: RAKESH BHAWSAR**  
PARTNER  
M NO: 401314

((VIKAS NARWAL)  
MANAGING DIRECTOR  
(DIN:07884369)

PLACE: INDORE  
DATE: 4<sup>th</sup> July 2020

(N. R. BIWALKAR)  
CHIEF FINANCIAL OFFICER

(Dr. M.K.JHAWAR)  
DIRECTOR (COMMERCIAL)  
(DIN: 07306454)

(Dr. SHAILESH KARDAM)  
DY. DIRECTOR  
(A/C, TAX & TARIFF)

(A. KULKARNI)  
COMPANY SECRETARY



MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

## Khandelwal Kakani & Company CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To,

The Shareholders of

Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited,  
Indore

#### Report on the financial Statements

##### Qualified Opinion

We have audited the accompanying Ind AS Financial Statements of **Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited**, ("the Company"), which comprise the Balance Sheet as at **31st March 2020**, the Statement of Profit & Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes annexed thereto.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit including other comprehensive income, its cash flows and the statement changes in equity for the year ended on that date.

##### Basis for Qualified Opinion

During earlier years, there were differences observed in the balances between the amounts of receivables as per the Consumer Subsidiary Ledgers & Sundry Debtors for Sale of Power as shown in the Financial Statements and report was qualified to the extent of these differences. The company was able to reconcile the subsidiary ledgers pertaining to HT customers, but exercise to reconcile LT customers was nor performed and neither any information regarding such reconciliation was produced to us. Accordingly, we are unable to quantify the exact understatement/ overstatement of Sundry debtors for Sale of Power.

The Company has practice of capitalization of assets on receipt of Completion report from various offices. However, we have observed delays in submission of them by respective offices. The Company does not have exact details of scheme wise/ project wise opening and closing CWIP and in absence of this the Company has no direct link between creation of specific capital assets under the scheme or project. Due to unavailability of aforesaid information, we are unable to comment on the Stage of Completion of assets and Capitalization of Interest. Due to non-capitalization of huge CWIP there is a direct impact on assets being put to use and charging of depreciation and accordingly we are unable to quantify the exact Capitalization of CWIP, Capitalization of Interest, Depreciation, and its Consecutive effect on profit of the Company.

Branches: • INDORE • RATLAM • MANDSAUR • BHOPAL • MUMBAI

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## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report.

We are independent of the company in accordance with code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Emphasis of matter**

Further, attention is invited to the following items of Significant Accounting Policies in Note Number 42 of the company. Our opinion is not qualified in respect of the following matters:-

- Note 42(A)(b) in respect of items of opening balances amounting to Rs.69.94 crores carried forward from FY 2008-09 and pending for reconciliation with the erstwhile MPSEB / MPPMCL.
- Note 42(A)(c) regarding non-availability of title deeds in respect of land & building transferred to the Company by erstwhile MPSEB. Further, as per the information provided to us title deeds are in the name of the Company for 227.99 hectares only out of total area of land admeasuring 663.69 hectares.
- Note 42(N) regarding non identification of exact cost and year of acquisition of meters due to large number of such items.
- Note 11 regarding tax assets, the company has not given component wise disclosure pertaining to Deferred Tax Assets and Liabilities as required in para 81 of Ind AS 12 Income Taxes.

Our opinion is not modified in respect of the above matter.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

In preparing the Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them 'all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "**Annexure-A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by the directions issued by the Comptroller and Auditor General in terms of sub-section (5) of section 143 of the Act for the company, we give a report on such directions in "**Annexure-C**"

As required by Section 143 (3) of the Act, we report that:

- (a) **We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.**
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under.
- (e) The provisions of section 164(2) of The Companies Act, 2013 is not applicable to the company in respect with the disqualification of directors of the company being the government company as per the notification no. 463(A) dated 05.06.2015 of Ministry of corporate affairs.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-B**"; and
- (g) According to the information and explanations given to us and based on our examination of the records of the Company, the provision relating to the managerial remuneration of section 197 read with Schedule V of The Companies Act is not applicable to the company vide notification no. 463(A) dated 05.06.2015 of Ministry of corporate affairs.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

- i. The Company has disclosed the impact of pending litigations (in excess of Rs.1 crore) on its financial position in its financial statements – Refer Note 36 to the Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The provisions relating to transfer to the Investor Education and Protection Fund are not applicable to the Company.

For Khandelwal Kakani & Co  
Chartered Accountants  
FRN 01311C

CA Rakesh Bhawsar  
M No.401314

**Place:** Indore  
**Date :** 04.07.2020  
**UDIN:**20401314AAAABY4826



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### Annexure - A to the Auditors' Report

As referred to in our Independent Auditor's Report of even date to the members of **Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited** for the year ended **31<sup>st</sup> March, 2020**

- (i)
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets up to divisions level.
  - (b) As informed and explained to us, the management, during the year, has physically verified the items of the fixed assets of the company at reasonable intervals although reports of such verification are pending due to Covid 19. Therefore, we are unable to comment on the efficacy of physical verification and discrepancies, if any, between the physical balance and book records.
  - (c) As informed and explained to us, the Company does not have title deeds in respect of land & building transferred to the Company by erstwhile MPSEB. Further as per the information provided to us during the year Company has done remeasurement of its land at 663.69 hectares which was earlier ascertained at 404.791. However title deeds are in the name of the Company for 227.99 hectares only out of total area of land admeasuring 663.69 hectares.
- (ii) As informed and explained to us the inventory has been physically verified during the year by the management although out of 6 Stores only reports of 2 stores have been received and remaining reports of such verification are pending due to Covid 19. In our opinion, the frequency of verification is reasonable. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) In our opinion and according to the information and explanations given to us. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of sale of electricity where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

- (vii) (a) According to the books of accounts and records examined by us according to generally accepted auditing practices in India, in our opinion, the company has been regular in depositing undisputed statutory dues. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income tax, Sales Tax, Goods and Service Tax, Customs Duty, Excise Duty, Service Tax, Cess and other material statutory dues more than 6 months.

Except that the Company has filed an appeal against the said order under service tax before the Honourable High Court Of Madhya Pradesh Indore bench vide appeal No. 50513/2019. Relying on the legal opinion sought by the company relying on favorable judgment of Gujarat High Court in the case of Torrent power Ltd. Thus management has classified its liability of 215.62 Crore as Contingent Liability in its books of accounts which have remained outstanding as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us that amount of 8.02 Cr. Has been deposited by management for the above stated service tax liability other than this there are no dues of income-tax, service tax and goods and services tax which have not been deposited on account of any dispute.

- (viii) According to the information and explanations given to us, the company has defaulted in repayment of dues amounting to Rs. 3249.73 Crore to financial institutions, Government of M.P. banks or debenture holders as enumerated below:

Rs. In Crores				
S. No.	Particulars	Default Since	Principal Overdue	Interest Accrued
1.	Debenture (PP Bond)	Since the date of Incorporation	5.12	0.70
2.	Loan from PowerFinance Corporation Limited	01/06/2015	18.05	53.37
3.	Loan from GoMP		490.49	2682.00
	Total		513.66	2736.07

- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) and therefore, paragraph 3(ix) of the Order is not applicable to the Company. During the year the company has received disbursement of Rs.254.78 crore from various term loans which have been utilized towards the scheme for which they have been obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the provision relating to the managerial remuneration of section 197 read with Schedule V to the Act is not applicable to the company.
- (xii) In our opinion, the company is not a chit fund or a Nidhi mutual benefit fund/society. Therefore, the provisions of clause (xii) of Para 3 of the said order are not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has made preferential allotment of shares during the year to its existing shareholders out of the share application money received in earlier year. As per information and explanations given to us the requirement of Section 62 of the Companies Act, 2013 have been complied with and the amount raised have been used in earlier year in which amount of share application was received for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.

For Khandelwal Kakani & Co  
Chartered Accountants  
FRN 01311C

CA Rakesh Bhawsar  
M No. 401314

Place: Indore  
Date: 04/07/2020



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

### **Annexure B to the Auditors' Report**

#### **Report on the Internal Financial Controls under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, ("the Company"), as of 31 March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Basis of opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to Ind As financial statements as at 31<sup>st</sup> March, 2020.

1. The Company did not have an appropriate internal control system for reconciliation of balances as per Consumer Subsidiary Ledger and Sundry Debtors for Sale of Power pertaining to LT Consumers.
  
2. The Company did not have an appropriate internal control system for ageing / details of Capital Work in Progress. There is a possibility of undercapitalization caused by delay in receipt of Completion Certificates.

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

### **Opinion**

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls with reference to financial statements as of 31<sup>st</sup> March, 2020, 'based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as of 31<sup>st</sup> March, 2020.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of Company for the year ended 31<sup>st</sup> March, 2020.

For Khandelwal Kakani & Co  
Chartered Accountants  
FRN 01311C

CA Rakesh Bhawsar  
M No. 401314

Place: Indore  
Date: 04/07/2020



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### Annexure - C to the Auditors' Report

#### Compliance Report on Directions/sub-directions under section 143(5) of the Companies Act, 2013 for the F.Y. 2019-20.

This is to inform you that we have conducted the Statutory Audit of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore for the financial year 2019-20.

With reference to your captioned letter we wish to inform you as under;

##### **1. Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not Please state the area of free hold and leasehold and for which title lease/deeds are not available?**

It is informed to us that the opening balances as transferred to the Company vide GoMP notification no. 292 dated 12<sup>th</sup> June, 2008 includes balances of fixed assets in the form of land and buildings for which Company does not have title deeds/lease deeds. The same is yet to be executed in Company's favour which has already been disclosed in notes to accounts.

It is further informed that the title deeds for 227.99 hectares of land is available in the name of company out of the total land admeasuring 663.69 hectares.

##### **2. Whether there are any cases of waiver/write off of debts/loans/interests etc., if yes the reason there for and amounts involved.**

The Company has given some debt/loans/interest which have been written off during the F.Y. 2019-2020:

S.No.	Category	Write off amount (Rs. In Lakhs)
1	HT	12.64
2	LT	NIL
<b>Total</b>		<b>12.64</b>

##### **3. Whether proper records are maintained for inventories lying with third parties & assets received as grant from Government or other authorities.**

Yes proper records are maintained for inventories lying with third parties like Suppliers/Contractors (for repairing/replacement of transformers/meters) at store level. Further no assets were received as gifts/grants from the government or other authorities during the year.



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

- 4. Has the Company entered into agreement with franchise for distribution of electricity in Selected areas and revenue sharing agreements adequately protect the financial interest of the company.**

No, the Company has not entered into Agreement with any Franchisee during FY-2019-20.

- 5. Report on the efficacy of the system of billing and collection of revenue in the company.**

HT billing is totally centralized from HT Billing Cell w.e.f 15.04.2015, located at MD Office Campus. Billing is done based on the meter reading obtained from the AMR Cell with the help of SIM installed in the Modem connected with meters at consumer's premises.

In some cases where Reading Data is not received remotely, Reading is obtained manually. This data (meter reading in ASCII format) is then uploaded into the billing software named Customer Care & Billing (CC&B). After this, reading data is validated, bills are generated, which after proper checking, same are sent through e-mail to the customer for payment. If payment is not made on or before the due date, i.e. within 15 days from the Bill issue date, connection of that customer is cut after serving a disconnection notice for 15 days. If the customer still remains stagnant, legal action is taken by the concerning SE/EE of the company.

In case of LT billing, meter reading is obtained through either of the following methods:

- 1. PMR-Photo Meter Reading**

Photos of meters are clicked by persons taking readings at the consumer premises on a mobile app uploaded on the system.

- 2. AMR-Automatic Meter Reading**

Reading is obtained through Modem connected with meters. This data is made available to their concerned area in charge, who are responsible to feed the same into the companies billing software. Pre-Bill check of the data is performed. The bills are then generated by the software, and bills file is sent to printer from where bills are sent to DC's for delivery to the customers for the payment. Here in LT billing also, if payment is not made on or before the due date, i.e. within 15 days, connection of that customer is cut off after prior intimation.

- 3. Smart Meter**

Presently 1.2 lakhs Smart meters are installed in Indore city.

The company has an adequate monitoring control system commensurate with the size and nature of operations in respect of the billing and revenue collection. One data analytics tool named MRDM is deployed which analyses the billing data off all non-agricultural consumer's and discrepancies are pointed out.



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

- 6. Whether tamper proof meters have been installed for all consumers? If not then, examine how accuracy of billing is ensured.**

Yes, as per the explanation provided by the management, tamper proof meters have been installed for most the consumers and details are as under:-

Out of the total 54, 70,551 nos. of consumers, meters are installed on 42,20,056 nos. of consumers which includes 1,777 nos. of agricultural metered consumers also. Further, there are 12, 48,585 nos. unmetered agricultural consumers for unmetered agricultural consumers, flat rate tariff is available in tariff order issued by Hon'ble MPERC. For unmetered domestic consumers in rural area having load up to 500 watts Hon'ble commission has prescribed 75 Units notional consumption. For other unmetered consumers consumption is assessed on the basis of connected load and standard usage hours for various types of loads.

- 7. Whether the company recovers and accounts, the State Electricity Regulatory Commission (SERC) approved Fuel and Power Adjustment Cost(FPPCA)?**

Yes, FCA charges are incorporated in the bills being issued to the consumers.

- 8. The reconciliation of receivables and payables between generation, distribution and transmission companies has been completed. The reasons for difference may be examined.**

The reconciliation of receivables and payables between Generation, Transmission, Power Management Company and with both the DISCOMs have been completed up to 31.03.2019 and thereafter is under progress for want of Information from above mentioned companies.

- 9. Whether the Company is supplying power to franchisees, if so, whether the company is not Supplying power to franchisees at below its average cost of purchase.**

No, company is not supplying power to any Franchisee during the year 2019-20.

- 10. How much tariff roll back subsidies have been allowed and booked in the accounts during the year? Whether the same is being reimbursed regularly by the state Government shortfall, if any, may be commented?**

Tariff rollback subsidies amounting Rs. 7010 Crores have been booked during the year as per the directions of GoMP. As informed by the management the same has been reimbursed regularly by the Government of Madhya Pradesh.

- 11. Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications. If any may be stated.**

The company has implemented Oracle E- Business Suite as ERP for accounting of its transaction. The ERP is an integrated software in which data is processed in various modules and after validation same is being integrated to General Ledger module for accounting purpose. We have examined and found that company has



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**

appropriate system to account for all transactions in various modules. Also verification of the same has also been done on test basis that whether transactions processed in one module is properly accounted for in the General Ledger module of ERP system. The billing of HT and LT connections is done through separate software and is presently not integrated with ERP which resulted in non-reconciliation of LT consumer's recoverable amount.

- 12. Whether there is any restructuring of an existing loans or cases of waiver/write off of debts, loans, interest etc. made by lender to the company due to the company's liability to repay the loan? If yes, the financial impact may be stated.**

During the financial year 2019-20 there is no instance of Restructuring/waiver/write off any debt liability.

- 13. Whether funds received receivable for specific schemes from Central/state agencies were properly accounted for utilized as per its term and conditions? List the cases of deviation.**

During the year the company has received disbursement of Rs. 78.72 crore from State Government under various term loans which have been utilized towards the scheme for which they have been obtained.

For Khandelwal Kakani & Co  
Chartered Accountants  
FRN 01311C

CA Rakesh Bhawsar  
M No. 401314

Place: Indore  
Date: 04/07/2020