



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### **NOTICE OF 19<sup>TH</sup> ADJOURNED ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 19<sup>th</sup> Adjourned Annual General Meeting of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore will be held on Thursday the 14<sup>th</sup> day of July, 2022 at 11.00 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 2021, 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, 2021 and Statement of Profit and Loss & Cash Flow Statement of the Company for the Financial year ended on 31<sup>st</sup> March, 2021 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 : 7<sup>th</sup> July, 2022

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 Saturday, Sundays and holidays between 11.00 a.m. and 5.00 p.m. up to the day of the 19<sup>th</sup> 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 19<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 19<sup>th</sup> Adjourned Annual General Meeting of the Company, to be held on Thursday the 14<sup>th</sup> day of July, 2022 at 11.00 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 2021, 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 ..... 2022

**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 19<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 19<sup>th</sup> Annual General Meeting of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore will be held on Thursday the 30<sup>th</sup> day of September, 2021 at 4.00 p.m. at the registered office of the company 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 2021, 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, 2021 and Statement of Profit and Loss & Cash Flow Statement of the Company for the Financial year ended on 31<sup>st</sup> March, 2021 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 2021-22 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 2021-22, 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.7,00,000/- (Rupees Seven 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 2021-22."



## **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.1,18,000/- (Rupees One Lac Eighteen Thousand Only) plus applicable tax, payable to M/s Vijay P. Joshi & Associates, Cost Accountants, Indore, who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2021-22."

#### **(4) Appointment of Shri Vivek Kumar Porwal, IAS (DIN:06572001), Chairman, as Director of the company**

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 152(2) and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to Article 58(b) of Articles of Association of the Company read with Order No.E-1/142/2021/5/ek dated 31<sup>st</sup> August, 2021 issued by the General Administration Department, GoMP, appointment of Shri Vivek Kumar Porwal, IAS (DIN:06572001), Chairman, of the Company, as Director with effect from 2<sup>nd</sup> September, 2021 (the date of taking over the charge) be and is hereby confirmed."

#### **(5) Appointment of Shri Zahid Aziz Khan (DIN: 09311528) as a Nominee Director of the company**

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 152(2) and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to Article 58(a) of Articles of Association of the Company read with Order No.5531/3360/2021/13/04 dated 14<sup>th</sup> July, 2021 issued by the Energy Department, GoMP, appointment of Shri Zahid Aziz Khan (DIN:09311528), as a Nominee Director of the Company, w.e.f.14<sup>th</sup> July, 2021 be and is hereby confirmed."



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### (6) To revise the remuneration of the Statutory Auditor for the Financial Year 2020-2021

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 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.7,00,000/- (Rupees Seven Lac 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."

Place : INDORE

By order of the Board of Directors

Date : 30<sup>th</sup> September, 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 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".



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### **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 2021-22 as per the following details:

Name of the Cost Auditor	Audit Fees
M/s Vijay P. Joshi & Co., Cost Accountants, Indore	Rs.1,18,000/- (Rupees One Lac Eighteen Thousand 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 2021-22.

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.

##### **Item no. 4**

As per provisions of section 152(2) of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014, every director shall be appointed in a General Meeting.

As per Order No.E-1/142/2021/5/ek dated 31<sup>st</sup> August, 2021 issued by the General Administration Department, GoMP, Shri Vivek Kumar Porwal, IAS (DIN:06572001), has been posted as Managing Director of M.P. Power Management Company Limited, Jabalpur. Further, pursuant to Article 58(b), the Managing Director of M.P. Power Management Company Limited, holding company will be the Chairperson and Director of the company in his ex-officio capacity.

Therefore, it is proposed to appoint Shri Vivek Kumar Porwal, IAS (DIN: 06572001), Chairman of the company as Director w.e.f. 2<sup>nd</sup> September, 2021 (the date of taking over the charge).

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 except Shri Vivek Kumar Porwal, IAS (DIN:06572001) and his relatives.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders of the company.



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

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### **Item no. 5**

As per provisions of section 152(2) of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014, every director shall be appointed in a General Meeting.

According to Order No. 5531/3360/2021/13/04 dated 14<sup>th</sup> July, 2021 issued by the Energy Department, GoMP, Shri Zahid Aziz Khan (DIN:09311528), has been posted as Nominee Director of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore.

Therefore, it is proposed to appoint Shri Zahid Aziz Khan (DIN: 09311528), Nominee Director of the company as Director w.e.f. 14<sup>th</sup> July, 2021.

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 except Shri Zahid Aziz Khan (DIN:09311528) and his relatives.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders of the company.

### **Item no. 6**

The members of the company at their 18<sup>th</sup> Annual General Meeting of the company held on 31<sup>st</sup> December, 2020 noted the appointment of M/s Khandelwal Kakani & Company, Chartered Accountants, Indore as Statutory Auditor by the Comptroller and Auditor General of India for the Financial Year 2020-21 and accorded their approval 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 up to Rs.50,000/- (Rupees Fifty Thousand only) for the Financial Year 2020-21. Further, looking to the volume of work and time involved in the audit process, the Statutory Auditors have requested to increase their audit fees.

Further, the company has not increased the Statutory Audit Fees for the last 6 years and looking to the amount of work involved in the audit process and comparison of Statutory Audit Fees paid by the other two sister concerns, it was proposed to increase the Statutory Audit Fees of the Statutory Auditors from Rs.6 Lacs to Rs.7 Lacs for the Financial Year 2020-21 and reimbursement of their actual out-of-pocket expenses shall remain up to Rs.50,000/- (Rupees Fifty Thousand only).

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<sup>th</sup> September, 2021

Company Secretary

[7]



## **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:

Table 1. Summary of the main characteristics of the 1000 samples used in this study.

Folio No. :

\_\_\_\_\_

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

1. Name : .....  
Address .....  
Email ID .....  
Signature .....

2. Name : .....  
Address : .....  
Email ID : .....  
Signature : .....

3. Name : .....  
Address : .....  
Email ID : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday the 30<sup>th</sup> day of September, 2021 at 4.00 p.m. at GPH Compound, Polo Ground, Indore and at any adjournment thereof in respect of such resolutions as are indicated below:-

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## 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 2021, 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.
  - (2) To take note of the appointment of Statutory Auditors of the company for the financial year 2021-22 by the Comptroller and Auditor General of India and to fix the remuneration of auditors.

the Comptroller  
**Special Business**

- (3) Ratification of remuneration of Cost Auditor.
  - (4) Appointment of Shri Vivek Kumar Porwal, IAS (DIN: 06572001) Chairman, as Director of the company.
  - (5) Appointment of Shri Zahid Aziz Khan (DIN: 09311528) as a Nominee Director of the company.
  - (6) To revise the remuneration of the Statutory Auditor for the Financial Year 2020-2021.

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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### **BOARD'S REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 19<sup>th</sup> Annual Report together with Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2021.

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

(Rs. In crores)

	<b>Financial Year ended on 31/03/2021</b>	<b>Financial Year ended on 31/03/2020</b>
<b>Total Income</b>	<b>16425.37</b>	15724.87
<b>Total expenditure*</b>	<b>16199.75</b>	14855.68
<b>Profit / (Loss) Before Exceptional Items and Tax</b>	<b>225.62</b>	869.18
<b>Exceptional Items (Income) / Expenses</b>	<b>(2.93)</b>	(59.90)
<b>Profit/ (Loss) Before Tax</b>	<b>228.55</b>	929.08
<b>Profit/(Loss) For The Period</b>	<b>228.55</b>	929.08

\*Figures are adjusted with Other Comprehensive Income as same is pertaining to Employee Cost

**(2) REVIEW OF OPERATIONS:**

During the year under review, the Company has earned a total income of Rs.16425.37 Crores as against a total income of Rs.15724.87 Crores in the previous year. Further, the company has incurred a profit of Rs.228.55 Crores as against a profit of Rs.929.08Crores in the previous year.

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

**(A) Commercial:**

The Company's commercial highlights for the Financial Year 2020-21and its comparison with Financial Year 2019-20 are as below:

<b>Particulars</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>% Inc./Dec.</b>
No. of Consumers	HT	3673	3813
	LT	5526863	5644160
	Total	5530536	5647973
Load (KW)	HT	1312814	1378238
	LT	10145602	10453754
	Total	11458416	11831992
Permanent Irrigation Pump Load (KW)	4564076	4771887	4.55
Power Supplied (Cr. Unit)	2221.76	2303.32	3.67



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

Revenue Demand (Rs. In Cr.)	15715.53	16523.02	5.14
Cash Collected (Rs. In Cr.)	8354.10	7810.05	-6.51
AT&C Loss (%)	14.49	16.31	1.82
T&D Loss (%)	11.10	12.71	1.61
Billing Efficiency (%)	88.90	87.29	-1.61
CRPU (Rs.)	3.25	3.07	-5.68
RPU (Rs.)	6.12	6.09	-0.52
Unit sold per consumer per month (Kwh)	335	340	1.45
Demand per Consumer per month (Rs.)	2368	2438	2.95
Demand per unit (Rs.)	7.07	7.17	1.46

Due to Covid situation and consequent freeze on recovery of domestic arrears, the cash demand and cash collection were adversely affected. This led to reduction in cash collection & CRPU and increase in AT&C losses and T&D Losses. The following commercial activities were performed to improve the revenue as well as customer satisfaction:

1. During the Financial Year 2020-21, Door to Door App (D2D App) was launched by the company. Using this App, Door to Door revenue collection was done with issue of receipt on the spot. Using this App, 66 lacs Stubs have been collected amounting to Rs.617 Crores.
2. BRICS (Boost Revenue and Improve Consumer Services) – In the Financial Year 2020-21, BRICS Scheme was launched. The scheme provides a framework for sanction of additional resource and performance linked prizes to participating officers, so that desired improvement in revenue performance may be achieved. The scheme therefore, develops competition between the field officers/employees and encourages them to perform better. The company has selected 3 divisions for implementation of the BRICS Scheme.
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 174.01 lacs as compared to 138.70 lacs as on March, 2020.
4. Traditional system of serving temporary irrigation connection using printed coupon was eliminated and Door to Door App was used for serving temporary connections. The real time progress of Irrigation temporary connections is also available on the online dashboard. This App also eradicated the additional burden of manual accounting of printed coupons.
5. A new commercial dashboard was developed using power BI to provide summarized information of all commercial parameters.

### **(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.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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- (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 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. Monitoring of 11 KV feeder hourly load through I-SHMS Application, on which hourly load entry is done by field unit.
- (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.
- (e) In operation cell, 33/11 KV Sub-station maintenance monitoring is done by maintenance monitoring portal (Urjas testing).
- (f) In Rabi season 2020-21, Flexi Plan (C-Group) was implemented successfully for peak demand management. With implementation of this, about 360MW load relief was achieved during peak hours (9-10 hours).

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

The Company has implemented First Smart Metering Project in India over RF (865-867 Mhz) on large scale for 1.2 lacs consumers of Indore City and achieved to recover overall cost of the Indore Smart Metering Project. The success story of this project has been presented to the Ministry of Power, CEA, NSGM, REC, PFC, KFW, ADB, more than 15 Discoms and international discoms under knowledge sharing program. Due to the implementation of Smart Metering along with Advanced Metering Infrastructure (AMI) system, accurate and timely billing data of 13.30 lacs consumers have been provided through AMI system even in Covid-19 Pandemic and Lockdown situation. 374 nos. Punchnama (P4) were made against aberrations reported. 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 78755 no. of successful remote disconnections/reconnections were done during the financial year 2020-21. Also, the consumer can check the real time consumption through mobile app.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

Further, during the financial year 2020-21, there was a net increase in sold units by 61 MUs, leading to improvement in the billing efficiency of the selected feeder of Smart Metering during the financial year by 20.39% from 66.5% baseline to 86.89%. There was an average increase of Rs.450 per consumer bill in development area. As a result, additional revenue of Rs.66.85 crores was generated during the financial year. Further, 175 consumers have converted their connections from domestic to NDL/IP.

On the basis of the recorded MD, there is an increase in 16.45 MW load of Smart Metering consumer and more than Rs.71.37 lacs were recovered against MD>SL Penalty. PF Penalty (PF<0.80) was imposed on more than 20500 bills of SSI and an incentive was extended to 35500 no. of PF<0.85 bills of SSI.

Further, the company is also implementing Smart Metering Project along with AMC for a period of 5 years on 3.5 lacs consumers of 5 nos. of RAPDRP towns. During the Financial Year 2020-21, 27700 nos. of Smart Meters have been installed even in Covid-19 Pandemic and Lockdown situation.

### **(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, 2021, 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. 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 the 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, 2021, 17271 no. of pump connections were completed and connections were 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 2020-21, following works have been completed/sanctioned upto March, 2021.

<b>Sl. No.</b>	<b>Particulars</b>	<b>Unit</b>	<b>Progress</b>
1	New 33/11 KV Sub-station	No.	4
2	Additional Power Transformer	No.	33
3	Augmentation in existing Power Transformer capacity	No.	41
4	33 KV line	Km.	230
5	11 KV line	Km.	161



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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6	DTR	No.	757
7	Financial Expenditure	Rs in Lacs	94.06

### (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 out by the Company during the Financial Year 2020-21 were as follows:

Connection checked (in number)	81939
Cases detected (in number)	15877
Amount Billed (Rs. in lacs)	5571.05
Amount Realized (Rs. in lacs)	7303.53

### (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 lacs 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

### (G) **HUMAN RESOURCE MANAGEMENT AND ADMINISTRATION:**

The Chief General Manager (HR&A) in Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore, is responsible for Establishment/Service related matters of company employees,



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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 was 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 "MPPKVVCL Anukampa Niyukti Niti, 2018" is in effect since 01<sup>st</sup> January, 2018.

During the Financial Year 2020-21, Technical Staff-19 (Line attendant) and Non technical staff-15 (Office Assistant Gr-III) were recruited. Further, a module of "Online Appraisal Process" for 1370 personnel working in the company on contract basis was also developed. The Manpower Strength in the company is as follows:

Class wise Sanctioned & Filled posts of the Company		
Category	Sanctioned ( As on 09.06.2011 )	Filled (As on 31.03.2021)
Class I	243	110
Class II	546	364



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Class III	4892	3795
Class IV	2968	3232
Total (Regular)	8649	7501
Contract	2532	1370

Also, during the year under review, higher pay scale to 503 officers & employees was 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 its commitment for professional development of officers and employees and has emphasized on providing technical and non-technical refresher training programs regularly.

During the Financial Year 2020-21, a budgetary allocation of Rs.1 Cr. was provided for conduct of internal trainings. However, on account of risks associated due to Covid-19 Pandemic and safety, only few classroom based trainings were conducted and most of the training programs and workshops were conducted online.

As part of annual allocation, REC sponsored training was provided to C & D category of employees. 40 batches of training were successfully conducted and 1000 employees were provided training for refresher Lineman, safety, office administration, meter billing and collection and DTR maintenance.

Refresher trainings at Circle HQ to all JE and above officers were provided on SPEC, Maintenance, IIPEC, purchase procedure, CM Helpline/Lokseva Guarantee Adhiniyam, managerial effectiveness, employee welfare matters and thereby received much appreciation.

Workshops were conducted for effective use of power of the employees as Paden Tehsildars. Safety training for officers, wellness and Stress management programs were also organized for the employees of the company.

During the financial year 2020-21, a total of 2836 officers/employees were trained and 4635 mandays of training was imparted.

### **Welfare activities:**

**1. Library:** To spread wisdom and knowledge, well equipped and hygienic Library & study center "**Gyan Mitra**" was established in December, 2019 in Urja Parisar, GPH Campus, Pologround. During the financial year 2020-21 the facilities were enhanced and library was made more hygienic with Air Conditioned reading room and Study room and well equipped class room with Projector where 25 students can attend the lecture.



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New Books for all competitive exams were made available in library during the year. 40 students were registered during the year and are taking benefit of the library for study and reading and preparing for various competitive exams like UPSC, MPPSC, SSC and others. A session "**Joy-The centre of life**" for the children of employees/officers of age group between 5-7 years and 8-10 years was organized in the class room in which topics of Brain development, Identification of natural skills and talent, Health Development (both mental and Physical), harmony with nature were covered .

Around 800 Employees (Regular, Contract, Outsource and their family members) working in the campus and company are availing the above facilities free of cost.

- 2. Wellness week:** Recently, virtual webinar wellness week (**Heartfulness, purity weaves destiny**) has been celebrated from (18<sup>th</sup> Aug – 22<sup>nd</sup> Aug 2020) at company level for wellness and happiness where 600 participants from all over the company participated in the programme and various known speakers were invited for motivation.
- 3. Quarterly Reward programme has been launched for circles and divisions:** To motivate FoC in charge, Office Assistants and Outsource staff, quarterly reward programme has been launched in which **3 FoC in charge, 3 outsource Labor and 1 Clerical from each division as well as each circle** will be rewarded in each quarter on the basis of their performance which would enhance their working capacity as well as their zeal for better work.
- 4. Gymnasium and fitness centre:** For keeping good health and health consciousness of employees and their families, A Gym and fitness centre equipped with advance machines for exercise, is under establishment in GPH Campus, Pologround.
- 5. Music Room:** To keep employees stress free and relax after working and refreshing, A Music room, well equipped with musical instruments is also under establishment.
- 6. Renovation of Guest House No.2:** Renovation of Company's Guest House no.2 was done and given new look with 12 AC rooms and cafeteria, recreation hall and other activities which is ready for inauguration, which will benefit all employees and their children when required.

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

- a. Resolution of Consumer Complaints: The total number of complaints received and resolved during the Financial Year 2019-20 were 882578 which were resolved with average response time of 99 mins. where-in the total complaint received during the Financial Year 2020-21 were 843114 which were resolved in average time of 92 mins. It clearly reflects that by continuous monitoring and follow up, the average time limit of resolving a complaint was reduced by 7 mins.



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- b. The Energy Department has directed the company to conduct a survey of 500 random consumers per day. In compliance of the said directions, during the financial year 2020-21, the Company conducted a survey of 162944 consumers. The Company stood first among the MP Discoms by resolving 99.97% complaints of dissatisfied consumers on same day.
- c. Further, as per the directions of the Energy Department, Upbhokta Samvad calling is being done from various levels and CCC-1912 ensures its regular compliance through regular monitoring in which 284937 consumers in aggregate have been surveyed and 97.97% consumers were satisfied after resolution of their complaints.
- d. The company receives various types of complaints on social media platforms also (like Twitter, Whatsapp, Facebook etc). The section takes various steps and follow up of the same for timely resolution of complaints and hence ensures to build a positive image of the company.
- e. During the Pandemic of Covid-19, CCC-1912 team made calls on daily basis to the employees suffering from Covid-19 and were in home quarantine, to ask their well being. Keeping in view, the convenience of such employees, the company tried to fulfill the requirement of medicine and other essentials with the help of local officers. Also, it was requested to take necessary precautions/care as per government guidelines.
- 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 development of CCE. Also, time to time briefings and updates are given to CCE to improve their working and deliver correct information to the consumer.

### **(H) Projects:**

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

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

The DDUGJY Scheme was 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. The work of all the 15 districts has been completed. The company has achieved 100% 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, 6175.53 Kms. of 11 KV line and 10179 Kms. of LT line. Further, till July, 2021, the company has completed the installation of 322850 meters.



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### (b) Saubhagya Yojna

Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya Yojna) was 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 1544 nos. households. In July, 2018, all Districts of the company 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 Lacs connections within 10 months of launching of the scheme and became the first Discom in the country to complete Saubhagya Yojna. The achievement of Discom has been acclaimed by the Ministry of Power, Government of India by awarding Saubhagya Award for grant of 100 Crores for System Strengthening Works and 50 Lacs 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 and
- (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.526.29 crores, for IT enablement works in 87 towns is Rs.15.06 crores, for ERP system is Rs.8.01 crores and for setting up of 6 Nos. GIS sub-stations is Rs.29.57 crores.

The system strengthening works of all the 15 circles have been completed upto March, 2020 and financial closures are being submitted to the Nodal Agency, PFC, New Delhi. Financial closure of 5 circles have been submitted to PFC and that of remaining circles are under process. In addition, 1.18 lacs smart meters have been installed in Indore City under IPDS. ERP Project has also been 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.



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### **(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 have been completed, 48 Nos. 33 KV Feeder Separation work have 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 have been completed at existing 33/11 KV Sub-Station. The work of installation of 1221 Nos. 100 KVA DTR have been completed alongwith laying of new 421.38 kms. 11 KV lines and new 504.78 kms. LT lines. Till date, under ADB loan 3066, the company has expended an amount of Rs.236.96 cores. Apart from it, material procurement of 100 KVA DTR is under process and procurement of 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, no equity shares were allotted. As such, the issued, subscribed and paid up share capital of the Company as on 31<sup>st</sup> March, 2021 was Rs.5673.96 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 2020-2021, no dividend was declared by the company.

### **(6) DEPOSITS:**

During the Financial Year 2020-2021, 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 2020-2021, Rs.52.13 crores was transferred to the General Reserve and Other Comprehensive Income was Rs.176.43 Crores.



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### **(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.

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

According to Order No.MD/MR/Esst./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 the 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).

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 the 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 the 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 the General Administration Department, GoMP read with Order No. 5988/3869/2020/thirteendated 24<sup>th</sup> August,



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2020 issued by the 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 the 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. F13-33/2006/E/4 Bhopal dated 12<sup>th</sup> October, 2020 issued by the Finance Department, GoMP read with Order No. 7283/3873/2020/thirteen dated 16<sup>th</sup> October, 2020 issued by the Energy Department, GoMP, Shri Manoj Kumar Jain (DIN:07898001), Dy. Secretary, Finance Department was nominated by the Finance Department as a Nominee Director of the company w.e.f. 12<sup>th</sup> October, 2020.

Further, according to Order No. F-3-06-2017/13/04 Bhopal dated 10<sup>th</sup> February, 2021 issued by the Energy Department, GoMP, Shri Shiv Kumar Sharma (DIN:03595277), OSD, Energy Department was nominated by the Energy Department as a Nominee Director of the company w.e.f. 10<sup>th</sup> February, 2021.

Also, according to Order No. 1082/3698/2020/13/04 Bhopal dated 6<sup>th</sup> February, 2021 issued by the Energy Department, GoMP, Dr. Rakesh Saxena (DIN:07570628), Director, Shri Govindram Seksaria Institute of Technology & Science, Indore, was appointed as an Independent Director of the company w.e.f. 6<sup>th</sup> February, 2021.

Further, term of re-appointment of Dr. Trapti Jain (DIN:07182298) Associate Professor, IIT, Indore as an Independent Director has came to an end on 22<sup>nd</sup> May, 2021 and accordingly, the Board took note of her cessation as an Independent Director of the company w.e.f. 22<sup>nd</sup> May, 2021.

Also, according to Order No.5531/3360/2021/13/04 dated 14<sup>th</sup> July, 2021 issued by the Energy Department, GoMP, Shri Shiv Kumar Sharma (DIN:03595277), the then OSD, Energy Department, GoMP has attained the age of superannuation and has been relieved from his services w.e.f. 30<sup>th</sup> June, 2021 and accordingly, relieved from the post of OSD, Energy Department, GoMP and has ceased to be a Nominee Director of the Company.

Further, according to Order No.5531/3360/2021/13/04 dated 14<sup>th</sup> July, 2021 issued by the Energy Department, GoMP, Shri Zahid Aziz Khan (DIN:09311528), Dy. Secretary, Energy Department, GoMP has been nominated by the Energy Department as a Nominee Director the Company w.e.f. 14<sup>th</sup> July, 2021.

Pursuant to Order No. E-1/142/2021/5/ek dated 31<sup>st</sup>August, 2021 issued by the General Administration Department, GoMP, Shri Vivek Kumar Porwal, IAS (DIN:06572001), has been posted as Secretary, Energy Department, GoMP and Managing Director of M.P. Power Management Company Limited, Jabalpur w.e.f. 2<sup>nd</sup> September, 2021 (date of taking charge). Also, Shri Akash Tripathi, IAS



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(DIN:05276428), the then Chairman was relieved from the additional charge of Managing Director, M.P. Power Management Company Limited, Jabalpur vide Order No.E-1/142/2021/5/ek dated 31<sup>st</sup> August, 2021 issued by the General Administration Department, GoMP, w.e.f. 1<sup>st</sup> September, 2021 (date of handing over the charge).

Also, pursuant to the terms and conditions of order no. MD/WZ/01/HR/CS(C)/2018/480 dated 24<sup>th</sup> August, 2018, issued by the company, the contract period of three years of Smt. Aradhana Kulkarni has been completed on 17<sup>th</sup> September, 2021 and she ceases to be a Company Secretary of the company with the effective date. Further, according to the Contract Service (Contract and Service Conditions) Amended Rules, 2018, she has been re-appointed as a whole-time Company Secretary of the company on contract basis vide order no.MD/WZ/JS-I/HR/701 dated 21<sup>st</sup> September, 2021.

The Board places its appreciation on record for the services extended by Shri Nitesh Kumar Vyas, IAS (DIN:02320055), Shri Akash Tripathi, IAS (DIN:05276428), the then Chairman of the company, Shri Vikas Narwal, IAS (DIN:07884369), the then Managing Director of the company, Shri Akash Tripathi, IAS (DIN:05276428), Shri P. K. Chaturvedi (DIN:07179652), Shri Ajay Choubey (DIN:07622546) and Shri Shiv Kumar Sharma (DIN:03595277) Nominee Directors of the company and Dr. Trapti Jain (DIN:07182298), the then Independent Director of the company, during their tenure.

The members of the Board of Directors of the Company as on 31<sup>st</sup> March, 2021 were as follows:

Sr. No	Name of Directors	Designation	From	DIN
1	Shri Akash Tripathi, IAS, MD, MPPMCL	Chairman	17/06/2020	05276428
2	Shri Amit Tomar, IAS	Managing Director	20/08/2020	08880998
3	Dr. Pawan Kumar Sharma, IAS, Commissioner, Indore	Nominee Director	15/07/2020	07581500
4	Dr. Manoj Kumar Jhawar, Director (Commercial)	Whole Time Director	21/12/2018	07306454
5	Shri Manoj Kumar Jain, Deputy Secretary, GoMP, Finance Department, Bhopal	Nominee Director	12/10/2020	07898001
6	Shri Shiv Kumar Sharma, Officer On Special Duty, GoMP, Energy Department, Bhopal	Nominee Director	10/02/2021	03595277
7	Dr. Trapti Jain, Associate Professor, Indian	Independent Director	23/05/2018	07182298



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	Institute of Technology, Indore			
8	Dr. Prashant Salwan, Professor, Indian Institute of Management, Indore	Independent Director	28/07/2020	08837872
9	Dr. Rakesh Saxena, Director, SGSITS, Indore	Independent Director	06/02/2021	07570628

The Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2021 were as follows:

<b>Name of Key Managerial Personnel</b>	<b>Designation</b>	<b>From</b>	<b>DIN/PAN</b>
Shri Amit Tomar, IAS	Managing Director	20/08/2020	08880998
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:**

<b>Name</b>	<b>DIN/PAN</b>	<b>Designation at the beginning /during the financial year</b>	<b>Date of appointment/ change in designation/ cessation</b>	<b>Nature of change (Appointment /Change in designation/ Cessation)</b>
Shri P. K. Chaturvedi	07179652	Nominee Director	31/05/2020	Cessation
Shri Akash Tripathi, IAS	05276428	Nominee Director	07/06/2020	Cessation
Shri Akash Tripathi, IAS	05276428	Chairman	17/06/2020	Appointment
Shri Nitesh Kumar Vyas, IAS	02320055	Chairman	17/06/2020	Cessation
Dr. Pawan Kumar Sharma, IAS	07581500	Nominee Director	15/07/2020	Appointment
Dr. Prashant Salwan	08837872	Independent Director	28/07/2020	Appointment
Shri Ajay Choubey	07622546	Nominee Director	31/07/2020	Cessation
Shri Amit Tomar, IAS	08880998	Managing Director	20/08/2020	Appointment
Shri Vikas Narwal, IAS	07884369	Managing Director	20/08/2020	Cessation
Shri Manoj Kumar Jain	07898001	Nominee Director	12/10/2020	Appointment
Dr. Rakesh Saxena	07570628	Independent Director	06/02/2021	Appointment
Shri Shiv Kumar Sharma	03595277	Nominee Director	10/02/2021	Appointment



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**(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 2020-21:

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	89	27/06/2020	5	5	100.00%
2	90	26/09/2020	6	4	66.67%
3	91	20/01/2020	7	6	85.71%
4	92	30/03/2021	9	7	77.77%

**COMMITTEE MEETINGS:**

The details of number of Committee Meetings attended by the Directors during the Financial Year 2020-21 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	11/06/2020	2	2	100.00%
2	Audit Committee	26/06/2020	2	2	100.00%
3	Audit Committee	26/09/2020	3	2	66.67%
4	Audit Committee	07/01/2021	3	2	66.67%
5	Corporate Social Responsibility Committee	20/01/2021	4	4	100.00%



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**Attendance of Directors**

Sr. No.	Name of Directors	Board Meetings			Committee Meetings			Whether attended AGM held on 31/12/2020 (18 <sup>th</sup> AGM)and 28/01/2021 (18 <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 Akash Tripathi, IAS (DIN:05276428) MD, MPPMCL, Chairman	4	4	100.00	1	1	100.00	No
2	Shri Amit Tomar, IAS (DIN: 08880998) Managing Director	3	3	100.00	3	3	100.00	Yes
3	Dr. Pawan Kumar Sharma, IAS (DIN:07581500) Nominee Director	3	0	00.00	0	0	00.00	No
4	Dr. Manoj Kumar Jhawar, (DIN:07306454) Director (Commercial)	4	4	100.00	0	0	00.00	Yes
5	Shri Manoj Kumar Jain, (DIN:07898001), Deputy Secretary, GoMP, Finance Department Nominee Director	2	1	50.00	0	0	0.00	No
6	Shri Shiv Kumar Sharma, (DIN:03595277) Officer On Special Duty, GoMP, Energy Department Nominee Director	1	1	100.00	0	0	00.00	No



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

7	Dr.Tapti Jain, (DIN:07182298) Associate Professor, IIT, Indore Independent Director	4	3	75.00	5	3	60.00	No
8	Dr. Prashant Salwan, (DIN:08837872) Professor, IIM, Indore Independent Director	3	3	100.00	3	3	100.00	No
9	Dr. Rakesh Saxena, (DIN:07570628) Director, Shri Govindram Seksaria Institute of Technology & Science, Indore Independent Director	1	1	100.00	0	0	00.00	No

**(12) COMMITTEES OF BOARD OF DIRECTORS DURING THE FINANCIAL YEAR 2020-21:**

Corporate Social Responsibility Committee		
Sr. No.	Name of Directors	Designation
1.	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL Chairman (till 17 <sup>th</sup> June, 2020)	Chairman
2.	Shri Akash Tripathi, IAS(DIN:05276428) Managing Director, MPPMCL Chairman (member w.e.f. 27 <sup>th</sup> June, 2020)	Chairman
3.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director (till 20 <sup>th</sup> August, 2020)	Member



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<b>4.</b>	Shri Amit Tomar, IAS (DIN:08880998) Managing Director (member w.e.f. 26 <sup>th</sup> September, 2020)	Member
<b>5.</b>	Shri Prashant Chaturvedi (DIN:07179652) OSD, GoMP, Energy Department Nominee Director (till 31 <sup>st</sup> May, 2020)	Member
<b>6.</b>	Dr. Trapti Jain (DIN:07182298) Associate Professor, Indian Institute of Technology, Indore, Independent Director	Member
<b>7.</b>	Dr. Prashant Salwan(DIN:08837872) Professor, Indian Institute of Management, Indore Independent Director (member w.e.f. 18 <sup>th</sup> January, 2021)	Member
<b>8.</b>	Dr. Rakesh Saxena(DIN:07570628) Director, Shri Govindram Seksaria Institute of Technology & Science, Indore Independent Director (member w.e.f. 30 <sup>th</sup> March, 2021)	Member

<b>Audit Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
<b>1.</b>	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director (till 20 <sup>th</sup> August, 2020)	Chairman
<b>2.</b>	Shri Amit Tomar, IAS (DIN:08880998) Managing Director (member w.e.f. 26 <sup>th</sup> September, 2020)	Chairman
<b>3.</b>	Dr. Trapti Jain (DIN:07182298) Associate Professor, Indian Institute of Technology, Indore Independent Director	Member
<b>4.</b>	Dr. Prashant Salwan(DIN:08837872) Professor, Indian Institute of Management, Indore Independent Director (member w.e.f. 26 <sup>th</sup> September, 2020)	Member

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<b>5.</b>	Dr. Rakesh Saxena(DIN:07570628) Director, Shri Govindram Seksaria Institute of Technology & Science, Indore  Independent Director (member w.e.f. 30 <sup>th</sup> March, 2021)	Member
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<b>Nomination and Remuneration Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
<b>1.</b>	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL Chairman (till 17 <sup>th</sup> June, 2020)	Chairman
<b>2.</b>	Shri Akash Tripathi, IAS(DIN:05276428) Managing Director, MPPMCL Chairman (w.e.f. 27 <sup>th</sup> June, 2020)	Chairman
<b>3.</b>	Shri Ajay Choubey (DIN:07622546) Deputy Secretary, Finance Department, GoMP Nominee Director (till 31 <sup>st</sup> July, 2020)	Member
<b>4.</b>	Dr. Trapti Jain (DIN:07182298) Associate Professor, Indian Institute of Technology, Indore Independent Director	Member
<b>5.</b>	Dr. Prashant Salwan(DIN:08837872) Professor, Indian Institute of Management, Indore Independent Director (member w.e.f. 26 <sup>th</sup> September, 2020)	Member
<b>6.</b>	Shri Manoj Kumar Jain (DIN:07898001) Deputy Secretary, Finance Department, GoMP Nominee Director (member w.e.f. 20 <sup>th</sup> January, 2021)	Member
<b>7.</b>	Dr. Rakesh Saxena(DIN:07570628) Director, Shri Govindram Seksaria Institute of Technology & Science, Indore  Independent Director (member w.e.f. 30 <sup>th</sup> March, 2021)	Member



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

<b>Business Committee</b>		
<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
1.	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL Chairman (till 17 <sup>th</sup> June, 2020)	Chairman
2.	Shri Akash Tripathi, IAS(DIN:05276428) Managing Director, MPPMCL Chairman (member w.e.f. 27 <sup>th</sup> June, 2020)	Chairman
3.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director (till 20 <sup>th</sup> August, 2020)	Member
4.	Shri Amit Tomar, IAS (DIN:08880998) Managing Director (member w.e.f. 26 <sup>th</sup> September, 2020)	Member
5.	Shri Ajay Choubey (DIN:07622546) Deputy Secretary, Finance Department, GoMP Nominee Director (till 31 <sup>st</sup> July, 2020)	Member
6.	Shri Manoj Kumar Jain (DIN:07898001) Deputy Secretary, Finance Department, GoMP Nominee Director (member w.e.f. 20 <sup>th</sup> January, 2021)	Member
7.	Shri Prashant Chaturvedi (DIN:07179652) OSD, Energy Department, GoMP Nominee Director (till 31 <sup>st</sup> May, 2020)	Member
8.	Shri Shiv Kumar Sharma (DIN: 03595277) OSD, Energy Department, GoMP Nominee Director (member w.e.f. 30 <sup>th</sup> March, 2021)	Member

**Management Committee**

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>
1.	Shri Nitesh Kumar Vyas, IAS (DIN:02320055) Managing Director, MPPMCL Chairman (till 17 <sup>th</sup> June, 2020)	Chairman



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

2.	Shri Akash Tripathi, IAS (DIN:05276428) Managing Director, MPPMCL Chairman (member w.e.f. 27 <sup>th</sup> June, 2020)	Chairman
3.	Shri Vikas Narwal, IAS (DIN:07884369) Managing Director (till 20 <sup>th</sup> August, 2020)	Member
4.	Shri Amit Tomar, IAS (DIN:08880998) Managing Director (member w.e.f. 26 <sup>th</sup> September, 2020)	Member
5.	Shri Ajay Choubey (DIN:07622546) Deputy Secretary, Finance Department, GoMP Nominee Director (till 31 <sup>st</sup> July, 2020)	Member
6.	Shri Manoj Kumar Jain (DIN:07898001) Deputy Secretary, Finance Department, GoMP Nominee Director(member w.e.f. 20 <sup>th</sup> January, 2021)	Member
7.	Shri Prashant Chaturvedi (DIN:07179652) OSD, Energy Department, GoMP Nominee Director (till 31 <sup>st</sup> May, 2020)	Member
8.	Shri Shiv Kumar Sharma (DIN:03595277) OSD, Energy Department, GoMP Nominee Director(member w.e.f. 30 <sup>th</sup> March, 2021)	Member

### **(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.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### (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 on the website of the company viz. [www.mpwz.co.in](http://www.mpwz.co.in). Further, the 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. During the Financial Year 2020-21, the company was required to spend an amount of Rs.1.14 Crores towards Corporate Social Responsibility activities.

Further, pursuant to Rule 2(i) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as notified on 22<sup>nd</sup> January, 2021, an "Ongoing Project" means a multi-year project undertaken by a Company in fulfillment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification. Therefore, the CSR Plan for the financial year 2019-20 related to rural development by way of Solarisation of agricultural feeders as recommended by the Corporate Social Responsibility Committee and approved by the Board of Directors at their meeting held on 20<sup>th</sup> January, 2021, falls under the definition of an ongoing project as the company has to decide the modalities of execution of the CSR Plan, obtain necessary approvals from the authorities and also, the time was limited in the financial year 2020-21 for execution of the same.

Further, pursuant to the provisions of section 135(6) of the Companies Act, 2013, any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer. As the company was under process to implement the CSR project and as such, no amount has been spent towards CSR during the financial year 2020-21, therefore, an amount of Rs.1.14 crores has remain unspent, which was transferred to a special account on 3<sup>rd</sup> May, 2021. The company has initiated the steps for transferring the unspent amount to a special account but the delay of three days in transfer of funds in a special account was due to the fact that Corona Curfew was imposed from 9<sup>th</sup> April, 2021 in Indore City which lasted for around 2 months and during that period all the government offices/banks were working with minimum staff and the account opening process of all the banks are done at their head office which is situated in Mumbai and there also due to Covid-19 Pandemic, the banks were working with minimum staff.

Further, according to Rule 4(6) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, in case, of an ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and yearwise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period. Accordingly, the Board of Directors of the company at their 93<sup>rd</sup> Meeting had approved the revised timelines of CSR expenditure for rural area development by way of Solarisation of Agricultural feeders related to the financial year 2019-20 to be executed by 31<sup>st</sup> March, 2022.

Further, pursuant to the provisions of Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, an Annual Report on CSR pertaining to the Financial Year 2020-21 is forming part of this report.



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

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

The extract of 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.

### **(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 the Managing Director and Whole-Time Director 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 2020-21, 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, 2021.

### **(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 auditor under sub-section (12) of section 143 of the Companies Act, 2013.

### **(22) SECRETARIAL AUDIT REPORT:**

M/s Manish Maheshwari & Co., Practicing Company Secretaries, Indore, was appointed as a Secretarial Auditor to conduct Secretarial Audit of the records and documents of the Company for Financial Year 2020-21. 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 forming part of this Report.



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

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### **(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 the 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, 2020 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.

### **(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 2020-2021, 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.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

**(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.

**(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
17 <sup>th</sup> Adjourned	2018-19	GPH Compound Polo Ground, Indore	4 <sup>th</sup> March, 2020	12.30 P.M.
18 <sup>th</sup>	2019-20	GPH Compound Polo Ground, Indore	31 <sup>st</sup> December, 2020	11.15A.M.
18 <sup>th</sup> Adjourned	2019-20	GPH Compound Polo Ground, Indore	28 <sup>th</sup> January, 2021	11.30A.M.

The 30<sup>th</sup> Extra Ordinary General Meeting was held on Tuesday, 7<sup>th</sup> July, 2020 at the registered office of the Company situated at GPH Compound, Polo Ground, Indore. The 31<sup>st</sup> Extra Ordinary General Meeting was held on Thursday, 8<sup>th</sup> October, 2020 at the registered office of the Company situated at GPH Compound, Polo Ground, Indore. Further, the 32<sup>nd</sup> Extra Ordinary General Meeting was held on Thursday, 28<sup>th</sup> January, 2021 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: 30<sup>th</sup> September, 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, 2021

[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:

Sl. No.	Name and Description of main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the Company
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
	Physical	Total	Total Shares	Demat	Physical	Total	Total Shares		
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	-	10*	10*	-	-	10*	10*	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	56,73,96,699	56,73,96,699	100%	NIL	56,73,96,699	56,73,96,699	100%	0
e) Banks / FI	-	-	-	-	-	-	-	-	-



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

f) Any Other....	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>		56,73,96,709	56,73,96,709	100%	NIL	56,73,96,709	56,73,96,709	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	0
<b>Total Shareholding of Promoters (A) = (A)(1) +(A)(2)</b>		56,73,96,709	56,73,96,709	100%	NIL	56,73,96,709	56,73,96,709	100%		0
<b>(B) Public Shareholding</b>										
<b>(1) Institutions</b>										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-	-



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

d) State Govt.(s)	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-



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

ii) Individual Share holders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-	-
<b>c) Others (specify)</b>										
<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>	-	56,73,96,709	56,73,96,709	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



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

**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.

SI 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>	567396699	100.00%	Nil	567396699	<b>100.00%</b>	Nil	Nil
2	Shri Vikas Narwal, IAS (DIN:07884369)	1	----	Nil	0	----	Nil	Negligible
3	Shri Amit Tomar, IAS (DIN: 08880998)	0	----	NA	1	----	Nil	Negligible
4	Shri Santosh Tagore	1	----	Nil	1	----	Nil	Nil
5	Shri Shivlal Karwadiya	1	----	Nil	1	----	Nil	0
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	Dr. 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 N.R. Biwalkar	1	----	Nil	1	----	Nil	0
	<b>Total</b>	567396709	100.00%	Nil	567396709	<b>100.00%</b>	Nil	



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

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

Sl. No.	<b>Particulars</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	567396709	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.):	No Change	No Change		
	At the end of the year			567396709	100%

**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)	----	----	---	---



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

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**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 Akash Tripathi, IAS (DIN:05276428) 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	----	----	----	----

<b>2</b>	<b>Shri Amit Tomar, IAS (DIN:08880998) Managing Director</b>			
	At the beginning of the year	0	--	--
	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 1 Equity Share on 26 <sup>th</sup> September, 2020	1	--	--
	At the end of the year	----	--	1

<b>3</b>	<b>Dr. Pawan Kumar Sharma, IAS (DIN:07581500) 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>4</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>5</b>	<b>Shri Manoj Kumar Jain (DIN:07898001) Deputy Secretary, GoMP, Finance 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	----	----	-----	---

<b>6</b>	<b>Shri Shiv Kumar Sharma (DIN:03595277) Officer On Special Duty, 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	----	----	-----	---

<b>7</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	----	----	-----	---



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

<b>8</b>	<b>Dr. Prashant Salwan (DIN:08837872) 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>9</b>	<b>Dr. Rakesh Saxena (DIN:07570628) 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>1</b>	<b>Shri N.R. Biwalkar, Chief Financial Officer (KMP)</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>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 2020-21</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>1126.55</b>	<b>12365.04</b>	<b>0</b>	<b>13491.59</b>
<b>Change in Indebtedness during the financial year 2020-21</b>				
Addition	133.51	787.29	0	920.80
Reduction	99.39	526.77	0	626.16
<b>Net Change</b>	<b>34.12</b>	<b>260.52</b>	<b>0</b>	<b>294.64</b>
<b>Indebtedness at the end of the financial year 2020-21</b>				
i) Principal Amount	1017.60	9275.79	0	10293.39
ii) Interest due but not paid	70.13	3326.91	0	3397.04
iii) Interest accrued but not due	72.94	22.86	0	95.80
<b>Total (i+ii+iii)</b>	<b>1160.67</b>	<b>12625.56</b>	<b>0</b>	<b>13786.23</b>



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

**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			<b>Total Amount</b>
		Shri Vikas Narwal, IAS (DIN:07884369) Managing Director (Till 19 <sup>th</sup> August, 2020)	Shri Amit Tomar, IAS (DIN: 08880998) Managing Director (w.e.f. 20 <sup>th</sup> August, 2020)	Dr. Manoj Kumar Jhawar (DIN:07306454) Director (Commercial)	
1	Gross Salary	Rs.	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	631945	712525	3061358	4405828
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	61646	55421	304792	421859
2	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
	Stock Options	-	-	-	-
	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>693591</b>	<b>767946</b>	<b>3366150</b>	<b>4827687</b>
	<b>Ceiling as per Act</b>	<b>Not Applicable</b>			



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

**B. Remuneration to other Directors:**

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (in Rs.)
		Dr. Trapti Jain (DIN: 07182298)	Dr. Prashant Salwan (DIN: 0883787)	Dr. Rakesh Saxena (DIN: 07570628)	
<b>1</b>	<b>Independent Directors:</b> -Fee for attending Board/ Committee Meetings	30000/ 15000	30000/ 15000	10000/ Nil	70000/ 30000
	-Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	70000/ 30000
<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>	-	-	-	70000/ 30000
	<b>Total Managerial Remuneration</b>	-	-	-	70000/ 30000
	<b>Overall Ceiling as per the Act</b>	<b>Rs. 1 Lac per meeting</b>			



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

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

S.No.	<b>Particulars of Remuneration</b>	<b>CEO</b>	<b>Company Secretary</b>	<b>Chief Financial Officer</b>	
		<b>N.A.</b>	<b>Smt. Aradhana Kulkarni</b>	<b>Shri N.R. Biwalkar</b>	<b>Total</b>
<b>1</b>	Gross Salary	-	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	687404	1286712	1974116
	(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	-	-	-	-
<b>2</b>	Stock Option	-	-	-	-
<b>3</b>	Sweat Equity	-	-	-	-
<b>4</b>	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
<b>5</b>	Others, please specify	-	-	-	-
	<b>Total</b>		<b>687404</b>	<b>1286712</b>	<b>1974116</b>



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

**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  
Date: 30<sup>th</sup> September, 2021

Manoj Kumar Jhawar  
DIN:07306454  
Director (Commercial)

Amit Tomar, IAS  
DIN:08880998  
Managing Director



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

Annexure to the Board's Report 2020-21

**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)		
1. M. P. Power Management Company Limited, Jabalpur	Power purchase	As Per Power Purchase Agreement	11772.98	-	2011.77		
2. M.P. PoorvKshetra V. V. Co. Ltd, Jabalpur	Stock Transfer	-	(0.31)	-	-		
3. M.P. Madhya Kshetra V. V. Co. Ltd, Bhopal	Stock Transfer	-	0.73	-	-		



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### ANNEXURE II

#### FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1<sup>ST</sup> DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company:

**CSR Policy of the company is framed in accordance with section 135 of the Companies Act, 2013 which covers the company's approach towards CSR, activities that can be undertaken under CSR, administrative setup, mode of execution of CSR activities, monitoring of CSR activities, reporting, funding of CSR activities and General clauses.**

2. Composition of CSR Committee:

**As on 31<sup>st</sup> March, 2021**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Akash Tripathi, IAS* (DIN:05276428)	Chairman Non-Executive	01	01
2.	Shri Amit Tomar, IAS (DIN:08880998)	Managing Director Whole-Time Director	01	01
3.	Dr. Trapti Jain** (DIN:071822928)	Independent Director, Non-Executive	01	01
4.	Dr. Prashant Salwan (DIN:08837872)	Independent Director, Non-Executive	01	01
5.	Dr. Rakesh Saxena (DIN:07570628)	Independent Director, Non-Executive	Not Applicable	Not Applicable

\*Shri Vivek Kumar Porwal, IAS (DIN:06572001) has been appointed as Chairman of the company w.e.f. 2<sup>nd</sup> September, 2021 and Chairman of the CSR Committee w.e.f. 30<sup>th</sup> September, 2021

\*\*Ceased to be an Independent Director w.e.f. 22<sup>nd</sup> May, 2021

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. <http://www.mpwz.co.in/#/about>



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

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4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).
- Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any
- Not Applicable**

<b>Sl. No.</b>	<b>Financial Year</b>	<b>Amount available for set-off from preceding financial years (in Rs)</b>	<b>Amount required to be set-off for the financial year, if any (in Rs)</b>
<b>1</b>			
<b>2</b>			
<b>3</b>			
	<b>TOTAL</b>		
6. Average net profit of the company as per section 135(5)		<b>Rs.56.81 Crores</b>	

7. (a) Two percent of average net profit of the company as per section 135(5)
- Rs.1.14 Crores**

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
- Not Applicable**

- (c) Amount required to be set off for the financial year, if any
- Not Applicable**

- (d) Total CSR obligation for the financial year (7a+7b-7c).
- Rs.1.14 Crores**

8. (a) CSR amount spent or unspent for the financial year:



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Total Amount Spent for the Financial Year (inRs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	Rs.1.14 Crores	3 <sup>rd</sup> May, 2021	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **FY 2020-21**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency
				State	District					
1.	Rural Area Development by way of Solarisation of Agricultural Feeders	(x)	Yes	Madhya Pradesh	Indore	Will be decided once approval is obtained from CE (MPUVNLE), Bhopal for CFA	Rs.1.14 Crores	Nil	Rs.1.14 Crores	Will be decided once approval is obtained from CE (MPUVNLE), Bhopal for CFA
	TOTAL						Rs.1.14 Crores		Rs.1.14 Crores	

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: **Not Applicable**



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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (in Rs.)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District		Name	CSR registration number
1.								
2.								
	TOTAL							

(d) Amount spent in Administrative Overheads

(e) Amount spent on Impact Assessment, if applicable

**Not Applicable**

(f) Total amount spent for the Financial Year  
(8b+8c+8d+8e)

**Nil**

(g) Excess amount for set off, if any :

**Not Applicable**

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**



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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.							
2.							
3.							
	TOTAL						

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):  
**Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project — Completed /Ongoing
1.								
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

a. Date of creation or acquisition of the capital asset(s).

**Not Applicable**

b. Amount of CSR spent for creation or acquisition of capital asset.



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

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

**To decide the modalities of execution of the CSR Plan, obtain necessary approvals from the authorities and also, the time was limited in the financial year 2020-21 for execution of the same.**

**Vivek Kumar Porwal, IAS  
Chairman  
DIN:06572001**

**Amit Tomar, IAS  
Managing Director  
DIN:08880998**



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

**M. Maheshwari & Associates**  
**Company Secretaries**  
**Manish Maheshwari**  
**M.Com, LL.B.,F.C.S.**

**301 Shalimar Corporate Center**  
**8 – B South Tukoganj,**  
**Indore - 452001**  
**P. 0731 4068730**  
**Cell 9826040473**  
**mmaheshwarics@gmail.com**

### **Form No.MR-3 SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,  
The Members,  
MADHYA PRADESH PASCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED  
CIN: U40109MP2002SGC015121  
GPH Compound Polo Ground Indore MP 452003 IN

We have conducted the Secretarial Audit of the compliance of applicable statute or provisions and the adherence to good corporate practices by **MADHYA PRADESH PASCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/we are reasonable basis for evaluating the corporate conducts/statutory compliancesand expressing my opinion thereon.

We have conducted online/offline verification and examination of records, as facilitated by the company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this report. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2021, generally 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 made available to us and maintained by the Company for the financialyear ended on March 31, 2021 according to the applicableprovisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under read with notifications, exemptions and clarifications thereto;
  - ii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
  - iii. We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for the compliances under the following applicable Act, Law & Regulations to the Company;
1. MPERC (Guide Lines for reporting Regulatory Compliance) Regulations-2005.  
2. M.P. Electricity Supply Code-2004.  
3. MPERC (Establishment of Forum and Electricity Ombudsman for Redressal of Grievanceof the Consumers) Regulation-2004.  
4. MPERC (Distribution Performance Standards) Regulations-2004.  
5. MP Electricity Distribution Code.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

6. MPERC (Monitoring of Performance of Licensees and Generating Companies) MIS Regulations-2004.
7. MPERC (Security Deposit) Regulation-2004.
8. MPERC (Treatment of Income of other business of Licensee) Regulation-2004.
9. The Condition of Distribution licensee for Distribution Licensee (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.
- (ii) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except-**

1. **Composition of Board of Directors during the year under review was not proper and was gone below the minimum number of directors as mentioned in the Articles of Association of the company.**
2. **Director (Technical) was not appointed for the year under review.**
3. **The position of two Independent Directors was vacant during part of the year under review.**
4. **Composition of Audit committee was not proper during part of the year under review.**

Further, it is reported that the company has filed following forms under Companies Fresh Start Scheme, 2020.

S. No.	Forms	Date of filing	Date of Event
1	e-Form DIR-12	21-10-2020	31-07-2020
2	e-Form DIR-12	22-10-2020	20-08-2020
3	e-Form DIR-12	23-10-2020	26-09-2020
4	e-Form DIR-12	23-10-2020	26-09-2020
5	e-Form CRA-2	29-10-2020	28-09-2019
6	e-Form CRA-4	18-11-2020	26-09-2020
7	e-Form DIR-12	14-07-2020	30-04-2020

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 **but not as per Articles of Association of the Company**. 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.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously/majority as recorded in the Minutes of the Board of Directors of the Company or committee of the Board, as the case may be. No dissenting views were required to be 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.



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

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**Note:** This Report is to be read with our letter which is annexed as Annexure A, which forms integral part of this report.

**For M. Maheshwari & Associates  
Company Secretaries  
Firms U.C.N. I2001MP213000**

Date : 30<sup>th</sup> September 2021  
Place : Indore  
UDIN : F005174C001046093

**Manish Maheshwari  
Proprietor  
FCS-5174  
CP-3860**



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

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### Annexure-1

To,  
The Members,  
MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED  
CIN: U40109MP2002SGC015121  
GPH Compound Polo Ground Indore MP 452003 IN

Our Secretarial Audit 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process 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. Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and happening of events etc.
5. The compliances 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 of effectiveness with which the management has conducted the affairs of the company.

**For M. Maheshwari & Associates  
Company Secretaries  
Firms U.C.N. I2001MP213000**

Date : 30<sup>th</sup> September 2021  
Place : Indore  
UDIN : F005174C001046093

**Manish Maheshwari  
Proprietor  
FCS-5174  
CP-3860**



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

भारतीय लेखा एवं लेखापरीक्षा विभाग

महालेखाकार का कार्यालय

(लेखापरीक्षा-II) म.प्र.,

53, अरेरा हिल्स, होशंगाबाद रोड, भोपाल 462011

पत्र सं./लेखापरीक्षा प्रबंधन समूह-IV/ओ.ए.डी.-1C/2020-21/जा.न 201

दिनांक 04/04/2022

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 2021को समाप्त वर्ष के वित्तीय विवरण पर कंपनी अधिनियम 2013 की धारा 143 (6) (बी) के अधीन भारत के नियंत्रक महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं अंशदाताओं की वार्षिक साधारण सभा में प्रस्तुत करने हेतु मध्य प्रदेश पश्चिम क्षेत्र विद्युत वितरण कंपनी लिमिटेड, इन्दौर के 31 मार्च 2021को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143 (6) (बी), के अधीन टिप्पणीयों का प्रमाणपत्र (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 STATEMENTS OF MADHYA PRADESH PASCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED, INDORE FOR THE YEAR ENDED 31 MARCH 2021.**

The preparation of financial statements of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore for the year ended 31 March 2021 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 30 September 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore for the year ended 31 March 2021 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)(b) 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.

#### **A. Comments on Profitability**

##### **Statement of Profit and Loss Account**

##### **IV Expenses**

###### **(1) Purchase of Power and Transmission Expenses (Note-26) Rs. 13,613.62 crore**

1. Madhya Pradesh State Electricity Regulatory Commission (MPERC) allowed enhanced power purchase cost through Retail Supply Tariff Order for FY 2020-21. The tariff determined by the order was applicable from 26 December, 2020. The Company however accounted for the enhanced power purchase cost from 1 January 2021 which resulted in short accountal of power purchase cost as well as current liabilities by Rs. 28.10 crore and overstatement of profit for the year to the same extent.

###### **(2) Employee Benefit Expense (Note-27) Rs. 1209.34 crore**

2. The Company gets the actuarial valuation done at the end of each year in order to record the liabilities on account of terminal benefits to the employees. IND AS 19 provides that re-measurement of net liabilities is to be recognized in 'Other Comprehensive Income'. The Company in violation of IND AS 19 adjusted the re-measurement gains in respect of Leave Encashment Rs. 37.66 crore against the expenditure for the year 2020-21. This has resulted in understatement of expenses 'Earned Leave Encashment' as well as Other Comprehensive Income by Rs. 37.66 crore and overstatement of profit for the year to the same extent.



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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### B. Comments on Disclosure

#### Notes to the Financial Statements

3. The Company did not disclose significant accounting policy or the accounting practice pertaining to accounting of power purchase costs. This is not in line with Ind- AS 8 (Accounting policies, changes in accounting estimates and errors), which states that in absence of an Ind-AS that applies to a transaction, event, or condition, the management shall use its judgment in developing and applying accounting policy which is relevant and reliable.

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

Place : Bhopal

(Bijit Kumar Mukharjee)

Date : 04 April, 2022

Accountant General,

(Audit-II),

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 2020-21.

S. NO.	CAG COMMENTS / OBSERVATION	REPLY OF MPPKVCL, INDORE
1	<p><b>A. Comments on Profitability</b></p> <p><b>Statement of Profit and Loss Account</b></p> <p><b>IV Expenses</b></p> <p><b>Purchase of Power and Transmission Expenses (Note-26) Rs. 13,613.62 crore</b></p> <p>1. Madhya Pradesh State Electricity Regulatory Commission (MPERC) allowed enhanced power purchase cost through Retail Supply Tariff Order for FY 2020-21. The tariff determined by the order was applicable from 26 December 2020. The Company however accounted for the enhanced power purchase cost from 1 January 2021 which resulted in short accountal of power purchase cost as well as current liabilities by Rs. 28.10 crore and overstatement of profit for the year to the same extent.</p>	<p>As per Cash Flow mechanism all discoms of MP are buying Power from MPPMCL. Accordingly, MPPMCL, issue monthly power purchase bill to discom. In this matter, MPPMCL did not issue the invoice of difference in tariff rate amounting to Rs. 28.10 Crore during the previous year. Hence, the Company did not accounted for the same.</p> <p>However, in order to comply with the suggestion of CAG, the MPPMCL has been requested vide letter no. 5985, dated 22/04/2022 to issue an additional bill of Rs. 28.10 Crore in the current financial year i.e. 2021-22. Once the invoice is being received from MPPMCL, the same shall be accounted for in the next year's financial statement i.e. 2021-22.</p>



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

S. NO.	CAG COMMENTS / OBSERVATION	REPLY OF MPPKVCL, INDORE
2	<b>Employee Benefit Expense (Note-27) Rs. 1209.34 crore</b>  2. The Company gets the actuarial valuation done at the end of each year in order to record the liabilities on account of terminal benefits to the employees. IND AS 19 provides that re-measurement of net liabilities is to be recognized in 'Other Comprehensive Income'. The Company in violation of IND AS 19 adjusted the re-measurement gains in respect of Leave Encashment Rs. 37.66 crore against the expenditure for the year 2020-21. This has resulted in understatement of expenses 'Earned Leave Encashment' as well as Other Comprehensive Income by Rs. 37.66 crore and overstatement of profit for the year to the same extent	As discussed with Statutory Auditor of the company and on basis of opinion received from IND-AS Consultant, the accounting treatment adopted by the company is correct and same shall be continued.
3	<b>B. Comments on Disclosure</b>  <b>Notes. to the Financial Statements</b>  3. The Company did not disclose significant accounting policy or the accounting practice pertaining to accounting of power purchase costs. This is not in line with Ind- AS 8 (Accounting policies, changes in accounting estimates and errors), which states that in absence of an Ind-AS that applies to a transaction, event, or condition, the management shall use its judgment in developing and applying accounting policy which is relevant and reliable.	The suggestion of CAG, India shall be complied in the next year's Financial Statement i.e. FY. 2021-22.

**D.D. (Accounts)  
MPPKVCL, Indore**

**Chief Financial Officer  
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 2020-21**

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 not 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, 2021 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, 2021. The IT Department may be directed to prepare a detailed report for the above purpose.</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 Capitalization 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 capitalization 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>	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.	
3	<b>Report on Other and Regulatory</b>	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.	
(i)	<b>Annexure-"A" To The Auditor's Report</b>		



**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)	<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. 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.  Further the civil/works department and field offices may be directed to conduct physical verification of Fixed Assets of the Company.
(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 666.38 hectares which was earlier ascertained at 633.69hecteres. However, title deeds are in the name of the Company for 232.68 hectares (Previous Year 227.99 hectares) only out of total area of land admeasuring 666.38 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.  The Civil department may be again directed to complete the above work within time line.
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 there is difference in amount of Consumer Subsidiary Ledgers and Sundry Debtor for Sale of Power (in Financial Statements) as on Balance Sheet date i.e. 31, March, 2021. The IT Department may be directed to prepare a detailed report for the above purpose.



**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>
	<b>II</b>	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>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 2020-21**  
**BALANCE SHEET AS AT MARCH 31, 2021**

		Amount in Rs. Crores		
S. No.	Particulars	Notes	As at 31-03-2021	As at 31-03-2020
	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Property, Plant And Equipment	6.1	4,893.42	4,690.51
	(b) Capital Work-In-Progress	6.2	3,156.20	3,186.19
	(c) Other Intangible Assets	7	13.16	19.39
	(d) Financial Assets			
	(i) Loans	9A	0.00	0.00
	(ii) Other Financial Assets	10A	25.32	6.47
	(e) Non-Current Tax Assets	11A	8.26	5.14
	(f) Other Non-Current Assets	12A	187.27	337.81
	<b>Total Non-Current Assets</b>		<b>8,283.63</b>	<b>8,245.50</b>
(2)	<b>Current Assets</b>			
	(a) Inventories	13	164.59	228.45
	(b) Financial Assets			
	(i) Trade Receivables	14	3,064.54	2,027.38
	(ii) Cash And Cash Equivalents	15	286.08	307.15
	(iii) Bank Balances Other Than (ii)	15	749.72	503.57
	(iv) Loans	9B	0.13	0.02
	(v) Other Financial Assets	10B	627.13	481.67
	(c) Current Tax Assets	11B	-	16.12
	(d) Other Current Assets	12B	6,975.14	6,673.00
	<b>Total Current Assets</b>		<b>11,867.33</b>	<b>10,237.35</b>
	<b>Total Assets</b>		<b>20,150.96</b>	<b>18,482.85</b>
	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	(a) Equity Share Capital	16	5,673.97	5,673.97
	(b) Other Equity	17	(10,108.00)	(10,412.29)
	<b>Total Equity</b>		<b>(4,434.03)</b>	<b>(4,738.32)</b>
	<b>Liabilities</b>			
(2)	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	18A	8,924.98	9,565.14
	(ii) Other Financial Liabilities	19A	1,484.02	1,284.45
	(b) Provisions	20A	3,860.04	3,686.91
	(c) Deferred Income	21A	2,041.15	1,990.10
	(d) Other Non-Current Liabilities	22A	567.54	539.56
	<b>Total Non-Current Liabilities</b>		<b>16,877.73</b>	<b>17,066.16</b>
(3)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	18B	-	-
	(ii) Trade Payables	23	1,701.37	1,254.64
	(iii) Other Financial Liabilities	19B	5,061.72	4,123.10
	(b) Provisions	20B	296.63	289.47
	(c) Deferred Income	21B	210.00	209.97
	(d) Other Current Liabilities	22B	437.54	277.83
	<b>Total Current Liabilities</b>		<b>7,707.26</b>	<b>6,155.02</b>
	<b>Total Liabilities</b>		<b>24,584.99</b>	<b>23,221.17</b>
	<b>Total Equity and Liabilities</b>		<b>20,150.96</b>	<b>18,482.85</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: 30.09.2021

**(AMIT TOMAR)**  
 MANAGING DIRECTOR  
 (DIN:08880998)

**(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 2020-21**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in Rs. Crores				
S.No.	Particulars	Notes	Year ended 31-03-2021	Year ended 31-03-2020
I	Revenue From Operations	24	15,955.06	15,227.32
II	Other Income	25	470.31	497.56
<b>III</b>	<b>Total Income (I + II)</b>		<b>16,425.37</b>	<b>15,724.87</b>
<b>IV</b>	<b>Expenses</b>			
	(1) Purchase of Power and Transmission Expenses	26	13,613.62	11,693.34
	(2) Employee Benefits Expense	27	1,209.34	1,369.50
	(3) Finance Costs	28	878.77	989.03
	(4) Depreciation and Amortisation Expense	29	383.36	355.09
	(5) Other Expenses	30	291.09	274.82
<b>IV</b>	<b>Total Expenses (IV)</b>		<b>16,376.18</b>	<b>14,681.78</b>
<b>V</b>	<b>Profit/(loss) Before Exceptional Items and Tax (III - IV)</b>		<b>49.19</b>	<b>1,043.10</b>
<b>VI</b>	<b>Less: Total Exceptional (Income) / Expenses (A-B)</b>	31	<b>(2.93)</b>	<b>(59.90)</b>
<b>VII</b>	<b>Profit / (loss) Before Tax (V-VI)</b>		<b>52.12</b>	<b>1,103.00</b>
<b>VIII</b>	<b>Tax Expense</b>		-	-
<b>IX</b>	<b>Profit / (Loss) For The Year-From Continuing Operations (VII - VIII)</b>		<b>52.12</b>	<b>1,103.00</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		176.43	(173.92)
	<b>Total Other Comprehensive Income</b>		<b>176.43</b>	<b>(173.92)</b>
<b>XI</b>	<b>Total Comprehensive Income For The Period (IX + X)</b>		<b>228.55</b>	<b>929.08</b>
<b>XII</b>	<b>Earnings Per Equity Share:</b>			
	(1) Basic EPS	32	0.92	19.95
	(2) Diluted EPS	32	0.92	19.44

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: 30.09.2021

**(AMIT TOMAR)**  
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 COMPANY SECRETARY



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

**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021**

S.No.	Particulars	Amount in Rs. Crores	
		Year ended 31-03-2021	Year ended 31-03-2020
<b>A.</b>	<b>Cash Flows From Operating Activities</b>		
	<b>Profit / (Loss) for the year</b>	<b>52.12</b>	<b>1,103.00</b>
	<b>Adjustments for:</b>		
(1)	Income tax expense	-	-
(2)	Allowance for Expected Credit Loss	-	-
(3)	Depreciation and Amortisation expense	383.36	355.09
(4)	Finance costs	724.90	778.08
(5)	Interest income	(28.85)	(50.05)
(6)	Net (gain) / loss on disposal of scrap materials	(6.56)	(7.71)
(7)	Sundry Creditor written back	(168.48)	(204.90)
(8)	Income from Consumer Contribution	(207.84)	(190.33)
(9)	Doubtful debts written off	-	0.13
(10)	Government Grant	(2.93)	(59.90)
(11)	Interest income of IPDS & DDUGJY	75.74	-
	<b>Cash Flows From Operating Activities</b>	<b>821.47</b>	<b>1,723.41</b>
	<b>Movements in working capital:</b>		
(1)	(Increase) / decrease in inventories	63.86	(45.82)
(2)	(Increase) / decrease in trade receivables	(1,037.16)	(426.03)
(3)	(Increase) / decrease in loans and other financial asset	(172.87)	(117.13)
(4)	(Increase) / decrease in other assets	(302.14)	(1,085.67)
(5)	Increase / (decrease) in Provisions	356.71	493.72
(6)	Increase / (decrease) in trade payables	615.20	220.61
(7)	Increase / (decrease) in other financial liabilities	203.76	115.43
(8)	Increase / (decrease) in other liabilities	169.83	(30.04)
	<b>Cash (Used In) / Generated From Operations</b>	<b>718.66</b>	<b>848.48</b>
	Income taxes receipt/(paid)	12.99	(5.19)
	<b>Net Cash Generated By Operating Activities</b>	<b>731.66</b>	<b>843.29</b>
<b>B.</b>	<b>Cash Flows From Investing Activities</b>		
(1)	Interest received from banks and others	37.30	64.49
(2)	Proceeds from disposal of scrap materials	8.88	15.24
(3)	Receipts/(Payment) made to the government authorities	0.01	0.43
(4)	Deposits placed with banks	(2,361.69)	(2,823.30)
(5)	Liquidation of FDR placed with Bank	2,115.54	2,778.89
(6)	Proceeds from deposits against temporary connections	17.86	18.46
(7)	Payments for PPE, CWIP, Intangible Assets (incl cap.adv)	(376.01)	(838.88)
	<b>Net Cash Used In Investing Activities</b>	<b>(558.12)</b>	<b>(784.68)</b>
<b>C.</b>	<b>Cash Flows From Financing Activities</b>		
(1)	Proceeds from issue of Equity Shares	-	-
(2)	Proceeds from Grants and Consumer Contributions	261.85	249.34
(3)	Proceeds/(Re-payment) from borrowings	(369.35)	(477.56)
(4)	Finance cost paid	(87.10)	(83.56)
	<b>Net Cash From Financing Activities</b>	<b>(194.61)</b>	<b>(311.78)</b>
	<b>Net Increase Or (Decrease) In Cash Or Cash Equivalents</b>	<b>(21.07)</b>	<b>(253.16)</b>
	<b>Cash And Cash Equivalents At The Beginning Of The Year</b>	<b>307.15</b>	<b>560.31</b>
	<b>Cash And Cash Equivalents At The End Of The Year</b>	<b>286.08</b>	<b>307.14</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

**CA: RAKESH BHAWSAR**  
PARTNER

M NO: 401314  
PLACE: INDORE

DATE: 30.09.2021

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

**(AMIT TOMAR)**  
MANAGING DIRECTOR  
(DIN:08880998)

**(N. R. BIWALKAR)**  
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**(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 2020-21**  
**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021**

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

S.No.	Particulars	Year ended 31-03-2021	Year ended 31-03-2020
(a)	Balances with banks	198.43	214.81
(b)	Cash in hand	0.22	0.24
(c)	Collection suspense account	0.00	0.00
(d)	Balances with banks in form of FDR	87.42	92.10
	<b>Total Cash and Cash Equivalents</b>	<b>286.08</b>	<b>307.15</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 31-03-2021	Year ended 31-03-2020
	<b>Long term Borrowings</b>		
(i)	- Opening balance	10,662.73	11,140.29
(ii)	- Received during the year	614.99	254.78
(iii)	- Repayment made during the year	(984.35)	(732.34)
(iv)	- Changes on account of foreign currency fluctuations		-
(v)	- Conversion Under Uday Scheme		-
	<b>Total Liabilities From Financing Activities</b>	<b>10,293.37</b>	<b>10,662.73</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 2020-21**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

A. EQUITY SHARE CAPITAL	Amount in Rs. Crores
<b>Particulars</b>	<b>Amount</b>
<b>Balances As at 01-04-2019</b>	<b>5,184.41</b>
Changes In Equity Share Capital During The Year	
- Issue Of Equity Share Capital	489.55
<b>Balances As at 31-03-2020</b>	<b>5,673.96</b>
Changes In Equity Share Capital During The Year	
- Issue Of Equity Share Capital	0.01
<b>Balances As at 31-03-2021</b>	<b>5,673.97</b>

**B. OTHER EQUITY**

Particulars	Other Equity				Total	
	General Reserves (Insurance)	Share Application Money Pending Allotment	Retained Earnings			
			Profit and Loss	OCI		
<b>(A) Balances As at 01-04-2019</b>	<b>79.22</b>	<b>489.55</b>	<b>(11,517.33)</b>	<b>96.75</b>	<b>(10,851.81)</b>	
a) Profit for the year	-	-	1,103.00	-	1,103.00	
b) Share App.Money Rec.during year	-	-	-	-	-	
c) Share Alloted during the year	-	(489.55)	-	-	(489.55)	
d) OCI - Remeasurement of Defined Benefit Obligation	-	-	-	(173.92)	(173.92)	
<b>(B) Balances As at 31-03-2020</b>	<b>79.22</b>	<b>-</b>	<b>(10,414.34)</b>	<b>(77.17)</b>	<b>(10,412.29)</b>	
a) Profit for the year	-	-	52.12		52.12	
b) Share App.Money Rec.during year	-	-	-		-	
c) Share Alloted during the year	-	-	-		-	
d) OCI - Remeasurement of Defined Benefit Obligation	-	-	-	176.43	176.43	
e) IPDS/ DDUGJY Interest Adj.	-	-	75.74		75.74	
<b>(c) Balances As at 31-03-2021</b>	<b>79.22</b>	<b>-</b>	<b>(10,286.47)</b>	<b>99.26</b>	<b>(10,108.00)</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: 30.09.2021

**(AMIT TOMAR)**  
MANAGING DIRECTOR  
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**(Dr. SHAILESH KARDAM)**  
DY. DIRECTOR (ACCOUNTS)

**(A. KULKARNI)**  
COMPANY SECRETARY



**MADHYA PRADESH PASCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**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 2020-21</b>											
<b>A) Cost or Deemed Cost</b>											
<b>Cost As At April 01, 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>
Additions	-	-	4.62	-	111.85	426.54	1.50	0.15	15.42	22.29	582.37
Disposals					(2.49)	(7.16)	(0.05)				(9.70)
Transferred To Project											-
<b>Cost As At March 31, 2021</b>	<b>4.25</b>	<b>1.11</b>	<b>136.52</b>	<b>22.81</b>	<b>2,136.89</b>	<b>4,066.34</b>	<b>4.01</b>	<b>5.38</b>	<b>87.45</b>	<b>147.62</b>	<b>6,612.38</b>
<b>B) Accumulated Depreciation As At April 01, 2020</b>		<b>-</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>
Charge for the period		-	0.05	4.96	0.84	124.51	220.61	0.36	0.27	9.89	15.63
Disposals					(1.89)	(5.44)	(0.04)				(7.38)
Other re-classifications											-
<b>Accumulated Depreciation As At March 31, 2021</b>		<b>-</b>	<b>0.38</b>	<b>25.70</b>	<b>3.83</b>	<b>651.33</b>	<b>932.45</b>	<b>0.81</b>	<b>1.35</b>	<b>46.77</b>	<b>56.32</b>
<b>C) 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>
<b>D) Net Carrying Value As At March 31, 2021</b>	<b>4.25</b>	<b>0.72</b>	<b>110.82</b>	<b>18.97</b>	<b>1,485.56</b>	<b>3,133.89</b>	<b>3.20</b>	<b>4.03</b>	<b>40.68</b>	<b>91.30</b>	<b>4,893.42</b>
<b>Particulars</b>	<b>Freehold Land</b>	<b>Leasehold Land</b>	<b>Buildings</b>	<b>Other Civil Works</b>	<b>Plant and Machinery</b>	<b>Lines &amp; Cables Networks</b>	<b>Vehicles</b>	<b>Furniture and Fixtures</b>	<b>Office Equipment</b>	<b>Capital Stores &amp; Spares</b>	<b>Total Tangible Assets</b>
<b>PREVIOUS 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>-</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>
Charge for the period	-	0.05	5.24	0.90	121.72	197.50	0.23	0.26	9.23	13.27	348.39
Disposals	-	-	-	-	(1.09)	(7.79)	(0.02)	-	-	-	(8.91)
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation As At March 31, 2020</b>		<b>-</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>C) Net Carrying Value As at April 01, 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>

(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 2020-21**

**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 31-03-2021</b>
Capital Work-In-Progress At Cost		3,156.20
<b>Total Capital Work-In-Progress</b>		<b>3,156.20</b>

Carrying Amount of CWIP		<b>Amount in Rs. Crores</b>
		<b>Total CWIP Amount</b>
<b>Balance As At April 01, 2019</b>		2,745.74
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>
Additions		514.35
Other adjustments		-
Capitalised during the year		(544.34)
<b>Balance As At March 31, 2021</b>	3,156.20	<b>3,156.20</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)**  
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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 7 - OTHER INTANGIBLE ASSETS**

**A) Carrying Amount of:**

Particulars	Amount in Rs. Crores		
	As at 31-03-2021	As at 31-03-2020	As at 01-04-2019
(a) Computer Software	13.16	19.39	26.74
<b>Total</b>	<b>13.16</b>	<b>19.39</b>	<b>26.74</b>

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

Particulars	Amount in Rs. Crores
<b>Balance As At April 01, 2019</b>	<b>40.23</b>
Additions	5.51
Disposals	-
<b>Balance As At March 31, 2020</b>	<b>45.75</b>
Additions	0.00
Disposals	-
<b>Balance As At March 31, 2021</b>	<b>45.75</b>

**C) Accumulated Amortisation**

Particulars	Amount in Rs. Crores
<b>Balance As At April 01, 2019</b>	<b>13.49</b>
Amortisation Expense	6.15
Disposals	-
<b>Balance As At March 31, 2020</b>	<b>26.35</b>
Amortisation Expense	6.24
Disposals	-
<b>Balance As At March 31, 2021</b>	<b>32.59</b>

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

Particulars	Amount in Rs. Crores
<b>Balance As At April 01, 2019</b>	<b>26.74</b>
Additions/Adjustments	5.51
Disposals	-
Amortisation Expense	6.15
<b>Balance As At March 31, 2020</b>	<b>19.39</b>
Additions	0.00
Disposals	-
Amortisation Expense	6.24
<b>Balance As At March 31, 2021</b>	<b>13.16</b>

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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**  
**NOTE: 8 - INVESTMENTS - NON CURRENT**

<b>I. Other Investments</b>		<b>Amount in Rs. Crores</b>			
<b>Particulars</b>		<b>As at 31-03-2021</b>		<b>As at 31-03-2020</b>	
		<b>Qty</b>	<b>Amount</b>	<b>Qty</b>	<b>Amount</b>
	<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**

<b>Particulars</b>		<b>As at 31-03-2021</b>		<b>As at 31-03-2020</b>	
		<b>Qty</b>	<b>Amount</b>	<b>Qty</b>	<b>Amount</b>
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.

**(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 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 9 - LOANS**

**A. Non-Current**

Particulars	As at 31-03-2021	As at 31-03-2020	<b>Amount in Rs. Crores</b>
<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>	-	0.00	

**B. Current**

Particulars	As at 31-03-2021	As at 31-03-2020	<b>Amount in Rs. Crores</b>
<b>I) Loans to Employees</b>			
a) Considered good - Unsecured	0.13	0.02	
<b>Total Current Loans</b>	0.13	0.02	

**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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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 10 - OTHER FINANCIAL ASSETS**

**A. Non-Current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Security Deposits	0.32	1.47
(b) Deposit to Terminal Benefit Trust	25.00	5.00
<b>Total Other Non-Current Financial Assets</b>	<b>25.32</b>	<b>6.47</b>

**B. Current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Interest accrued and due	10.23	18.67
(b) Interest accrued and but not due	-	0.00
(c) Amount recoverable from employees	0.14	0.17
(d) Other claims & Receivables	128.34	13.27
(e) Provision for Unbilled Revenue	488.62	449.75
(f) Receivable from Franchisee	19.36	19.36
(g) Other receivables	-	0.01
<u>Less:</u>		
(h) Impairment on Receivable	(19.57)	(19.57)
<b>Total Other Current Financial Assets</b>	<b>627.13</b>	<b>481.67</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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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 11 - TAX ASSETS**

**A. Non-current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
(a) TDS Receivable	8.26	5.14
<b>Total Non Current Tax Assets</b>	<b>8.26</b>	<b>5.14</b>

**B. Current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
(a) TDS Receivable and Advance Tax		16.12
<b>Total Current Tax Assets</b>	<b>-</b>	<b>16.12</b>

**Reconciliation Of Tax Expense And The Accounting Profit Multiplied By India'S Domestic Tax Rate  
For 31 March 2020 And 31 March 2021**

Particulars	As at 31-03-2021	As at 31-03-2020
Accounting profit before Income Tax	228.55	929.08
Income Tax At India'S Statutory Income Tax Rate of 34.94% (31st March 2021@ 34.94%)	79.85	324.62
Income Exempted from Tax	-	-
Utilisation of previously unrecognised tax lossess	(79.85)	(324.62)
Non-deductible expenses for tax purpose	-	-
<b>Income tax At Effective Tax Rate</b>	<b>-</b>	<b>-</b>

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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 12 - OTHER ASSETS**

**A. Non-Current**

Particulars	As at 31-03-2021	Amount in Rs. Crores As at 31-03-2020
(a) Capital Advance (Secured, considered good)	175.90	326.42
(b) Deposit with Govt. / Court	11.37	11.37
(c) Input tax Rebate/VAT Receivable	0.00	0.02
<b>Gross Other Non-Current Assets</b>	<b>187.27</b>	<b>337.81</b>
Less: Allowance for Bad and Doubtful	-	-
<b>Total Other Non-Current Assets</b>	<b>187.27</b>	<b>337.81</b>

<b>Classification Of Non Current Assets:</b>		
(a) Secured, considered good	175.90	326.42
(b) Unsecured, considered good	11.37	11.38
(c) Doubtful	-	-
<b>Gross Other Non-Current Assets</b>	<b>187.27</b>	<b>337.81</b>

**B. Current**

Particulars	As at 31-03-2021	Amount in Rs. Crores As at 31-03-2020
(a) Advances to staff	0.26	0.41
(b) Advances for O&M Supplies/Works	1.43	1.44
(c) Advance payment made to MPPMCL (See Note: 42 (B))	2,011.77	3,817.64
(d) Prepaid expenses	0.20	0.20
(e) Receivable from Govt. For Subsidy (See Note: 38 (B))	4,961.48	2,853.31
(Unsecured, considered good)		
<b>Total Other Current Assets</b>	<b>6,975.14</b>	<b>6,673.00</b>

<b>Classification Of Other Current Assets:</b>		
(a) Secured, considered good	1.43	1.44
(b) Unsecured, considered good	6,973.71	6,671.56
(c) Doubtful	-	-
<b>Gross Other Current Assets</b>	<b>6,975.14</b>	<b>6,673.00</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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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**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 31-03-2021</b>	<b>As at 31-03-2020</b>
(a) Stock of materials at stores	152.79	214.80
(b) Material pending inspection	5.80	3.83
(c) Other Material Accounts	0.87	0.08
(d) Scrap material held for sale	2.54	5.81
(e) Inventory With Other Parties	1.66	1.89
(f) Material in Transit	0.93	2.05
<b>Total Inventories</b>	<b>164.59</b>	<b>228.45</b>

**Note:-**

- 1) The cost of Inventories recognised as Expenses is Rs.55.67 Crores for Current Year (PY Rs. 43.22 Crores)

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 14 - TRADE RECEIVABLES**

**A. Non-Current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
<b>Receivable from Consumers for Sale of Power</b>		
(a) Unsecured, considered good	3,635.31	2,642.70
(b) Unsecured, considered doubtful	623.19	578.64
Less: Allowance for Expected Credit Losses	(1,193.96)	(1,193.96)
<b>Total Trade Receivables -NET</b>	<b>3,064.54</b>	<b>2,027.38</b>

**Note:**

1) See note: 42(O) for Expected Credit Losses

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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

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

Particulars	<b>Amount in Rs. Crores</b>	
	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
<b>Cash and Cash Equivalents</b>		
(a) Balances with banks	198.43	214.81
(b) Cheque, Drafts in hand	-	-
(c) Cash in hand	0.22	0.24
(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)	87.42	92.10
(g) Other bank balances	-	-
<b>Total Cash And Cash Equivalents</b>	<b>286.08</b>	<b>307.15</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)	749.72	503.57
<b>Total Cash And Bank Balance</b>	<b>1,035.80</b>	<b>810.72</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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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 16 - EQUITY SHARE CAPITAL**

Particulars	As at 31-03-2021	As at 31-03-2020	As at 01-04-2019	Amount in Rs. Crores
<b>A) Authorised Share Capital:</b>				
As At 31-03-2021: 75,00,00,000 Fully Paid-Up Equity Shares of Rs. 100 Each (As At 31-03-2020: 75,00,00,000 Fully Paid-Up Equity Shares of Rs. 100 Each)	7,500.00	7,500.00	7,500.00	
<b>Total Authorised Share Capital</b>	<b>7,500.00</b>	<b>7,500.00</b>	<b>7,500.00</b>	
<b>B) Issued And Subscribed Capital Comprises:</b>				
As At 31-03-2021: 56,73,96,709 Fully Paid-Up Equity Shares of Rs. 100 Each (As At 31-03-2020: 56,73,96,709 Fully Paid-Up Equity Shares of Rs. 100 Each)	5,673.97	5,673.97	5,184.41	
<b>Total Issued And Subscribed Capital</b>	<b>5,673.97</b>	<b>5,673.97</b>	<b>5,184.41</b>	

**N-16.1 Fully Paid Equity Shares**

Particulars	Number of Shares	Amount in Rs. Crores
<b>Balance As At April 01, 2019</b>	<b>51,84,41,287</b>	<b>5,184.41</b>
Issue of shares	4,89,55,422	489.55
<b>Balance As At March 31, 2020</b>	<b>56,73,96,709</b>	<b>5,673.96</b>
Issue of shares	0	0
<b>Balance As At March 31, 2021</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, 2021 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**

	Amount in Rs. Crores					
	As at 31-03-2021	As at 31-03-2020		As at 01-04-2019		
	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%	56,73,96,699	100.00%	51,84,41,277	100.00%
<b>Total</b>	<b>56,73,96,699</b>	<b>100%</b>	<b>56,73,96,699</b>	<b>100.00%</b>	<b>51,84,41,277</b>	<b>100.00%</b>

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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**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	<b>Opening Balance (As on 01-04-2008) (After FOBS adjustment)</b>	<b>502.13</b>
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 15/10/2008	35.00
6		GoMP Order No. 5669/13/2006 Dated 02/09/2006	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>
	2009-10	GoMP Order No.F-5-38/2007/13 Dated 30/09/2009	14.80
		GoMP Order No.F-5-37/2007/13 Dated 30/09/2009	26.30
		GoMP Order No.F-5-37/2007/13 Dated 30/09/2009	11.00
		GoMP Order No.F-5-37/2007/13 Dated 01/02/2010	11.00
		GoMP Order No.F-5-13/2008/13 Dated 29/03/2010	2.00
		GoMP Order No.F-5-38/2007/13 Dated 28/01/2010	14.80
		GoMP Order No.F-5-09/2008/13 Dated 31/03/2010	132.90
		GoMP Order No.F-5-09/2008/13 Dated 31/03/2010	9.30
		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>
	2010-11	GoMP Order No.: F-5-20/2010/13 Dated 18/06/2010	6.37
		GoMP Order No.:F-13/2010/13 Dated 28/08/2010	6.38
		GoMP Order No.:F-5-07/2010/13 Dated 29/10/2010	2.50
		GoMP Order No.:F-5-13/2010/13 Dated 16/11/2010	6.37
		GoMP Order No.:F-5-20/2010/13 Dated 22/02/2011	15.38
		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>
	2011-12	GoMP Order No: F-5-13/2011/13 Dated 03/06/2011	24.00
		GoMP Order No: F-5-11/2011/13 Dated 03/06/2011	5.68
		GoMP Order No: F-5-11/2011/13 Dated 28/09/2011	1.20
		GoMP Order No: F-5-13/2011/13 Dated 24/09/2011	43.51
		GoMP Order No: F-5-11/2011/13 Dated 29/09/2011	1.64
		GoMP Order No: F-5-11/2011/13 Dated 24/12/2011	1.80
		GoMP Order No: F-5-13/2011/13 Dated 27/12/2011	12.49
		GoMP Order No: F-5-11/2011/13 Dated 30/12/2011	2.46
		GoMP Order No: F-5-11/2011/13 Dated 17/02/2012	7.42
		GoMP Order No: F-5-13/2011/13 Dated 28/03/2012	10.50
		GoMP Order No: F-5-13/2011/13 Dated 07/03/2012	90.77
		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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**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**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>
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	
	2014-15	<b>Sub-Total FY 2013-14</b>	<b>Amount as on 31-03-2014</b>	<b>119.42</b>
1		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	
	2014-15	<b>Sub-Total FY 2014-15</b>	<b>Amount as on 31-03-2015</b>	<b>120.00</b>
1		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	
	2015-16	<b>Sub-Total FY 2015-16</b>	<b>Amount as on 31-03-2016</b>	<b>40.07</b>
1		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	
	2016-17	<b>Sub-Total FY 2016-17</b>	<b>Amount as on 31-03-2017</b>	<b>943.98</b>
1		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	
	2017-18	<b>Sub-Total FY 2017-18</b>	<b>Amount as on 31-03-2018</b>	<b>2079.70</b>
1		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	
	2018-19	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>
	As on 31-MARCH-2021	<b>Bifurcation:</b>		
		<b>A) Issued &amp; Subscribed Capital</b>		<b>5,673.97</b>
		<b>B) Share App. Pending for Allotment</b>		-

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 17 - OTHER EQUITY**

Particulars	As at 31-03-2021	As at 31-03-2020	As at 01-04-2019	Amount in Rs. Crores
a) General Reserves - Other Reserves (Insurance)	79.22	79.22	79.22	
b) Share Application Money Pending Allotment	0.00	0.00	489.55	
c) Other Comprehensive Income	-	-	-	
d) Accumulated - Profit and loss	(10,286.47)	(10,414.34)	(11,517.33)	
e) Other Balances	99.26	(77.17)	96.75	
<b>Total</b>	<b>(10,108.00)</b>	<b>(10,412.29)</b>	<b>(10,851.81)</b>	

**17.1: Additional Details**

Particulars	Reserves and Surplus				Total	
	General Reserves - Insurance	Share App. Pending Allotment	Retained Earnings			
	Profit and Loss	OCI				
<b>A Balance As At 01.04.2019</b>	<b>79.22</b>	<b>489.55</b>	<b>(11,517.33)</b>	<b>96.75</b>	<b>(10,851.81)</b>	
a) Profit for the year	-		1,103.00	-	<b>1,103.00</b>	
b) Share App. Money Rec. during year	-			-	-	
c) Share Alloted during year	-	(489.55)		-	<b>(489.55)</b>	
d) OCI - Remeasurement of Defined Benefit Obligation	-			(173.92)	<b>(173.92)</b>	
<b>B Balance As At 31.03.2020</b>	<b>79.22</b>	<b>0.00</b>	<b>(10,414.34)</b>	<b>(77.17)</b>	<b>(10,412.29)</b>	
a) Profit for the year	-	-	52.12	-	<b>52.12</b>	
b) Share App. Money Rec. during year	-	-	-	-	-	
c) Share Alloted during year	-	-	-	-	-	
d) OCI - Remeasurement of Defined Benefit Obligation	-	-	-	176.43	<b>176.43</b>	
e) IPDS/ DDUGJY Interest Adj.			75.74		<b>75.74</b>	
<b>C Balance As At 31.03.2021</b>	<b>79.22</b>	<b>0.00</b>	<b>(10,286.47)</b>	<b>99.26</b>	<b>(10,108.00)</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. NIL).

**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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**(N. R. BIWALKAR)**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 18 - BORROWINGS**

**Amount in Rs. Crores**

Particulars	As at 31-03-2021	As at 31-03-2020
<b>I. Non-Current Borrowings</b>		
<b>A) Unsecured - At Amortised Cost</b>		
a) Term Loan from PFC	-	-
b) Term Loan from REC	-	950.00
c) Term Loan from GoMP	946.25	1,040.10
d) Working Capital from GoMP	-	-
<b>B) Secured - At Amortised Cost</b>		
a) Term Loan from PFC	137.95	129.05
b) Term Loan from REC	790.99	396.21
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	7,049.78
Add: Amount Received during the year	-	-
Less: Amount Paid during the year	-	-
<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>8,924.97</b>	<b>9,565.14</b>

**II. Current Borrowings**

**Amount in Rs. Crores**

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

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**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 31/03/21	Balance as on 31/03/20	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>										
PFC	RAPDRP Part-A Including SCADA Part-A	75.28	56.99	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. 86.16 Crs.	-
	RAPDRP Part-B Including SCADA Part-B	135.17	87.55	87.29	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>210.45</b>	<b>144.54</b>	<b>142.05</b>						
REC	Feeder Separation	708.23	2.73	3.51	Prevailing at the time of Disbursement (10.75 To 11.00%)	Up to 15/01/2015	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.COVID-19 moratorium tranche last date of quarter.	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	62.86	69.60	Prevailing at the time of Disbursement (11%)	Up to 15/12/2015	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.COVID-19 moratorium tranche last date of quarter.	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	148.54	145.00	Prevailing at the time of Disbursement (9.50%)	3 years from first disbursement upto 15/03/2022	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.COVID-19 moratorium tranche last date of quarter.	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	381.3	372	Prevailing at the time of Disbursement (9.50%-10.75%)	3 years from first disbursement upto 15/10/2021	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.COVID-19 moratorium tranche last date of quarter.	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	161.16	157.1	Prevailing at the time of Disbursement (9.50-10.75%)	3 years from first disbursement upto 15/10/2022	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.COVID-19 moratorium tranche last date of quarter.	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	98.68	95.96	Prevailing at the time of Disbursement (11.25%)	3 years from first disbursement	10 Equal Annual installments	QUATERLY on 20 March, June, Sept and Dec.COVID-19 moratorium tranche last date of quarter.	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>855.27</b>	<b>843.17</b>						
<b>Total Secured Loans (A+B)</b>		<b>2601.55</b>	<b>999.81</b>	<b>985.22</b>						

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**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 31/03/21	Balance as on 31/03/20	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>										
<b>REC</b>	MTL Loan	150.00	34.25	75.00	9.15%	12 Months up to 31/03/19	24 Equal monthly installment	Monthly	-	-
	MTL Loan	150.00	34.25	75.00	9.15%					
	MTL Loan	1200.00	0.00	800.00	9.80%	12 Months up to 31/07/19	24 Equal monthly installment	Monthly	-	-
<b>CBI</b>	TL Loan	0.00	484.27	0.00	6.90%	0	Monthly installment of 50 Cr	Monthly		
	<b>Sub Total - A</b>	<b>1500.00</b>	<b>552.77</b>	<b>950.00</b>						
<b>ADB</b>	ADB -2347	235 (Approx)	148.01	157.89	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)	150.2	159.54	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)	174.26	185.91	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)	23.28	24.73	do	Up to 09 Dec 2016	do	do	-	-
	ADB -OLD (Transferred by MPSEB in FOBS)	110.24	25.46	32.14	(9% To 12%)	-	20 Equal Annual Installments	Annually on 15 March or the date of order (Varies order to order)	-	-
	ADB -2820	285 (Approx)	243.61	257.91	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)	181.81	184.08	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	-	-
<b>Term Loan</b>	Term Loan (Plan Fund)	532.88	83.76	130.03	14.50% to 16.50%	-	5 Equal Annual Installments	Annual Installments	-	-
	IPDS Loan	45.37	22.79	31.86	14.50%	-	5 Equal Annual Installments	Annual Installments	-	-
	<b>Sub Total - B</b>	<b>1952.60</b>	<b>1053.18</b>	<b>1164.09</b>						
	<b>Total Unsecured Loans (A+B)</b>	<b>3452.60</b>	<b>1605.95</b>	<b>2114.09</b>						
<b>3) PP BOND</b>		-	-	-	13.70% To 17%	-	Overdue for Payment	Overdue for Payment	-	-
<b>4) 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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**NOTE: 18.2 - ADDITIONAL DETAILS OF GOMP BORROWINGS**

S. No	Scheme	GoMP Scheme Code	GoMP Sanction details	Amount in Rs. Crores 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
10		7900	F-5-9/2019/13 dt 29-8-2020	5.00
			<b>Total SSTD (Plan Fund) - B</b>	<b>367.88</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 meetring 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	F-5-13/2019/13 Dtd 19/03/2021	38.62
35		7255	GoMP order Pending	15.36
			<b>Total ADB SSTD &amp; ADB-III - C</b>	<b>612.09</b>

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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
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	7.69
			<b>Total ADB FSP - D</b>	<b>532.53</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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**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>8717.89</b>
			<i>As on 31-March, 2021: Bifurcation</i>	
			<b>A) Schedule 18 -Borrowings GoMP</b>	<b>7996.03</b>
			<b>B) Schedule 19-Other Financial Liab- B Current (a) &amp; (c) GoMP</b>	<b>721.86</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	2.73
2	REC New Delhi	RAPDRP-B	F-5-07/2011/13 dtd 04/10/2011	Till Repayment of Guarantee Amount	108.00	62.86
			<b>Total</b>			<b>279.23</b>
						<b>65.59</b>

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**NOTE: 19 - OTHER FINANCIAL LIABILITIES**

(Classified At Amortised Cost)

**A. Non current**

Particulars	As at 31-03-2021	As at 31-03-2020	<b>Amount in Rs. Crores</b>
a) Security Deposit From Consumers	1,484.02	1,284.45	
<b>Total Other Non-Current Financial Liabilities</b>	<b>1,484.02</b>	<b>1,284.45</b>	

**B. Current**

Particulars	As at 31-03-2021	As at 31-03-2020	<b>Amount in Rs. Crores</b>
(a) Current Maturity Of Long-Term Loans			
<b>(I) Secured:</b>			
(i) Term Loan from PFC	6.59	13.00	
(ii) Term Loan from REC	64.29	9.45	
<b>(II) Unsecured:</b>			
(i) Term Loan from PFC	-	-	
(ii) Term Loan from REC	68.50	437.50	
(iii) Term Loan from Central Bank of India	484.27	-	
(iv) Term Loan from GoMP	106.93	124.00	
(b) Deposits from suppliers/contractors	58.33	60.54	
(c) Principal Re-payment overdue			
(i) Bonds (SLR)	-	-	
(ii) Debenture (PP Bond)	5.12	5.12	
(iii) Loans from PFC	17.78	18.05	
(iv) On GoMP Loans	614.93	490.49	
(d) Interest accrued but not due on borrowings	95.80	93.15	
(e) Interest accrued and due on borrowings			
(i) Bonds (SLR)	-	-	
(ii) Debenture (PP Bond)	0.70	0.70	
(iii) Loans from PFC	70.13	53.37	
(iv) On GoMP Loans	3,326.21	2,682.00	
(f) Staff related liability	73.05	94.45	
(g) Registration charges for New Connection	35.72	30.01	
(h) Other liabilities-MPPTCL	17.42	(3.75)	
(i) Other miscellaneous liabilities	1.36	3.11	
(j) Deposits for Supervision	14.58	11.92	
<b>Total Other Current Financial Liabilities</b>	<b>5,061.72</b>	<b>4,123.10</b>	

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**NOTE: 20 - PROVISIONS**

**A. Non current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Provision for Employee benefits		
(i) Retirement benefits obligations		
- Pension obligation	3,249.16	3,011.75
- Retirement Gratuity	291.06	316.05
(ii) Other long-term employee benefits		
- Leave Encashment	319.81	359.10
<b>Total Non Current Provisions</b>	<b>3,860.03</b>	<b>3,686.91</b>

**B. Current**

**Amount in Rs. Crores**

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Provision for Employee benefits		
(i) Retirement benefits obligations		
- Pension obligation	132.49	127.18
- Retirement Gratuity	34.07	35.87
(ii) Other long-term employee benefits		
- Leave Encashment	108.88	97.54
(b) Provision for Expenses	21.20	28.88
<b>Total Current Provisions</b>	<b>296.63</b>	<b>289.47</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, 2021 (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 31-03-2021</b>	<b>As at 31-03-2020</b>
(a)	Supply Affording And Other Charges	-	-
(b)	Grants Towards Cost of Capital Assets	-	-
(c)	Grants Under Various Schemes (RGGVY, Etc.)	-	-
(d)	Deferred Income-Consumer Contribution/Grant	2,041.14	1,990.10
<b>Total Non Current Deferred Income (a To d)</b>		<b>2,041.14</b>	<b>1,990.10</b>

<b>B. Current</b>		<b>Amount in Rs. Crores</b>	
<b>Particulars</b>		<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
(a)	Supply Affording And Other Charges	-	-
(b)	Grants Towards Cost of Capital Assets	-	-
(c)	Grants Under Various Schemes (RGGVY, Etc.)	-	-
(d)	Deferred Income-Consumer Contribution/Grant	210.00	209.97
<b>Total Current Deferred Income (a To d)</b>		<b>210.00</b>	<b>209.97</b>

**Note:**

Note: See Note:25(b)(iv))

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**NOTE: 22 - OTHER LIABILITIES**

**A. Non-current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
(a) Deposit Against Services	179.56	161.70
(b) Electrification Charges/ Consumer Contribution	387.98	377.86
<b>Total Other Non-Current Liabilities</b>	<b>567.54</b>	<b>539.56</b>

**B. Current**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
(i) Liability related to various taxes	4.78	3.95
(ii) ED Payable to Government	298.94	142.38
(iii) Subsidy Payable for Solar Roof Top	3.10	-
(iv) Diff. due to FOBS (See Note: 42(A))	69.94	69.94
(v) Advances from GoMP	0.04	0.04
(vi) Other income received in advance	3.84	3.45
(vii) Other current liabilities	3.85	2.55
(viii) Creditors for Accrued Wages and Salaries	53.05	55.53
<b>Total Other Current Liabilities</b>	<b>437.54</b>	<b>277.83</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 23 - TRADE PAYABLES**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
(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	535.87	640.76
- Liability for purchase of power	-	-
- Liability for Transmission charges	1,165.51	613.88
- Other liabilities towards MPPMCL	-	-
- Other liabilities towards MPSEB/MPPMCL	-	-
- Others	-	-
<b>Total Current Trade Payables</b>	<b>1,701.37</b>	<b>1,254.64</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 31-03-2021	Year ended 31-03-2020	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	1,948.74	2,227.03	
(ii) Commercial light and fan	946.53	1,048.22	
(iii) Industrial medium and low voltage	492.41	505.41	
(iv) Industrial power: High Tension	3,128.04	3,209.78	
(v) Public lighting	102.14	102.51	
(vi) Irrigation and Agricultural Dewatering	547.84	225.80	
(vii) Public water works & Sewerage Pumping	530.48	508.66	
(viii) Supplies in bulk	40.97	60.59	
(ix) Other Revenue from consumers	32.10	20.59	
<b>Gross Revenue from Sale of Power</b>	<b>7,769.24</b>	<b>7,908.57</b>	
<b>LESS:</b>			
(i) Discount to Consumers for timely payment of bills	(6.46)	(4.43)	
<b>Net Revenue from Sale of Power (a)</b>	<b>7,762.78</b>	<b>7,904.14</b>	
<b>(b) Revenue Subsidy From GoMP</b>			
(i) Income from Subsidy against free supply	2,233.85	2,157.55	
(ii) Income from Tariff Subsidy	5,571.39	4,853.00	
(iii) Income from Subsidy against wheeling Charges	2.77	2.59	
<b>Sub Total (b)</b>	<b>7,808.01</b>	<b>7,013.13</b>	
<b>Total Revenue And Subsidy (a+b)</b>	<b>15,570.80</b>	<b>14,917.27</b>	
<b>ADD:</b>			
<b>(c) Electricity Duty Recovery</b>			
(i) Electricity Duty Recovery	628.26	637.00	
(ii) Other state levies recovery	-	-	
<b>Total (c)</b>	<b>16,199.06</b>	<b>15,554.27</b>	
<b>LESS:</b>			
<b>(d) Electricity Duty Payable</b>			
(i) Electricity duty Payable (Contra)	(628.26)	(637.00)	
(ii) Other state levies Payable (Contra)	-	-	
<b>Total Revenue From Sale of Product (a+b+c-d)</b>	<b>15,570.80</b>	<b>14,917.27</b>	
<b>II. REVENUE FROM SALE OF SERVICES</b>			
(i) Metering charges	55.47	71.39	
(ii) Wheeling/ U.I. Charges recovery	5.60	6.40	
(iii) Supervision charges	18.22	22.82	
<b>Total Revenue From Sale of Service</b>	<b>79.30</b>	<b>100.60</b>	
<b>III. OTHER OPERATING REVENUE</b>			
(i) Delayed Payment Charges from Consumers	304.97	209.44	
<b>Total Revenue From Operations (I+II+III)</b>	<b>15,955.06</b>	<b>15,227.32</b>	

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 25 - OTHER INCOME**

Particulars	Year ended 31-03-2021	Amount in Rs. Crores Year ended 31-03-2020
<b>(a) Interest Income</b>		
(i) Interest on staff loans and advances	0.09	0.15
(ii) Interest on FDR in Banks	27.64	48.65
(iii) Interest on advances to suppliers/contractors	0.04	0.81
(iv) Interest from banks (Other than fixed deposit)	0.09	0.53
(v) Other Income	1.07	0.06
<b>Total- (a)</b>	<b>28.94</b>	<b>50.19</b>
<b>(b) Other Non-Operating Income</b>		
(i) Renting Income	1.58	2.35
(ii) Income from staff welfare activities	0.01	0.02
(iii) Amount written off by MP TRANSCO (See Note: 42(J))	168.48	204.90
(iv) Miscellaneous Income	56.91	42.06
(v) Profit on Sale of Scrap	6.56	7.71
(vi) Amortisation of "Deferred Income" (See Note: 21)		
(a) RGGVY / CC-Assets	120.67	106.63
(b) Government Grant	51.36	50.23
(c) Consumer Contribution (Sup.Affor./Elec.Charg. etc)	35.80	33.46
	-	-
<b>Total- (b)</b>	<b>441.37</b>	<b>447.36</b>
<b>Total Other Income (a+b)</b>	<b>470.31</b>	<b>497.56</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

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

Particulars	Year ended 31-03-2021	Amount in Rs. Crores Year ended 31-03-2020
<b>A. Power Purchase Expenses</b>		
i) Monthly Energy bill	11,869.51	10,867.71
ii) DSM /UI Charges as per DSM Accounts	(95.16)	(249.29)
iii) Reactive Charges	(1.36)	(1.25)
<b>B. Transmission Charges</b>		
i) Transmission Charges- MPPTCL	1,835.63	1,071.03
ii) SLDC Fees	5.01	5.14
<b>Total</b>	<b>13,613.62</b>	<b>11,693.34</b>

**Note:**

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

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**NOTE: 27 - EMPLOYEE BENEFIT EXPENSE**

Particulars	Amount in Rs. Crores	
	Year ended 31-03-2021	Year ended 31-03-2020
(a) Salaries And Wages		
i) Regular Employees	525.12	558.57
ii) Contract/ Outsourced Employees	212.80	207.20
iii) DA and Other Allowance	51.49	102.09
iv) Others	2.26	2.27
(b) Staff Welfare Expenses	0.98	1.49
(c) Terminal Benefits		
i) Pension	353.64	349.35
ii) Gratuity	40.25	44.52
iii) Others	21.19	20.75
(d) Earned Leave Encashment	25.11	111.61
(e) Other Employee Related Expense	3.67	3.83
<b>Gross Total</b>	<b>1,236.53</b>	<b>1,401.68</b>
Less: Employee Cost Capitalised	(27.19)	(32.18)
<b>Total Employee Benefit Expense-Net</b>	<b>1,209.34</b>	<b>1,369.50</b>

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**NOTE: 28 - FINANCE COSTS**

Particulars	Year ended 31-03-2021	Amount in Rs. Crores Year ended 31-03-2020
(a) Interest cost on Loans		
(i) REC Loans	86.84	83.55
(ii) PFC Loans	18.03	18.09
(b) Interest on state government loans	627.49	730.22
(c) Penal Interest in respect of capital liabilities	17.72	13.24
(d) Interest to consumers	53.20	70.84
(e) Interest on borrowings for working capital	89.27	131.15
(f) Other interest & Finance charges	-	-
(h) Cost of raising finance	0.08	0.55
(i) Other charges	11.40	9.81
<b>Gross Finance Costs</b>	<b>904.60</b>	<b>1,057.46</b>
<b>Less:</b>		
i) Rebate in interest on timely payment	-	(0.85)
ii) Interest & Finance Expense Capitalised (See Note 42(M))	(25.83)	(67.58)
<b>Total Finance Costs - NET</b>	<b>878.77</b>	<b>989.03</b>

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

Particulars	Year ended 31-03-2021	Amount in Rs. Crores Year ended 31-03-2020
a) Depreciation of Plant, Property and Equipment	377.13	348.39
b) Amortisation of Intangible Assets	6.24	6.70
<b>Total Depreciation And Amortisation Expense</b>	<b>383.36</b>	<b>355.09</b>

**Note:**

- 1) See note: 42(D) for Depreciation

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**NOTE: 30 - OTHER EXPENSES**

Particulars	Year ended 31-03-2021	Amount in Rs. Crores Year ended 31-03-2020
<b>(a) Repairs And Maintenance Expenses</b>		
(i) Building	23.58	8.23
(ii) Plant and machinery	118.19	111.43
(iii) Lines cables and network assets	20.42	30.61
(iv) Station supplies and distribution and transmission	-	-
(v) Vehicle	0.51	1.17
(vi) Furniture and fixtures	0.14	0.17
(vii) Hydraulic works	-	-
(viii) Office equipments	0.32	0.37
(ix) Other civil works	0.98	1.10
Less: Repair and Maintenance charges Capitalised	(0.38)	(0.56)
<b>Total Repairs And Maintenance Expenses- NET</b>	<b>163.76</b>	<b>152.52</b>
<b>(b) Administrative And General Expenses</b>		
i. Rent	0.52	0.29
ii. Rates & Taxes	11.74	12.41
iii. Entry tax	-	0.01
iv. Commercial tax	-	-
v. Professional tax	0.00	0.00
vi. Insurance	0.16	0.02
vii. Communication expenses	7.27	6.26
viii. Legal charges	1.72	1.24
ix. Audit fees	0.79	0.41
x. Consultancy charges	0.97	0.63
xi. Technical fees	-	0.00
xii. Other professional charges	1.53	1.23
xiii. Conveyance & travel expenses	46.40	41.39
xiv. Servicing and contract work	27.29	23.07
xv. Electricity charges- Offices	22.28	23.77
xvi. Freight	0.01	0.17
xvii. Other expenses	10.44	16.18
Less: Administrative general expenses capitalised	(6.26)	(7.18)
<b>Total Administrative And General Expenses- NET</b>	<b>124.85</b>	<b>119.92</b>

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**NOTE: 30 - OTHER EXPENSES**

Particulars	Year ended 31-03-2021	Amount in Rs. Crores Year ended 31-03-2020
<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))	-	-
iii. Sundry Expenses	2.01	1.55
iv. Loss on Sale of Scrap	-	-
v. Small and low value written off	-	0.00
vi. Other miscellaneous expenses/Losses written off	0.48	0.20
<b>Total Miscellaneous Expenses</b>	<b>2.49</b>	<b>1.87</b>
<b>(d) Other Expenses</b>	0.00	0.52
<b>Total Other Expenses (a+b+c+d)</b>	<b>291.09</b>	<b>274.82</b>

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

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



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**NOTE: 31 - EXCEPTIONAL ITEMS**

Particulars	Amount in Rs. Crores	
	Year ended 31-03-2021	Year ended 31-03-2020
<b>a) Exceptional Income</b>		
i) Revenue Grant From Government (See Note 42(K))	(2.93)	(59.90)
ii) Incentive Received Under Govt. Schemes	-	-
iii) Other Exceptional Income	-	-
<b>Total Exceptional Income (a)</b>	<b>(2.93)</b>	<b>(59.90)</b>
<b>b) Exceptional Expenses</b>		
i) Write off Under Govt. Schemes		
<b>Total Exceptional Expenses (b)</b>	<b>-</b>	<b>-</b>
<b>Total Exceptional (Income) / Expenses (a-b)</b>	<b>(2.93)</b>	<b>(59.90)</b>

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**NOTE: 32 - EARNINGS PER SHARE**

<b>Particulars</b>		<b>Year ended 31-03-2021</b>	<b>Year ended 31-03-2020</b>
		<b>(Rs. Per Share)</b>	<b>(Rs. Per Share)</b>
1	Basic Earnings Per Share	0.92	19.95
2	Basic And Diluted Earnings Per Share	0.92	19.44

**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 31-03-2021</b>	<b>Year ended 31-03-2020</b>
a)	Earnings used in the calculation of EPS -(In Rs Crs)	52.12	1,103.00
b)	Weighted Average Number of Equity Shares -(In Nos)	56.74	55.28
c)	<b>Basic and Diluted Earning Per Share (a/b)</b>	<b>0.92</b>	<b>19.95</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 31-03-2021</b>	<b>Year ended 31-03-2020</b>
a)	Earnings used in the calculation of EPS -(In Rs Crs)	52.12	1,103.00
b)	Weighted Average Number of Equity Shares -(In Nos)	56.74	56.74
c)	<b>Diluted Earning Per Share (a/b)</b>	<b>0.92</b>	<b>19.44</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 33 - FINANCIAL INSTRUMENTS**

**NOTE: 33.1 Categories of Financial Instruments**

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
<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	1,035.80	810.72
(b) Loans	0.13	0.02
(c) Trade receivables	3,064.54	2,027.38
(d) Other financial assets	652.45	488.13
(iii) Financial assets carried at cost		
<b>Sub-Total</b>	<b>4,752.92</b>	<b>3,326.25</b>
<b>Financial liabilities</b>		
Measured at amortised cost		
(a) Borrowings	8,924.98	9,565.14
(b) Trade payables	1,701.37	1,254.64
(c) Other financial liabilities	6,545.74	5,407.55
<b>Sub-Total</b>	<b>17,172.09</b>	<b>16,227.34</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE: 33 - FINANCIAL INSTRUMENTS**

**NOTE: 33.2 Capital Management**

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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## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

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

#### **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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**NOTE: 33 - FINANCIAL INSTRUMENTS**

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, 2021</b>							
Non-interest bearing							
a) Trade receivables	1,953.08	488.27	623.19			<b>3,064.54</b>	<b>3,064.54</b>
b) Loans		0.13				<b>0.13</b>	<b>0.13</b>
c) Other financial assets	488.28	150.41	13.53	-	0.24	<b>652.45</b>	<b>652.45</b>
<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>488.13</b>

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**NOTE: 33 - FINANCIAL INSTRUMENTS**

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	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Amount in Rs. Crores	
						Total	Carrying Amount
<b>March 31, 2021</b>							
a) Borrowings				678.59	8,246.39	<b>8,924.98</b>	<b>8,924.98</b>
b) Trade payables	-	1,363.53	337.84	-	-	<b>1,701.37</b>	<b>1,701.37</b>
c) Other financial liabilities	4,105.51	736.87	219.01	-	1,484.02	<b>6,545.41</b>	<b>6,545.74</b>
<b>March 31, 2020</b>							
a) Borrowings	-	-	-	2,515.36	7,049.78	<b>9,565.14</b>	<b>9,565.14</b>
b) Trade payables	55.53	940.66	258.46	-	-	<b>1,254.64</b>	<b>1,254.64</b>
c) Other financial liabilities	3,926.41	101.05	95.35	-	1,284.45	<b>5,407.26</b>	<b>5,407.55</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 hold quoted securities. It is not exposed to price risk.

**NOTE: 34. FAIR VALUE MEASUREMENTS**

**NOTE: 34.1 Fair Value of Companies 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 are 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 approximates 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 Government of MP have been transferred to MP Power Management Company Limited. Accordingly w.e.f. 01/04/2012, MP Power Management Company Limited become the Holding Company. The entire Share Capital of MP Power Management Company is held by the Government of MP. 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 Amit Tomar, IAS, Managing Director -(w.e.f 20-08-2020)
- ii) Shri Vikas Narwal, IAS, Managing Director -(Upto:19-08-2020)
- iii) Shri Manoj Jhawar, Director (Commercial)
- iv) Shri N.R. Biwalkar, Chief Financial Officer, KMP
- v) Smt. Aradhna Kulkarni, Company Secretary, KMP

**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	
Year ended 31-03-2021	Year ended 31-03-2020	
<b>Remuneration to Director &amp; KMP</b>		
i) Salary / Remuneration	0.64	0.60
ii) Other Expenses & Perquisites	0.04	0.07
<b>Total</b>	<b>0.68</b>	<b>0.67</b>

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**NOTE: 35 - RELATED PARTY TRANSACTIONS**

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

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

Related party	Amount in Rs. Crores	
	Amounts owed by/owed to Related parties as at	
	As at 31-03-2021	As at 31-03-2020
i) M.P. Poorv Kshetra V.V. Co. Ltd , Jabalpur	5.58	5.27
ii) M.P. Madhya Kshetra V.V. Co. Ltd , Bhopal	(0.55)	0.18
iii) MP Power Management Co. Ltd., Jabalpur	2,011.77	3,817.79

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

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

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

Particulars	Amount in Rs. Crores	
	As at 31-03-2021	As at 31-03-2020
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	Amount in Rs. Crores	
		As at 31-03-2021	As at 31-03-2020
i) M.P. Poorv Kshetra V.V. Co. Ltd , Jabalpur	Stock Transfer	(0.31)	0.94
ii) M.P. Madhya Kshetra V.V. Co. Ltd , Bhopal	Stock Transfer	0.73	(0.99)
iii) MP Power Management Co. Ltd., Jabalpur	Power Purchase	11,772.98	10,617.17

\*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. 306.74 Crs only (Previous year Rs. 168.20 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.
f)	M/s. ESSEL V.V. Com Pvt Ltd (A terminated electricity distribution franchisee for Ujjain City) has filed case against the Company in Arbitration Tribunal Bhopal, amount involved in same is Rs. 328.71 Crore. The Company has also filed case against the Franchisee for the claim of amount of Rs. 328.71.
g)	M/s. Bajaj Electrical has filed case against the Company in Supreme Court, amount involved in same is Rs. 4.27 Crore.
h)	M/s. Tesla Transformers has filed case against the Company in Arbitration Tribunal Bhopal, amount involved in same is Rs. 9.07 Crore.
i)	M/s. IL&FS Engineering and Construction Company Ltd. has filed case against the Company in Arbitration Tribunal Bhopal, amount involved in same is Rs. 22.50 Crore.
j)	M/s. NCC Ltd. has filed case against the Company in Arbitration Tribunal Bhopal, amount involved in same is Rs. 31.23 Crore.

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

k)	M/s. Confederation of Real Estate Developers Association of India has filed case against the Company in High Court, Indore, amount involved in same is Rs. 37.97 Crore.
l)	M/s. Najir Khan has filed case against the Company in Arbitration District Judge, Dhar, amount involved in same is Rs. 1.38 Crore.
m)	M/s. Gautam Foods Prod has filed case against the Company in Adj-II District Court, Khargone, amount involved in same is Rs. 7.00 Crore.
n)	M/s. Aashish Kumar Jain has filed case against the Company in District Court, Indore, amount involved in same is Rs. 55.00 Crore.
o)	M/s. Rekha Bai has filed case against the Company in District Court, Ujjain, amount involved in same is Rs. 2.00 Crore.
p)	M/s. Ronaq s/o Prakash Nayak has filed case against the Company in ADJ Shujalpur, amount involved in same is Rs. 1.00 Crore.

**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 clarification 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.

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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, 2021**

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, 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>	-	-	-	-	-	-	-	-

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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: 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 31-03-2021
A	Gross Input Energy (MKwh)	In MU's	Energy Generated-Auxiliary Consumption + Energy Purchased (Gross)*-DSM/Energy traded/Inter-state sales.	27,618.44
B	Transmission Losses (MKwh)	In MU's		1,230.69
C	Net input Energy at Discom Pheriphery	In MU's	A-B	26,387.75
D	Energy Sold (MKwh)	In MU's	Energy sold to all categories of consumers excluding units of Energy Traded/ Inter-state sales.	23,033.37
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.	15,938.01
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.	13,201.56
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.	3,221.34
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.	4,258.50
			II) Any Amount written off during the year directly from (i)	-
I	Adjusted Closing Debtors for sale of Energy (Rs.Cr)	In Rs Crs	H (I+II)	4,258.50
J	Collection Efficiency (%)	In %	(F+G-I)/E*100	76.32%
K	Units realized (MKwh) = [Energy sold*Collection efficiency]	MU's	D*J/100	17,579.81
L	Units unrealized (MKwh) = [Net input Energy – Units Realized]	MU's	C-K	8,807.94
M	<b>AT &amp; C Losses (%) = [{Units Unrealized/Net input Energy}*100]</b>	In %	<b>L/C*100</b>	<b>33.38%</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**

S.No	Particulars	Amount in Rs. Crores	
			Year ended 31-03-2021
<b>1)</b>	<b>Subsidy Opening Balance</b>		<b>2,853.31</b>
a)	Tariff & Free Supply etc. Yojna	2,426.85	
b)	MMBBM Yojna (Samadhan)	426.46	
<b>2)</b>	<b>Subsidy Booked During the year</b>		<b>7,808.03</b>
a)	Tariff & Free Supply etc. Yojna	7,808.03	
b)	MMBBM Yojna (Samadhan)	-	
<b>3)</b>	<b>Subsidy Received During the year</b>		<b>5,699.84</b>
a)	Tariff & Free Supply etc. Yojna	5,589.20	
i)	Against Current Year	3,223.63	
ii)	Against Previous Year	2,365.57	
b)	MMBBM Yojna (Samadhan)	110.64	
i)	Against Previous Year	110.64	
<b>4)</b>	<b>Subsidy Closing Balance</b>		<b>4,961.50</b>
a)	Tariff & Free Supply etc. Yojna	4,645.68	
i)	Against Current Year	4,645.68	
ii)	Against Previous Year		
b)	MMBBM Yojna (Samadhan)	315.82	

**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 31-03-2021	As at 31-03-2020
<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	49.86	48.88
2	DDUGJY	23.88	87.48
3	IPDS	293.55	153.35
4	DEPOSIT WORK	5.99	7.57
5	FSP	Nil	Nil
6	MDAS	7.68	7.68
7	R-APDRP	71.64	79.04
8	RGGVY	1.39	1.83
9	SCADA	10.19	12.09
10	SSTD	23.90	42.30
<b>Total</b>		<b>488.08</b>	<b>440.22</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**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.

The Net Defined Benefit Liability/(Asset) is the Net (Surplus)/Deficit in the plan netted off by effect of Asset Ceiling, if any. It is arrived by deducting Fair Value of Plan Assets from the Defined Benefit Obligation as on the date of valuation.

As required under Para 67 of Ind AS 19 actuarial valuation is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are to be considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and project the benefit till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the future date of payment to the date of valuation using the assumed discount rate.

'Service Cost' is calculated separately in respect of benefit accrued during the current period using the same method as described above. However, instead of all accrued benefits, benefit accrued over the current reporting period is considered.

**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.

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**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.

**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-21</b>	<b>31-Mar-20</b>
Discount rate(s)	6.03%	6.33%
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 : IAM (2012-15)	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

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>Gratuity Plan</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Discount rate(s)	6.03%	6.33%
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

<b>Leave Encashment</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Discount rate(s)	6.03%	6.33%
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

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

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

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Present Value of Unfunded Defined Benefit Obligation	325.13	3,381.65
Fair value of Plan Assets		
<b>Total</b>	<b>325.13</b>	<b>3,381.65</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>325.13</b>	<b>3,381.65</b>
<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>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

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

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Service Cost	18.52	154.19
Net Interest Cost	21.73	199.45
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>40.25</b>	<b>353.64</b>

<b>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>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Current / Non-Current Bifurcation**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Current Benefit Obligation	34.07	132.49
Non - Current Benefit Obligation	291.06	3,249.16
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>325.14</b>	<b>3,381.65</b>

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Current Benefit Obligation	35.87	127.18
Non - Current Benefit Obligation	316.05	3,010.21
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>351.92</b>	<b>3,137.38</b>

**Actual Return on Plan Assets**

<b>March 31, 2021</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, 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>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

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

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Amount recognized in OCI, Beginning of Period	9.59	1,002.30
<b>Remeasurements due to :</b>		
Effect of Change in demographic assumptions	-	302.16
Effect of Change in financial assumptions	12.18	158.90
Effect of experience adjustments	(79.23)	(570.44)
(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>(67.05)</b>	<b>(109.38)</b>
<b>Amount recognized in OCI, End of Period</b>	<b>(57.46)</b>	<b>892.92</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>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	-	
Effect of Change in financial assumptions	20.19	381.81
Effect of experience adjustments	(26.57)	(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>

**Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income During the Period year ended**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Amount recognized in P&L, End of Period	40.25	353.64
Amount recognized in OCI, End of Period	(67.05)	(109.38)
<b>Total Net Defined Benefit Cost/(Income) Recognized at Period-End</b>	<b>(26.80)</b>	<b>244.26</b>

<b>March 31, 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>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Change in the Unrecognised Asset due to the Asset Ceiling During the Period year ended**

<b>March 31, 2021</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>March 31, 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>

**Change in Defined Benefit Obligation during the Period year ended**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation, Beginning of Period	351.93	3,137.38
Net Current Service Cost	18.52	154.19
Interest Cost on DBO	21.73	199.45
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(67.05)	(109.38)
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>325.14</b>	<b>3,381.65</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation, Beginning of Period	313.90	2,604.45
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>351.93</b>	<b>3,137.37</b>

**Change in Fair value of Plan Assets during the Period year ended**

<b>March 31, 2021</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>March 31, 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>

**Reconciliation of Balance Sheet Amount year ended**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Balance Sheet (Asset)/Liability, Beginning of Period	351.927	3,137.384
True-up	-	-
Total Charge/(Credit) Recognised in Profit and Loss	40.252	353.641
Total Remeasurements Recognised in OC (Income)/Loss	(67.048)	(109.377)
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>325.14</b>	<b>3,381.65</b>

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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE**  
**ANNUAL FINANCIAL STATEMENTS- FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Balance Sheet (Asset)/Liability, Beginning of Period	313.90	2,604.453
True-up	-	-
Total Charge/(Credit) Recognised in Profit and Loss	44.40	352.64
Total Remeasurements Recognised in OC (Income)/Loss	(6.38)	180.29
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>351.92</b>	<b>3,137.38</b>

**Asset Category as at**

<b>March 31, 2021</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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<b>March 31, 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>

**Expected Cashflows for the Next Ten Years as at**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Year - 2022	35.08	136.42
Year - 2023	44.69	151.70
Year - 2024	46.13	165.68
Year - 2025	50.06	180.23
Year - 2026	42.17	197.69
Year - 2027	45.22	216.50
Year - 2028	36.27	239.69
Year - 2029	23.33	263.96
Year - 2030	18.03	289.04
Year - 2031 onwards	15.66	317.37
Year - 2032 onwards	180.86	6,260.09

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Year - 2021	36.99	131.14
Year - 2022	43.85	145.59
Year - 2023	50.67	159.01
Year - 2024	50.47	172.97
Year - 2025	53.69	189.72
Year - 2026	45.29	207.77
Year - 2027	48.00	230.03
Year - 2028	37.52	253.32
Year - 2029	24.01	277.39
Year - 2030	18.22	304.58
Year - 2031 onwards	180.41	6,007.75

**Defined Benefit Obligation by Participant Status as at**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Actives	325.14	1,642.63
Vested Deferreds	-	-
Retirees	-	1,739.02
<b>Total Defined Benefit Obligation</b>	<b>325.14</b>	<b>3,381.65</b>

<b>March 31, 2020</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Actives	351.92	1,634.93
Vested Deferreds	-	-
Retirees	-	1,502.46
<b>Total Defined Benefit Obligation</b>	<b>351.92</b>	<b>3,137.38</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Sensitivity analysis -**

**Defined Benefit Obligation by Participant Status as at**

<b>March 31, 2021</b>	<b>Gratuity (In Rs. Crs)</b>	<b>Pension (In Rs. Crs)</b>
Defined Benefit Obligation - Discount Rate + 100 basis points	(17.47)	(357.86)
Defined Benefit Obligation - Discount Rate - 100 basis points	18.81	377.39
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	19.34	322.90
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(17.89)	(300.16)

<b>March 31, 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)

**Disclosures related to Leave Encashment**

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

<b>Particulars</b>		<b>As at 31-03-2021 (In Rs Crs)</b>	<b>As at 31-03-2020 (In Rs Crs)</b>
Defined Benefit Obligation		428.69	456.63
Fair value of Plan Assets		-	-
Unfunded Status - (Surplus)/Deficit		<b>428.69</b>	<b>456.63</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>428.69</b>	<b>456.63</b>

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**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

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

Particulars	As at 31-03-2021 (In Rs Crs)	As at 31-03-2020 (In Rs Crs)
Service Cost	35.82	28.38
Net Interest Cost	26.95	26.47
Past Service Cost	-	-
Remeasurements	(37.66)	56.77
(Gain)/Loss due to settlements/Curtailments/Terminations/Divestitures	-	-
Administration Expenses	-	-
<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss</b>	<b>25.11</b>	<b>111.61</b>

**Current / Non-Current Bifurcation**

Particulars	As at 31-03-2021 (In Rs Crs)	As at 31-03-2020 (In Rs Crs)
Current Benefit Obligation	108.879	97.543
Non - Current Benefit Obligation	319.807	359.083
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>428.69</b>	<b>456.63</b>

Change in Defined Benefit Obligation during the Period year ended	As at 31-03-2021 (In Rs Crs)	As at 31-03-2020 (In Rs Crs)
Defined Benefit Obligation, Beginning of Period	456.63	360.52
Net Current Service Cost	35.82	28.38
Interest Cost on DBO	26.95	26.47
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(37.66)	56.77
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid	(53.05)	(15.50)
Past Service Cost	-	-
Losses / (Gains) on Curtailments/ Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>428.69</b>	<b>456.63</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>As at 31-03-2021 (In Rs Crs)</b>	<b>As at 31-03-2020 (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>As at 31-03-2021</b>	<b>As at 31-03-2020</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)		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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**NOTES TO THE FINANCIAL STATEMENTS**

**40 - EMPLOYEE BENEFIT PLAN- DISCLOSURE**

**Actual Return on Plan Assets**

<b>Particulars</b>		<b>As at 31-03-2021</b>	<b>As at 31-03-2020</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>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
Expected Contributions		-	-

<b>Reconciliation of Amounts recognised in Balance Sheet</b>		<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
Balance Sheet (Asset)/Liability, Beginning of Period		456.63	360.52
Total Charge/(Credit) Recognised in Profit & Loss		25.11	111.61
Acquisition/Business Combination/Divestiture		-	-
Benefit Payouts		(53.05)	(15.50)
<b>Balance Sheet (Asset)/Liability, End of Period</b>		<b>428.69</b>	<b>456.63</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**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, 2021**

Due to Implementation of Ind AS 115, Revenue from Operation decreased by Rs.2.66 crore. Profit for the year decreased by Rs.2.66 crores during the year.

**(b) Unsatisfied performance obligations**

The following amount relates to unsatisfied performance obligations

Particulars	Amount in Rs Crs	As at 31-03-2021	As at 31-03-2020
Transaction price related to unsatisfied (or partially satisfied) performance obligation	14.58	11.92	
<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.

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

**(c) Movement in unbilled revenue**

Particulars	<b>Amount in Rs Crs</b>	
	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
Balance at the beginning	449.75	327.31
Add: Revenue recognised during the year	488.62	449.75
Less: Invoiced during the period	-449.75	-327.31
Less: Impairment/Reversal	-	-
<b>Balance at the end</b>	<b>488.62</b>	<b>449.75</b>

**(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 an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

**(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 mainly represents the revenue from contract with customer.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

**Sale of Power**

Particulars	Amount in Rs Crs	
	As at 31-03-2021	As at 31-03-2020
<b>Nature of Goods/Services</b>		
Distribution of power	15,577.25	14,921.70
Sale of Services	79.30	100.60
Others	304.97	209.44
Other Revenue		
<b>Total</b>	<b>15,961.52</b>	<b>15,231.75</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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**NOTES TO THE FINANCIAL STATEMENTS**

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

Particulars	<b>Amount in Rs Crs</b>	
	<b>As at 31-03-2021</b>	<b>As at 31-03-2020</b>
<b>Contract Assets</b>		
Receivables from Group Companies		
Non-Current	-	-
Current	5.18	5.62
<b>Contract Liabilities</b>		
Advance received from customers		
Non-Current	-	-
Current	14.58	11.92
<b>Consumer Contribution</b>		
Non-Current	-	-
Current	387.98	377.86
Deferred Income		
Non-Current	2,041.14	1,990.10
Current	-	-
<b>Receivables</b>		
Trade Receivables (Gross)	4,258.50	3,221.34
Unbilled Revenue	488.62	449.75
(Less): Allowance for Doubtful Debts	-1,193.96	-1,193.96
Net Receivables	3,553.16	2,477.13
<b>Total</b>	<b>6,002.04</b>	<b>4,862.63</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**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:**

Particulars	As at 31-03-2021	Amount in Rs Crs	As at 31-03-2020
<b>Opening Balances</b>			
Receivables from Group Companies	5.62	6.86	
Consumer Contribution	-377.86	-350.64	
Deferred Income	-1,990.10	-2,011.26	
Advance received from customers	-11.92	-9.24	
	<b>-2,374.26</b>	<b>-2,364.28</b>	
Add: Revenue recognised during the year	219.76	190.33	
Less: Advance received from Consumers	-284.03	-200.30	
	<b>-64.27</b>	<b>-9.97</b>	
<b>Closing Balances</b>			
Receivables from Group Companies	5.18	5.62	
Consumer Contribution	-387.98	-377.86	
Deferred Income	-2,041.14	-1,990.10	
Advance received from customers	-14.58	-11.92	
	<b>(2,438.53)</b>	<b>(2,374.26)</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 31-03-2021</b>	<b>As at 31-03-2020</b>
Contracted price	15,961.52	15,231.75
Add/Less: Adjustment for financing component.		
Less: Rebate on prompt payment	6.46	4.43
<b>Balance at the end</b>	<b>15,955.06</b>	<b>15,227.32</b>

**(i) Practical expedients availed**

The Company has availed the following practical expedient:

- 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.
- 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 2020-21**

### **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 May 31, 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

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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 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.

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

(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER



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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 complied 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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.



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**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 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 life time 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.



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**De-recognition of Financial Liabilities**

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

**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.

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

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.

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 "Income" in proportion to the Depreciation of the asset and classified under "Other Income" (See Note:25(b)(iv)).



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**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.

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.



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**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.

**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 7.47% Overhead on Capital Work In Progress.

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(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
**ANNUAL FINANCIAL STATEMENTS-FY 2020-21**

**NOTES TO THE FINANCIAL STATEMENTS**

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**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).

**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 06 months 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, 2021**

**A. Final Opening Balance Sheet**

- a) GoMP vide notification no. 292 dated 12<sup>th</sup> June, 2008 notified final opening balances belonging to Company which 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.

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

(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
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**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.
  - 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. 2011.77 Crs (as at March, 2021) 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 Auditors of Company during the year are as below:

S. No.	Particulars	FY 2020-21	FY 2019-20
1	Statutory Audit Fee	Rs. 0.0600 Crs	Rs. 0.0600 Crs
2	Tax Audit Fee	Rs. 0.0050 Crs	Rs. 0.0082 Crs
3	Cost Audit Fee	Rs. 0.0018 Crs	Rs. 0.0018 Crs
4	VAT / GST Audit Fee	-	Rs. 0.0240 Crs

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

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

(N.R. BIWALKAR)  
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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
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- 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 identified 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 amount receivable from them (Rs. 3.80 Crs) 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.168.48 Crores (Previous year Rs. 204.90 Crores) from outstanding payable towards Transmission charges to them. The same has been classified under Other Non-Operating Income.

**K. Uiwal 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 20<sup>th</sup> 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)** MPPKVVCL has loan/debt of Rs.9764.96 Crores outstanding 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)** GoMP has not converted any amount of Perpetual Loan in Grant during the current year (Previous year Rs. Nil) under UDAY Scheme.
- d)** 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.

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

(N.R. BIWALKAR)  
CHIEF FINANCIAL OFFICER



**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
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**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.
- 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.25.83 Crores has been capitalized at the rate of 5.70% 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) Since no amount has been written off by the Company in current and last financial 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.

**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.

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

(N.R. BIWALKAR)  
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**MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED**  
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- Q.** Interest on Consumer Security Deposits has been paid at the rate of 4.65% per annum during the year.
- 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 2019-20 following compliances have been made:
- 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 the 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.
  - b)** 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 under both scheme is Rs.75.74 Crores till 31<sup>st</sup> March, 2020 and Rs.39.21 crs for FY 2020-21.
  - c)** Accordingly, the above is shown as current asset in financial statement and its corresponding effect of Rs.75.74 Crs is taken from Reserve & Surplus. Further, the amount of Rs. 39.21 Crs pertaining to current financial year is recognised as income in statement of profit & loss Account of the FY 2020-21.
- S.** 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).
- T.** The company has set aside amount of Rs.1.14 Crs for Corporate Social Responsibility.
- U.** Expenditure in Foreign Currency during the year - NIL. (Previous year - NIL)
- V.** C.I.F. value of imports - NIL. (Previous year – NIL)
- W.** Earning in Foreign exchange - NIL. (Previous year – NIL)
- X.** Sitting fees paid to Directors – Rs. NIL (Previous year – NIL)



## **MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED ANNUAL FINANCIAL STATEMENTS-FY 2020-21**

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

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#### **Y. Date of approval of Annual Financial Statements (IND-AS-10)**

The Financial Statements have been approved at the 94<sup>th</sup> Board Meeting of the Company held on 30<sup>th</sup> September, 2021 by the following directors present at the Meeting:

- a) Shri Vivek Kumar Porwal (DIN:06572001), IAS, Chairman (Attended through VC)
- b) Shri Amit Tomar (DIN:08880998), IAS, Managing Director
- c) Dr. Manoj Kumar Jhawar (DIN:07306454), Director (Commercial)
- d) Shri Zahid Aziz Khan (DIN:09311528), Nominee Director (Attended through VC)
- e) Shri Manoj Kumar Jain (DIN:07898001), Nominee Director (Attended through VC)
- f) Dr. Prashant Salwan (DIN:08837872), Independent Director (Attended through VC)
- g) Dr. Rakesh Saxena (DIN:07570628), 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.

#### **Z. 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.

#### **AA. 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.

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.

**BB.** Previous year figures have been regrouped and rearranged wherever necessary.

#### **As Per Our Report of Even Date**

**FOR KHANDELWAL KAKANI & COMPANY FOR AND ON BEHALF OF THE BOARD**  
CHARTERED ACCOUNTANTS  
FRN:001311C

**CA: RAKESH BHAWSAR**

PARTNER

M NO: 401314

(AMIT TOMAR)  
MANAGING DIRECTOR  
(DIN:08880998)

PLACE: INDORE

DATE: 30<sup>th</sup> September 2021

(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 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 Financial Statements of **Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited**, ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2021**, the Statement of Profit & Loss (including other comprehensive income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended and notes to the financial statement including a summary of significant accounting policies and other explanatory information.

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 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 31<sup>st</sup> March, 2021, and its profit including other comprehensive income, its cash flows and the statement changes in equity and notes to the financial statement 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.

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.



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

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.

### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As on the date of report, the company has not provided the Board report therefore we are unable to make comment on the other information of the company.

### **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 232.68 hectares only out of total area of land admeasuring 666.38 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.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

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



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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 safeguarding 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.

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



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

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.

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 - B**.

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 - C**"; and
- (g) According to the information and explanations given to us and based on our



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

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:
- 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 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  
Partner**

**M No.401314**

**Place: Indore  
Date : 30.09.2021  
UDIN: 21401314AAAAFC1918**



## 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 **March 31, 2021**

- (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. 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 666.38 hectares which was earlier ascertained at 633.69 hectare (Previous Year). However, title deeds are in the name of the Company for 232.68 hectares (Previous Year 227.99 hectares) only out of total area of land admeasuring 666.38 hectares.
- (ii) As informed and explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable (once in a year). 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. Further as found in the Inventory verification report the maintenance of inventory is not proper.
- (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.
- (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.



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Except that the Company has filed an appeal against the said order under service tax before the honorable High Court of Madhya Pradesh Indore bench vide appeal No. 50513/2019. Relying on the legal opinion sought by the company relying on favorable judgement of Gujurat High Court in the case of Torrent Power Ltd. Thus, management has classified its liability of Rs.215.62 Crore as Contingent Liability in its books of accounts. which have remained outstanding as at 31<sup>st</sup> March 2021 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 Rs.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. 4034.87 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 Power Finance Corporation Limited	01/06/2015	17.78	70.13
3.	Loan from GoMP		614.93	3326.21
<b>Total</b>			<b>637.83</b>	<b>3397.04</b>

(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.15.75 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, through some media reports, the management of the company had came across some discrepancies indicating fraud in the IPDS scheme and formed an investigating committee to enquire about the same. The amount and extent of fraud is yet to be ascertained by the management.

(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.



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- (xiv) The Company has not made preferential allotment of shares during the year to its existing shareholders. 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  
Partner**

**M No. 401314**

**Place: Indore  
Date : 30.09.2021  
UDIN: 21401314AAAAFC1918**



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### Annexure - B to the Auditors' Report

#### Compliance Report to Directions/Sub Directions under section 143(5) of the Companies Act, 2013 for the F.Y. 2020-21.

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 2020-21.

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 freehold and leasehold land 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 232.68 hectares of land is available in the name of company out of the total land admeasuring 666.37 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.**

In FY 2020-21, the write off arrear amount of electricity consumers in the company is NIL.

- 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.

- 4. Has the company entered into agreements with franchise for distribution of electricity in selected areas and revenue sharing agreements adequately protect the financial interest of the company.**

No, the Company has not entered into Agreements with any Franchisee during F.Y. 2020-21.

- 5. Report on the efficacy of the system of billing and collection of revenue in the company.**

With effective from 15.04.2015 billing of HT consumers is centralized and supervised by "HT Billing Cell" which is located at MD Office Campus Indore. The Billing of HT Consumers is based on meter reading which are collected remotely with the help of the SIM and Modem connected with consumer energy meters. In case if some meter Reading Data could not be collected remotely then the field staff takes the reading through MRI. All reading data (meter reading in ASCII format) is then uploaded into the billing software (earlier in Customer Care & Billing software (CC&B) and from December-2020 onwards in New Generation Billing software (NGB)). After validation of reading data the energy bills are generated. All the bills are verified at HT billing cell and after due verification these bills are distributed through e-mail and hard copy to the consumers. If payment is not received by the due date (15 days from the bill issue date), disconnection notice is issued to the consumer for payment within 15 days. If the payment is still not received the consumer supply is disconnected. After disconnection if the payment is still pending from consumer



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then further action as per supply code provision 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):-**Photo of meter reading is captured with mobile phone app by the meter reader which is uploaded to the billing system.

**2.AMR (Automatic Meter Reading):-**Reading is obtained remotely with the help of SIM and Modem connected with energy meter of consumer. After reading AMR reading, data is made available to the concerned EE Office for uploading to the billing software after validation of reading data. Soft copy of bill file generated is sent for bill printing from where these printed bills are dispatched to concern distribution center/zone for distribution to the consumers for the payment. If payment is not received within the due date (15 days from the bill issue date), disconnection notice for 15 days is issued to the consumer for payment within 15 days. If the payment is still not received the consumer supply is disconnected. After disconnection if the payment is still pending from consumer then further legal action is taken by the concerning EE/AE/JE of the company.

**3.Smart Meter:-** In financial year 2020-21 around 1.2 Lakhs Smart meters have been installed in Indore City. Further 5 Nos. Towns (Khargone, Mhow, Ratlam, Ujjain and Dewas) are also selected for installation of Smart Meters, the meters in these towns are presently installed during FY 2020-21.

The company has an adequate monitoring and control system commensurating with the size and nature of operations in respect of the billing and revenue collection. Data analytics tool named as MRDM is used for analysis of billing data of all non-agricultural consumers (sanctioned load < 10 KW) from where billing related discrepancies are pointed out for corrective action. Similarly AMR cell is also doing analysis of Billing data of LT consumers (sanction load >10 KW) and pointing discrepancies for corrective measures. Separate portals are also working with access up to DC/Zone level for monitoring and updation of action taken report of the discrepancies.

The billing data gathered from Smart meters like consumption pattern etc are analyzed and the billing related discrepancies are pointed out for corrective action by the Smart Meter cell of the Company.

### **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 all the consumers.

Out of the total 5644160 nos. of consumers, meters are installed on 4303091 nos. of consumers which includes 3426 nos. of agricultural metered consumers also. Further, there are 13,04,142 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 upto 500 watts, Hon'ble commission has prescribed 75units notional consumption. For other unmetered consumer, 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.



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- 8. Whether the reconciliation of receivables and payable between the 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 has been completed.

- 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 2020-21.

- 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. 7805.24 Crores (Previous Year Rs. 7010.54 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 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.

However, 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 a lender to the company due to the company's liability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government Company, then this direction is also applicable for Statutory Auditor of lender Company).**

During the financial year 2020-21, there is no instance of restructuring/waiver/written off any loan liability. However, the Company has availed benefit under REC COVID-19 Loan moratorium policy as per the COVID-19 regulatory package announced by RBI and get converted the Loan installments of Rs. 64.96 Crore into loan during April-20 to August-20. Further, the Company has also get the refinancing of REC MTL Loan amount Rs. 534.27 Crore from Central Bank of India.



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- 13. Whether funds (Grants/Subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.**

There is no deviation, received fund for specific schemes from Central/State agencies were properly accounted for utilized as per its term and conditions.

We have been informed that the company has utilized the funds received for specific schemes from the central/state agencies towards the particular scheme as per the terms and conditions and we have observed no deviation.

We trust that the above additional information may suffice your objective. We shall be pleased to provide any additional information you may require.

Thanking you,

Yours truly,

**For Khandelwal Kakani & Co  
Chartered Accountants  
FRN 01311C**

**CA Rakesh Bhawsar  
Partner**

**M No. 401314**

**Place: Indore**

**Date : 30.09.2021**

**UDIN: 21401314AAAAFC1918**



## MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITARAN COMPANY LIMITED

### Annexure C to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of sub-section 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 2021 in conjunction with our audit of the 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 or financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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### **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.

### **Qualified 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 standalone financial statements as at March 31, 2021

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 March 31, 2021, '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 March 31, 2021.

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 March 31, 2021 financial statements of the Company.

**For Khandelwal Kakani & Co  
Chartered Accountants  
FRN 01311C**

**CA Rakesh Bhawsar  
Partner**

**M No. 401314**

**Place: Indore  
Date : 30.09.2021  
UDIN: 21401314AAAAFC1918**