
Statutory Audit Report of Utility Powertech Limited

**for the year ended March 31,
2020**

INDEPENDENT AUDITOR'S REPORT

To the Members of Utility Powertech Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Utility Powertech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2020, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and Rules thereunder, 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 opinion on the Ind AS financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Ind AS financial statements:

1. Note 45 to the accompanying Ind AS financial statements which explain the management's evaluation of the financial impact due to lockdown and other restrictions on account of COVID-19 pandemic situation. The assessment of the impact is based on the estimate and assumptions which are highly subjective and uncertain.
2. Note 41 to the accompanying Ind AS financial statements with regards to Trade and Other Receivables, Advances and Security Deposits Receivables which are outstanding for a considerable period of time. For the reasons more fully explained in the said note, the management has considered the same as fully recoverable since such outstanding are against actual services rendered under valid contractual agreements and receivables are from related



parties. These outstanding are pending due to necessary procedural clearances and submission of required documents.

3. Note 42 to the accompanying Ind AS financial statements with regards to Trade Payables, Advances and Security Deposits Payable to contractors and are unpaid for considerable period of time. For the reasons more fully explained in the said note, the management has considered the same as fully payable and are outstanding mainly on account of submission of documents and proof of compliances.

Our opinion is not modified in respect of these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report along with its annexure - Annual Return extracts, and annual report on Corporate Social Responsibility, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the 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. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to



going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS 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 Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, 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 Statement of Changes in Equity and the Statement of Cash Flows 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 Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
- g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration is paid/ provided by the Company to its directors during the year. Accordingly, the provisions of section 197(16) of the Act are not applicable to the Company;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

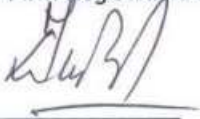
(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 29 on Contingent Liabilities to the Ind AS financial statements;



(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048



Raj Kumar Agarwal
Partner
Membership No.074715
UDIN:20074715AAAABL9507



Place: New Delhi

Date: May 29, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Utility Powertech Limited ("the Company") on the Ind AS financial statements for the year ended March 31, 2020]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
- (ii) The Company is in the business of providing services and does not have any physical inventories. Accordingly, clause 3(ii) of the Order is not applicable to the Company.
- (iii) 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, clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted loans, made investments or provided guarantees and securities covered under sections 185 and 186 of the Act. Accordingly, clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the activities of the Company under sub-section (1) of section 148 of the Act and the rules framed there under. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- (vii)
 - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that there have been slight delay in few cases. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (b) There are no dues outstanding with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, except as follows:

Name of the statute	Nature of dues	Amount of Demand (in Lacs)	Amount paid under protest Money (in Lacs)	Period to which the amount relates	Forum where dispute is pending
A.P. General Sales Tax Act	Sales tax demand	11.22	9.14	FY 2002-03	Sales Tax Appellate Tribunal
WB VAT Act, 2003	Sales tax demand	7.83	0.56	FY 2014-15	Joint Commissioner Commercial taxes
WBVAT Act, 2003	Sales tax demand	1.20	0.12	FY 2017-18	Joint Commissioner Commercial taxes
WBVAT Act, 2003	Sales tax demand	9.03	0.86	FY 2016-17	Joint Commissioner Commercial taxes
Finance Act, 1994	Service Tax demand	151.71	-	FY 2005-06 to 2009-10	Custom Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax demand	233.23	10.00	FY 2006-07 to 2010-11	Commissioner of Service Tax (Appeal)
Finance Act, 1994	Service Tax demand	148.74	5.56	FY 2009-10 to 2011-12	Commissioner of Service Tax (Appeal)
Finance Act, 1994	Service Tax demand	386.74	14.49	FY 2006-07 to 2010-11	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax demand	194.78	7.30	FY 2008-09 to 2012-13	Custom Excise and Service Tax Appellate Tribunal

- (viii) During the year, the Company has not taken any loans or borrowings from any financial institution, bank or government nor has it issued any debentures. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.



HARIBHAKTI & CO. LLP

Chartered Accountants

- (xi) The Company has not paid / provided any managerial remuneration to its directors during the year. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048



Raj Kumar Agarwal
Partner
Membership No. 074715
UDIN: 20074715AAAABL9507



Place: New Delhi
Date: May 29, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Utility Powertech Limited on the Ind AS financial statements for the year ended March 31, 2020.

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Utility Powertech Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 (the "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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

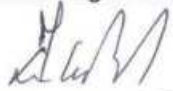
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048


Raj Kumar Agarwal
Partner
Membership No. 074715
UDIN: 20074715AAAABL9507



Place: New Delhi
Date: May 29, 2020



Utility Powertech Limited
Balance Sheet as at March 31, 2020

(Amount ₹ in lacs)

Particulars	Note no.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2	1,666.53	1,683.08
Capital work-in-progress	2A	773.38	283.13
Other intangible assets	3	3.17	1.32
Financial assets			
(i) Loans	4	52.32	52.75
(ii) Other financial assets	5	63.00	61.68
Deferred tax assets (net)	6	568.29	951.79
Other non-current assets	7	2,907.62	1,405.23
Total non-current assets		6,034.31	4,438.98
Current assets			
Financial assets			
(i) Investments	9B	400.25	-
(i) Trade receivables	8	13,020.43	15,545.35
(ii) Cash and cash equivalents	9	4,232.32	3,946.82
(iii) Bank balances other than cash and cash equivalents	9A	12,127.13	11,346.27
(iv) Loans	10	531.28	475.56
(v) Other financial assets	11	12,132.71	12,615.67
Current tax assets (net)	12	359.15	700.57
Other current assets	13	957.05	366.06
Total current assets		43,760.32	44,996.30
TOTAL ASSETS		49,794.63	49,435.28
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	400.00	400.00
(b) Other equity	15	14,050.08	11,413.55
Total equity		14,450.08	11,813.55
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Other financial liabilities	16	345.40	434.75
Provisions	17	1,804.81	2,157.63
Total non-current liabilities		2,150.21	2,592.38
Current liabilities			
Financial liabilities			
(i) Trade payables	18		
-Total outstanding dues of Micro enterprises and small enterprises		12,604.96	15,309.67
-Total outstanding dues of creditors other than Micro enterprises and small enterprises		4,043.49	4,552.55
(ii) Other financial liabilities	19	15,625.22	14,134.07
Other current liabilities	20	823.75	834.97
Provisions	21	96.92	198.09
Total current liabilities		33,194.34	35,029.35
TOTAL EQUITY AND LIABILITIES		49,794.63	49,435.28

Significant accounting policies

1C

The accompanying notes 1 to 46 form an integral part of these financial statements.

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Raj Kumar Agarwal

Partner

Membership No.: 074715

Place: Noida

Date: May 29, 2020



For and on behalf of the Board of Directors

Utility Powertech Limited

Amar Nath Verma

Chairman

DIN-07937764

Amarjeet Singh

Director

DIN-08265546

A. C. Srivastava

Chief Financial Officer

Place: Noida

Date: May 29, 2020

Sandeep Aggarwal

Director

DIN-08553176

Rakesh Prasad

Chief Executive Officer

Gaurav Agrawal

Company Secretary

FCS - 6823





Utility Powertech Limited
Statement of Profit and Loss for the year ended March 31, 2020

(Amount ₹ in lacs)

Particulars	Note no.	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue			
Revenue from operations	22	1,18,613.26	1,04,525.08
Other income	23	1,159.19	1,132.59
Total revenue		1,19,772.45	1,05,657.67
Expenses			
Cost of materials and services consumed		1,09,446.24	96,429.86
Employee benefits expense	24	4,172.04	3,531.10
Finance costs	25	183.13	160.65
Depreciation and amortization expense	26	122.64	125.81
Other expenses	27	921.76	773.03
Total expenses		1,14,845.81	1,01,020.45
Profit before tax		4,926.64	4,637.22
Tax expense	30		
Current tax			
Current year		1,271.63	1,848.80
Earlier years		44.75	201.65
Deferred tax		383.50	(268.55)
Total tax expense		1,699.88	1,781.90
Profit for the year		3,226.76	2,855.32
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post employment benefit obligations		500.08	1.66
- Income tax related to above item		(125.87)	(0.58)
Other comprehensive income for the year, net of income tax		374.21	1.08
Total comprehensive income for the year		3,600.97	2,856.40
Significant accounting policies	1C		
Earnings per equity share (Par value of ₹ 10 per share)	28		
Basic & Diluted (₹)		80.67	71.38

The accompanying notes 1 to 46 form an integral part of these financial statements.

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: Noida
Date: May 29, 2020



For and on behalf of the Board of Directors
Utility Powertech Limited

Amar Nath Verma
Chairman
DIN-07937764

Amarjeet Singh
Director
DIN-08265546

A. C. Srivastava
Chief Financial Officer

Place: Noida
Date: May 29, 2020

Sandeep Aggarwal
Director
DIN-08553176

Rakesh Prasad
Chief Executive Officer

Gaurav Agrawal
Company Secretary
FCS - 6823





Utility Powertech Limited
Cash flows for the year ended March 31, 2020

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,926.64	4637.22
Adjustments for:		
Depreciation and amortization expense	122.64	125.81
Property, plant and equipment written off	1.65	-
Profit on sale of property, plant and equipment	-	0.21
Liabilities written back	(15.10)	(122.91)
Sundry balances written off	0.05	0.07
Bad & Doubtful Debts written off	192.87	-
Interest income on bank deposits	(1,026.63)	(844.55)
Unwinding of discounting of security deposit payable	182.01	160.65
Dividend income on mutual fund investment	(50.25)	(89.52)
Operating profit before working capital changes	4,333.88	3,866.98
Movement in operating liabilities:		
Increase/(Decrease) in Trade payables	(3,198.67)	1693.07
Increase in Non-current provisions	147.26	614.56
(Decrease) in Other non-current financial liabilities	(271.35)	(102.75)
Increase in Other current financial liabilities	1,491.15	1733.88
Increase in Other current liabilities	(11.21)	95.40
Increase/(Decrease) in Current provisions	(101.18)	41.68
Movement in operating assets:		
Decrease in Non-Current loans and advances	0.43	0.21
Decrease in Other non-current assets	25.08	36.69
Decrease/Increase in Trade receivables	2,332.05	(2844.39)
(Increase) in Current loans and advances	(55.72)	(54.51)
(Increase) in Other current financial assets	438.73	(1817.09)
(Increase) in Other current assets	(591.04)	(356.46)
Cash generated from operations	4,539.41	2,907.27
Less: Taxes paid, net of refund	(2,628.32)	(2190.81)
Net cash from operating activities - A	1,911.09	716.46
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(109.60)	(63.00)
Capital work-in-progress	(490.24)	(270.60)
Proceeds from sale of property, plant and equipment	-	(0.21)
Interest received on bank deposits	1,070.86	793.05
Dividend income on mutual fund investment	-	89.52
Proceeds from realisation of bank deposits	26,044.04	21,805.93
Investment in bank deposits	(26,826.21)	(22,450.98)
Redemption of mutual funds	11,835.00	12,560.00
Investment in mutual funds	(12,185.00)	(12,560.00)
Net cash from investing activities - B	(661.15)	(96.29)



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Utility Powertech Limited
Cash flows for the year ended March 31, 2020

(Amount ₹ in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
....Continued from previous page		
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(800.00)	(700.00)
Tax on dividend paid	(164.44)	(143.89)
Net cash used in financing activities - C	(964.44)	(843.89)
Net increase in cash and cash equivalents (A+B+C)	285.50	(223.72)
Cash and cash equivalents at the beginning of the year	3,946.82	4,170.54
Cash and cash equivalents at the end of the year	4,232.32	3,946.82

Notes:

- (i) Cash and cash equivalents consist of balances with banks and deposits with original maturity of upto three months.
(ii) Previous year figures have been regrouped/rearranged wherever considered necessary.
(ii) Components of cash and cash equivalents included under cash and bank balances (Note 8) are as under:

Cash and cash equivalents (Note 8)

Balances with banks		
- In current account	4,232.32	1,526.82
- Deposits with original maturity of upto 3 months	-	2,420.00
Total	4,232.32	3,946.82

The accompanying notes 1 to 46 form an integral part of these financial statements.

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: Noida
Date: May 29, 2020



For and on behalf of the Board of Directors
Utility Powertech Limited

Amar Nath Verma
Chairman
DIN-07937764

Amarjeet Singh
Director
DIN-08265546

A. C. Srivastava
Chief Financial Officer

Sandeep Aggarwal
Director
DIN-08553176

Rakesh Prasad
Chief Executive Officer

Gaurav Agrawal
Company Secretary
FCS - 6823

Place: Noida
Date: May 29, 2020





Utility Powertech Limited
Statement of changes in equity for the year ended March 31, 2020

A. Equity Share Capital

For the year ended March 31, 2020

(Amount ₹ in lacs)

Balance as at April 01, 2019	400.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	400.00

For the year ended March 31, 2019

(Amount ₹ in lacs)

Balance as at April 01, 2018	400.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	400.00

B. Other equity

For the year ended March 31, 2020

(Amount ₹ in lacs)

Particulars	Reserves & surplus		Remeasurement of defined benefit plans	Total
	General reserve	Retained earnings		
Balance as at April 1, 2019	3,797.32	7,520.49	95.72	11,413.55
Profit for the year	-	3,226.76	-	3,226.76
Other comprehensive Income	-	-	374.21	374.21
Total Comprehensive Income	-	3,226.76	374.21	3,600.97
Dividends	-	(800.00)	-	(800.00)
Tax on dividend paid	-	(164.44)	-	(164.44)
Balance as at March 31, 2020	3,797.32	9,782.81	469.93	14,050.08

For the year ended March 31, 2019

(Amount ₹ in lacs)

Particulars	Reserves & Surplus		Remeasurement of defined benefit plans	Total
	General reserve	Retained earnings		
Balance as at April 1, 2018	3,797.32	5,509.06	94.64	9,401.04
Profit for the year	-	2,855.32	-	2,855.32
Other comprehensive Income	-	-	1.08	1.08
Total Comprehensive Income	-	2,855.32	1.08	2,856.40
Dividends	-	(700.00)	-	(700.00)
Tax on dividend paid	-	(143.89)	-	(143.89)
Balance as at March 31, 2019	3,797.32	7,520.49	95.72	11,413.55

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

For and on behalf of the Board of Directors

Utility Powertech Limited


Raj Kumar Agarwal
Partner
Membership No.: 074715


Amar Nath Verma
Chairman
DIN-07937764


Sandeep Aggarwal
Director
DIN-08553176

Place: Noida
Date: May 29, 2020




Amarjeet Singh
Director
DIN-08265546


A. C. Srivastava
Chief Financial Officer


Rakesh Prasad
Chief Executive Officer


Gaurav Agrawal
Company Secretary
FCS - 6823



Place: Noida
Date: May 29, 2020

Utility Powertech Limited
Notes to financial statement for the year ended March 31, 2020

1. Company Information and Significant Accounting Policies

A. Reporting entity

Utility Powertech Limited (the "Company") incorporated on November 23, 1995 is a Company domiciled in India and limited by shares (CIN: U45207MH1995PLC094719). The address of the Company's registered office is Dhirubhai Ambani Knowledge City, H Block, First Floor, Thane Belapur Road, Navi Mumbai - 400710.

The company is engaged in contracting services for power utilities. The activities of the company include operation and maintenance of electrical and mechanical equipments, civil maintenance of townships, residual life assessment studies, construction/erection of buildings and electrical equipments in power distribution sector. The Company is a 50:50 joint venture with NTPC Limited and Reliance Infrastructure Limited contributing in the share capital of the Company either directly or through nominees/affiliate.

B. Basis of preparation

1. Statement of Compliance

These financial statements are prepared on going concern basis following accrual basis of accounting and comply with accounting standards prescribed under the Companies (Indian Accounting Standards) Rules, 2015, Schedule III of the Companies Act 2013 (the Act), the Indian Accounting Standards (Ind AS) notified under section 133 of the Act, applicable provisions and rules under the Act and other accounting principle.

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

The Company does not have any investment in or control over the other entities. Therefore, the Company does not require any consolidated financial statement. Accordingly, these financial statement are prepared on standalone basis.

These financial statements were authorized for issue by Board of Directors on Date May 29, 2020.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit plans - Plan assets are measured at fair value.

The methods used to measure fair values are discussed in note no.34 to the financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. Functional and presentation currency

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

4. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.



An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements unless otherwise stated.

1. Property, plant and equipment

1.1. Initial recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

1.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

1.3. Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.



2. Intangible assets

2.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

2.2. Subsequent costs

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

2.3. Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

4. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

5. Revenue:

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Standard requires apportioning revenue earned from contracts to customers, promises, or performance obligations, on a relative stand-alone contract price basis, using a certification model. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018) and the comparative information in the statement of profit and loss is not restated and continues to be reported as per Ind AS 18.

There is no impact of the adoption of the Standard on the financial statements of the Company.

The Company derives revenue from services rendered based on the consideration that is specified in power station and office maintenance agreement (PSOMA) and Non-PSOMA agreements with the customers.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange of those products or services, particularly as follows;



- a. In respect of service contracts, where the performance obligation is satisfied over time, income is recognized using output method i.e. proportionate to value of work done/services rendered.
- b. Tender fees represent non-refundable amount received on account of bid fees for auctions of tenders raised by the company. These are recognized in statement of profit & loss upon receipt.
- c. Unbilled revenue is recognized on completion of services in respect of service contracts. These are billed in subsequent period as per the terms of the contract. Unbilled revenue is classified as financial asset by the company.

6. Other Income

For debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established.

Interest on term deposits is recognised on the time proportion basis using effective interest rate method.

7. Depreciation/amortization

Depreciation on all property, plant & equipment, except leasehold land and building on leasehold land, is recognised in profit or loss on a straight-line basis up to 95% of the total cost incurred to purchase/construct the assets at the useful lives specified in schedule II to the Companies Act, 2013.

Leasehold land and building on such leasehold land is amortised over the period of lease or 30 years, whichever is lesser.

Leasehold building is amortised over the period of lease or 60 years, whichever is lesser.

Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 3 years, whichever is less.

Depreciation on addition to property, plant and equipments/amortisation on addition to intangible assets is provided on pro-rata basis from the date the asset is available for its intended use. Depreciation/amortisation on sale/deduction from the assets is provided for up to the date of sale/deduction/discard, as the case may be.

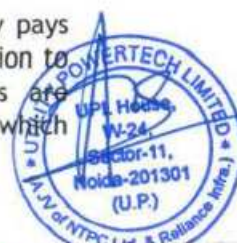
Depreciation/amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted as appropriate.

All individual assets costing Rs.5,000 or less are depreciated in full by way of a one-time depreciation charge.

8. Employee benefits

8.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which



services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

The Company pays fixed contribution to Provident Fund at predetermined rates to the fund administered and managed by Government of India. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund & Miscellaneous Provisions Act, 1952. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss.

The company also pays benefits to eligible employees under superannuation plan. The plan is accounted for on the basis of contributions made to a fund set up by the company and administered by a board of trustees. The company has no further obligations under these plans beyond its yearly contributions.

A few employees are on secondment basis from NTPC Limited. Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme & other terminal benefits. In terms of arrangement with NTPC, the company is to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the company. Accordingly, these employee benefits are treated as defined contribution schemes.

8.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company has defined benefit gratuity plan.

In respect of regular employees the Company contributes to (Life Insurance Corporation of India) a fund set up by the Company and administered by a board of trustees with respect to its gratuity obligation.

During the year, in respect of fixed tenure/ contractual employees who are on company roll, the company has contributed to Life Insurance Corporation of India for a fund set up by the Company and administered by a board of trustees with respect to its gratuity obligation. In case of remaining fixed tenure/contractual employee who are deployed in customers place, the liability is recorded as at balance sheet date and is non-funded.

The Company's net obligation in respect of defined benefit plans for regular and contractual employees is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in other comprehensive income in the period in which they arise.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately the expense is recognized immediately in profit or loss.



8.3. Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the

Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

8.4. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Leave encashment benefits payable to employees with respect to accumulated casual leaves outstanding at the year-end and which are expected to be utilized/ encashed within the next 12 months and exgratia, are treated as short term employee benefits. The Company measures the expected cost of such expenses as the additional amount on actual basis that it expects to pay as a result of unused entitlement that has accumulated at the reporting date.

9. Leases

As Lessee

Effective April 1, 2019, the Company has applied Ind AS 116 "Leases" and applied to all lease contracts existing on 1 April 2019 using the modified retrospective transition method. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. The Standard set out the principles for the recognition, measurement, presentation and disclosures of the leases for the both to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless underlying asset of low value. Currently, operating lease expenses are charged to statement of Profit & Loss. The Standard also contains enhanced disclosure for leases.

Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- **Full retrospective** - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- **Modified retrospective** - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right to use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application. Or;
- Amount equals to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.



The Company has evaluated to this effect of amendment on the financial statements and found that Ind AS 116 does not lead to any differences in financials statement of the company for the year.

10. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

11. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money 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 finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.



Utility Powertech Limited
Notes to financial statement for the year ended March 31, 2020

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

12. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance.

The Company's Chief executive officer has been identified as the Chief Operating Decision Maker or 'CODM' within the meaning of Ind AS 108.

13. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a credit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

14. Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

15. Material prior period errors

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



16. Earnings per Share

Basic earnings per equity share are computed by dividing the net profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

17. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

18. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

18.1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL (Fair Value through Profit or Loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- (b) Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

18.2. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

D. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates



and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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 in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

1. Formulation of Accounting Policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

2. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.

3. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

4. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

6. Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.



Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

2. Non-current assets - Property, plant & equipment

Particulars	Gross block				Depreciation			Net block	
	As at	Additions	Deductions/	As at	As at	For	Deductions/	Upto	As at
	April 1, 2019		adjustments	March 31, 2020	April 1, 2019	the year	Adjustments	March 31, 2020	March 31, 2020
Right-of-use Assets									
Leasehold land	1,596.98	-	-	1,596.98	177.48	51.89	-	229.37	1,367.61
Leasehold building	35.18	-	-	35.18	1.83	0.72	-	2.55	32.63
(A)	1,632.16	-	-	1,632.16	179.31	52.61	-	231.92	1,400.24
Own assets									
Building on leasehold land	104.60	-	-	104.60	16.40	4.10	-	20.50	84.10
Temporary structure	20.93	5.83	-	26.76	13.35	5.52	-	18.87	7.89
Furniture and fixtures	83.29	36.78	10.22	109.85	49.43	10.88	9.73	50.58	59.27
Computer equipments	163.75	53.14	22.25	194.64	104.63	35.32	21.54	118.41	76.23
Office equipments	39.14	1.96	7.48	33.62	20.61	6.51	7.10	20.02	13.60
Air conditioners	19.11	8.10	1.44	25.77	6.60	4.17	1.36	9.41	16.36
Vehicles	10.18	-	-	10.18	2.48	1.21	-	3.69	6.49
Plant & machinery	0.19	-	-	0.19	-	-	-	-	0.19
Electrical installations	17.93	-	-	17.93	15.96	0.38	-	16.34	1.59
Generator sets	0.57	-	-	0.57	-	-	-	-	0.57
(B)	459.69	105.81	41.39	524.11	229.46	68.09	39.73	257.82	266.29
Total (A) + (B)	2,091.85	105.81	41.39	2,156.27	408.77	120.70	39.73	489.74	1,666.53

As at March 31, 2019

Particulars	Gross block				Depreciation			Net block	
	As at	Addition	Deductions/	As at	As at	For	Deductions/	Upto	As at
	April 1, 2018		Adjustments	March 31, 2019	April 1, 2018	the year	Adjustments	March 31, 2019	March 31, 2019
Right-of-use Assets									
Leasehold land	1,596.98	-	-	1,596.98	125.50	51.98	-	177.48	1,419.50
Leasehold building	19.58	15.60	-	35.18	1.17	0.66	-	1.83	33.35
(A)	1,616.56	15.60	-	1,632.16	126.67	52.64	-	179.31	1,452.85
Own assets									
Building on leasehold land	104.60	-	-	104.60	12.30	4.10	-	16.40	88.20
Temporary structure	17.46	3.47	-	20.93	8.27	5.08	-	13.35	7.58
Furniture and fixtures	75.36	9.54	1.61	83.29	39.26	11.73	1.56	49.43	33.86
Computer equipments	143.17	25.21	4.63	163.75	73.96	35.13	4.46	104.63	59.12
Office equipments	36.54	3.46	0.86	39.14	15.22	6.22	0.83	20.61	18.53
Air conditioners	15.48	5.66	2.03	19.11	5.31	3.22	1.93	6.60	12.51
Vehicles	10.18	-	-	10.18	1.27	1.21	-	2.48	7.70
Plant & machinery	0.19	-	-	0.19	-	-	-	-	0.19
Electrical installations	17.93	-	-	17.93	12.09	3.87	-	15.96	1.97
Generator sets	0.57	-	-	0.57	-	-	-	-	0.57
(B)	421.48	47.34	9.13	459.69	167.68	70.56	8.78	229.46	230.23
Total (A) + (B)	2,038.04	62.94	9.13	2,091.85	294.35	123.20	8.78	408.77	1,683.08

Note:

(i) Refer Note 27 for Property, plant and equipment written off

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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

2A. Non-current assets - Capital Work-in-Progress

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Opening balance	283.13	12.53
Addition during the period	490.25	270.60
Capitalised during period	-	-
Closing balance	<u>773.38</u>	<u>283.13</u>

Note:

- (i) Capital work in progress as at March 31, 2020 comprise the expenditure for the property located at B-16, Sector-153, Noida which is under the construction.
(ii) For capital commitment (Refer note 29)

3. Non-current assets - Intangible assets

Particulars	Gross block				Amortisation		Net block	
	As at April 1, 2019	Addition	Deductions/ Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Upto March 31, 2020	As at March 31, 2020
Software	10.43	3.79	-	14.22	9.11	1.94	11.05	3.17
Total	<u>10.43</u>	<u>3.79</u>	<u>-</u>	<u>14.22</u>	<u>9.11</u>	<u>1.94</u>	<u>11.05</u>	<u>3.17</u>

Particulars	Gross block				Amortisation		Net block	
	As at April 1, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	As at April 1, 2018	For the year	Upto March 31, 2019	As at March 31, 2019
Software	10.02	0.41	-	10.43	6.50	2.61	9.11	1.32
Total	<u>10.02</u>	<u>0.41</u>	<u>-</u>	<u>10.43</u>	<u>6.50</u>	<u>2.61</u>	<u>9.11</u>	<u>1.32</u>

Notes:

- (i) The Company does not have any internally generated intangible assets.

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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

4. Non-current financial assets - Loans

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Loans		
Unsecured, considered good		
Security deposit with customers (Refer note i)	3.14	-
Others deposits for utilities	49.18	52.75
Total	52.32	52.75

Note:

- (i) It includes the amounts due from related parties (Refer note 36)
(ii) For explanation on the Company credit risk management process (Refer note 34)

5. Non-current financial assets - Other financial assets

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Restricted deposit with banks (Refer note-i & ii)		
Time deposits with banks	3.91	2.49
Unsecured, considered good		
Other receivables from contractors	59.09	59.19
Total	63.00	61.68

Note:

- (i) The restrictions are primarily on account of time deposits pledged with various government authorities.
(ii) The deposits maintained by the Company with banks comprise of time deposits which can be withdrawn by the Company subject to compliance of restrictions.

6. Non-current assets - Deferred tax assets (net)

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		
On account of property, plant & equipment	6.50	8.32
Provision for leave encashment	84.47	107.77
Provision for gratuity	394.20	695.03
Provision for doubtful advances	60.24	125.08
Provision for ex-gratia	35.52	40.09
Measurement of assets at amortised cost	0.12	-
Deferred tax liabilities		
Measurement of liabilities at amortised cost	(12.76)	(24.50)
Net deferred tax asset	568.29	951.79

Note:

- (i) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

Movement in deferred tax balances

Particulars	(Amount ₹ in lacs)		
	Net balance April 1, 2019	Recognised in profit or loss	Net balance March 31, 2020
Difference in book depreciation and tax depreciation	8.32	(1.82)	6.50
Leave encashment	107.77	(23.30)	84.47
Gratuity	695.03	(300.83)	394.20
Doubtful advances	125.08	(64.84)	60.24
Ex-gratia	40.09	(4.57)	35.52
Measurement of liabilities at amortised cost	(24.50)	11.74	(12.76)
Measurement of assets at amortised cost	-	0.12	0.12
Net tax assets/(liabilities)	951.79	(383.50)	568.29

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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

7. Other Non Current Assets

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Capital advance (Refer note i)	2.12	46.70
Advances other than capital advance		
Advances to Contractors & suppliers		
Unsecured, considered doubtful	432.03	355.61
Less: Provision for doubtful advances	(201.94)	(201.94)
	<u>230.09</u>	<u>153.67</u>
Deposits under disputes (Refer note 29)		
Sales tax	10.67	9.14
Service tax (Refer Note ii)	41.12	94.54
Others	58.75	63.96
Balance with statutory / Government authorities		
Work contract tax	438.40	438.40
Less: Provision for doubtful works contract tax recoverable	37.37	37.37
	<u>401.03</u>	<u>401.03</u>
Advance tax and tax deducted at source (Net of provision for tax amounting to ₹ 6,012.90 lacs) (March 31, 2019: ₹ 2,842.78 lacs)	2,162.82	635.35
Others-Gold coins	1.02	0.84
Total	<u>2,907.62</u>	<u>1,405.23</u>

Note:

(i) Capital advance comprise the expenditure for the property located at B-16, Sector-153, Noida which is under the construction.

(ii) During the year, the company has opted Sabka Vishwas-(Legal Dispute Resolution) Scheme, 2019 for settlement of various Service Tax Cases.

8. Current financial assets - Trade receivables

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Unsecured, considered good (Refer note 27)	13,020.43	15,545.35
Unsecured, considered doubtful		
With significant increase in credit risk (Refer note i)	-	-
Credit impaired (Refer note i)	-	60.32
Total	-	-
Less: Allowance for the doubtful debts (Refer note viii)	-	(60.32)
	<u>13,020.43</u>	<u>15,545.35</u>
Total	<u>13,020.43</u>	<u>15,545.35</u>

Note:

(i) The Company has customers NTPC Limited ("Government of India undertaking" and also shareholder of the company) and with capacity to meet the obligations and therefore the risk of default is negligible or NIL. Further, management believes that the un-impaired amounts that are past their due date by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of the customer credit risk. Hence, no impairment loss is recognised during the reporting period in respect of trade receivables.

(ii) Trade receivables are non interest bearing and generally receivables on terms of 15-30 days.

(iii) No trade receivable are due from directors or other officers of the Company and firms or Private companies in which any director is a partner, a director or a member either jointly or severally with other persons.

(iv) It includes the amount due from related parties (Refer note 36)

(v) For terms & conditions of trade receivables owing from related parties (Refer note 36).

(vi) For explanation on the company credit risk management process (Refer note 34)

(vii) For long outstanding trade receivables (Refer note 41).

(viii) Debtor amounting to ₹ 253.19 lacs have been written off (Refer note 27).

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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

9. Current financial assets - Cash and cash equivalents

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Balances with banks		
Current accounts	4,232.32	1,526.82
Deposits with original maturity upto three months	-	2,420.00
Total	4,232.32	3,946.82

Note:

(i) For explanation on the company credit risk management process (Refer note 34)

9A. Current financial assets - Bank balances other than cash and cash equivalents

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Bank balances other than cash and cash equivalents		
Deposits with original maturity for more than three months and maturing within twelve months from Balance Sheet date (Refer note i)	12,127.13	11,346.27
Total	12,127.13	11,346.27

Note:

(i) Net of book overdraft of ₹ 232.49 lacs (March 31, 2019: ₹ 1.44 lacs). The current accounts are linked to such time deposits with sweep in/sweep out facility, wherein in case of insufficient funds in current account, amounts are transferred from linked fixed deposits account as and when cheques are presented for payment. Time deposits made under this facility has original maturity of one year.

(ii) For explanation on the company credit risk management process (Refer note 34).

9B. Current Financial Investments

Particulars	No. of units held (in No's)		Face Value per unit (in INR)	Value of investment	
	As at March 31, 2020	As at March 31, 2019		As at March 31, 2020	As at March 31, 2019
	(l) Investments at Fair Value through Profit & Loss (FVPTL)				
a) Investment in Mutual Funds					
Unquoted					
Birla Sunlife Cash Plus	25,772.65	-	100.20	25.82	-
UTI Mutual Fund	1,083.53	-	1,019.45	11.05	-
Axis Liquid Fund	1,015.37	-	1,000.96	10.16	-
Reliance Liquid Fund Treasury Plan	559.00	-	1,528.74	8.55	-
SBI Premier Liquid Fund	518.49	-	1,003.25	5.20	-
HDFC Mutual Fund	510.21	-	1,019.82	5.20	-
ICICI Prudential Mutual Fund	5,673.73	-	100.11	5.68	-
LIC Mutual Fund	29,926.43	-	1,098.00	328.59	-
Total				400.25	-

Note:-

(a) Aggregate amount of unquoted investments

400.25

(b) Aggregate amount of quoted investments- market value

(c) There are no restrictions/encumbrances on the above investments.

(l) During the current year, the Company has invested an amount of ₹ 12,185.00 lacs in mutual funds of various Asset Management Companies and an amount of ₹ 11,835.00 lacs have been redeemed. The closing balance as on 31st March, 2020 is ₹ 400.25 lacs, which includes ₹ 50.25 lacs of dividends re-invested.

10. Current financial assets - Loans

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Loans		
Unsecured, considered good		
Security deposits with customers (Refer note i)	531.28	475.56
Total	531.28	475.56

Notes:

(i) It includes amount due from related parties (Refer note 36)

(ii) For explanation on the company credit risk management process (Refer note 34)

(iii) For long outstanding receivables (Refer note 41).

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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

11. Current financial assets - Other financial assets

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Interest accrued on deposits with banks	272.61	316.84
Advances & other recoverable from employees (Refer note i)	51.99	41.65
Unbilled revenue (Refer note i & ii)	11,808.11	12,257.18
Total	12,132.71	12,615.67

Notes:

- (i) It includes amount due from related parties (Refer note 36)
(ii) Refer note 43 for disclosure related to Ind AS 115
(iii) For explanation on the company credit risk management process (Refer note 34)

12. Current assets - Current tax assets (net)

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Current tax (net of provision for tax ₹ Nil) (March 31, 2019: ₹ 1,849.38 lacs)- (refer note i)	359.15	700.57
Total	359.15	700.57

Note:

- (i) It include amount of refund receivable from Income tax department for the Assessment year 2017-18 amounting ₹ 359.15 Lacs (Previous Year: ₹ 359.15 Lacs)

13. Current assets - Other current assets

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Staff imprest	6.04	2.50
Prepaid expenses	18.67	17.13
Balances with Statutory/Government authorities		
Input tax credit-Goods and Service Tax	175.87	-
Interest receivable on income tax refund	43.10	43.10
Tax deducted at source-Goods and Service Tax	713.37	303.33
Total	957.05	366.06

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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

14. Equity share capital

(Amount ₹ in lacs)

Particulars	As at	
	March 31, 2020	March 31, 2019
Equity share capital		
The Company has only one class of share capital having a par value of ₹ 10 each per share (Referred to herein as equity share)		
Authorised shares		
10,000,000 (March 31, 2019: 10,000,000) equity shares of ₹ 10 each	1,000.00	1,000.00
Issued, subscribed and fully paid up shares		
4,000,000 (March 31, 2019: 4,000,000) equity shares of ₹ 10 each	400.00	400.00

a) **Movements in equity share capital:**

During the year, the Company has neither issued nor bought back any shares.

b) **Terms and rights attached to equity shares:**

Voting

Each holder of equity share is entitled to one vote per share held.

Dividends

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed.

Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

c) During the last five financial years, company has not issued the bonus shares for any class of shares.

d) Shares held by the holding Company / ultimate holding Company and/or their associates/ affiliates/ subsidiaries and shareholders holding more than 5% shares in the Company.

The Company is a joint venture of NTPC Limited and Reliance Infrastructure Limited with each contributing to 50% of the share capital of the Company either directly or through their nominees/affiliates.

Name of the share holders	As at March 31, 2020		As at March 31, 2019	
	No. of shares	%age holding	No. of shares	%age holding
Equity share of ₹ 10 each, fully paid				
- NTPC Limited and its nominees (Refer note i)	20,00,000	50%	20,00,000	50%
- Reliance Infrastructure Limited and its nominees (Refer note ii)	20,00,000	50%	20,00,000	50%

Notes:

(i) None of the nominees / affiliates individually own more than 5% of the total shares issued by the Company.

(ii) Nominees / affiliates which hold more than 5% of the shares issued by the Company are as below:

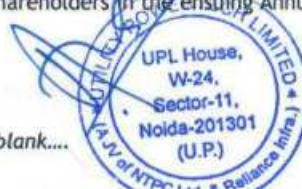
Name of the share holders	As at March 31, 2020		As at March 31, 2019	
	No. of shares	%age holding	No. of shares	%age holding
- Species Commerce and Trade Private Limited (Formerly known as Spice Commerce and Trade Private)	4,08,000	10.20	4,08,000	10.20
- Space Trade Enterprises Private Limited	4,00,000	10.00	4,00,000	10.00
- Skyline Global Trade Private Limited	4,00,000	10.00	4,00,000	10.00

e) **Dividend paid and proposed:**

During the year ended March 31, 2020, the amount of per share dividend recognised as distribution to equity share holders is ₹ 20.00 per share towards final dividend for the year ended March 31, 2019. (March 31, 2019: ₹ 17.50 per share towards final dividend for the year ended March 31, 2018)

Dividends proposed by the company to be distributed for the equity shareholders for the year ended March 31, 2020 is ₹ 25.00 dividend per share (31 March 2019: ₹ 20.00 per share) subject to approval of the shareholders in the ensuing Annual General Meeting

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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

15. Other equity

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
General reserve	3,797.32	3,797.32
Retained earnings	10,252.76	7,616.23
Total	14,050.08	11,413.55

	(Amount ₹ in lacs)	
	For the year ended	
	March 31, 2020	March 31, 2019
(a) General reserve		
Opening balance	3,797.32	3,797.32
Add : Transfer from retained earnings	-	-
Closing balance	3,797.32	3,797.32
(b) Retained earnings		
Opening balance	7,616.23	5,603.72
Add: Profit after tax for the year as per Statement of Profit and Loss	3,226.76	2,855.32
Less: Dividend paid	800.00	700.00
Tax on dividend paid	164.44	143.89
	9,878.55	7,615.15
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurement of post-employment benefit obligation, net of tax	374.21	1.08
Closing balance	10,252.76	7,616.23
Total (a)+(b)	14,050.08	11,413.55

16. Non-current financial liabilities - Other financial liabilities

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Security deposits received from contractors	345.40	434.75
Total	345.40	434.75

Note:

(i) Deposits received from contractors are payable on successful completion of contract and fulfillment of all statutory



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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

17. Non-current liabilities - Provisions

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Gratuity	1,493.63	1,873.19
Leave encashment	311.18	284.44
Total	1804.81	2157.63

Notes:

- (i) For disclosures under per Ind AS 19 'Employee Benefits' (Refer note 31)
(ii) Refer note 21 for short term provisions of Gratuity and Leave Encashment

18. Current financial liabilities - Trade payables

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade payables		
(i) Total outstanding dues of Micro enterprises and small enterprises (Refer note 37)	12,604.96	15,309.67
(ii) Total outstanding dues to creditors other than Micro enterprises and small enterprises	4,043.49	4,552.55
Total	16,648.45	19,862.22

Notes:

- (i) The Company's exposure to liquidity risk related to trade payables is disclosed in (Refer note 34).
(ii) Disclosure with respect to micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in (Refer note 37).
(iii) Trade payables are non interest bearing and are normally settled in normal operating cycle.
(iv) It includes the amount due from related parties (Refer note 36).

19. Current financial liabilities - Other financial liabilities

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Other payables:		
Security deposits received from contractors (Refer note i)	15,231.02	13,650.72
Employee related payables	294.60	346.42
Payable for expenses	99.60	136.93
Total	15,625.22	14,134.07

Note:

- (i) Deposits received from contractors are payable on successful completion of contract and fulfillment of all statutory compliances.

20. Current liabilities - Other Current Liabilities

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Statutory dues payables	823.75	834.97
Total	823.75	834.97

21. Current liabilities - Provisions

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Provision for		
Employee benefits (Refer note i)		
Gratuity	72.50	115.81
Leave encashment	24.42	23.98
Service tax liability (Refer note ii)		58.30
Total	96.92	198.09

Notes:

- (i) For disclosures under per Ind AS 19 'Employee Benefits' (Refer note 31).
(ii) Refer note 17 for long term provision of Gratuity and Leave Encashment.
(iii) During the year, the company has opted Sabka Vishwas-(Legal Dispute Resolution) Scheme, 2019 for settlement of various Service Tax Cases. Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made (Refer note 33). Also refer note 23, for amount of liability written back during the year.



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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

22. Revenue from operations

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from sale of services (Refer note i & ii)	1,18,605.84	1,04,479.24
Other operating revenues		
Tender fees	7.42	45.84
Total	1,18,613.26	1,04,525.08

Notes:

- (i) Revenue from operations represents revenue from contract with customers in accordance with Ind AS 115. Also refer note 43.
(ii) For related party transactions Refer note 36

23. Other Income

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on		
Deposits with banks	1,025.80	844.24
Financial assets measured at amortised cost	0.82	0.31
	1,026.62	844.55
Dividend income on mutual fund investment (Refer note i)	50.25	89.52
Other non-operating income		
Liabilities written back (Refer note ii)	15.10	122.91
Miscellaneous income	67.22	32.22
Interest on tax refund	-	43.39
	82.32	198.52
Total	1,159.19	1,132.59

Notes:

- (i) The current year amount represents amount earned from mutual funds during the year and the same was re-invested in the mutual funds. The amount related to last year was redeemed alongwith the mutual funds. (refer note 9B)
(ii) For current year, refer note 21. In relation to previous year, as per section 15 chapter V for delayed payment to Micro and Small Enterprises supplier supplies goods and render any services to the any buyer, the buyer shall make the payment on or before the date agreed upon him and delayed payment to be calculated from the date of submission of bill along with all supporting documents (i.e. wage payment sheet, PF, ESI, GST and other compliances) as per contract. Accordingly, the company will not be liable to pay interest on MSME and write back the amount of ₹ 123.65 lacs. Net liability written back amounting ₹ 122.91 lacs is net off other miscellaneous items amounting ₹ 0.74 lacs.

24. Employee benefits expense

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and other short term employees benefits (Refer note i)	3,398.65	2,821.32
Contributions to provident and other funds (Refer note i)	379.45	326.60
Gratuity expenses (Refer note ii)	131.14	127.10
Leave encashment	85.10	119.82
Staff welfare expenses	180.55	138.56
Total	4,174.89	3,533.40
Less: CSR expenses (Refer note 39)	(2.85)	(2.30)
Total	4,172.04	3,531.10

Notes:

- (i) In accordance with significant accounting policy no 1C (7.1) an amount of ₹ 31.60 lacs (2018-19: ₹ 26.06 lacs) towards provident fund, pension, gratuity, post retirement medical facilities & other terminal benefits and ₹ Nil (2018-19: ₹ NIL lacs) towards leave & other benefits, are paid/payable to NTPC Ltd (venturer of the Company) and included under 'Employee benefits'.
(ii) During the year re-classification has been done in relation to gratuity expenses pertaining to assignment employees directly engaged on projects, as determined on Actuarial basis (Refer Note 44).



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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

25. Finance costs

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Finance charges on financial liabilities measured at amortised cost		
Unwinding of discounting of security deposit payable	182.01	160.65
Interest on payables to Micro and Small Enterprises (Refer note 37)	0.86	-
Interest on delayed payment of TDS	0.26	-
Total	183.13	160.65

26. Depreciation and amortisation expenses

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property, plant & equipment (Refer note 2)	120.70	123.20
Amortisation of intangible assets (Refer note 3)	1.94	2.61
Total	122.64	125.81

27. Other expenses

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Telephone expenses	83.77	91.80
Travelling expenses	58.48	63.41
Local conveyance expenses	7.57	6.50
Tender expenses	25.92	43.39
Legal and professional fees	94.39	125.81
Printing and stationery expenses	55.56	49.10
Vehicle hiring expenses	12.18	20.06
Payment to statutory auditors (excluding Goods and Service Tax):		
- Audit fee	13.80	13.20
- Tax audit fee	4.65	4.40
- Limited review	6.20	6.00
- Reimbursement of expenses	4.36	4.04
Insurance premium	17.48	10.39
Training & seminar expenses	16.70	13.12
Office rent (Refer Note 32)	2.31	4.35
Recruitment expenses	2.77	9.15
Rates and taxes	48.91	0.99
Repairs		
- Buildings	1.59	0.39
- Others	20.42	16.76
Office maintenance	104.74	104.30
Power & fuel	21.84	18.52
Business promotion expenses	2.07	1.69
Bank charges	5.81	4.95
Property, plant and equipment written off	1.65	-
Loss on sale of property, plant and equipment	-	0.21
Sundry balances written off	0.05	0.07
CSR expenses (refer note 39)		
- from identified activities	70.37	60.48
- from Salary & wages	2.85	2.30
Miscellaneous expenses	42.45	37.33
Provision for Doubtful/Bad Debts	-	60.32
Bad & Doubtful Debts written off	253.19	-
Less: Provision made in earlier Year	(60.32)	-
Total	921.76	773.03

i) The company considered a major reconciliation exercise during the year, following which an amount of ₹ 253.19 lacs (including Rs.60.32 lacs pertaining to previous year) forming part of Trade Receivables due from related party has been written off during the year after due management approval. Out of this Rs.192.87 lacs was receivable for a period more than 3 years. Refer note 36 for Related Party Disclosure.

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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

28. Disclosure as per Ind AS 33 on 'Earnings per Share'

Basic and diluted earnings per share

	March 31, 2020	March 31, 2019
Basic and diluted earnings per share (Refer note a & b)	80.67	71.38
Nominal value per share	10	10

(a) Profit attributable to equity shareholders (used as numerator)

	(Amount ₹ in lacs)	
	March 31, 2020	March 31, 2019
Profit from operations	3,226.76	2,855.32
Profit attributable to equity shareholders	<u>3,226.76</u>	<u>2,855.32</u>

(b) Weighted average number of equity shares

	March 31, 2020	March 31, 2019
Opening balance of issued equity shares	40,00,000	40,00,000
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	<u>40,00,000</u>	<u>40,00,000</u>

Note:

(i) At present, the Company does not have any dilutive potential equity shares.

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29. Contingent liabilities and commitments

Contingent liabilities

Claims against the company not acknowledged as debt				(Amount ₹ in lacs)	
Particulars	Site	Footnote reference	Pertaining to the year	As at March 31, 2020	As at March 31, 2019
Sales tax demand	Samalkot	a	FY 2002-03	11.22	11.22
	Durgapur	b	FY 2014-15	7.83	-
		c	FY 2017-18	1.20	-
	Farakka	d	FY 2016-17	9.03	-
Service tax demand	Ramagundam	e	FY 2005-06 to 2009-10	151.71	151.71
	Kawas	f	FY 2005-06 & 2008-09	-	7.22
	Sipat	g	FY 2006-07 to 2010-11	-	76.17
	Korba	h	FY 2006-07 to 2010-11	233.23	-
	Hazaribagh	i	FY 2007-08 to 2011-12	-	8.79
	Auraiya	j	FY 2012-13 to 2015-16	-	64.56
	Kahalgao	k	FY 2009-10 to 2012-13	-	5.98
	Talcher (TSTPP)	l	FY 2009-10 to 2011-12	148.74	148.74
	H.O.(Noida)	m	FY 2012-13 to 2015-16	-	71.86
	Durgapur	n	FY 2006-07 to 2007-08	-	10.59
	Farakka	o	FY 2009-10 to 2013-14	386.72	386.72
	Rihand	p	FY 2006-07 to 2010-11	194.78	194.78
	Tanda	q	FY 2008-09 to 2012-13	-	6.48
Talcher	r	Oct.2010 to June 2012	-	47.06	
Other matters	Other matters	y	-	1,530.28	601.53
Total				2,674.74	1,793.41

(a) **Samalkot:** The sales tax department had raised a demand of ₹11.22 Lacs (previous year ₹ 11.22 Lacs) on account of non grant of credit for Work Contract receivable. The Company has deposited ₹ 9.14 Lacs (previous year ₹ 9.14 Lacs) under protest against the demand and has filed an appeal with Sales Tax Appellate Tribunal. However, the date of next hearing is awaited.

(b) **Durgapur:** The sales tax department had raised a demand of ₹ 7.83 lacs (previous year ₹ Nil) on account of non grant of credit for Work Contract receivable. The Company has deposited ₹ 0.56 lacs (previous year ₹ Nil) under protest against the demand and has filed an appeal with Sales Tax Appellate Tribunal. However, the date of next hearing is awaited.

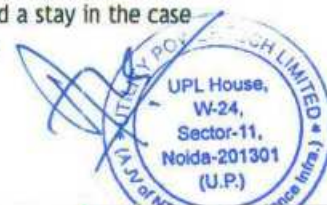
(c) **Durgapur:** The sales tax department had raised a demand of ₹ 1.20 lacs (previous year ₹ Nil) on account of non grant of credit for Work Contract receivable. The Company has deposited ₹ 0.12 lacs (previous year ₹ Nil) under protest against the demand and has filed an appeal with Sales Tax Appellate Tribunal. However, the date of next hearing is awaited.

(d) **Farakka:** The sales tax department had raised a demand of ₹ 9.03 lacs (previous year ₹ Nil) on account of non grant of credit for Work Contract receivable. The Company has deposited ₹ 0.86 lacs (previous year ₹ Nil) under protest against the demand and has filed an appeal with Sales Tax Appellate Tribunal. However, the date of next hearing is awaited.

(e) **Ramagundam:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 71.11 lacs (Previous year ₹ 71.11 lacs) and additional amount of ₹ 80.60 lacs (Previous year ₹ 80.60) towards penalty and interest thereon, as may be determined, on account of misclassification of services related to financial years 2005-06 to 2009-10. The Company filed an appeal against the assessment order before Custom Excise and Service Tax Appellate Tribunal (CESTAT). The CESTAT passed a stay order for demand and directed the company to deposit an demand of ₹ 3.15 lacs along with interest. In view of stay order, Company deposited ₹ 5.33 lacs towards demand and interest thereon. However the date of next hearing is awaited.

(f) **Kawas:** The Commissioner of Service Tax had raised a demand towards service tax liability of ₹ 12.47 lacs and further ₹ 12.52 lacs towards penalty and interest thereon on account of additions made related to year 2005-06 & 2008-09. Thereafter, the company filed an appeal before Commissioner (Appeal). The Commissioner (Appeal) reduced the demand to ₹ 3.61 lacs and an additional amount of ₹ 3.61 lacs towards penalty and interest thereon.

Aggrieved by the order, both, the company and the department filed the appeal before the Custom Excise and Service Tax Appellate Tribunal (CESTAT). In respond to the appeal, CESTAT dismissed the department appeal and granted a stay in the case of company's appeal. During the year company settled the case under SVLDR Scheme at amount of ₹ 1.08 lacs.



(g) **Sipat:** The Commissioner of Service Tax had raised a demand towards service tax liability of ₹ 94.31 lacs and additional amount of ₹ 94.36 lacs towards penalty and interest thereon for the financial years 2006-07 to 2010-11. The company filed an appeal before CESTAT and CESTAT reduced the demand to ₹ 35.07 lacs plus penalty of ₹ 52.66 lacs and remanded back the case to original authority (Commissioner) for review towards the reduced demand. The Commissioner further reduced the demand to ₹ 16.72 lacs along with penalty of ₹ 74.55 lacs and interest thereon.

Aggrieved by the order, the company filed an appeal against the balance demand of ₹ 16.72 lacs (gross amount ₹ 25.05 lacs) with Custom Excise and Service Tax Appellate Tribunal (CESTAT). Company has also made a provision of ₹ 15.10 lacs in earlier year. During the year company settled the case under SVLDR Scheme at amount of ₹ 8.33 lacs.

(h) **Korba:** The Commissioner of Service Tax had raised a demand towards service tax liability of ₹ 126.00 lacs and additional amount of ₹ 126.04 lacs towards penalty and interest thereon, as may be determined, on account of misclassification of services and other additions related to years 2006-07 to 2010-11. The Company deposited ₹ 18.82 lacs and ₹ 8.68 lacs against demand and interest respectively and ₹ 10.00 lacs towards pre-deposit for Appeal. The Company filed an appeal against the demand notice before Custom Excise and Service Tax Appellate Tribunal (CESTAT). The CESTAT dropped the demand by way of remand back the case to original adjudicating authority for re-assessment. During the year The Commissioner again confirmed the demand of ₹ 126.00 Lacs alongwith penalty of ₹ 126.04 Lacs thereon.

(i) **Hazaribagh:** The Commissioner of Service Tax had raised a demand towards service tax liability of ₹ 14.49 lacs and additional amount of ₹ 14.54 lacs towards penalty and interest thereon, as may be determined, on account of non reconciliation of ST-3 return with financial statements related to financial years 2007-08 to 2011-12.

Further the Company filed an appeal before the Commissioner (Appeal) by depositing ₹ 1.09 lacs (Previous year ₹ 1.09 lacs) towards pre-deposit for appeal and the appeal was accepted by the Commissioner (Appeal) by reducing the demand towards service tax liability to ₹ 4.37 lacs (Previous year ₹ 4.37 lacs) and towards penalty to ₹ 4.42 lacs (Previous year ₹ 4.37 lacs).

Aggrieved by the order of Commissioner (Appeal), the Company filed a review petition against the order before the Custom Excise and Service Tax Appellate Tribunal (CESTAT). During the year company settled the case under SVLDR Scheme at amount of ₹ 1.31 lacs.

(j) **Auraiya:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 32.23 lacs (gross amount ₹ 1.93 Lacs) and further an amount of ₹ 32.33 lacs towards penalty and interest thereon, as may be determined, on account of difference between trial balance and ST-3 returns for the financial years 2012-13 to 2015-16.

Aggrieved by the order, the Company has filed an appeal before the Commissioner (Appeal) by depositing ₹ 2.42 lacs towards pre-deposit for Appeal. During the year company settled the case under SVLDR Scheme at amount of ₹ 10.25 lacs.

(k) **Kahalgau:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 23.52 lacs and additional amount of ₹ 23.62 lacs towards penalty and interest thereon, as may be determined on account of availing and utilizing inadmissible Cenvat Credit related to financial years 2009-10 to 2012-13. The Company filed an appeal before Commissioner (Appeal), by depositing ₹ 1.80 lacs towards pre-deposit for appeal. The Commissioner (Appeal) accepted the appeal by reducing the demand of Service Tax to ₹ 2.94 lacs and further ₹ 3.04 lacs towards penalty and interest thereon. In response to the order of Commissioner (Appeal), company filed an appeal before the Custom Excise and Service Tax Appellate Tribunal (CESTAT). During the year company settled the case under SVLDR Scheme at amount of ₹ 7.05 lacs.

(l) **Talcher (TSTPP) :** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 74.07 lacs and additional amount of ₹ 74.67 lacs towards penalty and interest thereon, as may be determined on account of misclassification of service related to financial years 2009-10 to 2011-12. The Company filed an appeal against the assessment order before The Commissioner (Appeal) by depositing ₹ 5.56 lacs towards pre-deposit for appeal. However the date of hearing is awaited.

(m) **Noida:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 35.93 lacs and additional amount of ₹ 35.93 lacs towards penalty and interest thereon, as may be determined on account of availing and utilizing inadmissible Cenvat Credit related to years 2012-13 to 2015-16.

Aggrieved by the order, the Company filed an appeal against the assessment order before the Commissioner (Appeal) by depositing an amount of ₹ 2.65 lacs towards pre-deposit for appeal. During the year company settled the case under SVLDR Scheme at amount of ₹ 10.78 lacs.

(n) **Durgapur:** The Commissioner of Service Tax has raised a demand towards service tax liability of ₹ 5.19 lacs and additional amount of ₹ 5.40 lacs towards penalty and interest thereon, as may be determined on account of difference between trial balance and ST-3 return related to years 2006-07 to 2007-08. The Company filed an appeal before Commissioner (Appeal), but the appeal was rejected due to time barred.

The Company filed an appeal against the assessment order before the Custom Excise and Service Tax Appellate Tribunal (CESTAT) by depositing ₹ 0.52 lac towards pre-deposit for appeal. The appeal was allowed by CESTAT by way of remand back the case to Commissioner (Appeal) for re-consideration of the earlier appeal. During the year company settled the case under SVLDR Scheme at amount of ₹ 1.62 lacs.



(o) **Farakka:** The Commissioner of Service Tax has raised a demand towards service tax liability of ₹ 193.10 lacs (Previous year ₹ 193.10 lacs) and additional amount of ₹ 193.62 lacs (Previous year ₹ 193.71 lacs) towards penalty and interest thereon, as may be determined on account of difference between trial balance and ST-3 return and other miscellaneous points related to financial years 2009-10 to 2013-14.

The Company has filed an appeal against the assessment order before The Custom Excise and Service Tax Appellate Tribunal (CESTAT) by depositing ₹ 14.49 lacs towards pre-deposit for appeal. However the date of hearing is awaited.

(p) **Rihand:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 97.29 lacs (Previous year ₹ NIL) and additional amount of ₹ 97.49 lacs (Previous year ₹ NIL) towards penalty and interest thereon, as may be determined on account of difference between trial balance and ST-3 return related to financial years 2006-07 to 2010-11. The Company filed an appeal against the assessment order before The Custom Excise and Service Tax Appellate Tribunal (CESTAT) by depositing an amount of ₹ 7.30 lacs towards pre-deposit for appeal. However the date of hearing is awaited.

(q) **Tanda:** The Service Tax officer issued a SCN for a demand of ₹ 7.19 lacs. The company filed the reply and considering the reply, Additional commissioner reduced the demand to ₹ 0.70 lac along penalty of ₹ 0.70 lac. Accordingly, the company deposited ₹ 1.40 lacs towards the reduced assessment order.

Aggrieved by the order of Additional Commissioner, the department filed an appeal before the Commissioner (Appeal) and Commissioner (Appeal) accepted the same and restored the reduced demand of ₹ 6.48 lacs. In respond to order of Commissioner (Appeal), company filed an Appeal before The Custom Excise and Service Tax Appellate Tribunal (CESTAT) by depositing an amount of ₹ 0.65 lac towards pre-deposit for appeal. During the year, CESTAT dropped the demand by accepting the Appeal filed by the Company.

(r) **Talcher:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 23.33 lacs and additional amount of ₹ 23.73 lacs towards penalty and interest thereon, as may be determined on account of misclassification of service related to the period of October 2010 to June 2012.

Aggrieved by the order, the Company filed an appeal against the demand order before The Commissioner (Appeal) by depositing ₹ 1.75 lacs towards pre-deposit for appeal. During the year company settled the case under SVLDR Scheme at amount of ₹ 7.00 lacs.

Cases opened and settled during the year under SVLDR Scheme, 2019:

(s) **Vindhyanchal:** The Commissioner of Service Tax had raised a demand towards service tax liability of ₹ 43.20 Lacs and additional amount of ₹ 43.20 Lacs towards penalty and interest thereon, as may be determined, on account of misclassification of services and the additions related to years 2006-07 to 2009-10. The Company filed an appeal with Commissioner (Appeals) by depositing ₹ 43.20 Lacs as amount under protest. However, the Commissioner (Appeals) rejected the same and accordingly, the company recorded a provision of ₹ 43.20 Lacs in books of accounts on conservative basis.

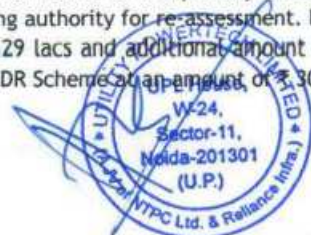
Thereafter, the Company filed an appeal before Custom Excise and Service Tax Appellate Tribunal (CESTAT). During the previous year, CESTAT dropped the demand by way of remand back to original adjudicating authority for re-assessment. During the year the original adjudicating authority again confirmed the demand, the company then settled the case under SVLDR Scheme at an amount of ₹ 43.20 Lacs.

(t) **H.O.(Noida):** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 17.95 Lacs (Previous year ₹ NIL) and additional amount of penalty and interest thereon, as may be determined on account of availing and utilizing inadmissible Cenvat Credit related to years 2016-17 & 2017-18. During the year, company settled the case under SVLDR Scheme at an amount of ₹ 5.39 Lacs.

(u) **Sipat:** The Additional Commissioner of Service Tax raised a demand Notice towards service tax liability of ₹ 40.21 Lacs (Previous year ₹ NIL) and additional amount of Interest of ₹ 12.84 Lacs (Previous year ₹ NIL) and penalty of ₹ 40.31 Lacs (Previous year ₹ NIL) thereon, as may be determined on account of availing and utilizing inadmissible Cenvat Credit. During the year, company settled the case under SVLDR Scheme at an amount of ₹ 27.07 Lacs.

(v) **Jhajjar:** The Assisntent Commissioner of Service Tax raised a demand-Cum- Show cause Notice towards service tax liability of ₹ 13.43 Lacs (Previous year ₹ NIL) and additional amount of Interest of ₹ 15.83 Lacs and penalty thereon, as may be determined on account of availing and utilizing inadmissible Cenvat Credit related to 2013-14 and 2017-18. During the year the company settled the case under SVLDR Scheme at an amount of ₹ 4.03 Lacs.

(w) **Simadhari:** The Commissioner of Service Tax raised a demand towards service tax liability of ₹ 31.13 Lacs (Previous year ₹ NIL) and additional amount of ₹ 31.13 Lacs (Previous year ₹ NIL) towards penalty and interest, as may be determined on account of misclassification of service and others related to years 2003-04 to 2007-08. The Company deposited ₹ 31.13 lacs (Previous year ₹ NIL) towards service tax amount and ₹ 23.56 Lacs (Previous year ₹ NIL) towards penalty (25%) and interest. The Company filed an appeal before The Custom Excise and Service Tax Appellate Tribunal (CESTAT) for waiver of 75% penalty amount. The CESTAT has dropped the demand by way of remanded back the case to original adjudicating authority for re-assessment. During the year, the Principal Commissober, assessed the case and reduced the demand to ₹ 30.29 lacs and additional amount of ₹ 30.39 Lacs towards penalty and interest. Thereafter, the company settled the case under SVLDR Scheme at an amount of ₹ 30.29 Lacs.



(x) **Shaktinagar:** The Commissioner of Service Tax had raised a demand towards service tax liability on Office and Residential accomodation provided by NTPC of ₹ 10.32 Lacs (Previous year ₹ NIL) and additional amount of ₹10.32 Lacs (Previous year ₹ NIL) towards penalty and interest thereon for the financial years 2012-13 to 2015-16. The company has filled appeal on 05.09.2019. The company also paid Protest money of ₹ 0.77 Lacs (Previous year ₹ NIL). Further, the company settled the case under SVLDR Scheme at an amount of ₹ 3.10 Lacs.

Also, the Commissioner of Service Tax raised a demand towards service tax liability of ₹ 2.69 Lacs (Previous year ₹ NIL) and additional amount of penalty of ₹ 2.69 Lacs (Previous year ₹ NIL) and interest thereon, as may be determined on account of misclassification of Service related to Nov. 2004 to Dec. 2006. Further, the company settled the case under SVLDR Scheme at an amount of ₹ 1.35 Lacs.

Also, The Assisntent Commissioner of Service Tax raised a demand-Cum- Show cause Notice towards service tax liability of ₹ 0.11 Lacs (Previous year ₹ NIL) and Swatch bharat Cess of ₹ 1.39 Lacs (Previous year ₹ NIL) related to 2015-16 and 2016-17. Further, the company settled the case under SVLDR Scheme at an amount of ₹ 0.45 Lacs.

(y) **Other Matters:** In respect of claims made by various parties towards compensation, recovery etc. under various statutes such as Contract Labour & Abolition Act, 1970, Workmen compensation Act, 1923, Civil. Procedure code 1908, etc., contingent liability of ₹ 1530.28 lacs (Previous year ₹ 601.53 lacs) has been estimated. The Company has deposited ₹ 58.77 lacs (Previous year ₹ 63.96 lacs) as amount under protest against such demands.

Based on the interpretations of the provisions of the relevant statutes, the Company is of the view that the demands referred above are likely to be deleted or substantially reduced and penalty waived off by appellate authorities at higher levels and accordingly no further provision is required.

In current year, Two cases have been setteled related compensation under contract labour & abolition Act,1970 has been dismissed by court or as per decision of arbitrator, accordingly company has deposited the demand amount or paid to plaintiff:

i) In case of M/s Asha Ram Vs - Surinder Singh & BSES Yamuna Power & UPLagainst due compensation . The court passed the judgement in favour of the plaintiff on August 08, 2019. The Company had deposited interest as imposed by court ₹ 0.45 lacs on August 19, 2020 to setted the case.

ii) During the current year, one case related to under workmen compensation act. The plaintiff has invoked Arbitration Clause towards non payment of hike in Minimum Wages. As per Contract provision Sole Arbitrator was appointed by the company and the case has been setteled during the year. Resulting the company has agreed with the decision of the arbitrator accordingly case has been setteled with plaintiff with a agreed amount of ₹ 37.76 lacs with applicable GST thereon.

In current year, Two cases have been added related to contract labour & abolition Act,1970 and MSME Act.2006, the details are as follows:

i) One contract workmen had burnt himself at the main gate of NTPC dadri and died, where as at the time of incident workmen was not on the roll of contractor M/s Promind Solutions. The matter is going under arbitration. The demand in this count is ₹ 5.00 lacs.

ii)The one of the work namely "Area grading work 2*600 MW plant at HPGCL project at Hissar was allotted to the agency by the company. In which it is compulsory to issue work completion certificate by R.infra. the final bill and retention made by R.Infra. is still recoverable as the case is undergo in Arbitration by R.Infra with HPGCL for settelement of dues , the decision of arbitrator is still pending as soon as arbitration is over this amount is payable to UPL. The deamnd made by party is only setteled after the final decision of arbitrator of R.infra.& HPGCL, meanwhile the case of present claim of party is pending with The Director of Industries & Commerce at Chandigarh. The financial implication against the above demand is ₹ 958.56 lacs including interest.

Capital commitments

Estimated amount of contracts remaining to be executed on capital account (Property, plant and equipment) and not provided for as at March 31, 2020 is ₹ 564.61 lacs (March 31, 2019: ₹ 856.30 lacs) out of total estimated value of contract ₹ 1291.92 lacs.



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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

30. Disclosure as per IND AS - 12 on 'Income taxes'

(a) Income Tax Expense

i) Income tax recognised in Statement of Profit and Loss

Particulars	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax expense		
Current year	1,271.63	1,848.80
Adjustment for earlier years	44.75	201.65
Total current tax expense	1,316.38	2,050.45
Deferred tax expense		
Origination and reversal of temporary differences	383.50	(268.55)
Total deferred tax expense	383.50	(268.55)
Total income tax expense	1,699.88	1,781.90

ii) Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
- Net actuarial gains/(losses) on defined benefit plans	500.08	125.87	374.21	1.66	0.58	1.08
	500.08	125.87	374.21	1.66	0.58	1.08

iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Profit before tax	4,926.64	4,637.22
Tax using the Company's domestic tax rate of 25.17% (March 31, 2019 - 34.94%)	1,240.04	1,620.43
Tax effect of:		
Difference in WDV as per Income tax & Companies Act	13.35	13.42
Tax-exempt income	(12.65)	(31.28)
CSR Expenses	18.43	21.94
Expense disallowed u/s 14A of the Income Tax Act, 1961	3.79	7.00
Interest on MSME parties	0.22	(39.94)
Earlier year tax adjustment	44.75	201.65
Impact on account of change in Income tax rate	266.27	-
Impact of OCI	125.87	0.58
Others	(0.19)	(11.90)
At the effective income tax rate of 34.50% (March 31, 2019: 38.43%)	1,699.88	1,781.90

In pursuance to Section 115BAA of the Income Tax Act, 1961 announced by Government of India through Taxation Laws (Amendment) Ordinance, 2019, the company has an irrevocable option of shifting to a lower tax rate along with consequent reduction in certain tax incentives including lapse of the accumulated MAT credit. The company has exercised this option after its evaluation and has recognized the taxes on income as per the new provisions u/s 115BAA of the said Act.



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31. Disclosure as per Ind AS 19 on 'Employee benefits'

(i) Defined Contribution Plans:

A. Provident Fund

The Company pays fixed contributions to the Provident fund plan at a predetermined rate as per the provisions of The Employees Provident Fund & Miscellaneous Provisions Act, 1952. These contributions made to the fund are administered and managed by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The contribution of ₹ 1,168.16 lacs (March 31, 2019: ₹ 1,035.76 lacs) to the Provident fund for the year is recognised as expense and is charged to the Statement of Profit and Loss. Out of total contribution made during the year, ₹ 309.74 Lacs (March 31, 2019: ₹ 290.34 Lacs) included in Contribution to Provident Fund and other funds under employee benefit expenses (Refer Note 24) and ₹ 858.42 Lacs (March 31, 2019: ₹ 745.42 Lacs) included in cost of material and services consumed.

Particulars	(Amount ₹ in lacs)	
	March 31, 2020	March 31, 2019
Employee benefit expense	309.74	290.34
Cost of material and services consumed	858.42	745.42
Total	1168.16	1035.76

B. Superannuation Fund

The company pays yearly contributions to the superannuation fund set up by the company and administered by a board of trustees. The company pays benefits to eligible employees under superannuation plan. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The contribution of ₹ 13.67 lacs (March 31, 2019: ₹ 13.73 lacs) to the superannuation fund for the year is recognised as expense and is charged to the Statement of Profit and Loss. (Refer note 24)

(ii) Defined Benefit Plan:

A. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 20.00 lacs on superannuation, resignation, termination, disablement or on death.

In case of permanent employees and fixed tenure / contractual employees liability in respect of Gratuity is recorded based on actuarial valuation at the balance sheet date. Gratuity in respect of such employees is funded by the Company and contribution is made to group gratuity policy issued by Life Insurance Corporation of India. In case of fixed tenure/ contractual employees, the Gratuity remained unfunded till the end of last year and the management decided to fund the same in the current period.

In case of contractual assignment employees, the liability in respect of Gratuity is recorded based actuarial valuation as at the Balance Sheet date. Gratuity in respect of such employees is non-funded.

During the year, the board has decided to not provide gratuity for those employees who have already withdrawn maximum ceiling of gratuity and retired from NTPC or other PSU.

I. Movement in net defined benefit (asset)/liability on Gratuity plan (Funded)

	(Amount ₹ in lacs)					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	230.18	162.74	142.71	122.21	87.47	40.53
Opening balance of Contractual employee (Move from unfunded)	624.48	-	-	-	624.48	-
Included in the Statement of Profit and Loss:						
Current service cost	109.21	18.38	-	-	109.21	18.38
Past service cost	-	-	-	-	-	-
Interest cost / (income)	57.69	12.36	35.76	-	21.93	12.36
Total amount recognised in the Statement of Profit and Loss	166.90	30.74	35.76	-	131.14	30.74
Included in OCI:						
Remeasurement loss / (gain):						
Actuarial loss / (gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	-	36.70	-	-	-	36.70
Experience adjustment	107.05	-	-	-	107.05	-
Return on plan assets excluding interest income	-	-	-	8.90	-	(8.90)
Total amount recognised in other comprehensive income	107.05	36.70	-	8.90	107.05	27.80
Others						
Contributions paid by the employer	-	-	528.81	11.60	(528.81)	(11.60)
Benefits paid	(10.86)	-	(10.86)	-	-	-
Closing balance	1,117.75	230.18	696.42	142.71	421.33	87.47

II. Movement in net defined benefit (asset)/liability on Gratuity plan (Unfunded)

	(Amount ₹ in lacs)					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	1,901.53	1,360.24	-	-	1,901.53	1,360.24
Opening balance of Contractual employee (Move to funded)	(624.48)	-	-	-	(624.48)	-
Included in the Statement of Profit and Loss:						
Current service cost	404.65	493.54	-	-	404.65	493.54
Past service cost	-	-	-	-	-	-
Interest cost / (income)	86.20	103.38	-	-	86.20	103.38
Total amount recognised in the Statement of Profit and Loss	490.85	596.92	-	-	490.85	596.92
Included in OCI:						
Remeasurement loss (gain):						
Actuarial loss / (gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	-	(38.75)	-	-	-	(38.75)
Experience adjustment	(607.13)	-	-	-	(607.13)	-
Total amount recognised in other comprehensive income	(607.13)	(38.75)	-	-	(607.13)	(38.75)
Others						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(15.97)	(16.88)	-	-	(15.97)	(16.88)
Closing balance	1,144.80	1,901.53	-	-	1,144.80	1,901.53

The unfunded gratuity related to contractual assignment employees.

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III. Plan assets

The plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies. Information on categories of plan assets as at March 31, 2020 has not been provided by Life Insurance Corporation of India.

IV. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	Gratuity (Funded)		Gratuity (Unfunded)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Economic assumptions:				
Discount rate	6.75%	7.66%	6.75%	7.87%
Salary escalation rate	7.50%	8.50%	7.50%	9.00%
Demographic assumptions:				
Retirement age (Regular employee)	60 years	58 Years	NA	NA
Retirement age (Contractual employee)	65 years	58 Years	65 years	65 Years
Mortality table	Indian Assured Lives Mortality (2012-14) ultimate table		Indian Assured Lives Mortality (2012-14) ultimate table	
Withdrawal rates (All ages)	0.51% per annum	1% per annum	6.15% per annum	6% per annum

Notes:

(i) The discount rate has been assumed at 6.75% p.a. for all employees (Previous year 7.66% p.a. for Regular employees & 7.87% p.a for Contractual employees) which is determined by reference to market yield on government security at the Balance Sheet date.

(ii) Withdrawal rate of Contractual employee is 0.51% and Regular employee is 0.14% (previous year 1% for all employee).

(iii) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

V. Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the significant principal assumptions is:

	(Amount ₹ In			
	Gratuity (Funded)			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate 0.5% (0.5% movement)	(85.52)	95.30	(8.69)	9.20
Salary escalation rate 0.5% (0.5% movement)	91.23	(83.54)	8.12	(7.93)
Mortality rate 0.5% (1 year)	Negligible	Negligible	Negligible	Negligible
Withdrawal rates (All ages) 0.5% (1 year)	Negligible	Negligible	Negligible	Negligible
	Gratuity (Unfunded)			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate 0.5% (0.5% movement)	(54.59)	60.07	(93.35)	102.65
Salary escalation rate 0.5% (0.5% movement)	59.34	(54.47)	99.85	(92.51)
Mortality rate 0.5% (1 year)	Negligible	Negligible	Negligible	Negligible
Withdrawal rates (All ages) 0.5% (1 year)	Negligible	Negligible	Negligible	Negligible

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

VI. Expected maturity analysis of the gratuity plan in future years

	(Amount ₹ In lacs)			
	Gratuity (Funded)		Gratuity (Unfunded)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Less than 1 year	7.69	3.22	64.81	112.58
Between 1-2 years	12.94	3.39	111.45	162.72
Between 2-5 years	89.62	43.14	249.16	296.68
Over 5 years	1,007.49	180.43	719.38	1,329.55
Total	1,117.74	230.18	1,144.80	1,901.53

Expected contributions to gratuity plans for the year ending March 31, 2020 are ₹ 793.77 lacs

The weighted average duration of the gratuity (funded) defined benefit plan obligation at the end of the reporting period is 16.83 years (March 31, 2019: 10.40 years).

The weighted average duration of the gratuity (unfunded) defined benefit plan obligation at the end of the reporting period is 10.80 years (March 31, 2019: 10.75 years).

VII. Risk Exposure

The post employment benefit plan exposes the company to concentration risk and actuarial risks such as interest rate risk and market (investment) risk.

B. Leave encashment

Provision for leave encashment benefits payable to its regular employees with respect to accumulated privilege and sick leaves outstanding at the year end is made by the Company on basis of actuarial valuation and is non funded.

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I. Movement in net defined benefit (asset)/liability

	(Amount ₹ in lacs)			
	Leave encashment (Unfunded) Defined benefit obligation		Sick leave encashment (Unfunded) Defined benefit obligation	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	154.47	113.83	135.29	110.05
Included in the Statement of Profit and Loss:				
Current service cost	13.78	12.99	10.15	9.88
Past service cost	-	-	-	-
Interest cost (income)	11.83	8.65	10.36	8.37
Actuarial loss (gain)	10.22	32.35	(15.23)	7.69
Total amount recognised in the Statement of Profit and Loss	35.83	53.99	5.28	25.94
Others				
Contributions paid by the employer				
Benefits paid	(16.51)	(13.35)	-	(0.70)
Closing balance	173.79	154.47	140.57	135.29

II. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	(Amount ₹ in lacs)			
	Leave encashment (Unfunded)		Sick leave encashment (Unfunded)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Economic assumptions:				
Discount rate	6.75%	7.66%	6.75%	7.66%
Salary escalation rate	7.50%	8.50%	7.50%	8.50%
Demographic assumptions:				
Retirement age	60 years	60 years	60 years	60 years
Mortality table	Indian Assured Lives Mortality (2012-14) ultimate table	Indian Assured Lives Mortality (2012-14) ultimate table	Indian Assured Lives Mortality (2012-14) ultimate table	Indian Assured Lives Mortality (2012-14) ultimate table
Withdrawal rates (All ages)	0.14% per annum	1% per annum	0.14% per annum	1% per annum
Rate of availing leave in the long run	5.00% per annum	5.00% per annum	5.00% per annum	2.48% per annum
Rate of encashment of leave whilst in service.	5.00% per annum	5.00% per annum	Nil	Nil

Notes:

- The discount rate has been assumed at 6.75% p.a. (Previous year 7.66% p.a.) which is determined by reference to market yield on government security at the Balance Sheet date.
- The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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32. Disclosure as per Ind AS 116 on 'Leases'

Leases as lessee

a) Operating leases

The Company's leasing arrangements are in respect of office premises. The lease term of the premises is 11-12 months and is accordingly an operating lease. Following are the terms of the significant leasing arrangements:

- a) The lease is not renewable and not non- cancellable. Lease payments amounting ₹ 1.59 lacs (March 31, 2019: ₹ 1.56 lacs) are included under 'Rent' in Note 27 - 'Other expenses'.
- b) The lease is cancellable and renewable at the option of lessee. Lease payments amounting ₹ 0.72 lacs (March 31, 2019: ₹ 1.48 lacs) are included under 'Rent' in Note 27 - 'Other expenses'.
- c) The lease is cancellable and renewable at the option of lessee. Lease payments amounting ₹ Nil (March 31, 2019: ₹ 1.31 lacs) are included under 'Rent' in Note 27 - 'Other expenses'.

The Company has adopted treatment at para 6 of Ind AS 116 for the leases as mentioned above. As per para 6, lessee shall recognise the lease payment associated with short term leases as an expense on either Straight line basis over the lease term or other systematic basis. As the above leases are short term leases, the company has recognised lease payment on straight line basis over the lease terms. Therefore, the company has not recognised right-of-use asset and lease liability.

b) Finance leases

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Refer Note 2 for disclosures related to right-of-use asset. There are no lease liabilities.



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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

33. Disclosure as per Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets

Movements in provisions:

	(Amount ₹ in lacs)	
Provision for service tax liability	March 31, 2020	March 31, 2019
Carrying amount at the beginning of the year	58.30	58.30
Additions during the year	-	-
Amounts used during the year	43.20	-
Reversal/adjustments during the year	15.10	-
Carrying amount at the end of the year	-	58.30

During the year, the company has opted Sabka Vishwas-(Legal Dispute Resolution) Scheme, 2019 for settlement of various Service Tax Cases ₹ 43.20 lacs is set off from the protest money (Refer note 7) and the balance ₹ 15.10 lacs has been written back (Refer note 23).

Also refer note 29 for contingent liability.



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34. Fair Value Measurements

(a) Financial instruments by category

Except investment in mutual funds which are measured through FVTPL, all other financial assets and liabilities viz. trade receivables, security deposit with customers, cash and cash equivalents, other bank balances, unbilled revenue, interest receivable, recoverable from employees, security deposits received from contractors, trade payables, employee related liabilities and payable for expenses, are measured at amortised cost.

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under Ind As 113 "Fair Value Measurement". An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value through P&L	Level 1 (Amount ₹ in lacs)	
	March 31, 2020	March 31, 2019
Financial assets:		
Investments		
- Mutual funds (Refer note 9B)	400.25	-
	400.25	-

There are no financial assets/liabilities measured at fair value/amortised cost for which Level 2 inputs have been used hence disclosure related to Level 2 inputs are not applicable.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 3* (Amount ₹ in lacs)	
	March 31, 2020	March 31, 2019
Financial liabilities:		
Security deposits received from contractors	15,576.42	14,085.46

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, unbilled revenue, interest receivable, recoverable from employees, trade payables, employee related liabilities and payable for expenses are considered to be the same as their fair values, due to their short-term nature.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

There have been no transfers in either direction for the years ended 31 March 2020 and 2019.

*The fair value of the financial instruments is determined using discounted cash flow analysis.

(c) Fair value of financial assets and liabilities measured at amortised cost

Particulars	Note	(Amount ₹ in lacs)			
		March 31, 2020		March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Security deposits received from contractors	16 & 19	15,627.11	15,576.42	14,155.58	14,085.46

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, unbilled revenue, interest receivable, recoverable from employees, trade payables, employee related liabilities and payable for expenses are considered to be the same as their fair values, due to their short-term nature.

The fair values for security deposits received from contractors were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.



Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

34. Financial Risk Management (contd...)

The Company's principal financial liabilities comprise security deposits received from contractors, employee related liabilities, trade payables and other payables. The Company's principal financial assets include investments, trade and other receivables, security deposits, cash and fixed deposits that derive directly from its operations.

This note presents information about the sources of risks to which the company is exposed to, the Company's objectives, policies and processes for measuring and managing risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits
Liquidity risk	Security deposits received from contractors, trade payables and other financial liabilities.	Cash flow forecasts	Maintaining adequate funds in the form of cash and bank balances and monitoring expected cash inflows on trade receivables.
Market risk- other price risk	Investments in mutual funds	Sensitivity analysis	Portfolio diversification

Risk management framework

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

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34. Financial Risk Management (contd...)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade receivables

The activities of the company primarily include operation and maintenance of electrical and mechanical equipments, civil maintenance of townships, residual life assessment studies, construction/erection of buildings and electrical equipments mainly in power sector. The invoices raised to customers immediately falls due for payment when raised and the average collection period comes out to be 30 days from the date of raising the invoice. The Company has not experienced any significant impairment losses in respect of trade receivables in the past years. The Company provides majority of its services to NTPC Limited (one of the shareholder of the company and is a government of India undertaking) and to its joint venture and subsidiary companies. The credit risk with respect to amounts outstanding from these companies is considered to be insignificant. Refer Note 36 on disclosure on related party transactions with respect to amount outstanding as at reporting date.

Investments

The Company invest in daily dividend mutual fund schemes. In these type of schemes mutual fund house declare dividend on daily basis. In order to manage the credit risk the company has following policies and procedures:

- The Company invest in only those mutual funds having credit rating not less than AAA/P1 as applicable.
- The corpus of any scheme of Public Sector Mutual Fund where investment is proposed shall not be less than Rs. 2,000 crore provided total average asset under management of AMC who is managing the scheme shall not be less than Rs.5,000 crore.
- The corpus of any scheme of Private Sector Mutual Fund where investment is proposed shall not be less than Rs.10,000 crore provided total average asset under management of AMC who is managing the scheme shall not be less than Rs.50,000 crore.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 4,232.32 lacs (March 31, 2019: ₹ 3,946.82 lacs). The cash and cash equivalents are held with scheduled banks.

Deposits with banks

The company held deposits with banks and financial institutions of ₹ 12,131.04 lacs (March 31, 2019: ₹ 11,348.77 lacs). In order to manage the risk, the company limits its investment in fixed deposits with a single bank upto 60% of total investment. Further the Company invest only with scheduled banks.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	(Amount ₹ in lacs)	
	March 31, 2020	March 31, 2019
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current financial assets - Loans	52.32	52.75
Non-current financial assets - Other financial assets	63.00	61.68
Current financial assets - Cash and cash equivalents	4,232.32	3,946.82
Current financial assets - Bank balances other than cash and cash equivalents	12,127.13	11,346.27
Current financial assets - Loans	531.28	475.56
Current financial assets - Other financial assets	12,132.71	12,615.67
Total	29,138.76	28,498.76
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Current financial assets - Trade receivables	13,020.43	15,545.35
Total	13,020.43	15,545.35

Based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of any asset as the amount are insignificant.



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Utility Powertech Limited
Notes to financial statements for the year ended March 31, 2020

Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(Amount ₹ in lacs)

Ageing as at March 31, 2020	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount	-	5,435.65	1,223.84	443.97	418.88	5,498.09	13,020.43

Ageing as at March 31, 2019	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount	-	7,143.17	1,861.23	742.51	207.72	5,590.72	15,545.35

In case of payments due from government parties there is no default as there is insignificant credit risk. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. Further, the Company does not anticipate any material credit risk of any of its other receivables.

Reconciliation of loss allowance provision for managerial expenses reimbursement - Trade Receivables

(Amount ₹ in lacs)

Reconciliation of loss allowance	Total
Loss allowance as on April 1, 2018	-
Bad debts written off	-
Changes in loss allowance	60.32
Loss allowance as on March 31, 2019	60.32
Bad debts written off	253.19
Changes in loss allowance	192.87
Loss allowance as on March 31, 2020	-



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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

34. Financial Risk Management (contd...)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due and to close out market positions. The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash flows on financial liabilities over the next six months. The Company also monitors the level of expected cash inflows on trade receivables with the expected cash outflows on trade payables and other financial liabilities. As at March 31, 2020, the expected cash flows from trade receivables realising as per normal collection period are ₹ 13,020.43 lacs (March 31, 2019: ₹ 15,545.35 lacs).

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

(Amount ₹ in lacs)

Contractual maturities of financial liabilities	March 31, 2020					
	3 months or less	3-12 months	1-2 years	2-3 years	More than 3 years	Total
Non-derivative financial liabilities						
Security deposits received from contractors	13,191.56	1,988.77	394.09	2.00	-	15,576.42
Employee related liabilities	94.21	200.39	-	-	-	294.60
Payable for expenses	95.41	4.19	-	-	-	99.60
Trade and other payables	16,648.45	-	-	-	-	16,648.45
	30,029.63	2,193.35	394.09	2.00	-	32,619.07

(Amount ₹ in lacs)

Contractual maturities of financial liabilities	March 31, 2019					
	3 months or less	3-12 months	1-2 years	2-3 years	More than 3 years	Total
Non-derivative financial liabilities						
Security deposits received from contractors	11,570.20	1,935.50	579.07	0.69	-	14,085.45
Employee related liabilities	166.17	180.25	-	-	-	346.42
Payable for expenses	132.85	4.08	-	-	-	136.93
Trade and other payables	19,862.22	-	-	-	-	19,862.22
	31,731.45	2,119.83	579.07	0.69	-	34,431.03

Financing arrangements

The Company has access to non-fund based bank financing facilities. The amount of unused bank financing facilities (non-fund based) available for future operating activities is ₹ 4,640.65 lacs as at March 31, 2020 (₹ 5,148.07 lacs as at March 31, 2019).

Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Since, the Company does not have any foreign currency transactions and borrowings, the currency risk and interest risk respectively are not applicable on the Company.

Other Price risk

The Company's exposure to mutual fund price risk arises from investments held by the company and classified in the balance sheet at fair value through profit or loss. The Company invest in debt based liquid mutual funds that offers daily dividend. To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company and approved by board of directors. The following limits are applicable in case investment in mutual funds;

- Investment (including existing investment) in any asset management company (AMC) shall not exceed Rs. 30 crores or 30% of total investment (Mutual Fund plus FDR's) of the company, whichever is less on the day of investment.
- Overall total investment of company in mutual fund shall not exceed Rs. 50 crores or 50% of total investment (Mutual Fund plus FDR's) of the company whichever is less on the day of investment.

Sensitivity analysis

The company does not have any market risk exposure as at March 31, 2020 hence sensitivity disclosure is not given.



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	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<i>Transactions made during the year with related party</i>		
<u>1. Revenue from services rendered</u>		
NTPC Limited	94,375.82	82,842.91
JV & Subsidiaries of venturers	22,879.65	20,426.87
<u>2. Employee Benefit Expense</u>		
NTPC Limited (includes an amount of ₹ 99.88 lacs (March 31,2019: ₹ 103.72 lacs) towards remuneration of Key Managerial Personnel)	188.07	158.89
Key Management Personnel	1.57	2.75
<u>3. Dividend</u>		
NTPC Limited	400.00	350.00
Reliance Infrastructure Limited	158.40	138.60
<u>4. Bank Guarantee issued/enhanced</u>		
NTPC Limited	420.00	1,000.00
JV & Subsidiaries of venturers	152.67	141.65
<u>5. Bank Guarantee Cancelled</u>		
NTPC Limited	-	901.00
JV & Subsidiaries of venturers	63.50	30.00
<u>6. Leave Encashment</u>		
Key Management Personnel	-	0.14
<u>7. Reimbursement of Expenses</u>		
Key Management Personnel	-	1.72
<u>8. Perquisite</u>		
Key Management Personnel	-	6.33
<u>9. Provision for doubtful trade receivable</u>		
NTPC Ltd.	192.87	60.32
<u>10. Bad & Doubtful Debts written off</u>		
NTPC Ltd.	253.19	-



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	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
Balances outstanding at the end of the period:		
<u>1. Trade Receivables</u>		
NTPC Limited (Net of provisions)	9,308.77	11,876.03
Reliance Infra	55.82	57.60
JV & Subsidiaries of venturers	3,329.53	3,104.90
<u>2. Long Term Loans and Advances</u>		
NTPC Limited	3.40	-
<u>3. Short Term Loan and Advances</u>		
NTPC Limited	265.96	282.29
JV & Subsidiaries of venturers	173.39	44.97
<u>4. Other Current Financial Assets (including unbilled revenue)</u>		
NTPC Limited	8,932.87	9,186.87
JV & Subsidiaries of venturers	2,463.18	3,033.25
<u>5. Bank Guarantee</u>		
NTPC Limited	1,789.04	1,369.04
JV & Subsidiaries of venturers	543.78	454.61
<u>6. Employee related payables</u>		
Key Management Personnel	-	0.05
<u>7. Trade payables</u>		
NTPC Limited	60.06	6.32

Terms & Conditions:

1. Transactions with related party are made at normal commercial terms and conditions.

2. The Company is assigned jobs on contract basis for sundry works in plants/stations/offices from NTPC Ltd., Reliance Infrastructure Ltd. and their respective joint ventures and subsidiaries. The Company undertakes jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipment of power stations. The Company has entered into Power Station Maintenance Agreement with its related parties from time to time. The rates are fixed on cost plus basis after mutual discussion and after taking into account the prevailing market conditions.



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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

37. Information in respect of micro and small enterprises as at March 31, 2020 as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(Amount ₹ in lacs)	
	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in		
- Principal amount due to micro and small enterprises	12,604.96	15,309.67
- Interest due on above	0.86	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

38. Disclosure as per Ind AS 108 on 'Operating segments'

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Company's Chief executive officer has been identified as the Chief Operating Decision Maker ('CODM'), since he is responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning and alliance.

Chief executive officer reviews the operating results of "Power Station Operation and Maintenance business" at Company level to assess its performance. Accordingly, there is only one Reportable Segment for the Company which is "Power Station Operation and Maintenance business", hence no specific disclosures have been made.

Entity wide disclosures

Information about products and services

The Company primarily deals in one business namely "Power Station Operation and Maintenance business", therefore product wise revenue disclosure is not applicable.

Information about geographical areas

The Company provides services to customers which are domiciled in India. Also, all the assets of the Company are located in India.

Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 per cent or more of an entity's revenues:

Customer	(Amount ₹ in lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
NTPC Limited	94,375.82	82,842.91

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Utility Powertech Limited

Notes to financial statements for the year ended March 31, 2020

39. Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by DPE, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	(Amount ₹ in lacs)	
	March 31, 2020	March 31, 2019
A. Amount required to be spent during the year	73.22	62.78
B. Shortfall amount of previous year	-	-
C. Total (A+B)	73.22	62.78
D. Amount spent during the year on-		
- Construction/ acquisition of any asset	-	-
- On purposes other than above		
- from identified activities	70.37	60.48
- from Salary & wages	2.85	2.30
Total	73.22	62.78
Shortfall/(Excess) amount carried forward to next year	-	-

a) Amount spent during the year ended March 31, 2020:

Particulars	In cash/bank	Yet to be paid in cash/bank	Total
Construction/ acquisition of any asset	-	-	-
On purposes other than above	73.22	-	73.22

a) Amount spent during the year ended March 31, 2019:

Particulars	In cash/bank	Yet to be paid in cash/bank	Total
Construction/ acquisition of any asset	-	-	-
On purposes other than above	62.78	-	62.78

40. The Company has neither transacted nor entered into any contract involving foreign currency transaction during the reporting period.



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41. The details of trade and other receivables, advances and security deposits which are outstanding for a considerable period of time are given below. In the opinion of the management these amount are outstanding against actual services rendered and supported by valid contractual agreements. However such balances are outstanding due to necessary clearance, submission of required documents and satisfaction of other procedural requirement. The Company is in process of completing and complying with required terms of the contract. Wherever there are issues on contract terms and conditions the company has taken up with higher authorities of the customer, or has made required provisions after considering the facts and circumstances in certain cases. Since, these balances are receivables from related parties the management does not consider it necessary to record any further provision over and above already provided against such receivables.

Further, in case of advances to contractor and suppliers, the required services have been given by them. However the bills submitted by them are on hold due to various procedural reasons which will be knocked -off in due course with the actual payments.

Nature of Balance	Note	As at March 31, 2020	
		Total Amount (₹ in lacs)	Amount o/s more than 36 Months (₹ in lacs)
Trade receivables	8	13,020.43	2,420.34
Other receivables from contractors	5	59.09	59.09
Advances to Contractors & suppliers	7	230.09	44.85
Security deposits with customers	4 & 10	534.42	104.90

Nature of Balance	Note	As at March 31, 2019	
		Total Amount (₹ in lacs)	Amount o/s more than 36 Months (₹ in lacs)
Trade receivables	8	15,545.35	2,013.07
Other receivables from contractors	5	59.19	59.19
Advances to Contractors & suppliers	7	153.67	72.23
Security deposits with customers	4 & 10	475.56	136.38

42. Trade payables, advances and security deposits payable to various sub-contractors are outstanding for a considerable period of time. In the opinion of the management such balances are payable and are outstanding mainly on account of submission of certain documents and proof of compliance with respect to statutory dues by sub-contractors. Management does not consider it necessary to write back such payables. Details of outstanding balances are as under:

Nature of Balance	Note	As at March 31, 2020	
		Total Amount (₹ in lacs)	Amount o/s more than 36 Months (₹ in lacs)
Trade payables	18	16,648.45	1,410.28
Security deposits	16 & 19	15,576.42	3,195.37

Nature of Balance	Note	As at March 31, 2019	
		Total Amount (₹ in lacs)	Amount o/s more than 36 Months (₹ in lacs)
Trade payables	18	18,686.62	803.43
Security deposits	16 & 19	14,085.46	2,387.97



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43. Details with regard to Revenue, Trade Receivables, Unbilled Revenue etc in reference to Ind AS 115. Refer note 1C for nature of revenue and Accounting Policy .

		Amount ₹ in lacs	
S.No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. As at Beginning of the year			
1	Trade Receivables(Note 8)	15,545.35	12,700.96
2	Unbilled revenue(Note 11)	12,257.18	10,449.73
3	Advance / deposits received from customers	-	-
B. Transactions during the year			
1	Revenue recognised during the year (total to tally with disclosed under Note-Revenue from operations)	1,18,605.84	1,04,479.24
2	Unbilled revenue billed during the year (out of A2 above)	11,996.64	10,132.33
3	Amount booked to Revenue from advance from customers (out of A3 and included in B1)	-	-
4	Revenue pertaining to previous years recognised during the current year (included in B1 above)	-	-
C. As at end of the year			
1	Trade Receivables(Note 8)	13,020.43	15,545.35
2	Unbilled revenue(Note 11)	11,808.11	12,257.18
3	Advances / deposits received from customers	-	-

44. During the current year, for a better presentation and on account of availability of relevant information, the gratuity expenses in relation to Contractual assignment employees reported in the financial statements for the year ended 31 March 2020 have been re-grouped /classified to conform to the current year's classification, wherein it has been classified under cost of materials and services consumed. The following table shows the amounts reported in the financial statements for the year ended 31 March 2019 and the manner these amounts appear in the financial statements for the previous year applying the current year's grouping /classification:-

Current year re-grouped /classified

		Amount ₹ in lacs	
Financial statement caption	Note	As at 31 March 2020 (as per groupings of 31 March 2020)	As at 31 March 2020 (as per groupings of 31 March 2019)
<i>Profit and Loss</i>			
Employee benefits expense	24		
- Gratuity expenses		131.14	621.99
Cost of materials and services consumed		1,09,446.24	1,08,955.39

Previous year re-grouped /classified

		Amount ₹ in lacs	
Financial statement caption	Note	As at 31 March 2019 (as per groupings of 31 March 2020)	As at 31 March 2019 (as per groupings of 31 March 2019)
<i>Profit and Loss</i>			
Employee benefits expense	24		
- Gratuity expenses (Refer note i)		127.10	618.38
Cost of materials and services consumed		96,429.86	95,938.58

i) The amount of re-classification has been calculated proportionately on the basis of current year gratuity expenses as provided in the actuarial certificate for unfunded contractual assignment employees.



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45. COVID-19 has been declared as pandemic by the World Health Organisation and there is an unprecedented level of disruption on socio-economic front. Considering severe health hazard, India is also under nation-wide lockdown. During the period of initial lockdown the Corporate office of the Company was closed, however, employees were working from home. Further, functions and operations were ongoing on the sites, which are in NTPC plant premises. The Company has made an evaluation of this situation, on its financial statements, internal financial controls and going concern. The company's business is to render operations and maintenance work to NTPC and its group companies under various Power Station & Office Maintenance Agreement (PSOMA), which entails the company to invoice for the services rendered as per the contract on Cost plus mark-up basis.

The projected turnover of the Company for the year 2020-21 is expected to grow by 10% over current year.

The basis of the turnover /profitability is as under:

1. For the month of April-2020, there has been no decrease in the number of contracts or the services as compared to the previous months/year.
2. The management is of the view that Electricity generation is the top priority of the Government of India and Government of India has mandated power generation companies to ensure 24x7 supply of power hence power plants will be up and running. As the power plants are running, hence the contracts of the maintenance would continue.
3. The management is of view that the reduction in the demand of electricity will not affect its business, as the plants will be always running and would require maintenance.
4. The company has invested in Mutual funds, deposits of banks etc. The total liquid Cash/ investment, at an average is around 120-130 Crores. The income from such investment is in the range of 10-11 Crores. Even if the rate of return goes down, profit will decrease only by 1-2 Crores on an annualized basis.
5. The Other items of assets liabilities, income and expenditure would not have major changes due to marginal change in the top line.

The Company is evaluating certain changes in the internal controls so as to address the changing economic situation, however the management has been working online to provide essential support to the sites.

The company has also evaluated the Cash flow for the coming year and is of the view that since the operations of the Company are largely dependent on the manpower oriented jobs therefore regular payments from service recipient is must. The company does not envisage any issue on this front as majority of the contracts of the Company are with NTPC Limited and NTPC is ensuring timely payment to all its Vendors. As per internal evaluation, government policy etc., the management is of the view that the payments cycle should not be effected and the operations will be carried on smoothly. The Company is a Zero debt company and therefore does not have any repayment of finance cost obligations. The Company does not have any major financial and non-financial assets including the fixed assets, CWIP etc., and is of the view that there are not material impacts on the same. The company is also of the view that there is no impact on the services provided to customers during the coming year. The Company has evaluated the projected collections from the various clients and is of the view that other than the temporary delay in realisations during lockdown period, there would not be much effect on the realisations.

On the basis of the above, the management is of the view that the Company is a going Concern. The aforesaid evaluation is based on certain assumptions, projections and estimations which are dependent on future developments which are subjective and uncertain. The Company draws its financial information every quarter and any changes to the changes in circumstances will be taken into effect accordingly going forward.

46. These financial statements were authorized for issue by Board of Directors on May 29, 2020.

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: Noida
Date: May 29, 2020



For and on behalf of the Board of Directors of
Utility Powertech Limited

Amar Nath Verma
Chairman
DIN-07937764

Amarjeet Singh
Director
DIN-08265546

A. C. Srivastava
Chief Financial Officer

Place: Noida
Date: May 29, 2020

Sandeep Aggarwal
Director
DIN-08553176

Rakesh Prasad
Chief Executive Officer

Gaurav Agrawal
Company Secretary
FCS - 6823



Shareholding Pattern of UPL as on March 31,2020

S. No	Names of Equity Shareholders	No. of Shares in Physical mode	% of shareholding
1.	T G Srilatha & Reliance Infrastructure Limited	200	.005
2.	NTPC Ltd. & Ms. Nandini Sarkar	200	.005
3.	NTPC Ltd and Shri Amar Nath Verma	200	.005
4.	NTPC Ltd. & Shri Aditya Dar	200	.005
5.	Reliance Infrastructure Limited	7,91,800	19.795
6.	NTPC Limited	1,99,94,00	49.985
7.	Space Trade Enterprises Private Limited	4,00,000	10
8.	Skyline Global Trade Private Limited	4,00,000	10
9.	Species Commerce And Trade Private Limited	4,08,000	10.2
	Total	40,00,000	100