



U.P. POWER CORPORATION LIMITED

U.P. Power Corporation Limited (the “Company” or “Issuer”) was incorporated at Lucknow on 30th November 1999 as a Company with the name ‘U.P. POWER CORPORATION LIMITED’ under the provisions of the Companies Act, 1956. For more information about our Company, please refer “General Information” on page number 118 of this Placement Memorandum.

Registered Office: 14, Ashok Marg, Shakti Bhawan, Lucknow -226001 | **Corporate Office:** 14, Ashok Marg, Shakti Bhawan, Lucknow -226001.
Telephone: 0522-2287801 | **Website:** www.upenergy.in | **Email:** gmfa@uppcl.org | **CIN:** U32201UP1999SGC024928 | **PAN:** AAACU5088M | **Fax:** 0522-2287798

PLACEMENT MEMORANDUM AND PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER DATED OCTOBER 04, 2022 (“PLACEMENT MEMORANDUM”) BY WAY OF PRIVATE PLACEMENT (THE “ISSUE”) BY U.P. POWER CORPORATION LIMITED (THE “ISSUER” / “COMPANY”) FOR ISSUE OF SECURED, RATED, LISTED, REDEEMABLE, TAXABLE, GOVERNMENT OF UTTAR PRADESH SERVICED NON-CONVERTIBLE BONDS; SUPPORTED BY UNCONDITIONAL & IRREVOCABLE GUARANTEE BY THE GOVERNMENT OF UTTAR PRADESH AS A PRINCIPAL DEBTOR & NOT MERELY AS A SURETY AND INTER ALIA, HAS CERTAIN SERVICING OBLIGATIONS, OF A FACE VALUE OF INR 10,00,000 EACH, FOR CASH, AT PAR, OF INR 50,000 LAKH, WITH GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UPTO INR 2,98,800 LAKH, I.E. AGGREGATING TO INR. 3,48,800 LAKH BY U. P. POWER CORPORATION LIMITED (“UPPCL”/ “THE ISSUER” / “COMPANY”) UNDER SERIES II 2022, COMPRISED OF EIGHT SUB-SERIES NAMEDLY ‘A’, ‘B’, ‘C’, ‘D’, ‘E’, ‘F’, ‘G’, AND ‘H’ WITH TENURE SEQUENTIALLY RANGING FROM 2 YEARS 6 MONTHS TO 9 YEARS 6 MONTHS, REDEEMABLE IN FOUR EQUAL QUARTERLY INSTALLMENTS. (“BONDS”/ “SERIES II BONDS”). THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON PRIVATE PLACEMENT BASIS AS PER SEBI CIRCULAR SEBI/HO/DDHS/P/CIR/2021/613 DATED 10 AUGUST 2021, AS AMENDED (“OPERATIONAL GUIDELINES”) ISSUED BY SEBI UNDER SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021. THE COMPANY INTENDS TO USE BSE’S ELECTRONIC BIDDING PLATFORM (“BSE-BOND EBP”) FOR THIS ISSUE. THIS PLACEMENT MEMORANDUM IS BEING UPLOADED ON THE BSE BOND- EBP TO COMPLY WITH THE SEBI OPERATIONAL CIRCULAR READ WITH THE OPERATIONAL GUIDELINES FOR ISSUANCE OF SECURITIES ON PRIVATE PLACEMENT BASIS THROUGH THE ELECTRONIC BOOK MECHANISM ISSUED BY BSE LIMITED (“BSE”) VIDE THEIR NOTICE 20180928-24 DATED 28 SEPTEMBER 2018 AND AN OFFER WILL BE MADE BY ISSUE OF THE SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE/BID CLOSING DATE, TO SUCCESSFUL BIDDER IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES.

THIS PLACEMENT MEMORANDUM IS PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION NO. SEBI/LAD-NRO/GN/2021/39 DATED 9 AUGUST 2021 AS AMENDED FROM TIME TO TIME.

NEITHER THE ISSUER NOR ANY OF ITS PROMOTERS OR DIRECTORS HAS BEEN DECLARED AS A WILFUL DEFAULTER.

This Placement Memorandum contains relevant information and disclosures required for issue of the Bonds. The issue of the Bonds comprised in the Issue and described under this Placement Memorandum has been authorised by the Issuer through resolutions passed by the board of directors of the Issuer on January 24, 2022 read with board resolution dated September 12, 2022, and the Memorandum and Articles of Association of the Issuer. The Issuer has adequate limits under Section 180(1) (c) to issue the Debentures and does not require a separate shareholders’ resolution for the same.

GENERAL RISKS

Investment in debt and debt related securities involves a degree of risk and Investors should not invest any funds in the debt instruments, unless they understand the terms and conditions and can afford to take the risks attached to such investments. For taking an investment decision, potential Investors must rely on their own examination of the Issuer, the Issue, this PLACEMENT Memorandum including the risks involved. As the issue is being made on a private placement basis, the Bonds have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. Investment in debt and debt related securities involves a degree of risk and Investors are advised to take an informed decision and consider with their advisers, of the suitability of the Bonds in the light of their particular financial circumstances and investment objectives and risk profile, and of all information set forth in this Placement Memorandum, including the section entitled “Risk Factors”, before investing.

CREDIT RATING

The Bonds have been rated Provisional CRISIL A+ (CE) with Stable outlook by CRISIL Ratings Limited for an amount up to INR 4048.80 Crores vide its letter dated September 12, 2022 and the Bonds have been rated Provisional IND A+ (CE) with Stable outlook by India Ratings & Research Private Limited for an amount up to INR 4048.80 Crores vide its letter dated September 9, 2022. Instruments with this rating are considered to have an adequate degree of safety regarding timely service of financial obligations. Such instruments carry low credit risk. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and the rating should be evaluated independently of any other rating. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc. Please refer to Annexure 3 of this Placement Memorandum for rationale for the above rating, the press release can be accessed at the following links: on the website of India Ratings & Research Private Limited at <https://www.indiaratings.co.in/pressrelease/58522> and on the website of CRISIL Limited at https://www.crisil.com/mnt/winshare/Ratings/RatingList/RatingDocs/UPPowerCorporationLimited_Apri%2012.%202022_RR_291074.html. The Issuer hereby declares that the aforesaid ratings are valid as on the date of issuance and shall remain valid as on the date of listing.

LISTING

The Bonds offered through this Placement Memorandum are initially proposed to be listed on the Wholesale Debt Market (“WDM”) Segment of the BSE Limited (“BSE” / the “Stock Exchange”). The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis. The Issuer intends to use electronic book mechanism as available on the website of the BSE.

ISSUE PROGRAMME

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY-IN DATE
October 04, 2022.	October 04, 2022.	October 07, 2022.





DETAILS ABOUT ELIGIBLE INVESTORS

The Eligible Investors are: (a) individuals; (b) Hindu Undivided Family; (c) trust; (d) limited liability partnerships; (e) partnership firm(s); (f) portfolio managers registered with SEBI; (g) association of persons; (h) companies and bodies corporate including public sector undertakings; (i) scheduled commercial banks; (j) regional rural banks; (k) financial institutions; (l) insurance companies; (m) mutual funds; (n) foreign portfolio investors; and (n) any other investor eligible to invest in these Bonds in accordance with applicable law. The present issue of debentures is not underwritten. This Placement Memorandum is strictly, for a private placement and is only an information brochure intended for private use.

COUPON	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
9.95%	Quarterly	Each of the Sub-Series A to Sub-Series H would be redeemable in 4 equal quarterly instalments of 3.125% (Rs. 15.625 crore considering the base issue size) of the aggregate issue size, with redemption of Sub-Series ‘A’ commencing from the end of 7th quarter, Sub-Series ‘B’ commencing from the end of 11th quarter and so on.	At par (INR 10 Lakhs) per bond under each Sub-Series

The Issue shall be subject to the provisions of the Companies Act, 2013, (the “Companies Act”), the rules notified pursuant to the Companies Act, the Memorandum and Articles of Association of the Issuer, the terms and conditions of this Placement Memorandum filed with the BSE and any other material stock exchanges, as applicable, the Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed and other documents in relation to each such Issue.

THIS PLACEMENT MEMORANDUM ALSO CONSTITUTES A PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AND INCORPORATES DISCLOSURES REQUIRED UNDER FORM PAS-4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014.

DETAILS OF KMP AND PROMOTER			
COMPLIANCE OFFICER	CHIEF FINANCIAL OFFICER	PROMOTER	
Mr. Anil Kumar Awasthi Tel No. 0522-2287801 Email: cfo@uppcl.org	Mr. Anil Kumar Awasthi Tel No. 0522-2287801 Email: cfo@uppcl.org	Government of Uttar Pradesh	
DETAILS OF KEY INTERMEDIARIES			
DEBENTURE TRUSTEE TO THE ISSUE	REGISTRAR TO THE ISSUE	CREDIT RATING AGENCY	
 BEACON TRUSTEESHIP LTD.	 Beetal Financial & Computer Services (P) Ltd	 CRISIL An S&P Global Company Credit Rating Information Services of India Limited (CRISIL Limited)	 India Ratings & Research Private Limited
Address: 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai, Maharashtra 400051, Tel No. 022-26558759 /9555449955 Fax No: 022-26558760 Email: compliance@beacontrustee.co.in Contact Person: Mr. Kaustubh Kulkarni SEBI Registration Number: IND000000569 CIN: U74999MH2015PLC271288	Address: 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 Tel No. 011-2996 1281 Fax No: 011-2996 1284 Email: beetalrta@gmail.com Contact Person: Shri Punit Mittal SEBI Registration Number: INR000000262 CIN: U67120DL1993PTC05248	Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai-400075 Tel No. 022-33423000 Fax No: 022-33423050 Email: Pankaj.sharma@crisil.com Contact Person: Mr. Pankaj Sharma SEBI Registration Number: IN/CRA/001/1999 CIN: U67100MH2019PLC326247	Address: Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai – 400051 Tel No. (+91 22) 4035 6190 Fax No: Email: infoGrp@indiaratings.co.in Contact Person: Arunima Basu SEBI Registration Number: IN/CRA/002/1999 CIN: U67100MH1995FTC140049

I. DISCLAIMER CLAUSE:

THIS PLACEMENT MEMORANDUM OF PRIVATE PLACEMENT (HEREINAFTER REFERRED TO AS THE “**PLACEMENT MEMORANDUM**” IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THE ISSUE OF LISTED, RATED, SENIOR, SECURED, REDEEMABLE NON-CONVERTIBLE BONDS (HEREINAFTER REFERRED TO AS “**BONDS**”) TO BE ISSUED IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. IT IS NOT INTENDED TO BE CIRCULATED TO MORE THAN 200 (TWO HUNDRED) INVESTORS IN ANY FINANCIAL YEAR, AS ELIGIBLE UNDER THE LAWS OF INDIA TO INVEST IN THESE BONDS (“**ELIGIBLE INVESTORS**”). MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. IT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE BONDS ISSUED TO THE PUBLIC IN GENERAL. APART FROM THIS PLACEMENT MEMORANDUM, NO OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE ISSUER NOR IS SUCH A PROSPECTUS REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS. ACCORDINGLY, THIS PLACEMENT MEMORANDUM HAS NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS IT INTENDED TO BE REGISTERED.

THIS PLACEMENT MEMORANDUM HAS BEEN PREPARED TO PROVIDE GENERAL INFORMATION ABOUT THE ISSUER TO POTENTIAL INVESTORS TO WHOM IT IS ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE BONDS. THIS PLACEMENT MEMORANDUM DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY POTENTIAL INVESTOR MAY REQUIRE. NEITHER THIS PLACEMENT MEMORANDUM NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE BONDS IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION NOR SHOULD ANY RECIPIENT OF THIS PLACEMENT MEMORANDUM CONSIDER SUCH RECEIPT A RECOMMENDATION TO PURCHASE ANY BONDS. EACH INVESTOR CONTEMPLATING THE PURCHASE OF ANY BONDS SHOULD MAKE HIS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE ISSUER, AND HIS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE ISSUER. POTENTIAL INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE BONDS AND SHOULD POSSESS THE APPROPRIATE RESOURCES TO ANALYSE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. IT IS THE RESPONSIBILITY OF INVESTORS TO ALSO ENSURE THAT THEY WILL SELL THESE BONDS IN STRICT ACCORDANCE WITH THIS PLACEMENT MEMORANDUM AND OTHER APPLICABLE LAWS, SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT, 2013. NONE OF THE INTERMEDIARIES OR THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE ISSUER DURING THE LIFE OF THE ARRANGEMENTS CONTEMPLATED BY THIS PLACEMENT MEMORANDUM OR HAVE ANY RESPONSIBILITY TO ADVISE ANY INVESTOR OR POTENTIAL INVESTOR IN THE BONDS OF ANY INFORMATION AVAILABLE WITH OR SUBSEQUENTLY COMING TO THE ATTENTION OF THE INTERMEDIARIES, AGENTS OR ADVISORS.

THE ISSUER CONFIRMS THAT, AS OF THE DATE HEREOF, THIS PLACEMENT MEMORANDUM CONTAINS INFORMATION THAT IS ACCURATE IN ALL MATERIAL RESPECTS AND DOES NOT CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT, OR OMITTS TO STATE ANY MATERIAL FACT, NECESSARY TO MAKE THE STATEMENTS HEREIN, THAT WOULD BE, IN THE LIGHT OF CIRCUMSTANCES UNDER WHICH THEY ARE MADE, NOT MISLEADING. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED OR INCORPORATED BY REFERENCE IN THIS PLACEMENT MEMORANDUM OR IN ANY MATERIAL MADE AVAILABLE BY THE ISSUER TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER. THE INTERMEDIARIES AND THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE HAVE NOT SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN. ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY IS ACCEPTED BY ANY SUCH INTERMEDIARY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER. ACCORDINGLY, ALL SUCH INTERMEDIARIES ASSOCIATED WITH THIS ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER IN CONNECTION WITH THE ISSUE.

THE CONTENTS OF THIS PLACEMENT MEMORANDUM ARE INTENDED TO BE USED ONLY BY THOSE INVESTORS TO WHOM IT IS ISSUED. IT IS NOT INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT.

EACH COPY OF THIS PLACEMENT MEMORANDUM IS SERIALY NUMBERED AND THE PERSON, TO WHOM A COPY OF THE PLACEMENT MEMORANDUM IS SENT, IS ALONE ENTITLED TO APPLY FOR THE BONDS. NO INVITATION IS BEING MADE TO ANY PERSONS OTHER THAN THOSE TO WHOM APPLICATION FORMS ALONG WITH THIS PLACEMENT MEMORANDUM HAVE BEEN SENT. ANY APPLICATION BY A PERSON TO WHOM THE PLACEMENT MEMORANDUM AND/OR THE APPLICATION FORM HAS NOT BEEN SENT BY THE ISSUER SHALL BE REJECTED WITHOUT ASSIGNING ANY REASON.

THE PERSON WHO IS IN RECEIPT OF THIS PLACEMENT MEMORANDUM SHALL MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THIS PLACEMENT MEMORANDUM AND SHALL NOT REPRODUCE OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE ISSUER.

EACH PERSON RECEIVING THIS PLACEMENT MEMORANDUM ACKNOWLEDGES THAT:

- SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED ALL ADDITIONAL INFORMATION CONSIDERED BY AN INDIVIDUAL TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN; AND

- SUCH PERSON HAS NOT RELIED ON ANY INTERMEDIARY THAT MAY BE ASSOCIATED WITH ISSUANCE OF THE BONDS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

THE ISSUER DOES NOT UNDERTAKE TO UPDATE THE PLACEMENT MEMORANDUM TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE PLACEMENT MEMORANDUM AND THUS IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE ISSUER. NEITHER THE DELIVERY OF THIS PLACEMENT MEMORANDUM NOR ANY SALE OF BONDS MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF.

THIS PLACEMENT MEMORANDUM DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE BONDS OR THE DISTRIBUTION OF THIS PLACEMENT MEMORANDUM IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS PLACEMENT MEMORANDUM AND THE OFFERING AND SALE OF THE BONDS MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS PLACEMENT MEMORANDUM COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THE PLACEMENT MEMORANDUM IS MADE AVAILABLE TO POTENTIAL INVESTORS IN THE ISSUE ON THE STRICT UNDERSTANDING THAT IT IS CONFIDENTIAL.

DISCLAIMER OF THE ARRANGER: U.P. POWER CORPORATION LIMITED (THE “ISSUER”/ “COMPANY”) HAS AUTHORIZED THE ARRANGER TO DISTRIBUTE THIS PLACEMENT MEMORANDUM IN CONNECTION WITH THE PROPOSED TRANSACTION OUTLINED IN IT (THE “TRANSACTION”) AND THE BONDS PROPOSED TO BE ISSUED IN THE TRANSACTION (THE “BONDS”).

NOTHING IN THIS PLACEMENT MEMORANDUM CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY OTHER JURISDICTION WHERE SUCH OFFER OR PLACEMENT WOULD BE IN VIOLATION OF ANY LAW, RULE OR REGULATION.

THE ISSUER HAS PREPARED THIS PLACEMENT MEMORANDUM AND THE ISSUER IS SOLELY RESPONSIBLE FOR ITS CONTENTS. THE ISSUER WILL COMPLY WITH ALL LAWS, RULES AND REGULATIONS AND HAS OBTAINED ALL REGULATORY, GOVERNMENTAL AND CORPORATE APPROVALS FOR THE ISSUANCE OF THE BONDS. ALL THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM HAS BEEN PROVIDED BY THE ISSUER OR IS PUBLICLY AVAILABLE INFORMATION, AND SUCH INFORMATION HAS NOT BEEN INDEPENDENTLY VERIFIED BY THE ARRANGER. NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IS OR WILL BE MADE, AND NO RESPONSIBILITY OR LIABILITY IS OR WILL BE ACCEPTED, BY THE ARRANGER OR ITS AFFILIATES FOR THE ACCURACY, COMPLETENESS, RELIABILITY, CORRECTNESS OR FAIRNESS OF THIS PLACEMENT MEMORANDUM OR ANY OF THE INFORMATION OR OPINIONS CONTAINED THEREIN, AND THE ARRANGER HEREBY EXPRESSLY DISCLAIMS, TO THE FULLEST EXTENT

PERMITTED BY LAW, ANY RESPONSIBILITY FOR THE CONTENTS OF THIS PLACEMENT MEMORANDUM AND ANY LIABILITY, WHETHER ARISING IN TORT OR CONTRACT OR OTHERWISE, RELATING TO OR RESULTING FROM THIS PLACEMENT MEMORANDUM OR ANY INFORMATION OR ERRORS CONTAINED THEREIN OR ANY OMISSIONS THEREFROM. BY ACCEPTING THIS PLACEMENT MEMORANDUM, YOU AGREE THAT THE ARRANGER WILL NOT HAVE ANY SUCH LIABILITY.

YOU SHOULD CAREFULLY READ AND RETAIN THIS PLACEMENT MEMORANDUM. HOWEVER, YOU ARE NOT TO CONSTRUCT THE CONTENTS OF THIS PLACEMENT MEMORANDUM AS INVESTMENT, LEGAL, ACCOUNTING, REGULATORY OR TAX ADVICE, AND YOU SHOULD CONSULT WITH YOUR OWN ADVISORS AS TO ALL LEGAL, ACCOUNTING, REGULATORY, TAX, FINANCIAL AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE BONDS.

STOCK EXCHANGE DISCLAIMER CLAUSE: IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS PLACEMENT MEMORANDUM WITH THE STOCK EXCHANGE SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE STOCK EXCHANGE. THE STOCK EXCHANGE DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PLACEMENT MEMORANDUM.

LISTING
The Bonds to be issued under this Placement Memorandum will be listed on the BSE Limited (the “ Stock Exchange ”). The Issuer shall make an application for listing after the Deemed Date of Allotment within the stipulated timeline of the Bonds and shall have obtained the in-principle approval of the BSE Limited for the listing of the Bonds prior to EBP setup on BSE Bond EBP.

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE BONDS HAVE NOT BEEN RECOMMENDED OR APPROVED BY THE ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS PLACEMENT MEMORANDUM. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF ‘RISK FACTORS’ GIVEN UNDER CLAUSE NO (xvii) (B) OF THIS PLACEMENT MEMORANDUM.

THE ISSUER HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THE OFFER DOCUMENT/PLACEMENT MEMORANDUM. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE WEBSITE WHERE THE DEBT IS LISTED.

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR AND CONFIRMS THAT THIS PLACEMENT MEMORANDUM CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE, THAT THE INFORMATION CONTAINED IN THE PLACEMENT MEMORANDUM IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY STATED AND THAT THERE ARE

NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS DOCUMENT AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

INVESTMENT IN NON-CONVERTIBLE SECURITIES INVOLVE A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 1 OF THIS PLACEMENT MEMORANDUM. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO SUBSCRIBE TO SUCH SECURITIES.

DEBENTURE TRUSTEE DISCLAIMER: THE DEBENTURE TRUSTEE, "IPSO FACTO" DOES NOT HAVE THE OBLIGATIONS OF A BORROWER OR A PRINCIPAL DEBTOR OR A GUARANTOR AS TO THE MONIES PAID/INVESTED BY INVESTORS FOR THE BONDS. WHILE THE DEBT SECURITIES ARE SECURED TO THE TUNE OF 100% OF THE PRINCIPAL AND INTEREST AMOUNT OR AS PER THE TERMS OF HEREUNDER, IN FAVOUR OF DEBENTURE TRUSTEE, THE RECOVERY OF 100% OF THE AMOUNT SHALL DEPEND ON THE MARKET SCENARIO PREVALENT AT THE TIME OF ENFORCEMENT OF THE SECURITY. THE DEBENTURE TRUSTEE DOES NOT MAKE NOR DEEMS TO HAVE MADE ANY REPRESENTATION ON THE ISSUER, ITS OPERATIONS, THE DETAILS AND PROJECTIONS ABOUT THE ISSUER OR THE BONDS UNDER OFFER MADE IN THIS PLACEMENT MEMORANDUM. APPLICANTS / INVESTORS ARE ADVISED TO READ CAREFULLY THIS PLACEMENT MEMORANDUM AND MAKE THEIR OWN ENQUIRY, CARRY OUT DUE DILIGENCE AND ANALYSIS ABOUT THE ISSUER, ITS PERFORMANCE AND PROFITABILITY AND DETAILS IN THIS PLACEMENT MEMORANDUM BEFORE TAKING THEIR INVESTMENT DECISION. THE DEBENTURE TRUSTEE SHALL NOT BE RESPONSIBLE FOR THE INVESTMENT DECISION AND ITS CONSEQUENCES.

DISCLAIMER IN RESPECT OF CREDIT RATING

The rating for the Bonds under Issue is "Provisional CRISIL A+ (CE)/Stable" by CRISIL Ratings Limited & "Provisional IND A+ (CE)/Stable" by India Ratings & Research Private Limited. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information, etc.

This Placement Memorandum prepared for private placement of the Bonds is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the debt securities to be issued by the Company. This is only an information brochure intended for private use.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA

As per the provisions of the SEBI NCS Regulations, it is not stipulated that a copy of this Placement Memorandum has to be filed with or submitted to SEBI for its review / approval. It is to be distinctly understood that this Placement Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Bonds issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Placement Memorandum.

II. DEFINITIONS AND ABBREVIATIONS

Debt Listing Agreement	The debt listing agreement, as amended from time to time, entered into by the Issuer with the BSE Limited for the listing of the Bonds and any other recognised stock exchange to which the Issuer may apply for the listing of the Bonds subsequently after giving prior notice to the Debenture Trustee.
Debenture Trustee Regulations	SEBI (Debenture Trustees) Regulations, 1993, as amended
SEBI Electronic Book Mechanism Guidelines	The guidelines issued by SEBI and pertaining to the Electronic Book Mechanism set out in the terms specified by the SEBI in its circular dated August 10, 2021 (bearing reference number SEBI/HO/DDHS/P/CIR/2021/613) titled ‘Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper’ (as may be modified, amended, replaced, or supplemented from time to time) and the related operational guidelines issued by the concerned Electronic Book Provider, (as may be amended, clarified or updated from time to time).
SEBI REF Circular	SEBI circular on ‘Contribution by Issuers of listed or proposed to be listed debt securities towards creation of Recovery Expense Fund’ dated 22 October 2020 bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207.
“UPPCL”/ “Issuer”	“Company”/ U. P. Power Corporation Limited
Allotment/Allot/ Allotted	The issue and allotment of the Bonds to successful Applicants in relation to the Issue
Application	An application to subscribe to the Bonds offered pursuant to the Issue by submission of a valid Application Form and payment of the Application Money by any of the modes as prescribed under this Placement Memorandum.
Application Form	The form in terms of which the Eligible Investors shall make an offer to subscribe to the Bonds and which will be considered as the Application for Allotment of Bonds in terms of this Placement Memorandum.
Application Money	The aggregate value of the Bonds applied for, as indicated in the Application Form for the Issue.
Articles	The articles of association of the Issuer

Beneficial Owner(s)	Bond Holder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bonds(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996)
BSE	BSE Limited
Business Day	A day (other than a Sunday and Saturday or a Bank holiday) on which the money market is functioning in Mumbai. If the coupon payment date falls on a Sunday or on a holiday, the payment may be made on the following business day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday. If the Redemption Date (also being the last coupon payment date) of the debenture falls on a day that is not a Business Day, the redemption proceeds shall be paid by the issuer on the preceding business day along with coupon accrued on the debenture until but excluding the date of such payment.
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	The Companies Act, 1956 along with the rules made thereunder, as amended from time to time (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act, 2013	The Companies Act, 2013 along with the rules made thereunder, to the extent in force pursuant to the notification of the Notified Sections and as amended from time to time.
Bonds	Secured, Rated, Listed, Redeemable, Taxable, Government of Uttar Pradesh serviced Non-Convertible Bonds; supported by Unconditional & Irrevocable Guarantee by the Government of Uttar Pradesh as a principal debtor & not merely as a surety having Face Value of INR 10,00,000 Each, For Cash, At Par.
Bond Holder	The holder(s) of the Bonds
Debenture Trustee/ Trustee to the Issue	Beacon Trusteeship Limited.
Debenture Trusteeship Appointment Agreement	The debenture trustee agreement dated September 19, 2022, entered into between the Issuer and the Debenture Trustee for appointing the Debenture Trustee
Debenture Trust Deed	The debenture trust deed entered / to be entered into between the Debenture Trustee and the Issuer within the prescribed timelines
Depository(ies)	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
Event of Default	Events of default as set out in the Debenture Trust Deed.
DP	Depository Participant
FY	Financial Year
Issue/Offer/ Offering	Secured, Rated, Listed, Redeemable, Taxable, Government of Uttar Pradesh serviced non-convertible bonds; supported by unconditional & irrevocable guarantee by the government of

	Uttar Pradesh as a principal debtor & not merely as a surety having face value of INR 10,00,000 each, for cash, at par, of INR 50,000 Lakh, with green shoe option to retain oversubscription of upto INR 2,98,800 Lakh, i.e. for an aggregate issue size of upto INR 3,48,800 Lakh, by U. P. Power Corporation Limited (“UPPCL”/ “The Issuer”) under SERIES II 2022, comprised of eight sub-series namely ‘A’, ‘B’, ‘C’, ‘D’, ‘E’, ‘F’, ‘G’, and ‘H’ with tenure sequentially ranging from 2 years 6 months to 9 years 6 months, Redeemable in four equal quarterly installments.
NSDL	National Securities Depository Limited
IT Act	The Income Tax Act, 1961 (as amended from time to time)
PAN	Permanent Account Number
Rating Agency(ies)	1. Credit Rating Information Services of India Limited (CRISIL Limited); and 2. India Ratings & Research Private Limited
Registrars to the Issue/ Registrar & Transfer Agent	Beetal Financial & Computer Services (P) Ltd.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time)
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Bonds as more particularly set out hereinafter
TDS	Tax Deducted at Source as per the provisions of the Income Tax Act and rules there under modified from time to time.

III. LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE

List of disclosures to be filed along with the listing application to the stock exchange:

- A. This Placement Memorandum;
- B. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- C. Copy of the board /committee resolution authorizing the borrowing and list of authorized signatories;
- D. Copy of last three years annual reports of the Issuer;
- E. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- F. An undertaking from the issuer stating that the necessary documents for the creation of the charge, where applicable, including the debenture trust deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc and the same would be uploaded on the website of the designated stock exchange, where the debt securities have been listed, within five working days of execution of the same;
- G. An undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, wherever applicable, in favour of the Debenture Trustee to the proposed issue has been obtained;
- H. Due diligence certificate issued by the Debenture Trustee; and
- I. Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

IV. LIST OF DOCUMENTS TO BE DISCLOSED TO THE DEBENTURE TRUSTEE

List of disclosures to be submitted to the Debenture Trustee by the Issuer in electronic form (soft copy) at the time of allotment of the debt securities:

- A. Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- B. Copy of last three years' audited annual reports of the Issuer;
- C. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- D. Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- E. An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (D) above to the Debenture Trustee within the timelines as mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, for furnishing / publishing its quarterly/ half yearly/ annual result. Further, the Issuer shall within 180 days from the end of the financial year but not later than the commencement of dispatch of the annual report to the shareholders of the Issuer, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all debenture-holders within two working days of their specific request.

V. TABLE INDICATING REFERENCES OF DISCLOSURE REQUIREMENTS UNDER FORM PAS-4

Sr. No.	Particulars	Page No./ Reference
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the Issuer indicating both registered office and corporate office;	119-20
b.	Date of incorporation of the Issuer;	119
c.	Business carried on by the Issuer and its subsidiaries with the details of branches or units, if any;	120
d.	Brief particulars of the management of the Issuer;	121
e.	Names, addresses, DIN and occupations of the directors;	122-124
f.	Management's perception of risk factors;	124-126
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon.	128
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the Issuer, if any, for the private placement offer cum application letter process;	128
i.	Any Default in annual filing of the Issuer under Companies Act, 2013 or rules made thereunder.	128
2.	PARTICULARS OF THE OFFER	

Sr. No.	Particulars	Page No./Reference																						
a.	Financial Position of the Issuer for the last three financial years	Annexure 1																						
b.	Date of passing of board resolution;	129																						
c.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	129																						
d.	Kinds of securities offered (i.e. whether share or debenture) and class of security;	129																						
e.	Price at which the security is being offered including the premium, if any, along with justification of the price;	129																						
f.	Name and address of the valuer who performed valuation of the security offered, and the basis on which the price has been arrived at along with report of the registered valuer	129																						
g.	Relevant date with reference to which price has been arrived at [Relevant date means the date on which the general meeting of the Issuer is scheduled to be held]	130																						
h.	The class or classes of persons to whom the allotment is proposed to be made	130																						
i.	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Not applicable																						
j.	The proposed time within which the allotment shall be completed	130																						
k.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Not applicable																						
l.	The change in control, if any, in the Issuer that would occur consequent to the private placement	130																						
m.	The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year, in terms of number of securities as well as price	130																						
n.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	130																						
o.	Amount which the Issuer intends to raise by way of securities;	131																						
p.	Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment;	131																						
q.	Proposed time schedule for which the offer letter is valid;	131																						
r.	Purposes and objects of the offer;	131																						
s.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	131																						
t.	Principle terms of assets charged as security, if applicable;	131																						
u.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Issuer and its future operations;	132																						
v.	The pre-issue and post-issue shareholding pattern of the Issuer in the following format: -	132-133																						
	<table border="1"> <thead> <tr> <th rowspan="2">Serial Number</th> <th rowspan="2">Category</th> <th colspan="2">Pre-Issue (as on 31.08.2022)</th> <th colspan="2">Post-issue</th> </tr> <tr> <th>No. of shares held</th> <th>% of share holding</th> <th>No. of shares held</th> <th>% of share holding</th> </tr> </thead> <tbody> <tr> <td>A.</td> <td>Promoters Holding</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.</td> <td>Indian</td> <td>113,75,48,996</td> <td>100.00%</td> <td>113,75,48,996</td> <td>100.00%</td> </tr> </tbody> </table>	Serial Number	Category	Pre-Issue (as on 31.08.2022)		Post-issue		No. of shares held	% of share holding	No. of shares held	% of share holding	A.	Promoters Holding					1.	Indian	113,75,48,996	100.00%	113,75,48,996	100.00%	
Serial Number	Category			Pre-Issue (as on 31.08.2022)		Post-issue																		
		No. of shares held	% of share holding	No. of shares held	% of share holding																			
A.	Promoters Holding																							
1.	Indian	113,75,48,996	100.00%	113,75,48,996	100.00%																			

Sr. No.	Particulars					Page No./ Reference
	Bodies corporate	0	0	0	0	
	Sub Total	113,75,48,996	100.00%	113,75,48,996	100.00%	
2.	Foreign Promoters	0	0	0	0	
	Sub Total (A)	113,75,48,996	100.00%	113,75,48,996	100.00%	
B.	Non – Promoters Holding	0	0	0	0	
	Institutional Investors	0	0	0	0	
	Private Corporate Bodies	0	0	0	0	
	Directors and Relatives	0	0	0	0	
	Indian Public	0	0	0	0	
	Others Including Non Residents	0	0	0	0	
	Sub- Total (B)	0	0	0	0	
	GRAND TOTAL	113,75,48,996	100.00%	113,75,48,996	100.00%	
w.	Mode of payment for subscription- (a) RTGS, NEFT (b) Electronic Fund Transfer (c) Other banking channels					Any of these modes
3.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.					133-135
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.					133
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;					133-134
c.	Remuneration of directors (during the current year and last three financial years);					134
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided					134
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark					134

Sr. No.	Particulars	Page No./ Reference
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the Issuer and all of its subsidiaries	134
g.	Details of acts of material frauds committed against the Issuer in the last three years, if any, and if so, the action taken by the Issuer.	134
4.	FINANCIAL POSITION OF THE ISSUER	135
a.	The capital structure of the Issuer in the following manner in a tabular form-	135
	(i)(a) the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	135
	(b) size of the present offer;	135
	(c) paid up capital	135
	(A) after the offer;	135
	(B) after conversion of convertible instruments (if applicable)	135
	(d) share premium account (before and after the offer)	135
	(ii) the details of the existing share capital of the Issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration Provided that the Issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;	135
b.	Profits of the Issuer, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter;	136
c.	Dividends declared by the Issuer in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	136
d.	A summary of the financial position of the Issuer as in the three audited balance sheets immediately preceding the date of circulation of offer letter;	136
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter;	Annexure 1
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Issuer.	Annexure 1
5.	A DECLARATION BY THE DIRECTORS THAT- (a) the Issuer has complied with the provisions of the Companies Act and the rules made thereunder; (b) the compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; (c) the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;	136-137

VI. DETAILS OF PROMOTERS OF THE ISSUER:

A complete profile of all the promoters of the Issuer, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, Permanent Accountant Number. The details of the Promoters of the Issuer are as follows:

- (a) **Government of Uttar Pradesh**
- (i) Date of birth: NA
 - (ii) Age: NA
 - (iii) Personal address: NA
 - (iv) Educational qualifications: NA
 - (v) Experience in the business or employment: NA
 - (vi) Positions/posts held in the past: NA
 - (vii) Directorships held: NA
 - (viii) Other ventures of the promoter: NA
 - (ix) Special achievements: NA
 - (x) Their business and financial activities: NA
 - (xi) Permanent Accountant Number: NA

Declaration: The Issuer confirms that none of the items listed under paragraph (a) above are applicable.

VII. DETAILS OF CREDIT RATING ALONG WITH REFERENCE TO THE RATING LETTER ISSUED BY THE RATING AGENCIES IN RELATION TO THE ISSUE SHALL BE DISCLOSED ALONGWITH DECLARATION THAT THE RATING IS VALID AS ON THE DATE OF ISSUANCE AND LISTING.

The Rating Agencies have assigned the following ratings to the Bonds:

1. “Provisional CRISIL A+ (CE)/Stable” by CRISIL Limited; and
2. “Provisional IND A+ (CE)/Stable” by India Ratings & Research Private Limited.

Instruments with this rating are considered to have an adequate degree of safety regarding timely service of financial obligations. Such instruments carry low credit risk. The rating letter from the Rating Agency is provided in Annexure 2 of this Placement Memorandum. The Rating Agencies have issued a press release of the credit rating in respect of the Bonds by India Ratings & Research Private Limited on May 27, 2022 and by CRISIL Limited on April 12, 2022. The copies of the press release and the rating rationale in respect of the rating for the Bonds is provided in **Annexure 3** to this Placement Memorandum.

The Issuer hereby declares that the aforesaid ratings are valid as on the date of issuance and shall remain valid as on the date of listing.

NAME(S) OF THE STOCK EXCHANGE(S) WHERE THE NON-CONVERTIBLE SECURITIES ARE PROPOSED TO BE LISTED AND THE DETAILS OF THEIR IN-PRINCIPLE APPROVAL FOR LISTING OBTAINED FROM THESE STOCK EXCHANGE(S).

The Bonds are proposed to be listed on BSE Limited. The Issuer shall comply with the requirements of the Debt Listing Agreement to the extent applicable to it on a continuous basis. The Issuer has obtained the in-principle approval from the BSE Limited for the listing of the Bonds on September 28, 2022. Please refer to **Annexure 7** to this Placement Memorandum for a copy of the in-principle approval letter dated September 28, 2022 issued by the BSE Limited.

The Bonds are not proposed to be listed on more than one stock exchange.


The Issuer has created the Recovery Expense Fund for a maximum limit of INR 25,00,000 (Indian Rupees Twenty-Five Lakh) in accordance with the SEBI REF Circular with the BSE Limited. In this regard, please also refer to the section on "Creation of recovery expense fund" under Term Sheet.



VIII. ISSUE SCHEDULE

Particulars	Date
Issue opening date	October 04, 2022.
Issue closing date	October 04, 2022.
Pay-in Date	October 07, 2022.
Deemed Date of Allotment	October 07, 2022.

IX. KEY INTERMEDIARIES TO THE ISSUE:

Debtenture Trustee	 <p>BEACON TRUSTEESHIP LTD. Address: 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (E), Mumbai, Maharashtra 400051 Tel: 022-26558759 E-mail: compliance@beacontrustee.co.in Website: www.beacontrustee.co.in/ Contact Person: Kaustubh Kulkarni</p>
Credit Rating Agency	 <p>CRISIL An S&P Global Company Credit Rating Information Services of India Limited (CRISIL Limited) Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai-400075 Tel: 022-33423000 E-mail: Pankaj.sharma@crisil.com Website: www.crisil.com Contact Person: Mr. Pankaj Sharma</p>
Credit Rating Agency	 <p>India Ratings & Research Private Limited Address: Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai – 400051</p>

	<p>Tel: +91 22 4000 1700 E-mail: arunima.basu@indiaratings.co.in Website: www.indiaratings.co.in Contact Person: Arunima Basu, Compliance Officer</p>
Registrar to the Issue	 <p>Beetal Financial & Computer Services (P) Ltd Address: 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 Tel: 011-2996 1281 E-mail: beetalrta@gmail.com Website: www.beetalfinancial.com Contact Person: Shri Punit Mittal</p>
Statutory Auditors	<p>D Pathak & Co., Chartered Accountants <i>(The Auditors do not have a logo.)</i> Address: 23/4 ka, Gokhale Marg, Near Madhayanchal Vidhut Vitram Nigam, Lucknow-226001 (Uttar Pradesh) India Tel: +91 9415008181, 933590193, 9005230260, 0522-4009249 E-mail: d_pathakco@yahoo.co.in Website: www.dpathak.co.in Contact Person: Shri D. Pathak</p>
Legal Counsel	 <p>Cyril Amarchand Mangaldas Address: Peninsula Chambers, Peninsula Corporate Park, G.K. Marg, Lower Parel, Mumbai - 400 013 Tel: +91 22 249 64455 Website: www.cyrilshroff.com Email Address: leena.chacko@cyrilshroff.com Contact person: Ms. Leena Chacko</p>
Guarantor	<p>Government of Uttar Pradesh Address: Suchna Bhawan, Park Road, Dept. of information and Public Relations, Lucknow – 226 001 E-mail: upinformation@nic.in Website: up.gov.in</p>
Arranger	 <p>Trust Investment Advisors Private Limited Corporate office address: 1101, Naman Centre, BKC, Bandra (E), Mumbai – 400 051 Tel: 022-40845000 E-mail: a.sen@trustgroup.in Website: www.trustgroup.in Contact Person: Mr. Anindya Sen</p>

Arranger	 <p>A. K. Capital Services Limited Address: Unit No. 603, 6th Floor, Windsor, off CST Road, Kalina, Santacruz - (East), Mumbai – 400098 Tel: 022-67546500 E-mail: vaibhav.jain@akgroup.co.in Website: www.akgroup.co.in Contact Person: Mr. Vaibhav Jain</p>
Arranger	 <p>Tipsons Consultancy Services Private Limited Address: 401, Sheraton House, Opp. Ketav Petrol Pump, Polytechnic Road, Ahmedabad – 380015 Tel: 079-66828120 / 90999 33611 E-mail: sandeep.bhansali@tipsons.com Website: www.tipsons.com Contact Person: Mr Sandeep Bhansali</p>

X. A BRIEF SUMMARY OF THE BUSINESS / ACTIVITIES OF THE ISSUER AND ITS SUBSIDIARIES WITH THE DETAILS OF THE BRANCHES OR UNITS IF ANY AND ITS LINE OF BUSINESS.

- i. General Information
 - Name : U. P. Power Corporation Limited
 - Registered Office of Issuer : UPPCL, 14, Ashok Marg, Shakti Bhawan, Lucknow - 226001
 - Corporate Office of Issuer : UPPCL, 14, Ashok Marg, Shakti Bhawan, Lucknow - 226001
 - Corporate Identification Number : U32201UP1999SGC024928
 - Phone No. : 9415306435
 - Contact Person : Mr. Neeraj Chaurasia (DGM –Finance)
 - Email : cgmfmuppcl@gmail.com
- ii. A brief summary of the business / activities of the Issuer and its subsidiaries with the details of the branches or units if any and its line of business.
 - (a) Overview

U. P. Power Corporation Limited was incorporated on November 30, 1999, with an objective to

 - (i) Carry on the business of purchasing, selling importing exporting, wheeling, system operation, trading of power, including finalization of tariff, billing and collection thereof.

- (ii) To execute Power Purchase Agreements with generating companies, Central and State generating stations, regional Electricity Boards, neighbouring States, Utilities, Companies and persons.
- (iii) To execute agreements for sale of power to distribution companies and other persons and to coordinate, air and advise on the activities of other companies and concerns, including subsidiaries, associates and affiliated engaged in generation transmission, distribution, supply and wheeling of electrical energy.
- (iv) To schedule and dispatch generation of all units connected to the State power system including the centrally owned generating station, in respect of the share assigned to the State and electricity purchased from other States' under takings.
- (v) To study, investigate, collect information and data, review operations, plan, research, design, prepare project reports, diagnose operational difficulties and weaknesses, and advise on the remedial measures to improve and modernize existing EHV, HV, MV, LV lines and sub- stations. To forecast load and plan generation in consultation with distribution companies (if any), and Central Generating Stations.
- (vi) To enter into agreement with any licensee licensed under the Electricity Act, 2003 of any other act, law or regulation in force for the time being, or as modified from time to time or with any person for use of any transmission line of that licensee or person for such time and upon such terms as may be agreed.

Implementation of Revamped Distribution Sector Scheme in Uttar Pradesh:

The Central Government has approved the Revamped Distribution Sector Scheme, a Reforms-based and Results-linked Scheme with a five-year budget of INR 3,03,758 Crore, to improve the quality, reliability, and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The key objective of the scheme is to reduce AT& C losses to 12-15 percent across India, and the ACS-ARR gap to zero, by increasing operational efficiencies and financial sustainability of all DISCOMs/Power Departments, excluding private sector DISCOMs.

The Scheme is specifically for modernization and loss reduction using proper utilization of funds for works on Pre-Paid Smart Metering, System Metering, and Distribution Infrastructure. Many Steps have also been taken for automation and use of Information Technology (IT) in the Distribution Sector under IPDS and R-APDRP which includes the establishment of Data Centres, GIS mapping of consumers, Asset Mapping, Online energy auditing & accounting, Consumer care centers, AMI meters on feeders & Distribution Transformers, provision of Smart Metering to reduce losses etc. in urban areas.

The Revamped Reforms-based and Results-linked, Distribution Sector Scheme seeks to improve the operational efficiencies and financial sustainability, by providing financial assistance to DISCOMs for strengthening of supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks in reforms.

The Revamped Distribution Sector Scheme is covered under two parts namely as Part-A covers metering & distribution infrastructure works and Part-B covers training & capacity building and other enabling & supporting activities.

Part A – Metering & Distribution Infrastructure Works:

- Facilitating in installing prepaid smart meters for all consumers along with associated AMI, communicable meters for DTs & Feeders, ICT including Artificial Intelligence (AI), Machine Learning (ML), etc. based solutions for power Sector and a unified billing and collection system;
- Distribution infrastructure works as required for strengthening and modernizing the system as well as measures for loss reduction. The infrastructure strengthening works will include separation of Agriculture feeders to enable implementation of the KUSUM scheme, Aerial Bunch cables and HVDS for loss reduction, replacement of HT/LT lines as required, construction of new/ upgradation of substations, SCADA and DMS system etc. Each DISCOM/ State will draw up the scheme according to its requirement with the end objective of reducing losses and ensuring 24 x 7 supply.

Part B - Training & Capacity Building and other Enabling & Supporting Activities:

Supporting and enabling components, such as Nodal Agency fee, enabling components of MoP (communication plan, publicity, consumer awareness, consumer survey and other associated measures such as third party evaluation etc.), up-gradation of Smart Grid Knowledge Centre, training and capacity building, awards and recognitions etc.

The proposal of UP states based on present scenarios are followings-

- 1 ACS-ARR gap with revenue on an accrual basis to be zero at the end of FY 2024 -25
- 2 AT&C Loss target to be in line with the trajectory proposed
- 3 DPRs to be rationalized keeping in view that the proposed works for loss reduction are targeted in high loss areas in order of priorities
- 4 Liquidation of outstanding subsidy to be ensured as per scheme guidelines
- 5 Consumer, DTR, and Feeder Smart Metering timelines to be as per scheme guidelines

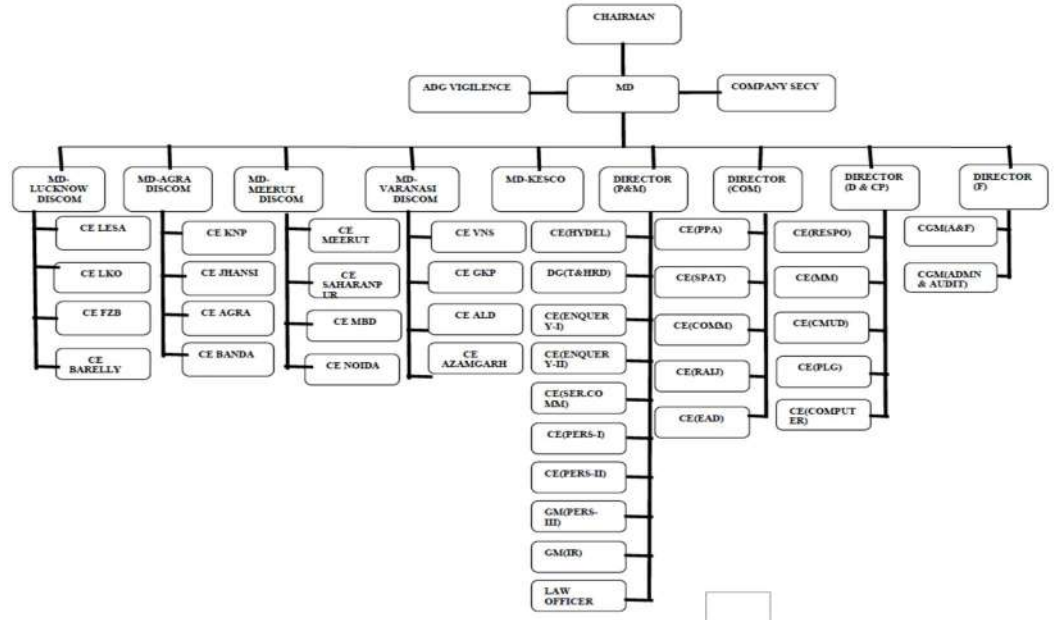
Further, the tendering process of smart meters is in progress and it is expected that the same will be finalized by the end of June 2022. Thus, the expenses regarding Smart meter have been claimed under Opex mode as per the existing monthly rate discovered. The actual rate when discovered under the current tendering process same shall be informed to the Hon'ble Commission.

Under the RDS scheme, the discoms have submitted the capex plan for loss reduction and modernization of distribution network to Ministry of Power for approval. As per the RDS scheme, 60% of the total capital expenditure will be provided as a grant which will be linked to the performance parameters and the balance 40% is to be funded by Discom through State Equity / Loan.

Implementation of ADB funded Scheme in the State Discoms

Uttar Pradesh Power Distribution Network Rehabilitation Project is in progress under ADB funding. Under the program electricity distribution network in rural habitations improvement will consist of the replacement of existing bare conductors with aerial bundle conductors (ABC) in rural low voltage distribution networks. In addition to this, system for separating electricity distribution for agriculture consumers from residential consumers established will be separated.

(b) Corporate Structure of the Issuer



(c) Project cost and means of financing, in case of funding of new projects
Nil

XI. FINANCIAL INFORMATION:

- i. A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the Placement Memorandum or issue opening date, as applicable.

STANDALONE FINANCIALS

Balance Sheet

Particulars	Rs. In Lakhs		
	Audited (As per Annual Report)		
	FY 2022	FY 2021	FY 2020
Assets			
Non-Current Assets			
Property, Plant and Equipment	6,438.62	6,312.40	6,197.44
Capital Work-In-Progress	29.86	264.32	32.97
Intangible Assets	279.81	223.97	249.1
Financial Assets			
Investments	27,84,519.34	26,16,863.30	5,27,173.62
Loans & Other Financial Assets	60,95,258.38	63,27,053.65	15,32,694.28
Current Assets			
Inventories	1.65	1.68	228.85
Financial Assets			
Trade receivables	26,46,278.08	30,73,414.47	35,50,175.40
Cash and Cash Equivalents	1,73,872.89	2,40,229.58	79,439.73
Bank balance other than (ii) above	2,49,520.34	2,28,847.96	1,76,861.88
Other	12,59,976.11	8,99,840.59	29,54,796.34
Other Current Assets	61,355.50	45,565.89	51,231.77
Total	1,32,77,530.58	1,34,38,617.81	88,79,081.38
Equity & Liabilities			
Equity			
Equity Share Capital	1,09,67,938.38	1,04,12,645.52	96,76,208.64
Other Equity	-78,60,850.64	-72,51,721.25	-89,76,799.42
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	60,95,233.38	63,27,053.65	42,28,931.58
Other Financial Liabilities	3,79,216.84	3,65,789.85	7,592.19
Current Liabilities			
Financial Liabilities			
Borrowings	10,72,423.73	7,90,638.45	75,417.11
Trade Payables	23,71,785.81	26,38,240.60	31,98,893.99
Other Financial Liabilities	2,51,783.08	1,55,970.99	6,68,837.29
Total	1,32,77,530.58	1,34,38,617.81	88,79,081.38

Profit & Loss Statement

Rs. In Lakhs

Particulars	<u>Audited (As per Annual Report)</u>		
	FY 2022	FY 2021	FY 2020
Revenue from Operation	55,15,212.83	60,83,874.31	54,01,251.97
Other Income	13,789.38	16,113.99	15,677.44
Total Revenue	55,29,002.21	60,99,988.30	54,16,929.41
Expenses			
Purchase of Stock in trade (Power Purchased)	55,15,212.83	60,83,874.31	54,01,251.97
Employee benefits expense	9,347.77	5,487.20	7,035.92
Finance cost	6.36	6.92	5.43
Depreciation and Amortization expense	551.19	511.63	464.61
Other Expenses			
Administrative, General & Other Expenses	4,709.70	5,024.64	4,830.40
Repair & Maintenance	895.38	1,311.52	1,263.24
Bad Debts & Provisions	8,14,435.37	-17,31,125.45	3,17,150.74
Total Expenses	63,45,158.60	43,65,090.77	57,32,002.31
Profit/(Loss) before tax	-8,16,156.39	17,34,897.53	-3,15,072.90
Tax Expenses			-
Profit/(Loss) After tax	-8,30,526.77	17,34,897.53	-3,15,072.90
Other Comprehensive Income	-523.28	-3.98	-171.93
Total Comprehensive Income	-8,31,050.05	17,34,893.55	-3,15,244.83
Continuing operations			
Basic	-78.36	176.01	-33.17
Diluted	-78.36	174.93	-33.17
Discontinued operations			
Basic			-
Diluted			-
Continuing and discontinued operations			
Basic	-78.36	176.01	-33.17
Diluted	-78.36	174.93	-33.17

Statement of Cash Flow

(₹ In Lakhs)

Audited (As per Annual Report)

		FY 2022	FY 2021	FY 2020
A	CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit/(Loss) before Taxation & Extraordinary items	-8,16,156.39	17,34,897.53	-3,15,072.90
	Adjustment For:			
	a Depreciation	551.19	511.63	464.61
	b Interest & Financial Charges	6.36	6.92	5.43
	c Bad debts & Provisions	8,14,435.37	-17,31,125.45	3,17,150.74
	d Interest Income	-12,356.08	-13,809.28	-14,571.14
	Sub Total	8,02,636.84	-17,44,416.18	3,03,049.64
	Operating Profit Before Working Capital Change	-13,519.55	-9,518.65	12,023.26
	Adjustment For:			
	a Inventories	0.03	227.17	-72.31
	b Trade Receivable	4,26,382.64	5,01,853.61	-6,27,118.21
	c Other Current Assets	-15,743.45	7,374	-1,071.30
	d Financial assets-others	-3,61,877.13	20,50,066.96	-9,72,492.05
	e Other financial Liabilities	80,918.43	-5,12,870.28	3,15,156.36
	f financial Liabilities-Borrowings	2,81,785.28	7,15,221.34	-38,932.95
	g Trade Payable	-2,66,454.79	-5,60,653.39	6,55,066.61
	h Bank balance other than cash	-20,672.38	-51,986.08	-1,33,604.77
	Sub Total	1,24,338.63	21,49,233.33	-8,03,068.62
	NET CASH FROM OPERATING ACTIVITIES (A)	1,10,819.08	21,39,714.68	-8,15,091.88
B	CASH FLOW FROM INVESTING ACTIVITIES			
	a Decrease (Increase) in Property, Plant & Equipment	-368.70	-788.77	-557.55
	b (Increase)/Decrease in Investments	-9,77,395.76	-3,78,521.68	-3,09,338.21
	c Decrease/(Increase) in Loans & Other Financial assets Non-current Assets	2,29,548.82	-47,96,313.93	12,50,698.39
	d Interest Incomes	12,356.08	13,809.28	14,571.14
	e Decrease(Increase)in Intangible assets	-130.09	-44.04	-25.05
	NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	-7,35,989.65	-51,61,859.14	9,55,348.72
C	CASH FLOW FROM FINANCING ACTIVITIES			
	a Proceeds from Borrowings	-2,31,820.27	20,98,122.07	-6,06,886.16
	b Proceeds from Share Capital	7,77,213.52	7,27,624.58	3,83,774.47
	c Proceeds from other equity	-	-1,003.08	-1,045.44
	d Other long term liabilities	13,426.99	3,58,197.66	817.34
	e Interest & Financial Charges	-6.36	-6.92	-5.43
	NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	5,58,813.88	31,82,934.31	-2,23,345.22
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	-66,356.69	1,60,789.85	-83,088.38
	CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,40,229.58	79,439.73	1,62,528.11
	CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	1,73,872.89	2,40,229.58	79,439.73

CONSOLIDATED FINANCIALS

Balance Sheet				
<i>In Lakhs</i>				
Audited (As per Annual Report)				
Particulars	F.Y. 2023 (as on 30.06.2022)	FY 2022	FY 2021	FY 2020
Assets				
Non-Current Assets				
Property, Plant and Equipment	64,41,638.54	65,07,405.90	59,62,774.88	54,75,133.03
Capital Work-In-Progress	4,89,617.80	3,77,656.64	8,12,844.63	11,00,927.38
Assets not in Possession	12,656.48	12,421.09	13,313.56	13,363.78
Intangible Assets	10,194.67	10,492.39	3,628.97	249.10
Financial Assets				
Investments	2,36,936.62	2,34,041.02	2,39,634.03	2,49,321.03
Loans	25.00	-	0.00	14.27
Other	16,94,743.87	16,94,768.87	18,94,743.87	743.87
Current Assets				
Inventories	3,58,048.31	3,79,457.68	3,28,656.96	3,29,214.14
Financial Assets				
Trade receivables	89,32,029.14	87,19,519.12	83,46,170.74	78,14,548.04
Cash and Cash Equivalents	5,18,359.62	5,24,028.21	6,23,811.15	4,05,641.92
Bank balance other than (ii) above	2,83,211.66	2,54,156.07	2,37,801.14	1,84,680.20
Other	4,53,781.89	4,99,506.44	5,07,930.01	2,86,687.31
Other Current Assets	1,40,183.06	2,50,324.40	4,40,757.79	3,56,772.02
Total	1,95,71,426.66	1,94,63,777.83	1,94,12,067.73	1,62,17,296.09
Equity & Liabilities				
Equity				
Equity Share Capital	1,12,52,212.98	1,09,67,938.38	1,04,12,645.52	96,76,228.64
Other Equity	-65,90,996.89	-63,69,443.64	-58,91,218.81	-63,44,694.85
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	69,58,515.89	71,10,277.31	74,05,697.43	52,44,678.08
Other Financial Liabilities	4,68,156.16	5,08,333.45	4,75,362.45	4,21,083.80
Current Liabilities				
Financial Liabilities				

Borrowings	20,672.27	12,33,312.09	9,07,211.88	81,875.44
Trade Payables	32,41,391.04	30,34,501.62	32,61,621.41	37,56,221.85
Other Financial Liabilities	42,21,475.21	29,78,858.62	28,40,747.85	33,81,902.21
Provisions				0.92
Total	1,95,71,426.66	1,94,63,777.83	1,94,12,067.73	1,62,17,296.09

Profit & Loss Statement

In Lakhs

Audited (As per Annual Report)

Particulars	F.Y. 2023 (as on 30.06.2022)	FY 2022	FY 2021	FY 2020
Revenue from Operation	16,21,734.02	56,83,764.10	55,01,777.47	54,01,239.75
Other Income	5,38,276.13	23,48,720.55	12,59,802.15	13,96,833.83
Total Revenue	21,60,010.15	80,32,484.65	67,61,579.62	67,98,073.58
Expenses				
Purchase of Stock in trade (Power Purchased)	17,08,574.12	58,32,148.89	63,97,711.80	57,38,606.38
Employee benefits expense	60,062.45	2,27,012.57	1,89,992.58	1,64,794.50
Finance cost	1,92,822.39	8,38,822.10	6,31,442.96	5,33,939.32
Depreciation and Amortization expense	67,408.91	2,85,345.61	2,42,721.89	1,26,425.19
Other Expenses				
Administrative, General & Other Expenses	43,572.10	2,49,735.68	2,23,252.74	2,29,177.75
Repair & Maintenance	40,295.51	2,47,301.76	2,31,348.92	2,49,054.18
Bad Debts & Provisions	68,760.31	7,78,282.97	30,386.15	3,69,299.96
Total Expenses	21,81,495.79	84,58,649.58	79,46,857.04	74,11,297.28
Profit/(Loss) before exceptional items and tax	-21,485.64	-4,26,164.93	-11,85,277.42	-6,13,223.70
Exceptional items	2.27	-1,62,004.20	-	-
Profit/(Loss) before tax	-21,487.91	-5,88,169.13	11,85,277.42	-6,13,223.70
Tax Expenses		-		0.32
Profit/(Loss) After tax	-21,487.91	-5,88,169.13	11,85,277.42	-6,13,224.02
Other Comprehensive Income	-130.82	-847.05	-8,026.71	-2,018.52
Total Comprehensive Income	-21,618.73	-5,89,016.18	-11,93,304.13	-6,15,242.54
Continuing operations				
Basic	-1.92	-55.54	-121.06	-64.74
Diluted	-1.92	-55.54	-121.06	-64.74
Discontinued operations				
Basic			-	-
Diluted			-	-
Continuing and discontinued operations				
Basic	-1.92	-55.54	-121.06	-64.74
Diluted	-1.92	-55.54	-121.06	-64.74

Cashflow Statement

Audited (As per Annual Report)

PARTICULARS		F.Y. 2023 (as on 30.06.2022)	FY 2022	FY 2021	FY 2020
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Loss Before taxation & Extraordinary items	-21,485.64	-4,26,164.93	-11,85,277.42	-6,13,224.02
	Adjustment For:				
a	Depreciation and Amortization Expenses	77,187.44	2,85,345.61	2,42,721.89	1,38,583.24
b	Finance Cost	1,92,822.37	8,38,822.10	6,31,442.96	5,53,210.37
c	Bad Debts & Provision	6,456.89	7,78,282.97	30,386.15	3,54,213.75
d	Interest income (Other Income)	-2,145.47	-17,250.18	-19,721.21	-20,743.12
e	Other Comprehensive income	-130.82			-1,846.59
f	PPE Adjustments	-2.27			5,857.65
	Sub Total	2,74,188.14	18,85,200.50	8,84,829.79	10,29,075.30
	Operating Profit Before Working Capital Change	2,52,702.50	14,59,035.57	-3,00,447.63	4,15,851.28
	Adjustment for:				
a	Inventories	21,409.40	-50,843.27	1,491.34	19,825.30
b	Financial Assets - trade Receivables (Current)	-3,73,256.35	-11,43,447.62	-5,59,873.48	-16,38,199.55
c	Other Current Assets	-48,738.53	1,90,254.25	-82,342.28	64,191.31
d	Financial Assets - Others(Current)	34,692.31	7,933.82	-2,23,885.16	-9,65,218.04
e	Financial Assets-Bank Balance other than Financial Assets-Cash and Cash Equivalent(Current)	-27,572.75	-16,354.93	-53,120.94	-1,07,261.48
f	Other Financial Liabilities (Current)	1,82,103.43	-24,740.48	-5,49,181.07	6,90,990.74
g	Financial Liabilities - Borrowings(Current)	-18,628.89	3,26,100.21	8,25,336.44	-67,436.27
h	Financial Liabilities - trade payable (Current)	3,65,125.89	-2,27,119.79	-4,94,600.44	15,25,035.56
i	Provisions (Current)		-		-
j	CFS Adjustment				-88,410.44
k	Income Tax Paid (Net of TDS)				-
l	Amount paid for provision of Previous Year				-
	Sub Total	1,35,134.51	-9,38,217.81	-11,36,176.51	-5,66,503.14
	NET CASH FROM OPERATING ACTIVITIES (A)	3,87,837.01	5,20,817.76	-14,36,624.14	-1,50,651.86
B	CASH FLOW FROM INVESTING ACTIVITIES				
a	Decrease (Increase) in Property , Plant and Equipment	-79,122.40	-3,93,263.85	-4,41,822.02	-14,63,167.63
b	Decrease (Increase) in Work in Progress/ Capital Advance	-54,232.01	-	9,938.17	6,41,868.22
c	(Increase)/Decrease in Financial Assets-Investments(Non-Current)	-1,74,734.48	-	0.00	-3,09,342.37
d	Decrease/(Increase) in Financial Assets-Others(Non-Current)	2,00,780.55	1,97,728.55		1,24,742.23
e	Decrease/(Increase) in Other Non-Current Assets-Assets Not in Possession	0.00	74.41	-706.75	-
f	Decrease/(Increase) in Intangible assets	265.31	-7,202.98	-3,449.04	-25.05
g	Decrease/(Increase) in Financial Assets-Loans (Non-Current)	0.00		-18,95,940.29	12,50,698.39
h	Interest Incomes (Other income)	2,145.47	17,250.18	19,721.21	20,743.12
	NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	-1,04,897.56	-1,85,413.69	-23,12,258.72	2,65,515.91
C	CASH FLOW FROM FINANCING ACTIVITIES				
a	Proceeds from Financial Liabilities-borrowings(Non-Current)	-3,66,857.98	-2,95,420.12	21,61,019.35	-9,39,676.62
b	Proceeds from Share Capital	2,24,876.89	5,55,292.86	7,36,416.88	11,45,078.59
c	Proceeds from Other Equity	29,558.49	1,10,791.35	16,46,780.17	-31,380.66
d	Financial Liabilities-others(Non-Current)	16,636.95	32,971	54,278.65	59,252.74
e	Financial Cost	-1,92,822.39	-8,38,822.10	-6,31,442.96	-5,53,193.90
f	PPE adjustments	-	-		10,813.10
	NET CASH GENERATED FROM FINANCING ACTIVITIES	-2,88,608.04	-4,35,187.01	39,67,052.09	-3,09,106.75

NET INCREASE(DECREASE) IN CASH & CASH EQUIVALENT ACTIVITIES(A+B+C)	-5,668.59	-99,782.94	2,18,169.23	-1,94,241.70
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5,24,028.21	6,23,811.15	4,05,641.92	5,99,883.62
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	5,18,359.62	5,24,028.21	6,23,811.15	4,05,641.92

For detailed financials, refer Annexure 1 of this Placement Memorandum.

ii. **Key Operational and Financial Parameters on a consolidated and standalone basis:**

1. STANDALONE BASIS:

(INR In lakhs except ratios)

Parameters	FY 2021-22	FY 2020-21	FY 2019-20
	(Audited)	(Audited)	(Audited)
Balance Sheet			
Net Fixed assets	6,748.29	6,800.69	6,479.51
Current assets	43,91,004.57	44,87,900.17	68,12,733.97
Non-current assets	88,79,777.72	89,43,916.95	20,59,867.90
Total assets	1,32,77,530.58	1,34,38,617.81	88,79,081.38
Financial (borrowings, trade payables, and other financial liabilities)	64,74,450.22	66,92,843.50	42,36,523.77
Provisions			-
Deferred tax liabilities (net)			-
Other non-current liabilities			-
Financial (borrowings, trade payables, and other financial liabilities)	36,95,992.62	35,84,850.04	39,43,148.39
Provisions			-
Current tax liabilities (net)			-
Other current liabilities			-
Total liabilities	1,01,70,442.84	1,02,77,693.54	81,79,672.16
Equity (equity and other equity)	31,07,087.74	31,60,924.27	6,99,409.22
Total equity and liabilities	1,32,77,530.58	1,34,38,617.81	88,79,081.38
Total revenue From operations	55,15,212.83	60,83,874.31	54,01,251.97
Other income	13,789.38	16,113.99	15,677.44
Total Expenses	55,15,212.83	43,65,090.77	57,32,002.31
Total comprehensive income	-8,31,050.05	17,34,893.55	-3,15,244.83
Profit / loss	-8,30,526.77	17,34,897.53	-3,15,072.90
Other comprehensive income	-523.28	-3.98	-171.93
Profit / loss after tax	-8,30,526.77	17,34,897.53	-3,15,072.90
Earnings per equity share: (a) basic; and (b) diluted			
Continuing operations			
(a) basic	-78.36	176.01	-33.17
(b) diluted	-78.36	174.93	-33.17
Discontinued operations		-	-
Continuing and discontinued operations			
(a) basic	-78.36	176.01	-33.17
(b) diluted	-78.36	174.93	-33.17
Cash Flow			
Net cash generated from operating activities	1,24,338.63	21,39,714.68	-8,15,091.88
Net cash used in / generated from investing activities	-7,35,989.651	-51,61,859.14	9,55,348.72
Net cash used in financing activities	5,58,813.88	31,82,934.31	-2,23,345.22

Parameters	FY 2021-22	FY 2020-21	FY 2019-20
	(Audited)	(Audited)	(Audited)
Cash and cash equivalents	1,73,872.89	2,40,229.58	79,439.73
Balance as per statement of cash flows	1,73,872.89	2,40,229.58	79,439.73
Net worth	30,87,492.62	31,41,329.15	6,99,409.22
Cash and Cash Equivalents	1,73,872.89	2,40,229.58	79,439.73
Current Investments			-
Net Sales	55,15,212.83	60,83,874.31	54,01,251.97
EBIDTA	-8,15,598.84	17,35,416.08	-3,14,602.86
EBIT	-8,16,150.03	17,34,904.45	-3,15,067.47
Dividend amounts			-
Long term debt to working capital	10.31	7.88	1.65
Current Liability ratio – Current liabilities / Non-current liabilities	0.36	0.35	0.93
Total Debts to Total assets	0.54	0.53	0.48
Debt Service Coverage Ratios	NA	NA	NA
Interest service coverage ratio	NA	NA	NA

2. CONSOLIDATED BASIS:

(INR In lakhs except ratios)

Parameters	F.Y. 2023	FY 2021-22	FY 2020-21	FY 2019-20
	(as on 30.06.2022)	(Audited)	(Audited)	(Audited)
Balance Sheet				
Net Fixed assets	69,54,107.49	69,07,976.02	67,92,562.04	65,89,673.29
Current assets	1,06,85,613.68	1,06,26,991.92	1,04,85,127.79	93,77,543.63
Non-current assets	19,31,705.49	19,28,809.89	21,34,377.90	2,50,079.17
Total assets	1,95,71,426.66	1,94,63,777.83	1,94,12,067.73	1,62,17,296.09
Non-Current Liabilities				
Financial (borrowings, trade payables, and other financial liabilities)	74,26,672.05	76,18,610.76	78,81,059.88	56,65,761.88
Provisions		-		-
Deferred tax liabilities (net)		-		-
Other non-current liabilities		-		-
Current Liabilities				
Financial (borrowings, trade payables, and other financial liabilities)	74,83,538.52	72,46,672.33	70,09,581.14	72,19,999.50
Provisions				0.92
Current tax liabilities (net)				-
Other current liabilities				-
Total liabilities	1,49,10,210.57	1,48,65,283.09	1,48,90,641.02	1,28,85,762.30
Equity (equity and other equity)	46,61,216.09	45,98,494.74	45,21,426.71	33,31,533.79
Total equity and liabilities	1,95,71,426.66	1,94,63,777.83	1,94,12,067.73	1,62,17,296.09
Profit and Loss				
Total revenue From operations	16,21,734.02	56,83,764.10	55,01,777.47	54,01,239.75
Other income	5,38,276.13	23,48,720.55	12,59,802.15	13,96,833.83
Total Expenses	21,81,495.79	84,58,649.58	79,46,857.04	74,11,297.28

Parameters	F.Y. 2023	FY 2021-22	FY 2020-21	FY 2019-20
	(as on 30.06.2022)	(Audited)	(Audited)	(Audited)
Total comprehensive income	-21,618.73	-5,89,016.18	-11,93,304.13	-6,15,242.54
Profit / loss	-21,487.91	-5,88,169.13	-11,85,277.42	-6,13,223.70
Other comprehensive income	-130.82	-847.05	-8,026.71	-2,018.52
Profit / loss after tax	-21,487.91	-5,88,169.13	-11,85,277.42	-6,13,224.02
Earnings per equity share: (a) basic; and (b) diluted				
Continuing operations				
(a) basic	-1.92	-55.54	-121.06	-64.74
(b) diluted	-1.92	-55.54	-121.06	-64.74
Discontinued operations				-
Continuing and discontinued operations				
(a) basic	-1.92	-55.54	-121.06	-64.74
(b) diluted	-1.92	-55.54	-121.06	-64.74
Cash Flow				
Net cash generated from operating activities	3,87,837.01	5,20,817.76	-14,36,624.14	-1,50,651.86
Net cash used in / generated from investing activities	-1,04,897.56	-1,85,413.69	-23,12,258.72	2,65,516.91
Net cash used in financing activities	-2,88,608.04	-4,35,187.01	39,67,052.09	-3,09,106.75
Cash and cash equivalents	5,18,359.62	5,24,028.21	6,23,811.15	4,05,641.92
Balance as per statement of cash flows	5,18,359.62	5,24,028.21	6,23,811.15	4,05,641.92
Additional information				
Net worth	29,82,852.97	29,36,727.98	29,34,588.36	33,31,533.79
Cash and Cash Equivalents	5,18,359.62	5,24,028.21	6,23,811.15	4,05,641.92
Current Investments	-	-	-	-
Net Sales	16,21,734.02	56,83,764.10	55,01,777.47	54,01,239.75
EBIDTA	2,38,743.39	5,35,998.58	-3,11,112.57	47,140.81
EBIT	1,71,334.48	2,50,652.97	-5,53,834.46	-79,284.38
Dividend amounts		-		-
Long term debt to working capital	2.48	2.42	2.35	2.69
Current Liability ratio – Current liabilities / Non-current liabilities	0.50	0.49	0.47	1.27
Total Debts to Total assets	0.41	0.43	0.43	0.33
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest service coverage ratio	NA	NA	NA	NA

a. **Debt: Equity Ratio of the Issuer: -**

Before the issue of debt securities	1.453
After the issue of debt securities (*with assumption of full amount (inclusive of green shoe option) of INR 4048.84 crores being raised in this proposed issuance) (*Based on outstanding debt as on 31/08/2022 on consolidated basis)	1.541*



PRAKHAR & ASSOCIATES **CHARTERED ACCOUNTANTS**

INDEPENDENT PRACTITIONER'S REVIEW REPORT

Review Report to

**The Board of Directors,
Uttar Pradesh Power Corporation Limited,
14, Ashok Marg, Hazratganj,
Lucknow – 226001.**

Dear Sirs,

Re: Limited Review Report of the Consolidated Un-audited Financial Results for the period ended 30th June 2022.

1. We have reviewed the accompanying statement of Consolidated Un-audited financial results of **Uttar Pradesh Power Corporation Limited** (referred to as "holding company") and its five subsidiaries, namely **Madhyanchal Vidyut Vitran Nigam Limited, Lucknow (MVVNL), Purvanchal Vidyut Vitran Nigam Limited, Varanasi (PuVVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut (PVVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra (DVVNL) and Kanpur Electricity Supply Company Limited, Kanpur (KESCO)** (Holding and Subsidiary together referred to as the "Group") for the period ended 30th June 2022 ("referred to as "consolidated financial statements") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 52 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 as amended.
2. The consolidated financial statement is the responsibility of the holding Company's Management and approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Consolidated Financial Reporting" (Ind AS 34), prepared under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. However, where there is deviation from the provisions of the Companies Act, 2013, the corresponding provisions of Electricity (Supply) Annual Accounts Rules 1985 have been adopted (To the extent notified and applicable). Our responsibility is to issue a report on the financial statement based on our review.



OFFICE : 224/24, Subhash Marg, Punjabi Tola, Raja Bazar,
(near Moti Mahal), Lucknow - 226003
Mob. : 09648460740, 09225555831 **Mail :** caprakharerstoji@gmail.com

In preparing the consolidated financial statements, the respective Board of Directors of the subsidiary companies including the Group are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The preparation of the consolidated financial statement has been done on the basis of un-audited standalone financial statements of subsidiary companies and holding company.

3. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement.

A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

The unaudited financial statements of subsidiaries namely Purvanchal Vidyut Vitran Nigam Limited, Varanasi (PuvVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut (PvVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra (DvVNL) and Kanpur Electricity Supply Company Limited, Kanpur (KESCO), subsidiaries have been reviewed by other auditors and those reports have been furnished to us by the Management.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Consolidated Un-audited financial results prepared in accordance with the applicable Accounting Standards specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed, in terms of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. Emphasis of Matter

We draw your attention to following matters:-

- a) Non-disclosure of Contingent Liabilities, Assets and Commitments including disputed matters, which is not in accordance with Ind AS-37 "Provisions, Contingent Liabilities and Contingent Assets".
- b) The balance confirmation and reconciliations are pending which is not in accordance with Ind AS-24 "Related Party Disclosures" and Section 188 of the Companies Act, 2013. Inter Company Transactions reconciliation are still in process, which needs to be confirmed and further needs the attention of the management.

For Prakhar & Associates,
Chartered Accountants
FRN- 016465C



Prakhar Rastogi
(Partner)
Mem. No.: 416613
UDIN: 22416613AVSRQF1919

Place: Lucknow
Date: 27th September, 2022.

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Consolidated Financial Statements

Qualified Opinion:

We have audited the accompanying consolidated financial statements of Uttar Pradesh Power Corporation Limited (UPPCL) (hereinafter referred to as the "Holding Company"), and its five Subsidiaries, namely Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL), Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL) and Kanpur Electricity Supply Company Limited, Kanpur (KESCO (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2022, the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India.

- In the case of consolidated balance sheet, of the state of affairs (Financial Position) of the Group as at March 31, 2022.
- In the case of consolidated statement of Profit and Loss, of the consolidated Net loss (financial performance including other comprehensive income) of the Group for the year ended on that date;
- In the case of consolidated cash flows and changes in equity of the Group for the year ended on that date.



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Basis for Qualified Opinion:

We draw attention to the matters described in "Basis for Qualified Opinion" paragraph of the audit report on standalone financial statements of Holding company, audited by us and the Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL and KESCO audited by other auditors. These matters in so far, as it relates to the amounts and disclosures included in respect of Holding and its Subsidiaries, are included in 'Annexure-I', which forms an integral part of our report, the effects of which are not ascertainable individually or in aggregate on the consolidated financial statements that constituted the basis for modifying our opinion. Our opinion on the consolidated financial statements is qualified in respect of the matters referred to in 'Annexure-I' to this report, to the extent applicable.

We conducted our audit of the consolidated financial statements in accordance with the 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Emphasis of Matter

Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, we draw attention to the following matters in the notes to the Consolidated Financial Statements:

U.P Power Corporation Ltd. Holding Company

1. Tax deducted at source Rs.56.44 Crore (Note 12- Other current Assets) includes Rs. 7.09 Crore refunds pending with Income Tax Department relating to financial year 2007-08 to 2019-20 **which needs to be reconciled and adjusted at earliest.**
2. As per information provided to us Trade payable includes Rs.135.36 Crore debit balance pertaining to M/s Rosa Power Company Ltd towards debit notes raised by the Company against which, as explained to us, stay order have been issued by Appropriate Authorities, **but which have not been reversed like other cases** as mentioned in Para no. 29 of Notes to Accounts relating to M/s Lalitpur Power Generation Company.
3. As per Para No. 41 (xvi) (c) to the Notes to Accounts, the Trade Payable does not reflect any disputed amount while aging classification includes outstanding of Rs. 544.71 Crore **for more than three years which need review by the Management.**
4. As per Note no. 13 to the Notes to Accounts the average bulk sale tariff is computed on the basis of cost of energy purchased by the Company after prior period adjustments, divided by total quantum of energy supplied to Subsidiaries. While **impact of prior period**



adjustment are either restated in the purchase of power for previous year or debited to retained earnings. **Consequential impacts of aforesaid adjustments on purchase/sales of the Company are not disclosed in the Notes to Accounts.**

5. Accounting Policy No. VIII of the Company regarding power purchases was not incorporated, where final approval of the tariff by the Regulatory Commission has not been granted.
6. As per Note no. 11 (Financial Assets-Other (Current), Company has made provision for doubtful receivables @10% on Rs.2083.94 Crore which includes 1154.14 Crore relating to wholly owned subsidiaries. **Incremental provision for doubtful debts relating to wholly owned subsidiaries made during the year needs review by the Management.**
7. **The Annual Accounts of F.Y 2018-19, 2019-20 & 2020-21 are yet to be adopted in Annual General Meeting (Refer Para31 of Note - 29 "Notes on Accounts").**

Our opinion is not modified in respect of these matters

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Information other than the consolidated financial statements and Auditor's Report thereon:

The Board of Directors of Holding Company along with its subsidiaries is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our Auditor's Report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.



Management's responsibility for the consolidated financial statements:

The Holding company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the consolidated financial statements:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

- a. We did not audit the financial statements / financial information of Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL and KESCO, whose financial statements / financial information reflect the Group's share of total assets, as detailed below, and the net assets as at 31st March, 2022, total revenues and net cash flows for the year ended on that date, and also include the Group's share of net loss for the year ended 31st March, 2022, as considered in the consolidated financial statements in respect of these Subsidiaries, whose financial statements / financial information have been audited by other auditors and whose reports have been reproduced to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, is based solely on the reports of the other auditors.

Name of the Companies	(Rs. in Lacs)			
	Total Assets as at 31.03.2022	Net Assets i.e., Total Assets minus Total Liabilities as at 31.03.2022	Total Net Profit/ (Loss) as at 31.03.2022	Net Cash in Flows/ (outflows) as at 31.03.2022
Subsidiaries:				
Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL)	4575699.82	602036.32	-204219.94	-10819.06
Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL)	6117241.92	1241736.39	-57798.59	12885.46
Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL)	3921967.95	881437.68	-69928.52	-11492.25
Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL)	3885282.66	-15426.61	-295752.28	-5926.80
Kanpur Electricity Supply Company Limited, Kanpur, (KESCO)	550620.87	-193014.63	-21545.31	-18073.60
Total				
CFS Adjustment		0.00	106389.01	0.00

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.



Report on Other Legal and Regulatory Requirements:

1. As required by section 143(3) of the Act, based on our audit on the consideration of report of the other auditors on separate financial statements and the other financial information of Subsidiaries, as noted in the 'other matter' paragraph to the extent applicable, we report that:
 - a. Except for the matters described in the "Basis for Qualified Opinion" paragraph, 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 of the aforesaid consolidated financial statements.
 - b. In our opinion and except for the matters described in the "Basis for Qualified Opinion" paragraph of our report, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. Except for the matters described in the "Basis for Qualified Opinion" paragraph, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
 - e. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India; provisions of sub-section (2) of section 164 of the Act, regarding disqualification of the directors are not applicable to the Company.
 - f. With respect to the adequacy of the internal financial controls system over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure-II", which is based on the auditors' report of the holding company and its subsidiary companies incorporated in India. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the effects of the matters described in the "Basis of Qualified Opinion" paragraph, the consolidated financial statements disclose the impact of pending litigations except for MVVNL and PVVNL (kindly refer



relevant Para mentioned under "*Report on other legal and regulatory Requirements*") on the consolidated financial position of the Group;

- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For D Pathak & Co.
Chartered Accountants
FRN: 001439C



(A K Dwivedi)
Partner
M No.: 071584
UDIN: 22071584ARUWGO7012
Place: Lucknow
Date: 12/09/2022



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Standalone Financial Statements

Qualified Opinion:

We have audited the accompanying Standalone Financial Statements of Uttar Pradesh Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements") in which are incorporated accounts of Material Management Zone (Location code - 300, 330, 640 and 970 and its units) ("Zone") thereof which have been audited by other auditor.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid Standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the profit, including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to the matters described in 'Annexure I', the effect of which, individually or in aggregate, are material but not pervasive to the financial statement and matters where we are unable to obtain sufficient and appropriate audit evidence. Our opinion is qualified in respect of these matters.

We conducted our audit of the Standalone Financial Statements in accordance with the 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 Standalone 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 independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.



Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in Annexure I to the "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Emphasis of Matter Paragraph:

As explained in Para 38 of Note – 29 "Notes on Accounts", due to the outbreak of COVID -19 globally and in India, the Company's management has made an initial assessment of likely adverse impact on business and financial risks and believes that the impact is likely to be short term in nature. The management does not see any medium to long-term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

Information other than the Standalone Financial Statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The above report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above-identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Standalone 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 charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

We did not audit the books of accounts / information of Zone included in the Standalone Financial Statements of the Company. The books of accounts / information of the Zone has been audited by the Zone auditor whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of Zone, is based solely on the report of such auditor.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure-II", a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by directions issued by the Comptroller & Auditor General of India under section 143(5) of the Act, we give in "Annexure - III (a) and III (b)", a statement on the matters specified in the directions and sub-directions.
3. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, and Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
4. As required by section 143(3) of the Act, based on our audit, we report that:
 - a. Except for the matters described in the "Basis for Qualified Opinion" section, 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 and except for the matters described in "Basis for Qualified Opinion" section, 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 and proper returns adequate for the purposes of our audit have been received from the Zone of the Company not visited and not audited by us.



- c. The reports on the accounts of the Zone of the Company, audited under Section 143(8) of the Act by Zone auditor have been sent to us and have been properly dealt with by us in preparing this report.
- d. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the Zone not visited and not audited by us.
- e. Except for the matters described in the "Basis for Qualified Opinion" section, in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
- f. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India; provisions of sub-section (2) of section 164 of the Act, regarding disqualification of the directors are not applicable to the Company.
- g. With respect to the adequacy of the internal financial controls system in place and the operating effectiveness of such controls, refer to our report in "Annexure-IV".
- 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. Except for the effects of the matters described in the "Basis for Qualified Opinion" section, the Company has disclosed the impact of pending litigations on its financial position in its financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts entailing any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.M. LALL & CO.,
Chartered Accountants
(FIRN: 000932C)


(CA Vikas. C. Srivastava)
Partner
M.No.: 401216

UDIN: 22401216AAAAAB9409

Place: Lucknow
Date: 08/01/2022

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Standalone Financial Statements

Qualified Opinion:

We have audited the accompanying Standalone Financial Statements of Uttar Pradesh Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements") in which are incorporated accounts of Material Management Zone (Location code – 300, 330, 640 and 970 and its units) ("Zone") thereof which have been audited by other auditor.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid Standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the loss, including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to the matters described in 'Annexure I', the effect of which, individually or in aggregate, are material but not pervasive to the financial statement and matters where we are unable to obtain sufficient and appropriate audit evidence. Our opinion is qualified in respect of these matters.

We conducted our audit of the Standalone Financial Statements in accordance with the 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 Standalone 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 independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.



Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in Annexure I to the "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Emphasis of Matter Paragraph:

As explained in Para 37 of Note – 29 "Notes on Accounts", due to the outbreak of COVID -19 globally and in India, the Company's management has made an initial assessment of likely adverse impact on business and financial risks and believes that the impact is likely to be short term in nature. The management does not see any medium to long-term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

Information other than the Standalone Financial Statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The above report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above-identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Standalone 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 charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

We did not audit the financial statements/ information of Zone included in the Standalone Financial Statements of the Company. The financial statements/ information of the Zone has been audited by the Zone auditor whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of Zone, is based solely on the report of such auditor.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure-II", a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by directions issued by the Comptroller & Auditor General of India under section 143(5) of the Act, we give in "Annexure - III (a) and III (b)", a statement on the matters specified in the directions and sub-directions.
3. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, and Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
4. As required by section 143(3) of the Act, based on our audit, we report that:
 - a. Except for the matters described in the "Basis for Qualified Opinion" section, 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 and except for the matters described in "Basis for Qualified Opinion" section, 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 and proper returns adequate for the purposes of our audit have been received from the Zone of the Company not visited and not audited by us.



- c. The reports on the accounts of the Zone of the Company, audited under Section 143(8) of the Act by Zone auditor have been sent to us and have been properly dealt with by us in preparing this report.
- d. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the Zone not visited and not audited by us.
- e. Except for the matters described in the "Basis for Qualified Opinion" section, in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
- f. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India; provisions of sub-section (2) of section 164 of the Act, regarding disqualification of the directors are not applicable to the Company.
- g. With respect to the adequacy of the internal financial controls system in place and the operating effectiveness of such controls, refer to our report in "Annexure-IV".
- 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. Except for the effects of the matters described in the "Basis for Qualified Opinion" section, the Company has disclosed the impact of pending litigations on its financial position in its financial statement;
- ii. The Company did not have any long-term contracts including derivative contracts entailing any material foreseeable losses.
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.M. LALL&CO.,
Chartered Accountants
(FIRN: 000932C)



(CA Vikas. C. Srivastava)
Partner
M.No.: 401216

UDIN: 21401216AAAABP2002

Place: Lucknow
Date: 27/09/2021

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Consolidated Financial Statements

Qualified Opinion:

We have audited the accompanying consolidated financial statements of Uttar Pradesh Power Corporation Limited (UPPCL) (hereinafter referred to as the "Holding Company"), and its five Subsidiaries, namely Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL), Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL) and Kanpur Electricity Supply Company Limited, Kanpur (KESCO (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2022, the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India.

- In the case of consolidated balance sheet, of the state of affairs (Financial Position) of the Group as at March 31, 2022.
- In the case of consolidated statement of Profit and Loss, of the consolidated Net loss (financial performance including other comprehensive income) of the Group for the year ended on that date;
- In the case of consolidated cash flows and changes in equity of the Group for the year ended on that date.



Basis for Qualified Opinion:

We draw attention to the matters described in "Basis for Qualified Opinion" paragraph of the audit report on standalone financial statements of Holding company, audited by us and the Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL and KESCO audited by other auditors. These matters in so far, as it relates to the amounts and disclosures included in respect of Holding and its Subsidiaries, are included in 'Annexure-I', which forms an integral part of our report, the effects of which are not ascertainable individually or in aggregate on the consolidated financial statements that constituted the basis for modifying our opinion. Our opinion on the consolidated financial statements is qualified in respect of the matters referred to in 'Annexure-I' to this report, to the extent applicable.

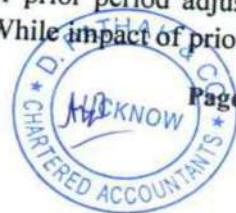
We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Emphasis of Matter

Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, we draw attention to the following matters in the notes to the Consolidated Financial Statements:

U.P Power Corporation Ltd. Holding Company

1. Tax deducted at source Rs.56.44 Crore (Note 12- Other current Assets) includes Rs. 7.09 Crore refunds pending with Income Tax Department relating to financial year 2007-08 to 2019-20 **which needs to be reconciled and adjusted at earliest.**
2. As per information provided to us Trade payable includes Rs.135.36 Crore debit balance pertaining to M/s Rosa Power Company Ltd towards debit notes raised by the Company against which, as explained to us, stay order have been issued by Appropriate Authorities, **but which have not been reversed like other cases** as mentioned in Para no. 29 of Notes to Accounts relating to M/s Lalitpur Power Generation Company.
3. As per Para No. 41 (xvi) (c) to the Notes to Accounts, the Trade Payable does not reflect any disputed amount while aging classification includes outstanding of Rs. 544.71 Crore **for more than three years which need review by the Management.**
4. As per Note no. 13 to the Notes to Accounts the average bulk sale tariff is computed on the basis of cost of energy purchased by the Company after prior period adjustments, divided by total quantum of energy supplied to Subsidiaries. While impact of prior period



adjustment are either restated in the purchase of power for previous year or debited to retained earnings. **Consequential impacts of aforesaid adjustments on purchase/sales of the Company are not disclosed in the Notes to Accounts.**

5. Accounting Policy No. VIII of the Company regarding power purchases was not incorporated, where final approval of the tariff by the Regulatory Commission has not been granted.
6. As per Note no. 11 (Financial Assets-Other (Current), Company has made provision for doubtful receivables @10% on Rs.2083.94 Crore which includes 1154.14 Crore relating to wholly owned subsidiaries. **Incremental provision for doubtful debts relating to wholly owned subsidiaries made during the year needs review by the Management.**
7. **The Annual Accounts of F.Y 2018-19, 2019-20 & 2020-21 are yet to be adopted in Annual General Meeting (Refer Para31 of Note - 29 "Notes on Accounts").**

Our opinion is not modified in respect of these matters

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Information other than the consolidated financial statements and Auditor's Report thereon:

The Board of Directors of Holding Company along with its subsidiaries is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our Auditor's Report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.



Management's responsibility for the consolidated financial statements:

The Holding company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the consolidated financial statements:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

- a. We did not audit the financial statements / financial information of Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL and KESCO, whose financial statements / financial information reflect the Group's share of total assets, as detailed below, and the net assets as at 31st March, 2022, total revenues and net cash flows for the year ended on that date, and also include the Group's share of net loss for the year ended 31st March, 2022, as considered in the consolidated financial statements in respect of these Subsidiaries, whose financial statements / financial information have been audited by other auditors and whose reports have been reproduced to us by the Management . Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, is based solely on the reports of the other auditors.

Name of the Companies	Total Assets as at 31.03.2022	Net Assets i.e., Total Assets minus Total Liabilities as at 31.03.2022	(Rs. in Lacs)	
			Total Net Profit/ (Loss) as at 31.03.2022	Net Cash in Flows/ (outflows) as at 31.03.2022
Subsidiaries:				
Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL)	4575699.82	602036.32	-204219.94	-10819.06
Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL)	6117241.92	1241736.39	-57798.59	12885.46
Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL)	3921967.95	881437.68	-69928.52	-11492.25
Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL)	3885282.66	-15426.61	-295752.28	-5926.80
Kanpur Electricity Supply Company Limited, Kanpur, (KESCO)	550620.87	-193014.63	-21545.31	-18073.60
Total			106380.01	0.00
CFS Adjustment		0.00		

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.



Report on Other Legal and Regulatory Requirements:

1. As required by section 143(3) of the Act, based on our audit on the consideration of report of the other auditors on separate financial statements and the other financial information of Subsidiaries, as noted in the 'other matter' paragraph to the extent applicable, we report that:
 - a. Except for the matters described in the "Basis for Qualified Opinion" paragraph, 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 of the aforesaid consolidated financial statements.
 - b. In our opinion and except for the matters described in the "Basis for Qualified Opinion" paragraph of our report, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. Except for the matters described in the "Basis for Qualified Opinion" paragraph, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
 - e. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India; provisions of sub-section (2) of section 164 of the Act, regarding disqualification of the directors are not applicable to the Company.
 - f. With respect to the adequacy of the internal financial controls system over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure-II", which is based on the auditors' report of the holding company and its subsidiary companies incorporated in India. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. Except for the effects of the matters described in the "Basis of Qualified Opinion" paragraph, the consolidated financial statements disclose the impact of pending litigations except for MVVNL and PVVNL (kindly refer



relevant Para mentioned under “*Report on other legal and regulatory Requirements*”) on the consolidated financial position of the Group;

- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For D Pathak & Co.
Chartered Accountants
FRN: 001439C



(A K Dwivedi)
Partner
M No.: 071584
UDIN: 22071584ARUWGO7012
Place: Lucknow
Date: 12/09/2022



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Consolidated Financial Statements

Qualified Opinion:

We have audited the accompanying consolidated financial statements of Uttar Pradesh Power Corporation Limited (UPPCL) (hereinafter referred to as the "Holding Company"), and its six Subsidiaries, namely Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL), Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL), Kanpur Electricity Supply Company Limited, Kanpur, (KESCO) and Southern UP Power Transmission Company Limited (SUPPTCL) (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2021, the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India.

- a) In the case of consolidated balance sheet, of the state of affairs (Financial Position) of the Group as at March 31, 2021.
- b) In the case of consolidated statement of Profit and Loss, of the consolidated net profit (financial performance including other comprehensive income) of the Group for the year ended on that date;
- c) In the case of consolidated cash flows and changes in equity of the Group for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to the matters described in "Basis for Qualified Opinion" paragraph of the audit report on standalone financial statements of Holding company, audited by us and the Subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL, KESCO and SUPPTCL audited by other auditors. These matters in so far, as it relates to the amounts and disclosures included in respect of Holding and its Subsidiaries, are included in 'Annexure-1', which forms an integral part of our report, the effects of which are not ascertainable individually or in aggregate on the consolidated financial statements that constituted the basis for modifying our opinion. Our opinion on the consolidated financial statements, is qualified in respect of the matters referred to in 'Annexure-1' to this report, to the extent applicable.



We conducted our audit of the consolidated financial statements in accordance with the 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Information other than the consolidated financial statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Management's responsibility for the consolidated financial statements:

The Holding company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. Except for the effects of the matters described in the "Basis of Qualified Opinion" paragraph, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.M. LALL & CO.,
Chartered Accountants
(FRN: 000932C)



(CA Vikas C Srivastava)
Partner
M. No.: 401216
UDIN: 22401216ADHYOW4519

Place: Lucknow
Date: 22nd February, 2022

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan,
Lucknow.

Report on Consolidated Financial Statements

Qualified Opinion:

We have audited the accompanying consolidated financial statements of Uttar Pradesh Power Corporation Limited (hereinafter referred to as the "Holding Company"), and its six subsidiaries, namely Madhyanchal Vidyut Vitran Nigam Limited, Lucknow, (MVVNL), Purvanchal Vidyut Vitran Nigam Limited, Varanasi, (PuVVNL), Paschimanchal Vidyut Vitran Nigam Limited, Meerut, (PVVNL), Dakshinanchal Vidyut Vitran Nigam Limited, Agra, (DVVNL), Kanpur Electricity Supply Company Limited, Kanpur, (KESCO) and Southern UP Power Transmission Company Limited (SUPPTCL) (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2020, the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India.

- a) In the case of consolidated balance sheet, of the state of affairs (Financial Position) of the Group as at March 31, 2020.
- b) In the case of consolidated statement of Profit and Loss, of the consolidated net loss (financial performance including other comprehensive income) of the Group for the year ended on that date;
- c) In the case of consolidated cash flows and changes in equity of the Group for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to the matters described in "Basis for Qualified Opinion" paragraph of the audit report on standalone financial statements of Holding company, audited by us and the subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL, KESCO and SUPPTCL audited by other auditors. These matters in so far, as it relates to the amounts and disclosures included in respect of Holding and its Subsidiaries, are included in 'Annexure-1', which forms an integral part of our report, the effects of which are not ascertainable individually or in aggregate on the consolidated financial statements that constituted the basis for modifying our opinion. Our opinion on the consolidated financial statements, is qualified in respect of the matters referred to in 'Annexure-1' to this report, to the extent applicable.



We conducted our audit of the consolidated financial statements in accordance with the 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

Emphasis of Matter Paragraph:

As explained in Para 42 (X) of Note 31 - "Notes on Accounts", due to the outbreak of Covid-19 globally and in India, the Company's management has made an initial assessment of likely adverse impact on business and financial risks and believes that the impact is likely to be short term in nature. The management does not see any medium to long-term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

Information other than the consolidated financial statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Management's responsibility for the consolidated financial statements:

The Holding company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section



133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the consolidated financial statements:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:



- a. We did not audit the financial statements / financial information of subsidiaries namely MVVNL, PuVVNL, PVVNL, DVVNL, KESCO and SUPPTCL, whose financial statements / financial information reflect the Group's share of total assets, as detailed below, and the net assets as at 31st March, 2020, total revenues and net cash flows for the year ended on that date, and also include the Group's share of net loss for the year ended 31st March, 2020, as considered in the consolidated financial statements in respect of these subsidiaries, whose financial statements / financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.



being dealt at UPPCL was not made available to us and as such we are unable to comment on implications, if any, arising on said account.

- i. Zonal Auditor of Ayodhya Zone reported provision of unbilled revenue at the end of current financial year and reversal of similar provision made in previous year has not been made in accounts. Further, regulatory surcharge was withdrawn w.e.f. 12.09.2019 but the same has been charged by certain units even after this date. In the absence of complete details, the impact of the same over financial statement is not ascertainable at this stage.
 - j. Interest on security deposit by Consumers was informed to be provided as per rates prescribed by UPERC. However, Auditors of Devipatan Zone has reported that Interest on security deposit given to consumers is not booked by distribution division except Gonda DD II. Security deposit was not adjusted in books of accounts in PD cases. Waiver is not adjusted in debtor balance in PD case. Effect of non-booking of Interest and non-adjustment of security deposit is not ascertainable at this stage.
 - k. Zonal auditor of Lucknow zone reported that security deposited by consumers was short by Rs. 367.74 lakh in Unnao Division I.
16. For want of complete information, the cumulative impact of our observations in *paras 1 to 16* above to this report on assets, liabilities, income and expenditure is not ascertained.

For R.M. LALL & CO.,
Chartered Accountants
(FRN: 000937)



(CA Vikas C Srivastava)

Partner

M.No.401216

UDIN: 21401216AAAABR1173

Place: Lucknow
Date: 4th October, 2021

XII. DETAILS OF ANY OTHER CONTINGENT LIABILITIES OF THE ISSUER BASED ON THE LAST AUDITED STANDALONE FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY:

(INR In lakhs)

Details	FY 2021-22
Capital Commitment	-
Income Tax	-
Power Purchase	1008393.18
Other Contingencies	163023.04

i. Brief history of the Issuer since its incorporation giving details of its following activities:

(a) Details of Share Capital as on last quarter end 31st August, 2022: -

Share Capital	INR In Lakh
Authorised Share Capital 125000000 Equity Shares of INR 1000 par value	12500000.00
Issued, Subscribed & Fully Paid up 113,75,48,996 Equity Shares of INR 1000 each	11375489.96

(b) Changes in its capital structure as on last quarter end, for the last five years: -

	Date of Change	(AGM / EGM)	INR Lakhs		Particulars
			From	To	
A	Authorized Capital				
	25/4/2016	EGM	60,000.00	75,000.00	Increase in Authorised Capital
	27/06/2016	EGM	75000.00	90,000.00	Increase in Authorised Capital
	14/06/2018	EGM	90,000.00	1,25,000.00	Increase in Authorised Capital
B	Borrowing Power				
	14/06/2018	EGM	60,000.00	80,000.00	Increase in Borrowing Power
	22/12/2020	AGM	80,000.00	1,00,000.00	Increase in Borrowing Power

(c) Equity Share Capital History of the Issuer as on last quarter end, for the last five years: -

Date of Allotment	No. of Equity Shares	Face value (INR)	Issue Price (in INR)	Consideration Cash, other than cash, etc.)	Nature of Allotment	Cumulative no. of share	Cumulative Amount of share capital (in INR)	Cumulative Equity Share Premium (in INR)	Remarks
1	2	3	4	5	6	7	8	9	10
01-04-2016	1,44,54,468	1,000	14,45,44,68,000	Cash	Physical	58,30,81,654	5,83,08,16,54,000	None	-
14-06-2016	8,12,12,164	1,000	81,21,21,64,000	Cash	Physical	66,42,93,818	6,64,29,38,18,000	None	-
19-09-2016	1,07,10,960	1,000	10,71,09,60,000	Cash	Physical	67,50,04,778	6,75,00,47,78,000	None	-
28-11-2016	4,41,97,157	1,000	44,19,71,57,000	Cash	Physical	71,92,01,935	7,19,20,19,35,000	None	-
28-02-2017	69,09,630	1,000	6,90,96,30,000	Cash	Physical	72,61,11,565	7,26,11,15,65,000	None	-
30-03-2017	26,40,517	1,000	2,64,05,17,000	Cash	Physical	72,87,52,082	7,28,75,20,82,000	None	-
18-04-2017	3,27,71,550	1,000	32,77,15,50,000	Cash	Physical	76,15,23,632	7,61,52,36,32,000	None	-
07-07-2017	41,36,686	1,000	4,13,66,86,000	Cash	Physical	76,56,60,318	7,65,66,03,18,000	None	-
26-09-2017	45,32,500	1,000	4,53,25,00,000	Cash	Physical	77,01,92,818	7,70,19,28,18,000	None	-
12-10-2017	53,07,132	1,000	5,30,71,32,000	Cash	Physical	77,54,99,950	7,75,49,99,50,000	None	-
10-11-2017	12,53,750	1,000	1,25,37,50,000	Cash	Physical	77,67,53,700	7,76,75,37,00,000	None	-
26-12-2017	59,77,700	1,000	5,97,77,00,000	Cash	Physical	78,27,31,400	7,82,73,14,00,000	None	-
16-01-2018	67,70,173	1,000	6,77,01,73,000	Cash	Physical	78,95,01,573	7,89,50,15,73,000	None	-
06-02-2018	43,63,191	1,000	4,36,31,91,000	Cash	Physical	79,38,64,764	7,93,86,47,64,000	None	-
16-03-2018	1,01,42,617	1,000	10,14,26,17,000	Cash	Physical	80,40,07,381	8,04,00,73,81,000	None	-
06-04-2018	2,59,07,499	1,000	25,90,74,99,000	Cash	Physical	82,99,14,880	8,29,91,48,80,000	None	-
05-05-2018	61,23,581	1,000	6,12,35,81,000	Cash	Physical	83,60,38,461	8,36,03,84,61,000	None	-
04-06-2018	31,88,099	1,000	3,18,80,99,000	Cash	Physical	83,92,26,560	8,39,22,65,60,000	None	-
05-07-2018	44,34,545	1,000	4,43,45,45,000	Cash	Physical	84,36,61,105	8,43,66,11,05,000	None	-
16-08-2018	1,59,44,810	1,000	15,94,48,10,000	Cash	Physical	85,96,05,915	8,59,60,59,15,000	None	-
05-09-2018	31,60,001	1,000	3,16,00,01,000	Cash	Physical	86,27,65,916	8,62,76,59,16,000	None	-
01-10-2018	55,76,431	1,000	5,57,64,31,000	Cash	Physical	86,83,42,347	8,68,34,23,47,000	None	-
10-01-2019	2,33,17,037	1,000	23,31,70,37,000	Cash	Physical	89,16,59,384	8,91,65,93,84,000	None	-
04-02-2019	1,56,30,740	1,000	15,63,07,40,000	Cash	Physical	90,72,90,124	9,07,29,01,24,000	None	-
12-03-2019	45,71,508	1,000	4,57,15,08,000	Cash	Physical	91,18,61,632	9,11,86,16,32,000	None	-
03-04-2019	1,97,60,804	1,000	19,76,08,04,000	Cash	Physical	93,16,22,436	9,31,62,24,36,000	None	-
03-05-2019	16,40,200	1,000	1,64,02,00,000	Cash	Physical	93,32,62,636	9,33,26,26,36,000	None	-
10-05-2019	39,21,650	1,000	3,92,16,50,000	Cash	Physical	93,71,84,286	9,37,18,42,86,000	None	-

Date of Allotment	No. of Equity Shares	Face value (INR)	Issue Price (in INR)	Consideration Cash, other than cash, etc.)	Nature of Allotment	Cumulative no. of share	Cumulative Amount of share capital (in INR)	Cumulative Equity Share Premium (in INR)	Remarks
04-06-2019	18,68,008	1,000	1,86,80,08,000	Cash	Physical	93,90,52,294	9,39,05,22,94,000	None	-
31-07-2019	29,39,999	1,000	2,93,99,99,000	Cash	Physical	94,19,92,293	9,41,99,22,93,000	None	-
26/08/2019	18,30,001	1,000	1,83,00,01,000	Cash	Physical	94,38,22,294	9,43,82,22,94,000	None	-
4-Sep-19	38,56,558	1,000	3,85,65,58,000	Cash	Physical	94,76,78,852	9,47,67,88,52,000	None	-
3-Oct-19	39,99,581	1,000	3,99,95,81,000	Cash	Physical	95,16,78,433	9,51,67,84,33,000	None	-
7-Dec-19	45,63,511	1,000	4,56,35,11,000	Cash	Physical	95,62,41,944	9,56,24,19,44,000	None	-
19-Dec-19	39,62,297	1,000	3,96,22,97,000	Cash	Physical	96,02,04,241	9,60,20,42,41,000	None	-
3-Jan-20	41,52,917	1,000	4,15,29,17,000	Cash	Physical	96,43,57,158	9,64,35,71,58,000	None	-
5-Feb-20	32,01,001	1,000	3,20,10,01,000	Cash	Physical	96,75,58,159	9,67,55,81,59,000	None	-
6-Mar-20	62,705	1,000	6,27,05,000	Cash	Physical	96,76,20,864	9,67,62,08,64,000	None	-
7-Apr-20	40,19,219	1,000	4,01,92,19,000	Cash	Physical	97,16,40,083	9,71,64,00,83,000	None	-
5-May-20	10,41,667	1,000	1,04,16,67,000	Cash	Physical	97,26,81,750	9,72,68,17,50,000	None	-
2-Jun-20	7,14,250	1,000	71,42,50,000	Cash	Physical	97,33,96,000	9,73,39,60,00,000	None	-
17-Jul-20	21,13,822	1,000	2,11,38,22,000	Cash	Physical	97,55,09,822	9,75,50,98,22,000	None	-
10-Aug-20	16,04,471	1,000	1,60,44,71,000	Cash	Physical	97,71,14,293	9,77,11,42,93,000	None	-
3-Sep-20	8,55,519	1,000	85,55,19,000	Cash	Physical	97,79,69,812	9,77,96,98,12,000	None	-
5-Oct-20	2,85,301	1,000	28,53,01,000	Cash	Physical	97,82,55,113	9,78,25,51,13,000	None	-
3-Nov-20	37,30,211	1,000	3,73,02,11,000	Cash	Physical	98,19,85,324	9,81,98,53,24,000	None	-
2-Dec-20	7,18,436	1,000	71,84,36,000	Cash	Physical	98,27,03,760	9,82,70,37,60,000	None	-
8-Jan-21	1,07,59,943	1,000	10,75,99,43,000	Cash	Physical	99,34,63,703	9,93,46,37,03,000	None	-
5-Feb-21	87,39,112	1,000	8,73,91,12,000	Cash	Physical	1,00,22,02,815	10,02,20,28,15,000	None	-
2-Mar-21	3,90,61,737	1,000	39,06,17,37,000	Cash	Physical	1,04,12,64,552	10,41,26,45,52,000	None	-
5-Apr-21	31,37,989	1,000	3,13,79,89,000	Cash	Physical	1,04,44,02,541	10,44,40,25,41,000	None	-
2-Jun-21	27,45,680	1,000	2,74,56,80,000	Cash	Physical	1,04,71,48,221	10,47,14,82,21,000	None	-
5-Jul-21	50,83,782	1,000	5,08,37,82,000	Cash	Physical	1,05,22,32,003	10,52,23,20,03,000	None	-
12-Aug-21	13,41,666	1,000	1,34,16,66,000	Cash	Physical	1,05,35,73,669	10,53,57,36,69,000	None	-
6-Sep-21	16,87,501	1,000	1,68,75,01,000	Cash	Physical	1,05,52,61,170	10,55,26,11,70,000	None	-
4-Oct-21	21,70,048	1,000	2,17,00,48,000	Cash	Physical	1,05,74,31,218	10,57,43,12,18,000	None	-
8-Nov-21	27,29,167	1,000	2,72,91,67,000	Cash	Physical	1,06,01,60,385	10,60,16,03,85,000	None	-
15-Dec-21	42,87,391	1,000	4,28,73,91,000	Cash	Physical	1,06,44,47,776	10,64,44,77,76,000	None	-
4-Jan-22	3344560	1000	3,34,45,60,000	Cash	Physical	1,06,77,92,336	10,67,79,23,36,000	None	-
7-Feb-22	14605460	1000	14,60,54,60,000	Cash	Physical	1,08,23,97,796	10,82,39,77,96,000	None	-

Date of Allotment	No. of Equity Shares	Face value (INR)	Issue Price (in INR)	Consideration Cash, other than cash, etc.)	Nature of Allotment	Cumulative no. of share	Cumulative Amount of share capital (in INR)	Cumulative Equity Share Premium (in INR)	Remarks
2-Mar-22	14396042	1000	14396042000	Cash	Physical	1,09,67,93,838	10,96,79,38,38,000	None	-
4-Apr-22	2,53,30,055	1,000	25,330,055,000	Cash	Physical	1,12,21,23,893	11,22,12,38,93,000	None	-
5-May-22	10,41,667	1,000	1,04,16,67,000	Cash	Physical	1,12,31,65,560	11,23,16,55,60,000	None	-
3-Jun-22	20,55,738	1,000	2,05,57,38,000	Cash	Physical	1,12,52,21,298	11,25,22,12,98,000	None	-
1-July-22	78,01,231	1,000	7,80,12,31,000	Cash	Physical	1,133,022,529	11,33,02,25,29,000	None	-
5-Aug.-22	45,26,467	1,000	4,52,64,67,000	Cash	Physical	1,13,75,48,996	11,37,54,89,96,000	None	-

(d) Details of any Acquisition or Amalgamation in the last 1 year:

Nil

(e) Details of any Reorganization or Reconstruction in the last 1 year: -

Type of Event	Date of Announcement	Date of Completion	Details
Nil	Nil	Nil	Nil

Details of the Shareholding of the Issuer as at the last quarter end i.e. June 30 2022, as per the format specified under the listing regulations :-

Table I - Summary Statement holding of specified securities as on 31.08.2022

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	08	113,75,48,996	0	0	113,75,48,996	100	113,75,48,996	0	113,75,48,996	100	0	100	0	0	0	0	0
(B)	Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)	Non-Promoter - Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	08	113,75,48,996	0	0	113,75,48,996	100	113,75,48,996	0	113,75,48,996	100	0	100	0	0	0	0	0

Statement showing shareholding pattern of the Promoter and Promoter Group as on 31.08.2022

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
							No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
							Class	Class									Total
(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	
1 Indian																	
(a) Individuals / Hindu Undivided Family	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Central Government / State Government(s)	01	113,75,48,996	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
(c) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Any Other (Specify) Bodies Corporate State government nominee	07	07	0	0	07	negligible	07	0	0	07	0	negligible	0	0	0	0	0
Sub Total (A)(1)	08	113,75,48,996	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
2 Foreign	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
							No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
							Class	Class									Total
(e) Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total (A)(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)	08	113,75,48,996	0	0	0	100	0	0	0	0	0	0	0	0	0	0	0

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
							No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held (a)	No.	As a % of total Shares held (b)		
							Class eg: X	Class eg: Y	Total									
(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	
1 Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a Mutual Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c Alternate Investment Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
f Financial Institutions / Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
g Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
h Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
i Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total (B)(1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Central Government/ State Government (s)/ President of India	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Non-Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a Individuals																		
i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ii. Individual shareholders holding nominal share capital in	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
							No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
							Class: X	Class: Y	Total								
(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	
excess of ₹ 2 lakhs.																	
b NBFCs registered with RBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
IEPF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non Resident Indians (Non Repat)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non Resident Indians (Repat)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LLP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Bearers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investor (Individual)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Clearing Member	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total (B)(3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
							No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
							Class eg: X	Class eg: Y								
(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1 Custodian/DR Holder	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b Total Non-Promoter-Non Public Shareholding (C) = (C)(1) + (C)(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

(f) List of top 10 holders of equity shares of the Issuer as on the latest quarter end June 30, 2022: -

Sl. No.	Name of the shareholders	Total No. of Equity Shares	No. of Shares in demat form	Total Shareholding as % of total no. of equity shares
1	Government of Uttar Pradesh	113,75,48,989	NIL	99.99%
2	Shri M. Devraj	1	NIL	0.001%
3	Shri Pankaj Kumar	1	NIL	0.001%
4	Shri Neel Ratan Kumar	1	NIL	0.001%
5	Shri Nidhi Kumar Narang	1	NIL	0.001%
6	Shri Amit Kumar Srivastava	1	NIL	0.001%
7	Shri Mragank Shekhar Dash Bhattishra	1	NIL	0.001%
8	Shri Kamalesh Bahadur Singh	1	NIL	0.001%
	TOTAL	113,75,48,996	NIL	100%

XIV. FOLLOWING DETAILS REGARDING THE DIRECTORS OF THE ISSUER:

i. Details of the current directors of the Issuer

Sl. No.	Name, Designation and DIN	Date of birth/ Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (yes/no)
1	Shri Madasamy. Devaraj Chairman (08677754)	27.05.1970 52 years	18 Rajbhawan Colony, Lucknow-226001	05.11.2019	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. as Chairman (Non-Executive) -U.P. Power Transmission Corporation Ltd. as Chairman (Non-Executive) -U.P. Jal Vidyut Nigam Ltd. as Chairman (Non-Executive) -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Kanpur Electricity Supply Co. Ltd. as Chairman (Non-Executive) -Madhyanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Purvanchal Vidyut Vitran Nigam Ltd. as Chaiman (Non-Executive) -Karanpura Energy Limited -U.P Power Corporation Ltd.	No
2	Shri Pankaj Kumar Managing Director (08095154)	10.09.1979 42 years	2/124 Vishal Khand 2 Gomti Nagar Lucknow Uttar Pradesh India 226010	10.03.2021	-Uttar Pradesh Jal Vidyut Nigam Limited as Nominee Director -Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. as Nominee Director -U.P. Power Transmission Corporation Ltd. as Nominee Director -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Nominee Director -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Nominee Director -Madhyanchal Vidyut Vitaran Nigam Ltd. as Nominee Director -Purvanchal Vidyut Vitran Nigam Ltd. as Nominee Director -Kanpur Electricity Supply Co. Ltd.	No

Sl. No.	Name, Designation and DIN	Date of birth/ Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (yes/no)
3	Shri Guru Prasad Porala Nominee Director (07979258)	04.06.1972 50 years	B-706 CSI Tower Vipin Khand, Gomti Nagar, Lucknow-226010	23.07.2021	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. as Chairman (Non-Executive) -U.P. Power Transmission Corporation Ltd. as Chairman (Non-Executive) -U.P. Jal Vidyut Nigam Ltd. as Chairman (Non-Executive) -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Madhyanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Purvanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -U.P Power Corporation Ltd.-Jawaharpur Vidyut Utpadan -U C M Coal Company Limited -UP SLDC Limited	No
4	Shri Neel Ratan Kumar Nominee Director (03616458)	09.09.1964 57 years	532/KHA/204B Rastogi Bagh, Vishnupuri, Aliganj, Vikas Nagar, Lucknow, UP-226022	16.04.2013	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. -U.P. Power Transmission Corporation Ltd. -U.P. Jal Vidyut Nigam Ltd.	No
5	Shri Anupam Shukla Nominee Director (09659225)	11.11.1986 36 years	3/244, Vishal Khand 3, Gomti Nagar, Lucknow-UP226010	10.06.2022	-U. P Power Transmission Corporation Ltd. -Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. -U.P. Jal Vidyut Nigam Ltd. -Bundelkhand Solar Power Development Saur Urja Kimited -Lucknow Solar Power Development Corporation Limited - TUSCO Limited	No
6	Shri Mrugank Shehar Dash Bhattamishra Non-Executive Director (09671246)	10.06.1962 61 years	Flat no. 4001, Terra Tower, DN Oxy Park, Dumduma Khorda, Bhubaneshwar, Orissa- 751001 India	12.07.2022	- Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited - Meja Urja Nigam Private Limited, - Jawaharpur Vidyut Utpadan Nigam Limited	No
7	Shri Kanhaiya Lal Verma Nominee Director (09670499)	01.01.1963 60 years	ED-24, Talkatora Rajkiya Colony, Rajajipuram, Lucknow, UP-226017	06.06.2022	NIL	No

Sl. No.	Name, Designation and DIN	Date of birth/ Age	Address	Date of appointment	Details of other directorship	Whether wilful defaulter (yes/no)
8	Shri Amit Kumar Srivastava Director (Commercial) (09617008)	30.06.1962 60 years	4/56 Vivek Khand, Gomti Nagar, UP 226010	24.05.2022	NIL	No
9	Shri Nidhi Kumar Narang Director (Finance) (03473420)	18.02.1962 60 years	521, Plot no. F/21A Mahagun Maestro, Sector-50, Gautam Budh Nagar, Noida, UP-201301	1.06.2022	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. -U.P. Power Transmission Corporation Ltd. -U.P. Jal Vidyut Nigam Ltd. -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Chairman -Madhyanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Purvanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Jawaharpur Vidyut Utpadan Nigam Limited -U C M Coal Company Limited -Meja Urja Private Limited -Neyveli Uttar Pradesh Power Limited	No
10	Shri Sourajit Ghosh Director (IT) (09642955)	02.07.1963 59 years	House no. A-48 Block A, Sector 33, Gautam Budh Nagar, UP-201301	18.06.2022	NIL	No
11	Shri Kamallesh Bahadur Singh Director (Corporate Planning) (09642954)	19.05.1963 59 years	5/175 Vineet Khand-5, Gomti Nagar, Lucknow-226010	18.06.2022	NIL	No
12	Smt. Neha Sharma Nominee Director	13.02.1984 38 year	Director Local Bodies UP + State Mission Director, Swachh Bharat Mission(urban), Gomti Nagar, Lucknow (UP)	02.09.2022	NIL	

ii. Details of change in directors since last three years:-

SL No.	Name, Designation and DIN	Date of appointment	Date of cessation, if applicable	Date of Resignation (if applicable)	Remarks
1.	Shri Madasamy Devaraj Executive Chairman 08677754	10.03.2021	--	--	-
2.	Shri Madasamy. Devaraj Managing Director, UPPCL 08677754	02.02.2021	09.03.2021	--	-

SL No.	Name, Designation and DIN	Date of appointment	Date of cessation, if applicable	Date of Resignation (if applicable)	Remarks
3.	Shri Pankaj Kumar Managing Director, UPPCL 08095154	10.03.2021		--	-
4.	Shri P. Guruprasad Nominee Director, UPPCL 07979258	23.07.2021		--	-
5.	Shri Neel Ratan Kumar Nominee Director, UPPCL 03616458	16.04.2013		--	-
6.	Shri Ajay Kumar Purwar Whole time Director designated as Director Personnel 08544396	10.07.2019	09-07-2022	--	-
7.	Shri Ranjan Kumar Srivastava Nominee Director designated as Director (Finance) In Charge 07338796	17.07.2021	1.06.2022	--	-
8.	Shri Ashwani Kumar Srivastava Whole time director designated as Director Distribution 07677222	19.01.2021	31.07.2022	--	-
9.	Shri Jawed Aslam Nominee Director 08608001	17.07.2020	06.06.2022	--	-
10.	Shri Anil Kumar Non-Executive Director 09380929	13.01.2022	30.06.2022	--	-
11.	Shri Alok Kumar Chairman 06517942	20.05.2017	08.11.2019	--	
12.	Smt Aparna Upadhyayula Managing Director 06523278	26.10.2017	04.11.2019	--	--
13.	Shri Vijay Kumar Director (Distribution) 08051813	06.01.2018	15.04.2020	15.07.2020	-
14.	Shri Arvind Kumar Chairman UPPCL 01634887	09.11.2019	01.02.2021	--	-
15.	Shri V.P Shrivastava Director Corporate Planning 08051823	04.01.2018	03.01.2021	--	-
16.	Shri Ashok Kumar Srivastava Director Commercial 08189765	17.04.2020	26.06.2021	--	-
17.	Dr. Senthil Pandian C	10.09.2018	23.07.2021	--	-

SL No.	Name, Designation and DIN	Date of appointment	Date of cessation, if applicable	Date of Resignation (if applicable)	Remarks
	Nominee Director 08235586				
18.	Shri Sudhir Arya Director Finance 05135780	30.07.2019	16.07.2021	--	-
19.	Shri Amit Kumar Srivastava Director (Commercial) (09617008)	24.05.2022	--	--	-
20	Shri Nidhi Kumar Narang Director (Finance) (03473420)	01.06.2022	--	--	-
21	Shri Sourajit Ghosh Director (IT) (09642955)	18.06.2022	--	--	-
22	Shri Kamalesh Bahadur Singh Director (Corporate Planning) (09642954)	18.06.2022	--	--	-
23	Shri Anupam Shukla Nominee Director (09659225)	10.06.2022	--	--	-
24	Shri Kanhaiya Lal Verma Nominee Director (09670499)	06.06.2022	--	--	-
25	Smt. Neha Sharma Nominee Director	02.09.2022	--	--	-
26	Shri Mrugank Shehar Dash Bhattamishra Non-Executive Director (09671246)	12.07.2022	--	--	-

XV. FOLLOWING DETAILS REGARDING THE AUDITORS OF THE ISSUER:-

i. Details of the auditor of the Issuer:-

Name	Address	Auditor since
D Pathak & Co.	Address: 23/4 ka, Gokhale Marg, Near Madhayanchal Vidhut Vitram Nigam, Lucknow-226001 (Uttar Pradesh) India Tel: +91 9415008181, 933590193, 9005230260, 0522-4009249 E-mail: d_pathakco@yahoo.co.in Website: www.dpathak.co.in	20.04.22

ii. Details of change in auditor for last three years:-

Name	Address	Date of Appointment / Resignation	Auditor of the Issuer since (in case of resignation)	Remarks
R.M. Lal & Co. (2018-19)	4/10, Vishal Khand, Gomti Nagar, Lucknow-226010	20.07.2018	-	No./CA. V/COY/UTTAR PRADESH, UPPOWER(3)/143
R.M. Lal & Co. (2019-20)	4/10, Vishal Khand, Gomti Nagar, Lucknow-226010	02.08.2019	-	No./CA. V/COY/UTTAR PRADESH, UPPOWER(3)/220
R.M. Lal & Co. (2020-21)	4/10, Vishal Khand, Gomti Nagar, Lucknow-226010	22.12.2020	05.04.2022	No./CA. V/COY/UTTAR PRADESH, UPPOWER(3)/220
D Pathak & Co. (2021-22)	23/4 ka, Gokhale Marg, Near Madhayanchal Vidhut Vitram Nigam, Lucknow-226001	20.04.2022	-	No./CA. V/COY/UTTAR PRADESH, UPPOWER(3)/1993

XVI. DETAILS OF FOLLOWING LIABILITIES OF THE ISSUER AS THE END OF THE LAST QUARTER ENDING 30.06.2022: -

i. Details of outstanding secured loan facilities:

Name of the Lender	Type of Facility	Amt Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Nil	Nil	Nil	Nil	Nil	Nil

ii. Details of outstanding unsecured loan facilities (INR in Lakh): -

Name of the Lender	Type of Facility	Amt Sanctioned	Principal Amount outstanding	Repayment Date / Schedule
PFC	Term Loan	26,09,500	20,83,459	60 to 108 EMI & 12 to 28 QTY
REC	Term Loan	23,82,692	19,17,283	18 to 108 EMI & 28 to 32 QTY

State Govt of U.P.	Interest Bearing Loan	61,545	40,004	20 HY
		50,53,737	40,40,786	

iii. Details of outstanding non-convertible securities as on 31.08.2022 (INR in Lakh):

Debenture Series	Tenor/period of Maturity	Coupon	Outstanding Amount	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured/ Un-secured	Security
N.A.	15 Years	9.70%	4,83,914	04.07.2016	04.07.2031	NA	Un-secured	Government Guarantee
NA	15 Years	9.70%	4,46,498	28.09.2016	28.09.2031	NA	Un-secured	Government Guarantee
III 2016-17	4-10 Years	8.97%	4,18,500	17.02.2017	SUB SERIES C 13 May, 2022* 16 August, 2022* 15 November, 2022 15 February, 2023 SUB SERIES D 15 May, 2023 16 August, 2023 15 November, 2023 15 February, 2024 SUB SERIES E 15 May, 2024 16 August, 2024 15 November, 2024 14 February, 2025 SUB SERIES F 15 May, 2025 14 August, 2025 14 November, 2025 13 February, 2026 SUB SERIES G 15 May, 2026 14 August, 2026 13 November, 2026 15 February, 2027	AA(CE) by India Ratings & Research Private Limited AND AA(CE) by Brickwork Ratings India Private Limited	Secured	Secured by charge on current assets and Government Guarantee

Debt Series	Tenor/period of Maturity	Coupon	Outstanding Amount	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured/ Un-secured	Security
IV 2016-17	4-10 Years	8.48%	2,36,788	27.03.2017	SUB SERIES C 15 June, 2022* 15 September, 2022 15 December, 2022 15 March, 2023 SUB SERIES D 15 June, 2023 15 September, 2023 15 December, 2023 15 March, 2024 SUB SERIES E 14 June, 2024 13 September, 2024 13 December, 2024 14 March, 2025 SUB SERIES F 13 June, 2025 15 September, 2025 15 December, 2025 13 March, 2026 SUB SERIES G 15 June, 2026 15 September, 2026 15 December, 2026 15 March, 2027	AA(CE) by India Ratings & Research Private Limited AND AA(CE) by Brickwork Ratings India Private Limited	Secured	Secured by charge on current assets Government Guarantee
V - 2016/17	15 Years	9.70%	24,957	30.03.2017	30.03.2032	NA	Unsecured	Government Guarantee
I/ 2017-18	2-10 Years	9.75%	2,77,830	05.12.2017	SUB SERIES D 20 January, 2022* 20 April, 2022* 20 July, 2022* 20 October, 2022 SUB SERIES E	CRISIL A+ (CE)/Stable by CRISIL Limited, IND A+ (CE)/Stable by India Ratings & Research Private Limited and	Secured	Exclusive charge on the current assets including receivables of the company, Government Guarantee

Debt ure Series	Tenor/per iod of Maturity	Coupon	Outstandin g Amount	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured/ Un-secured	Security
					20 January, 2023 20 April, 2023 20 July, 2023 20 October, 2023 SUB SERIES F 19 January, 2024 19 April, 2024 19 July, 2024 18 October, 2024 SUB SERIES G 20 January, 2025 18 April, 2025 18 July, 2025 20 October, 2025 SUB SERIES H 20 January, 2026 20 April, 2026 20 July, 2026 20 October, 2026 SUB SERIES I January, 2027 20 April, 2027 20 July, 2027 20 October, 2027	BWR AA-(CE) by Brickwork Ratings India Private Limited		
I/ 2017- 18	2-10 Years	10.15%	3,55,300	27.03.2018	SUB SERIES D 20 April, 2022* 20 July, 2022* 20 October, 2022 20 January, 2023 SUB SERIES E 20 April, 2023 20 July, 2023 20 October, 2023 19 January, 2024	CRISIL A+(CE)/Stable by CRISIL Limited, IND A+(CE)/Stable by India Ratings & Research Private Limited and BWR AA-(CE) by Brickwork Ratings India Private Limited	Secured	Exclusive charge on the current assets including receivables of the company with minimum cover of 1.10 times to be maintained during the tenure of the bonds.

Debenture Series	Tenor/period of Maturity	Coupon	Outstanding Amount	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured/ Un-secured	Security
					<p>SUB SERIES F 19 April, 2024 19 July, 2024 18 October, 2024 20 January, 2025</p> <p>SUB SERIES G 18 April, 2025 18 July, 2025 20 October, 2025 20 January, 2026</p> <p>SUB SERIES H 20 April, 2026 20 July, 2026 20 October, 2026 20 January, 2027</p> <p>SUB SERIES I 20 April, 2027 20 July, 2027 20 October, 2027 20 January, 2028</p>			
Series I 2022	3-10 years	9.70%	3,95,120	30.03.2022	<p>Sub-Series A 01 July, 2024, 30 September, 2024, 31 December 2024. 31 March 2025</p> <p>Sub-Series B 30 June, 2025, 30 September 2025, 31 December 2025, 31 March 2026</p> <p>Sub-Series C 30 June, 2026, 30 September 2026, 31 December 2026, 31 March 2027</p>	Provisional A+ (CE) with Stable outlook by CRISIL Ratings Limited for an amount up to INR 8,000 Crores vide its letter dated 14-03-2022 and the Bonds have been rated Provisional A+ (CE) with Stable outlook by India Ratings & Research Private Limited	Secured	<p>1. Exclusive Charge on the UPPCL Bond Servicing Account Series I 2022 And On the Amount Transferred Therein To Be Utilized Only For Servicing Of The Bonds On Quarterly Servicing Dates</p> <p>2. Exclusive Charge on the UPPCL Debt Servicing Reserve Account Bond Series I 2022 And The Funds Lying There-In.</p> <p>3. First charge on UPPCL Designated</p>

Debt Series	Tenor/period of Maturity	Coupon	Outstanding Amount	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured/ Un-secured	Security
					Sub-Series D 30 June, 2027, 30 September 2027, 31 December 2027 31 March 2028 Su-Series E 30 June, 2028, 29 September 2028, 29 December 2028 30 March 2029 Sub-Series F 29 June, 2029, 28 September 2029, 31 December 2029 29 March 2030 Sub-Series G 28 June, 2030, 30 September 2030, 31 December 2030 31 March 2031 Sub-Series H 30 June, 2031, 30 September 2031, 31 December 2031 22 March 2032			Receipt Account Bond Series 2022 And UPPCL State Government Funding Receipt Account Bond Series 2022 And Any Present And Future Amount, received by way of Government of Uttar Pradesh funding for servicing these bonds and on account of supply of power from Irrigation and Agriculture departments of the State to the extent of INR 600 crores per quarter. This first charge would be pari-passu only with the Bond Holders of Series I Bonds and Series II Bonds and any Additional Proposed Bonds in respect of the aggregate issue size of up to INR 8,000 crores 4. Charge on the residual current assets including book debts and receivables of the company, after taking into account the extent of prior charges created on the entirety of such assets, in favour of the existing secured lenders of the Issuer. The book value of such assets would provide 100% security cover on the outstanding bonds throughout its entire tenure. This charge would also be on pari-passu

Debenture Series	Tenor/period of Maturity	Coupon	Outstanding Amount	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured/Un-secured	Security
								basis only with the Bond Holders of Series I Bonds and Series II Bonds and any Additional Proposed Bonds in respect of the aggregate bond amount of INR 8,000 crores. No further encumbrance would be created on these current assets which in any way shall be senior to the charge of the bondholders mentioned above.
TOTAL			26,38,907					

**Owing to staggered redemption structure of the subjected non-convertible bonds, these payments have been made as on August 31, 2022.*

- iv. List of Top 10 holders of non-convertible securities as on 31.08.2022 in terms of value (in cumulative basis)

Sl. No.	Name of Debenture Holders	Amount in Rupees	% of Non-convertible debentures outstanding
1	CANARA BANK-MUMBAI	17427775000	6.60%
2	CENTRAL BANK OF INDIA	16372855000	6.20%
3	UNION BANK OF INDIA	12626775000	4.78%
4	PUNJAB NATIONAL BANK	12176306757	4.61%
5	LIFE INSURANCE CORPORATION OF INDIA	9075000000	3.44%
6	BANK OF INDIA	8105560000	3.07%
7	BANK OF MAHARASHTRA	7840000000	2.97%
8	INDIAN BANK	6772125000	2.57%
9	STATE BANK OF INDIA	6218085000	2.36%
10	UCO BANK	5868615000	2.22%

- v. Details of Commercial Paper as at the end of the last quarter in the following format:-

S. No.	ISIN of Commercial Paper	Maturity Date	Amount Outstanding
Nil	Nil	Nil	Nil

vi. **DETAILS OF WORKING CAPITAL LOAN FACILITIES AS ON 30.06.2022:**

INR in Lakhs

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding
Indian Bank	OD Facility	43000.00	11501.38
PNB	OD Facility	46500.00	8177.36
ICICI Bank	OD Facility	40000.00	0.00
Central Bank of India	OD Facility	10500.00	993.52
Bank of India	OD Facility	50000.00	0.00
HDFC Bank	OD Facility	3000.00	0.00
Total		193000.00	20672.26

vii. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible debentures / Preference Shares) as on 30.06.2022: - Nil

Party Name (in case of Facility) / Instrument Name	Type of Facility / Instrument	Amt Sanctioned / Issued	Principal Amt outstanding	Date of Repayment / Repayment Schedule	Credit Rating	Secured / Unsecured	Security
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

XVII. DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN/ DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER: (I) IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION OR NOT.

The UPPCL had issued FRP bonds of Rs. 15,380.38 crore in FY 2013-14. Against these bonds Govt. of Uttar Pradesh had taken over Rs. 10540.26 crore in month of January 2015 & May 2015. After the repayment of Rs. 770.65 crore the balance Rs. 4499.47 crore were converted into UDAY Bonds as per the terms of Uday Scheme on cash neutral basis and continued in the books of DISCOMs.

XVIII. DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE COMPANY, IN THE PAST 3 YEARS INCLUDING THE CURRENT FINANCIAL YEAR – Nil

S N o.	Lenders Name	2018-19		2019-20		2020-21		2021-22		2022-23 (upto the date of this Placement Memorandum)	
		Princ ipal	Inter est	Prin cipa l	Interes t	Prin cipal	Inte rest	Prin cipal	Inte rest	Prin cipa l	Interest
1	State Govt.Loan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	PFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	REC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

XIX. ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC.) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES:

- i) Loan of INR 39133.76 Crore has been taken over by the State government by issue of Special Securities during 2015-16 & 2016-17.
- ii) FRP bonds of INR 5270.13 Crore taken over by GoUP in May'2015.
- iii) Bonds of INR 4499.47 Crore issued under FRP'2012 scheme were also converted into UDAY Bonds in 2016-17.

XX. ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY A GOVERNMENT DEPARTMENT OR A STATUTORY BODY DURING THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE ISSUE OF PROSPECTUS AGAINST THE PROMOTER OF THE ISSUER: Nil

XXI DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES: Nil

XXII DEBENTURE TRUSTEE:

Beacon Trusteeship Limited has agreed to act as the trustee for and on behalf of the Bond Holder(s) *vide* their consent letter dated September 21, 2022 bearing reference no. CL/MUM/21-22/BT/199/3 under regulation 4(4) and has consented to the inclusion of its name in the form and context in which it appears in this Placement Memorandum, the Transaction Documents and in all the subsequent periodical communications sent to the Bond Holders. The consent letter of the trustee has been provided in Annexure 6A.

The Debenture Trustee has agreed to a one time acceptance fee of INR 11,00,000/- (Indian Rupees Eleven Lakhs Only) and an annuity fee of INR15,00,000 (Indian Rupees Fifteen Lakhs Only) as disclosed in its offer letter with reference no. 19455/CL/MUM/21-22/BT/199 dated February 21, 2022. The offer letter is attached in Annexure 6B.

XXIII WHETHER SECURITY IS BACKED BY GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT/LETTER WITH SIMILAR INTENT:

The Bonds shall be backed by a guarantee extended by the Government of Uttar Pradesh.

DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/DIVIDEND/REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION:

- i. The day count convention for dates on which the payment in relation to non-convertible securities which need to be made: Actual/Actual

Name of Issuer	U. P. Power Corporation Limited
Security Name	UPPCL State Government Serviced Bonds SERIES II 2022
Face Value of the Bonds	Bonds under each Sub-Series would have a face value of INR 10 Lakhs each
Deemed Date of Allotment	October 07, 2022.
Redemption/ Maturity Date	Each of the Sub-Series A to Sub-Series H would be redeemable in 4 equal quarterly instalments of 3.125% (Rs. 15.625 crore considering the base issue size) of the aggregate issue size, with redemption of Sub-Series 'A' commencing from the end of 7th quarter, Sub-Series 'B' commencing from the end of 11th quarter and so on.
Put & Call Option	Not Applicable
Coupon rate	9.95%
Frequency of Coupon/ Interest Payment	Quarterly (First coupon would be paid on December 30, 2022 & thereafter as on dates mentioned hereinbelow)
Day Count Convention	Actual/Actual

- ii. Procedure and time schedule for allotment and issuance of securities:

Issue opening date	October 04, 2022.
Issue closing date	October 04, 2022.
Pay-in Date	October 07, 2022.
Deemed Date of Allotment	October 07, 2022.

- iii. **Cash flow emanating from the non-convertible securities by way of illustration:**

Amount in INR crores

Friday, 30 December, 2022	9.98	9.98	9.98	9.98	9.98	9.98	9.98	9.98	9.98	79.87
Friday, 31 March, 2023	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	86.53
Friday, 30 June, 2023	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	86.53
Friday, 29 September, 2023	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	86.53
Friday, 29 December, 2023	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	86.53
Friday, 29 March, 2024	10.79	10.79	10.79	10.79	10.79	10.79	10.79	10.79	10.79	86.29
Monday, 1 July, 2024	120.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	11.14	198.13
Monday, 30 September, 2024	117.09	10.79	10.79	10.79	10.79	10.79	10.79	10.79	10.79	192.59
Tuesday, 31 December, 2024	114.45	10.90	10.90	10.90	10.90	10.90	10.90	10.90	10.90	190.79
Monday, 31 March, 2025	111.67	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70	186.55
Monday, 30 June, 2025		119.82	10.82	10.82	10.82	10.82	10.82	10.82	10.82	184.71
Tuesday, 30 September, 2025		117.20	10.93	10.93	10.93	10.93	10.93	10.93	10.93	182.81

Wednesday, 31 December, 2025		114.47	10.93	10.93	10.93	10.93	10.93	10.93	10.93	180.08
Tuesday, 31 March, 2026		111.67	10.70	10.70	10.70	10.70	10.70	10.70	10.70	175.86
Tuesday, 30 June, 2026			119.82	10.82	10.82	10.82	10.82	10.82	10.82	173.89
Wednesday, 30 September, 2026			117.20	10.93	10.93	10.93	10.93	10.93	10.93	171.87
Thursday, 31 December, 2026			114.47	10.93	10.93	10.93	10.93	10.93	10.93	169.14
Wednesday, 31 March, 2027			111.67	10.70	10.70	10.70	10.70	10.70	10.70	165.16
Wednesday, 30 June, 2027				119.82	10.82	10.82	10.82	10.82	10.82	163.08
Thursday, 30 September, 2027				117.20	10.93	10.93	10.93	10.93	10.93	160.94
Friday, 31 December, 2027				114.47	10.93	10.93	10.93	10.93	10.93	158.21
Friday, 31 March, 2028				111.70	10.79	10.79	10.79	10.79	10.79	154.84
Friday, 30 June, 2028					119.79	10.79	10.79	10.79	10.79	152.14
Friday, 29 September, 2028					117.09	10.79	10.79	10.79	10.79	149.45
Friday, 29 December, 2028					114.39	10.79	10.79	10.79	10.79	146.75
Friday, 30 March, 2029					111.70	10.82	10.82	10.82	10.82	144.15
Friday, 29 June, 2029						119.82	10.82	10.82	10.82	141.45
Friday, 28 September, 2029						117.11	10.82	10.82	10.82	138.74
Monday, 31 December, 2029						114.59	11.17	11.17	11.17	136.93
Friday, 29 March, 2030						111.61	10.46	10.46	10.46	132.53
Friday, 28 June, 2030							119.82	10.82	10.82	130.63
Monday, 30 September, 2030							117.38	11.17	11.17	128.55
Tuesday, 31 December, 2030							114.47	10.93	10.93	125.40
Monday, 31 March, 2031							111.67	10.70	10.70	122.37
Monday, 30 June, 2031								119.82	119.82	119.82
Tuesday, 30 September, 2031								117.20	117.20	117.20
Wednesday, 31 December, 2031								114.47	114.47	114.47
Monday, 22 March, 2032								111.43	111.43	111.43
Total										5432.94

Note – 1) Cash flow amount determination is inclusive of green shoe option.
2) Coupon Rate is 9.95% per annum payable per quarter.

i) DISCLOSURES PERTAINING TO WILFUL DEFAULT - NIL

In case of listing of debt securities made on private placement, the following disclosures shall be made:

- i. Name of the bank declaring the entity as a wilful defaulter: N.A.
- ii. The year in which the entity is declared as a wilful defaulter: N.A.
- iii. Outstanding amount when the entity is declared as a wilful defaulter: N.A.
- iv. Name of the entity declared as a wilful defaulter: N.A.
- v. Steps taken, if any, for the removal from the list of wilful defaulters: N.A.
- vi. Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: N.A.
- vii. Any other disclosure as specified by SEBI: N.A.

ii) **RATING RATIONALE ADOPTED BY THE RATING AGENCIES**

The Issuer proposes to raise an aggregate amount upto INR 3,488 Crores (being base issue size of Rs. 500 Crores with green shoe option to retain oversubscription of Rs. 2,988 Crores) by way of issue of Bonds of the face value of INR10,00,000 each on a private placement basis not open for public subscription.

Rating: The Bonds are rated 'Provisional CRISIL A+ (CE)/Stable' by CRISIL Ratings Limited vide their letter dated September 12, 2022 and Rating Rationale dated April 12, 2022.

Rating: The Bonds are rated 'Provisional IND A+ (CE)/Stable' by India Ratings & Research Private Limited vide their letter dated September 9, 2022 Rating Rationale dated May 27, 2022.

Please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

The rating rationale has been provided in Annexure 3.

iii) **IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE OFFER DOCUMENT.**

The Bonds shall be backed by a guarantee extended by the Government of Uttar Pradesh.

iv) **SECURITY**

The Bonds are secured in nature. Details of security shall be as specified in the term sheet contained in this Placement Memorandum.

v) **LISTING**

The Issuer shall list the Bonds at the WDM segment of the BSE Limited within 4 (four) working days from the Issue Closure Date. In case of delay in listing beyond 4 (four) Business Days from the Issue Closing Date, the Company will pay additional interest of 1% p.a. over the Coupon Rate to the Bond Holders from the deemed date of allotment till the listing of Bonds. Further, the Company shall be permitted to utilise proceeds of its subsequent two privately placed issues, only after receiving final listing approval from the Stock Exchange. The Issuer shall comply with all the listing requirements including payment of listing fee to ensure continued listing of the Bonds during the tenor of the Bonds. In principle approval from the stock exchange for listing of the Bonds has been obtained vide letter number September 28, 2022. from BSE Limited on September 28, 2022.

vi) **Other details**

i. Creation of Debenture Redemption Reserve - relevant legislations and applicability.

The Issuer shall have created a Debenture Redemption Reserve (“**DRR**”) as per the provisions of the Companies Act, 2013 and the guidelines issued by the Ministry of Corporate Affairs and SEBI as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by any government agency having authority under law in respect of creation of DRR, the Issuer shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee. Where applicable, the Issuer shall submit to the Debenture Trustee a certificate duly certified by the auditors or the chartered accountant of the Issuer certifying that the Issuer has transferred a suitable sum to DRR at the beginning of each Financial Year in accordance with the provisions of the Companies Act, 2013.

ii. DSRA created and maintained by the Issuer would be considered as part of Debenture Redemption Reserve (“**DRR**”).

iii. Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc).

- (a) Companies Act, 2013;
- (b) Companies Act, 1956;
- (c) Securities Contracts (Regulation) Act, 1956;
- (d) Companies (Share Capital and Debentures) Rules, 2014;
- (e) Companies (Prospectus and Allotment of Securities) Rules, 2014;
- (f) Securities and Exchange Board of India Act, 1992;
- (g) The Depositories Act, 1996;
- (h) Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021, as amended from time to time;
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- (j) the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time;
- (k) SEBI Operational circular dated August 10, 2021; and
- (l) all other relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, the Reserve Bank of India and any statutory, regulatory, judicial, quasi judicial authority) as may be amended, modified, and/or replaced from time to time.

ii. Default in Payment:

In case of default in payment of interest and/or principal redemption on the due dates, additional interest of @ 2% p.a. over the Coupon Rate will be payable by the issuer for the defaulting period on defaulted amount.

iii. Delay in Listing:

In case of delay in listing of the Bonds beyond 4 (four) working days from the Issue Closing Date, the Issuer shall pay penal interest of 1% (one percent) per annum over and above the Coupon Rate for the period of delay (i.e. from the date of allotment to the date of listing), to the Bond Holders and the Issuer shall be permitted to utilize the issue proceeds of its

two subsequent privately placed issuances of securities only after receiving final listing approval from stock exchanges.

iv. Delay in allotment of securities:

In accordance with Paragraph 2 of Chapter VII of the Operational Circular, the allotment shall happen in accordance with applicable laws within 2 Business Days of the Issue Closing Date. In the event of failure to do so, the Issuer shall pay interest for the delayed period as per the provision specified by regulatory authority from time to time.

v. Issue Details

Name of Issuer	U. P. Power Corporation Limited
Security Name	UPPCL State Government Serviced Bonds SERIES II 2022
Face Value of the Bonds	Bonds under each Sub-Series would have a face value of INR 10 Lakhs each
Deemed Date of Allotment	October 07, 2022
Redemption/ Maturity Date	Each of the Sub-Series A to Sub-Series H would be redeemable in 4 equal quarterly instalments of 3.125% (Rs. 15.625 crore considering the base issue size) of the aggregate issue size, with redemption of Sub-Series 'A' commencing from the end of 7th quarter, Sub-Series 'B' commencing from the end of 11th quarter and so on
Put & Call Option	Not Applicable
Coupon rate	9.95%
Frequency of Coupon/ Interest Payment	Quarterly (First coupon would be paid on December 30, 2022 & thereafter as on)
Day Count Convention	Actual/Actual

vi. Application process.

Minimum Lot/Application:

INR 80 lakhs (comprising 1 bond of INR 10 lakhs Face Value in each Sub-Series A to H) and in multiples thereof.

WHO CAN APPLY

Only the persons who are specifically addressed through a communication by or on behalf of the Company directly are eligible to apply for the Bonds. An application made by any other person will be deemed as an invalid application and rejected. In order to subscribe to the Bonds a person must be either a:

- (a) Individuals;
- (b) Hindu Undivided Family;
- (c) Trust;
- (d) Limited liability partnerships;
- (e) Partnership firm(s);
- (f) Portfolio managers registered with SEBI;
- (g) Association of persons;

- (h) Companies and bodies corporate including public sector undertakings;
- (i) Scheduled commercial banks;
- (j) Regional rural banks;
- (k) Financial institutions;
- (l) Insurance companies;
- (m) Mutual funds;
- (n) Foreign portfolio investors; and
- (o) any other investor eligible to invest in these Bonds in accordance with applicable law.

*For Clarification purpose, provident funds with minimum corpus of INR 2,500 Lakh and Pension Funds with minimum corpus of INR 2,500 Lakh shall be considered under QIB.

All QIBs, and any non-QIB Investors specifically mapped on the EBP Platform, are eligible to bid / invest / apply for this Issue. All participants are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue.

Application by Scheduled Commercial Banks

The application must be accompanied by certified true copies of (i) Board Resolution authorising investments or letter of authorization or Power of Attorney; and (ii) Specimen signatures of authorised signatories.

Application by Co-operative Banks

The application must be accompanied by certified true copies of (i) resolution authorising investment along with operating instructions/power of attorney; and (ii) Specimen signatures of authorised signatories

Application by Regional Rural Banks

The applications must be accompanied by certified true copies of (i) Government notification/Certificate of Incorporation/Memorandum and Articles of Association /other documents governing the constitution; (ii) Resolution authorizing investment and containing operating instructions; (iii) Specimen signatures of authorized signatories;

Applications by Provident Funds, Superannuation Funds and Gratuity Funds

The application must be accompanied by certified true copies of (i) Trust deed/bye-laws/ regulations; (ii) Resolution authorizing investment; and (iii) Specimen signatures of authorised signatories.

Application by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the SEBI and such applications shall not be treated as multiple applications. The applications made by the Asset Management Companies ("AMCs") or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made. The applications must be accompanied by certified true copies of (i) SEBI Registration Certificate and Trust Deed; (ii) Resolution authorizing investment and containing operating instructions; and (iii) Specimen signatures of authorized signatories.

Applications by Body Corporates/Companies/Public Financial Institutions/NBFCs/Statutory Corporations

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/constitutional documents / bye-laws; (ii) Resolution authorizing investment and containing operating instructions; (iii) Specimen signatures of authorised signatories;

Application by Registered Societies

The application should be accompanied by certified true copies of (i) Memorandum of Association / Deed / any other instrument regulating or governing the constitution of the society, and rules and regulations / byelaws of the Society; (ii) Resolution authorising investment along with operating instructions / power of attorney; (iii) Proof of registration with relevant statutory authority; and (iv) Specimen signatures of authorised signatories.

Application by Private Trust

The application should be accompanied by certified true copies of the trust deed and specimen signatures of authorized signatories.

Application by Insurance Companies

The applications must be accompanied by certified copies of (i) Memorandum and Articles of Association (ii) Power of Attorney; (iii) resolution authorizing investment and containing operating instructions; and (iv) specimen signatures of authorized signatories.

Application by FPI

The applications must be accompanied by Constitutional documents and KYC documents.

Application by a Portfolio Manager registered with SEBI

The application should be accompanied by certified true copy of (i) resolution of the Board of Directors, authorizing, and with all particulars relating to the investment in these Bonds, and the acceptance of the terms of these Bonds along with authorized signatory list; and (ii) certified copy of registration certificate issued by the SEBI to undertake Portfolio Management activities.

Applications under Power of Attorney/ Relevant Authority

In case of an application made under a Power of Attorney or resolution or authority, a certified true copy thereof along with Memorandum and Articles of Association and/or Bye-laws must be attached to the Application Form at the time of making the application, failing which, the Company reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application. Further modifications/ additions in the Power of Attorney or authority should be notified to the Company at its registered office.

Applications by Individual

The applications must be accompanied by certified true copies of PAN card of the applicant.

Mechanism adopted in compliance with Regulation 13 of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

- a) We would like to disclose to all the stakeholders including but not limited to potential investors that, UPPCL has appointed Trust Investment Advisors Private Limited, A. K. Capital Services Limited and Tipsons Consultancy Services Private Limited as Merchant Bankers/ Arrangers to the Issue vide Letter of Award dated January 27, 2022 and Work Agreement dated February 10, 2022.
- b) We further would like to disclose that lead managers/ merchant bankers/ arrangers either directly or through its affiliates or its associates or its subsidiaries may invest in the proposed issue through EBP mechanism in transparent manner;
- c) EBP mechanism is adopted to ensure fair, objective, and unbiased opportunity to all investors.

DISCLAIMER:

PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THIS PLACEMENT MEMORANDUM HAS BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS/ AUTHORIZATIONS/ INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS/ INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/ REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME. NON RESIDENT INDIANS AND OVERSEAS CORPORATE BODIES CANNOT APPLY FOR OR HOLD THESE BONDS.

SUBMISSION OF DOCUMENTS

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

- Memorandum and Articles of Association/ Constitution/ Bye-laws/ Trust Deed;
- Government notification/ certificate of incorporation (in case of Primary Co-operative Bank and RRBs);
- SEBI registration certificate, if applicable;
- Board Resolution authorizing investment along with operating instructions;
- Power of Attorney/ relevant resolution/ authority to make application;
- Form 15AA granting exemption from TDS on interest, if any;
- Form 15G/ 15H for claiming exemption from TDS on interest on application money, if any;
- Order u/s197 of Income Tax Act, 1961;
- Order u/s10 of Income Tax Act, 1961;
- Copy of PAN card issued by the Income Tax Department;
- Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority.

PROCEDURE FOR APPLYING FOR DEMAT FACILITY

- (i) The Applicant must have at least one beneficiary account with any of the DPs of NSDL/ CDSL prior to making the application.
- (ii) The Applicant must necessarily fill in the details (including the beneficiary account number and DPs ID appearing in the Application Form under the heading ‘Details for Issue of debentures in Electronic/ Dematerialized Form’.)
- (iii) Bonds allotted to an Applicant will be credited directly to the Applicant’s respective beneficiary account(s) with the DP.
- (iv) For subscribing the Bonds names in the Application Form should be identical to those appearing in the account details in the depository. In case of joint holders the names should necessarily be in the same sequence as they appear in the account details in the depository.
- (v) Non-transferable allotment advice/refund orders will be directly sent to the Applicant by the Registrars to the Issue.
- (vi) If incomplete/incorrect details are given under the heading ‘Details for Issue of debentures in Electronic/ Dematerialized Form’ in the Application Form it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (vii) For allotment of Bonds the address, nomination details and other details of the Applicant as registered with his/her DP shall be used for all correspondence with the Applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient the Issuer would not be liable for losses, if any.
- (viii) Payment of Interest or repayment of principal would be made to those Bond Holders whose names appear on the list of Beneficial Owners given by the Depositories to the Issuer as on Record Date/ book closure date. In case of those Debenture for which the Beneficial Owner is not identified by the Depository as on the Record Date/ book closure date, the Issuer would keep in abeyance the payment of Interest or repayment of principal, till such time that the Beneficial Owner is identified by the Depository and conveyed to the Issuer, whereupon the Interest or principal would be paid to the beneficiaries, as identified, within a period of 30 (thirty) days.
- (ix) The Bonds shall be directly credited to the beneficiary account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the Applicant by the Registrars to the Issue but the confirmation of the credit of the Bonds to the Applicants Depository account will be provided to the Applicant by the Depository Participant of the Applicant.

HOW TO APPLY

This being a private placement offer cum application letter, investors who are established/ resident in India and who have been addressed through this communication directly only are eligible to apply.

- (i) Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform, while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between BSE Bond - EBP Platform and the bank account from which payment is done by the successful bidder, the payment will be returned back. Payment should be made by the deadline specified by the BSE. In case of bids made by the arranger on behalf of eligible investors, funds pay-in shall be made from the bank account of such eligible investors. Successful bidders should do the funds pay-in to the bank accounts of the Indian Clearing Corporation Limited as mentioned in BSE EBP operational guidelines. Successful bidders must do the funds pay-in to the Designated Bank Account up to 10:30 am on the pay-in date (“Pay-in Time”).

- Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the ICCL's Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Issuer and/or the Arranger shall not be liable to the successful bidder.
- (ii) Cash, money orders, and postal orders shall not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of INR 10 lakh per Debenture is payable on Pay-in date.
 - (iii) All Application Forms duly completed (along with all necessary documents as detailed in this Placement Memorandum) must be delivered before the closing of the Issue to the Arranger to the Issue. While forwarding the Application Form, Applicants must ensure that the relevant UTR number/ or any other evidence of having remitted the application money is obtained. Detailed instructions for filling up the Application Form are provided in Annexure 8 in this Placement Memorandum.
 - (iv) Applications for the Bonds must be in the prescribed form (Annexure 8) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications should be for the number of Bonds applied by the Applicant. Applications not completed in the prescribed manner are liable to be rejected. The name of the Applicant's bank, type of account and account number must be filled in the Application Form. This is required for the Applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.
 - (v) The Applicant or in the case of an application in joint names, each of the Applicant, should mention his/ her PAN allotted under the Income-Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the Investor should mention his PAN/GIR No. If the Investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the Applicant shall mention "Applied for" and in case the Applicant is not assessed to income tax, the Applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.
 - (vi) All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments. All Applicants are also requested to tick Investor type {Qualified Institutional Buyers ("QIBs")/ Non-Qualified Institutional Buyers ("Non-QIBs")} in the Application Form. No separate receipts shall be issued for the application money. However, Arranger to the Issue at their designated branch(es) receiving the duly completed Application Form(s) will acknowledge the receipt of the applications by stamping and returning the acknowledgment slip to the Applicant. Applications shall be deemed to have been received by the Issuer only when submitted to Arranger to the Issue at their designated branches or on receipt by the Registrar as detailed above and not otherwise.
 - (vii) If the securities are to be held jointly, the payment is to be made from the account in the name of Applicant whose name appears first in the Application Form.

- (viii) For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the Application Form carefully.
- (ix) Bidders to ensure that they have not been debarred from accessing the capital market or have not been restrained by any regulatory authority from directly or indirectly acquiring the said securities.
- (x) Successful bidders to whom allocation has been confirmed to ensure that payment remitted by them for subscription to securities has been remitted/transferred from the bank account of the person subscribing to such securities.

***INVESTOR GRIEVANCE AND REDRESSAL SYSTEMS**

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavors to resolve the investor’s grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Bonds applied for, amount paid on application and details of collection center where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Placement Memorandum.

Investor Relations Officer	Anil Kumar Awasthi
Designation/ Dept	Chief Financial Officer
Address	UPPCL, 14, Ashok Marg, Shakti Bhawan,, Lucknow - 226001
Phone Number	0522-2287801
Fax	0522-2287798
Email	uppclaudit@gmail.com
Website	www.upenergy.in

vii. Issue Details

Please refer to the details of the issue listed in this Placement Memorandum.

viii. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities) Rules, 2014

Please refer to Part 7 of this Placement Memorandum.

ix. Project Details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project: Not applicable

vii) **UNDERTAKING OF THE ISSUER**

The Issuer hereby undertakes that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained or is not required to be obtained from the earlier creditor.

viii) **DUE DILIGENCE BY THE DEBENTURE TRUSTEE**

1. The Bonds shall be considered as secured only if the charged asset is registered with the sub-registrar, registrar of companies, CERSAI or depository, as applicable, or is independently verifiable by the Debenture Trustee.
2. Terms and conditions of the debenture trustee agreement including fees charged by the Debenture Trustee, details of the security to be created and the process of due diligence carried out by the Debenture Trustee:

Terms and conditions of the debenture trustee agreement including fees charged by the Debenture Trustee:

The Issuer has entered into a Debenture Trustee Agreement with Beacon Trusteeship Limited on September 19, 2022 for appointing Beacon Trusteeship Limited as the Debenture Trustee for the Issue on such terms as contained therein. The details of agreed fees in this regard has been stated elsewhere in this Placement Memorandum.

Process of due diligence carried out by the Debenture Trustee:

The Debenture Trustee, either through itself or its agents /advisors/consultants, has/ shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Placement Memorandum and the Applicable Laws, has been obtained.

The Issuer shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Issuer or any third party security provider are registered / disclosed.

3. Due diligence certificate issued by the Debenture Trustee has been provided in Annexure 6C hereto.

ix) **DETAILS OF THE ISSUE**

Security Name	UPPCL State Government Serviced Bonds Series II/2022
Issuer	U. P. Power Corporation Limited (UPPCL), a company wholly owned by the Government of Uttar Pradesh
Type of Instrument	Secured, Rated, Listed, Redeemable, Taxable, Government of Uttar Pradesh serviced Non-Convertible Bonds; supported by Unconditional & Irrevocable Guarantee by the Government of Uttar Pradesh as a principal debtor & not merely as a surety.

Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Mode of Issue	Private Placement
Eligible Investors	The Eligible Investors are: (a) individuals; (b) Hindu Undivided Family; (c) trust; (d) limited liability partnerships; (e) partnership firm(s); (f) portfolio managers registered with SEBI; (g) association of persons; (h) companies and bodies corporate including public sector undertakings; (i) scheduled commercial banks; (j) regional rural banks; (k) financial institutions; (l) insurance companies; (m) mutual funds; (n) foreign portfolio investors; and (o) any other investor eligible to invest in these Bonds in accordance with applicable law.
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of BSE
Rating of the Instrument	Provisional CRISIL A+ (CE) with Stable outlook by CRISIL Ratings Limited for an aggregate amount upto INR 8,000 crores vide its letter dated 14.03.2022 Provisional IND A+ (CE) with Stable outlook by India Ratings & Research Private Limited for an aggregate amount upto INR 8,000 crores vide its letter dated 14.03.2022 Out of the above, amount of INR 3,951.20 crores were issued in March 2022. CRISIL & India Ratings have subsequently revalidated the rating for the balance amount of INR 4,048.80 crores vide letters dated 12.09.2022 & 09.09.2022 respectively.
Issue Size	Rs. 500 crore plus green shoe option to retain over-subscription up to Rs. 2,988 crore i.e. for an aggregate issue size of Rs. 3,488 crore
Minimum Subscription	INR 80 lakhs (comprising 1 bond of INR 10 lakhs Face Value in each Sub-Series A to H) and in multiples thereof.
Option to retain oversubscription amount (Amount)	Green shoe option to retain over-subscription of INR 2,988 crore i.e. for an aggregate issue size of INR 3,488 crore.
Objects of the issue / purpose for which there is requirement of funds	The net proceeds out of the issue after deduction of issue related expenses would be used by issuer for augmenting the long term resources of the Company for meeting their gross operational funding and working capital requirements.
Details of the utilization of the Proceeds	As mentioned above
Coupon Rate / Dividend Rate	9.95%
Step Up/Step Down Coupon Rate	Not applicable
Coupon/ Dividend Payment Frequency	Quarterly
Coupon/Dividend payment dates (Cumulative / non-cumulative, in case of dividend)	First coupon would be paid on 30 th December 2022 & thereafter as on dates stipulated in the Information Memorandum
Coupon Type (Fixed, floating or other structure)	Fixed

Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not applicable																														
Day Count Basis	Actual / Actual																														
Interest on Application Money	Not applicable																														
Default Interest Rate	<p>Including but not restricted to the following:</p> <ul style="list-style-type: none"> • In case of default in payment of interest and/or principal redemption on the due dates, additional interest of @ 2% p.a. over the Coupon Rate will be payable by the issuer for the defaulting period on defaulted amount. • In the event the security stipulated is not created and perfected within the timelines as stipulated in the column titled 'Security', additional interest of 1% (one percent) per annum or such higher rate as may be prescribed by law, shall be payable on the principal amount of the Debt Securities till the date of perfection of the security interest. • In case of delay in listing beyond 4 (four) Business Days from the Issue Closing Date, the Company will pay additional interest of 1% p.a. over the Coupon Rate to the Bond Holders from the deemed date of allotment till the listing of Bonds. Further, the Company shall be permitted to utilise proceeds of its subsequent two privately placed issues, only after receiving final listing approval from the Stock Exchange. 																														
Tenor	<p>Series A to H, for tenor 2 years 6 months to 9 years 6 months, with equal quarterly redemption in each Series, with the first redemption scheduled in the 7th quarter</p> <table border="1"> <thead> <tr> <th>Sub-Series</th> <th>As %age of Issue</th> <th>Amount as per base issue size (INR in crore)</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>B</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>C</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>D</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>E</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>F</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>G</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>H</td> <td>12.50%</td> <td>62.50</td> </tr> <tr> <td>Total</td> <td>100.00%</td> <td>500.00</td> </tr> </tbody> </table>	Sub-Series	As %age of Issue	Amount as per base issue size (INR in crore)	A	12.50%	62.50	B	12.50%	62.50	C	12.50%	62.50	D	12.50%	62.50	E	12.50%	62.50	F	12.50%	62.50	G	12.50%	62.50	H	12.50%	62.50	Total	100.00%	500.00
Sub-Series	As %age of Issue	Amount as per base issue size (INR in crore)																													
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Total	100.00%	500.00																													
Redemption Date	<p>The issue of Rs. 500 crore (plus green-shoe option of Rs. 2,988 crore i.e. for an aggregate amount of up to Rs. 3,488 crore) would comprise of 8 Sub-Series (A to H) as mentioned above of sequentially, redeemable bonds in equal quarterly amount.</p> <p>Each of the Sub-Series 'A' to Sub-Series 'H' would be redeemable in 4 equal quarterly instalments of 3.125% (Rs. 15.625 crore considering the base issue size) of the aggregate</p>																														

	issue size, with redemption of Sub-Series 'A' commencing from the end of 7 th quarter, Sub-Series 'B' commencing from the end of 11 th quarter and so on. Final Redemption Date - Monday, 22 March, 2032
Redemption Amount	At par (INR 10 Lakhs) per bond under each Sub-Series
Redemption Premium/ Discount	At par (INR 10 Lakhs) per bond under each Sub-Series
Issue Price	At par (INR 10 Lakhs) per bond under each Sub-Series
Discount at which such security is offered and the effective yield as a result of such discount.	Not applicable
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time (Timelines by which the investor needs to intimate Issuer before exercising the put)	N.A.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.
Face Value	Bonds under each Sub-Series would have a face value of INR 10 Lakhs each
Minimum Application and in multiples of thereafter	INR 80 lakhs (comprising 1 bond of INR 10 lakhs Face Value in each Sub-Series A to H) and in multiples thereof.
Issue Timing	10:00 A.M. to 12:30 P.M.
Issue Opening Date	October 04, 2022.
Issue Closing Date	October 04, 2022.
Date of earliest closing of the issue, if any	October 04, 2022.
Pay-in Date	October 07, 2022.
Deemed date of allotment	October 07, 2022.
Settlement mode of the Instrument	Demat only
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
Disclosure of Interest / dividend / redemption dates	As mentioned in cash flow
Record date	15 days prior to each Coupon Payment Date and Redemption Date. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

<p>All covenants of the issue (including side letters, accelerated payment clause, etc.)</p>	<ol style="list-style-type: none"> 1. Unconditional and irrevocable guarantee from the Government of Uttar Pradesh for timely servicing of these bonds including providing quarterly funding support for bond servicing through budgetary allocation. 2. Debt Service Reserve Account to the extent of fully covering the servicing requirement of two quarters as liquidity support. 3. Default Escrow Covenant (Enumerated below) to take care of DSRA Impairment 4. Stipulation for invocation of Government Guarantee for impairment in DSRA to a level below the servicing requirement for the immediate servicing quarter.
<p>Description regarding Security (where applicable) including type of security (movable/ immovable/ tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Placement Memorandum</p>	<p>The bonds would be secured by way of</p> <ol style="list-style-type: none"> 1. Exclusive Charge on the UPPCL BOND SERVICING ACCOUNT SERIES II 2022 and on the amount transferred therein to be utilized only for servicing of the bonds on quarterly servicing dates. 2. Exclusive Charge on the UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022 and the funds lying there-in. 3. First charge on UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 and UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 and any present and future amount, received by way of Government of Uttar Pradesh funding for servicing these bonds and on account of supply of power from Irrigation and Agriculture departments of the State to the extent of INR 600 crores per quarter. This first charge would be on pari-passu basis with the Bond Holders in the UPPCL State Government Serviced Bonds Series I/2022 and any further issuance for an aggregate issue amount not exceeding INR 8,000 crores. 4. Charge on the residual current assets including book debts and receivables of the company after taking into account the extent of prior charges created in favour of the existing secured lenders of the Issuer. The book value of such assets would provide 100% security cover on the outstanding bonds throughout its entire tenure. This charge in respect of the Series II Bonds would also be on pari-passu basis with the Bond Holders in the UPPCL State Government Serviced Bonds Series I/2022 and any further issuance for an aggregate issue amount not exceeding INR 8,000 crores. <p>No further encumbrance would be created on these current assets which in any way shall be senior to the charge of the bondholders mentioned above.</p> <p>Further, the receipts for supply of power from Irrigation & Agriculture departments of INR 600 crores per quarter flowing into UPPCL STATE GOVERNMENT FUNDING RECEIPT</p>

	<p>ACCOUNT BOND SERIES 2022 both present & future as well as assigned revenue inflows from urban division(s) (as applicable) (which are required to be deposited if the funds from the Irrigation & Agriculture departments is lower than the stipulated amount), to the extent of INR 600 crores per quarter would be hypothecated on pari-passu basis between the Bond Holders of Series II Bonds with the Bond Holders in the UPPCL State Government Serviced Bonds Series I/2022 and any further issuance for an aggregate issue amount not exceeding INR 8,000 crores</p> <p>The charges pertaining to all the above hypothecated assets would be filed with the office of the concern Registrar of Companies and other appropriate agencies.</p>
Transaction Documents	<ol style="list-style-type: none"> 1. Placement Memorandum, 2. Debenture Trustee Agreement 3. Debenture Trust Deed 4. Deeds of Hypothecation and other security documents 5. Deed of Guarantee along with continuation letter 6. Accounts Agreement & Funding Receipt Accounts Agreement 7. Board resolution authorising issue the Bonds and relevant shareholders resolutions 8. Consent of Debenture Trustee and Registrar 9. Security Documents for creation of charge 10. Tripartite agreements with NSDL and CDSL 11. Rating letters and Rating rationale 12. In-principle approval letter issued by BSE
Conditions Precedent to Disbursement	<p>Customary to such type of bond/ debenture issuance, including but not limited to:</p> <ol style="list-style-type: none"> 1. Certified copies of the Government Order (in English) certified by the Company 2. Certified copies of constitutional documents of the Issuer 3. Board resolution and shareholders' resolution for the Issue 4. Certificate from the Issuer providing confirmations 5. Execution of transaction documents that are to be executed before pay-in 6. Provisional rating letter 7. In principle approval from the stock exchanges 8. Depository arrangements with NSDL and CDSL and RTA 9. Due diligence (of security proposed to be offered) by Debenture Trustee and the certificate thereon 10. Creation of DSRA
Condition Subsequent to Disbursement	<ol style="list-style-type: none"> 1. Copies of all corporate actions allotting the bonds 2. Execution of Deed of Hypothecation 3. Execution of Debenture Trustee Deed 4. Creation of security within stipulated timelines 5. Security perfection 6. Filing of return of allotment with ROC 7. Within 30 (thirty) days of the Deemed Date of Allotment, providing a certificate from a chartered accountant in

	<p>relation to utilization of the Proceeds of the issue of the Bonds by the Company.</p> <ol style="list-style-type: none"> 8. Within 4 (four) trading days from the Issue Closing Date, obtaining the final listing approval from the Stock Exchange and listing the Bonds on the wholesale debt market segment of the relevant Designated Stock Exchange. 9. Credit of bonds in the demat accounts of the Bond Holders 10. Others as shall be detailed in the Debenture Trust Deed
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<ol style="list-style-type: none"> 1. Non-payment of any bond servicing obligation on due date. 2. Any failure on behalf of Issuer to perform or comply with one or more of its material obligations in relation to the bonds issued in pursuance of terms and conditions stated in the Disclosure Document, Debenture Trust Deed, Deed of Guarantee, Debenture Trustee Agreement and all other transaction documents which in opinion of the Trustee is incapable of remedy. 3. Failure by the Government of Uttar Pradesh to provide timely funding support through necessary provisions in the annual State Budget, for any 3 consecutive servicing cycles throughout the tenure of the bonds. 4. Failure to honour invocation of Government of Uttar Pradesh Guarantee for DSRA replenishment within stipulated timelines. 5. Application for initiation of any insolvency proceedings against the Issuer under any applicable bankruptcy / insolvency / winding up or other similar law (including the IBC) filed any time during the pendency of the bonds and not stayed or dismissed within 7 days from the date of such filing. 6. Other events of default which are typical for transactions of this nature and/or set out in the Debenture Trust Deed 7. Occurrence of event of default under UPPCL State Government Serviced Bonds Series I/2022.
Creation of recovery expense fund	The Issuer has created the Recovery Expense Fund for a maximum limit of INR 25,00,000 (Indian Rupees Twenty-Five Lakh) in accordance with the SEBI REF Circular with the BSE Limited.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Conditions amounting to breach of covenants, their cure period, breaches which constitute Events of Default and their consequences shall be as mentioned in the Debenture Trust Deed
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	As per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations, Companies Act, the simplified listing agreement(s), the Debenture Trust Deed, the Debenture Trustee Agreement or other SEBI circulars, notifications, regulations, as applicable, each as amended from time to time

Risk factors pertaining to the Issue	Detailed in the Placement Memorandum
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the Indian laws. Any dispute arising thereof will be subject to the exclusive jurisdiction of Uttar Pradesh (unless otherwise specified in the respective Transaction documents)
SEBI Electronic Book Mechanism Guidelines	The final subscription to the Bonds shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the electronic book platform during the Issue period. Minimum Bid Lot: INR 80 lakhs (comprising 1 bond of INR 10 lakhs Face Value in each Sub-Series A to H) and in multiples thereof. Manner of bidding: Closed Book Manner of Allotment: Uniform Price Manner of Settlement: Through ICCL Settlement Cycle: T+2 (T = Bidding date i.e. October 4, 2022)
Government Guarantee	The Government of Uttar Pradesh has provided an unconditional and irrevocable guarantee for all payment obligations in respect of servicing of the bonds (principal plus applicable interests and charges) being issued by UPPCL. The Issuer has issued bonds with a principal amount of (i) INR 3951.20 crores in March 2022; The present issue of bonds will be for an aggregate principal amount of (ii) INR 3,488 crores; and any other subsequent issue to the extent that the total principal amount including (i) and (ii) shall not exceed INR 8000 crores.
Servicing from Government of Uttar Pradesh	Additionally, the Government of Uttar Pradesh, through budgetary allocation has committed to provide quarterly funding support for servicing of these bonds, <i>pro rata</i> in respect of the multiple series of bonds issued by UPPCL from time to time, the aggregate principal amount of such series of issuances not exceeding INR 8000 crores.
Business Day Convention	If the coupon payment date falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the maturity date of the debentures, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. If a leap year (i.e. February 29) falls during the tenor of the debentures, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.

UPPCL Bond Servicing Account	<p>The Issuer would be required to open a designated escrow account - “UPPCL BOND SERVICING ACCOUNT SERIES II 2022” exclusively for the benefit and charged to the Debenture Trustee (on behalf of the bondholders of this Series). In case of further series of issuances, the Issuer shall open similar accounts (Series III, Series IV, etc.).</p> <p>This is a Regular Escrow Account and all funds in this account would be solely utilized for bond servicing throughout the tenor of the bonds.</p>
Debt Service Reserve Account (DSRA)	<p>The Issuer would be required to open a designated escrow account - “UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022” exclusively for the benefit and charged to the Debenture Trustee (on behalf of the bondholders). In case of further series of issuances, the Issuer shall open similar accounts (Series III, Series IV, etc.)</p> <p>An amount equivalent to the total servicing obligation (Principal & Interest) of the outstanding bonds for the next 2 quarters would need to be maintained by the Issuer in the DSRA account on rolling basis and the initial DSRA amount so calculated would need to be deposited atleast one day prior to the date of pay in.</p> <p>Prior to commencement of principal redemption (from the end of 7th and 8th quarter), the DSRA would need to be suitably augmented within 15 days after the expiry of the 5th and 6th quarter to take care of this enhanced servicing liability.</p> <p>Further, as the servicing liability would progressively come down after the peak, the Issuer would be permitted to take out the excess amount from DSRA progressively under intimation to the Debenture Trustee, subject to no unresolved breach of any covenant.</p> <p>The DSRA would be in the form of cash or cash equivalent (investment in Permitted Instruments and would remain escrowed in favour of the Debenture Trustee).</p>
Permitted Investments	<p>The funds in this Escrow Account and DSRA till such time being utilized would be allowed to be invested in permitted investments i.e. (i) Fixed Deposits with Scheduled Commercial Banks with a minimum Credit Rating of AA, and/ or (ii) in units of liquid mutual funds having the highest possible investment grade rating. These investments are to be pledged in favour of the Debenture Trustee.</p> <p>These investments would be made & liquidated by the Debenture Trustee as per the instruction of the issuer from time to time. However, any investment of funds of Bond Servicing Account other than in Bank FDs would be compulsorily liquidated by the Trustee on T-3 days if not liquidated earlier. The investment in Bank FDs, out of funds lying in UPPCL</p>

	<p>BOND SERVICING ACCOUNT SERIES II 2022 should have a maturity date at least 1 day prior to the next bond servicing date.</p> <p>Similarly, in case of any shortfall persisting in the UPPCL BOND SERVICING ACCOUNT SERIES II 2022 on T-9 days, the trustee should ensure availability of adequate funds to meet such shortfall in cash form in the DSRA, if required, through need-based liquidation of investments.</p>
Collateral Support Structure	<p>The bonds would have further collateral support, by way of Unconditional & Irrevocable guarantee as a continuing obligation, of the Government of Uttar Pradesh as a principal debtor & not merely as a surety.</p> <p>Further, the Deed of Guarantee should also specifically provide for funding support by the Government of Uttar Pradesh for quarterly servicing of the bonds to be made available between 45 and 15 days prior to the relevant quarterly bonds servicing date.</p>
Default Escrow Account	<p>The Issuer has already opened a designated bank account “UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022”.</p> <p>The Government of Uttar Pradesh has undertaken to provide necessary funds for quarterly servicing of these bonds for an aggregate amount of INR 8,000 crores on a continuing basis till the final redemption. In terms of the above, the Government of Uttar Pradesh would provide funding support to the Issuer for the present series (Series II) and any subsequent issue of bonds (if any) along with the Series I bonds issued earlier in March 2022, to meet the quarterly servicing obligations in each quarterly payout cycle anytime between 45 and 15 days prior to the bonds servicing date (T-45 to T-15) which would get credited to this account. The amount pertaining to the present series (Series II) out of the aggregate funding support would be transferred to the UPPCL BOND SERVICING ACCOUNT SERIES II 2022 to the extent required as mentioned under Structured Payment Mechanism. This funding support would be by way of Budgetary Allocation from the Government of Uttar Pradesh and would form an integral part of the Deed of Guarantee.</p> <p>Further, the Issuer has been receiving on an average an amount of around INR 4,000 crores per annum for supply of power from irrigation & agriculture departments of Government of Uttar Pradesh in varying monthly instalments. At present the quarterly receipt is around INR 1,000 crores. The issuer would be required to give an undertaking that out of the above, an amount of INR 600 crores per quarter would directly get credited (by way of an irrevocable standing instruction) to UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 throughout the tenure of the</p>

	<p>bonds.</p> <p>The Issuer would be required to give an undertaking that the said account would be kept free of any encumbrance at all points of time. In the event of certain specified conditions, the Debenture Trustee will have a right to create escrow on such account.</p> <p>The Issuer would be required to inform the Debenture Trustee the amount of quarterly flow of funds received from the Government of Uttar Pradesh as mentioned above through this account at the end of every quarter along with the bank statement of the account supporting the same.</p> <p>In the event the flow of such funds from the Irrigation & Agriculture departments is found to be less than INR 500 crores per quarter on an average for any 2 consecutive quarters, the Issuer would be required to assign the revenue flow from one or more of urban division(s) of any of the DISCOMs to this account so as to restore the quarterly fund flow to atleast INR 600 crores. The revenue flow from these division(s) should be free from any kind of encumbrance. These additional receivables, when assigned would also need to be hypothecated in favour of the Debenture Trustee in the same manner as stipulated above. An irrevocable, legally binding undertaking to this effect would be obtained from the Issuer.</p> <p>Any amount, both present and future, received by way of Government of Uttar Pradesh funding for servicing of these bonds and on account of supply of Power from Irrigation and Agriculture Departments to the extent of INR 600 crores per quarter and flowing through UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022, would remain hypothecated in favour of the Debenture Trustee. The charge would be filed with the office of the concern Registrar of Companies and other appropriate agencies. This charge in respect of the Series II Bonds would be on a pari passu basis with the existing bond holders of the Series I Bonds and bond holders of any Additional Proposed Bonds subject to the aggregate limit of INR 8,000 crores.</p> <p>Further the amount in this account would be available proportionately towards the debt service requirements for the present series (Series II) along with the earlier issued 'UPPCL State Government Serviced Bonds Series I/2022' and future issuances, if any, subject to the aggregate limit of INR 8,000 crores.</p>
Structured Payment Mechanism	All the collections from the various divisions are transferred to the bank accounts of UPPCL – UPPCL Receipt Accounts.

The Issuer would identify/ create one such receipt account with any particular bank- UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 where there would be a flow of atleast INR 9 crores on every working day for the maximum issue size of INR 8,000 crores which should be free from any encumbrance/ escrow from any of the existing/future lenders or creditors.

In terms of the above, the company is presently maintaining a daily cash flow of INR 4.45 crores in respect of bonds of INR 3951.20 crores issued under 'UPPCL State Government Serviced Bonds Series I/2022'. This amount would need to be augmented by a further amount of INR 3.96 crores to take care of the bonds issued under the present series (Series II Bonds).

The issuer would undertake that starting from the 1st day of each quarter, it would remit on every working day an amount, to UPPCL BOND SERVICING ACCOUNT SERIES II 2022 from the said UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 on first priority basis (proportionate and pari-passu with the bonds issued under the Series I Bonds) by way of an irrevocable standing instruction to the concerned bank, such that the entire fund required for servicing the debt obligation of these bonds falling due on the next servicing date gets built up within a period of 75 days (T-15) i.e. 15 days prior to the quarterly servicing date. Shortfall of transfer, if any, on any particular day would get cumulated & carried forward to the next day on a rolling basis. The issuer would be free to utilize on a daily basis the balance amount, if any, remaining in the account after effecting such transfer with intimation to Debenture Trustee.

In terms of the Deed of Guarantee, the Government of Uttar Pradesh would be providing funding support for servicing of the bonds by way of requisite fund infusion in the UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 anytime between 45 and 15 days prior to every quarterly bond servicing date on similar lines as is being provided for the bonds issued under 'UPPCL State Government Serviced Bonds Series I/2022'. The Issuer would need to give an undertaking that on receipt of the said funds, it would immediately transfer the requisite funds to UPPCL BOND SERVICING ACCOUNT SERIES II 2022 on next working day to ensure full build-up of servicing amount for the next payout date. Thereafter, no daily transfer of funds would be required and the balance amount out of Government of Uttar Pradesh funding would be available to the Issuer for its regular use.

The Debenture Trustee should independently monitor the adequacy of collection in the UPPCL BOND SERVICING

	<p>ACCOUNT SERIES II 2022 on T-14th day and inform the Uttar Pradesh Government of Uttar Pradesh and, through written communication, to fund the short-fall if any by T-10th day in terms of their obligation for providing servicing support in terms of the Deed of Guarantee. This should also be intimated to the concerned Credit Rating agencies.</p> <p>In the event of such shortfall in UPPCL BOND SERVICING ACCOUNT SERIES II 2022 not getting fully bridged through payments by Government of Uttar Pradesh by T-10th day, the Debenture Trustee would call upon the Government of Uttar Pradesh Guarantee on T-9th day for failure of providing timely funding support and to immediately make good such shortfall latest by T-3rd day. The Deed of Guarantee has specifically provided for this funding obligation on the part of the Government of Uttar Pradesh in respect of bonds for an aggregate amount of INR 8,000 crores. Accordingly, the State Government would be required to fund any shortfall in UPPCL BOND SERVICING ACCOUNT SERIES II 2022 within stipulated timelines when called upon by the Debenture Trustee in line with its commitment for providing financial support for servicing of these bonds.</p> <p>On T-2nd day, if the shortfall still persists, then Debenture Trustee would meet such shortfall by transferring funds from the UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022 and make the necessary payments to the Bond Holders on the due date.</p> <p>However, the T-9th day notice to the Government of Uttar Pradesh to fund the shortfall would continue to remain active and if such funding is received subsequently, the same shall be transferred to UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022 to make good the impairment.</p> <p>Further, such notice(s) to the Government of Uttar Pradesh would continue to get served if required, as per the same timelines for subsequent and future servicings. If any overdues on account of past servicing from UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022 continues to remain, then such overdue amount would be added in the subsequent notice.</p> <p>If any of the milestone days mentioned in the T-structure above happens to be a holiday/ bank's closing day, the immediate preceding bank working day would be the deemed date for execution of the relevant action.</p>
Remedial Action Consequential to Impairment of DSRA	<p>In the event of any impairment of DSRA:</p> <p>(i) the escrow mechanism on UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 and</p>

	<p>UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 would get activated on the next working day through an instruction from the Debenture Trustee to the concerned bank to the effect that all funds available/ received would get immediately transferred to UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022.</p> <p>(ii) all amounts lying to the credit of the UPPCL BOND SERVICING ACCOUNT SERIES II 2022 shall be transferred to the UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022 on an ongoing basis until the DSRA is replenished. Until such time the Issuer will not be entitled to utilize any cashflows available into the UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022.</p> <p>This would remain in force till such time the DSRA gets fully replenished and the full requisite amount for servicing of the bonds for the next quarterly payout date gets built-up in the UPPCL BOND SERVICING ACCOUNT SERIES II 2022. This arrangement would be on pari-passu, proportionate and on similar lines as is presently in force in respect of bonds issued under ‘UPPCL State Government Serviced Bonds Series I/2022’.</p>
<p>Remedial Action for shortfall in DSRA built-up</p>	<p>The Issuer should get the DSRA enhanced within 15 days after the expiry of 5th and 6th quarter for an amount equivalent to the total servicing obligation (Principal & Interest) of the outstanding bonds for the next 2 quarters. In the event the DSRA enhancement not getting completed within the timeline stipulated above the Debenture Trustee on the next working day would activate the escrowing mechanism on the UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 and UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 through a written instruction to the concerned banker to the effect that all funds available/ received would get immediately transferred to DSRA. This would remain in force till the full augmentation of DSRA gets completed. This measure again would be in pari-passu, proportionate and on similar lines as is being available for bonds issued under ‘UPPCL State Government Serviced Bonds Series I/2022’.</p> <p>Simultaneously, the Debenture Trustee would also intimate the Government of Uttar Pradesh and request to ensure suitable DSRA augmentation within a period of next 15 days if the buildup is not completed through a flow of funds from the UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022.</p>

<p>Invocation of Government of Uttar Pradesh Guarantee for Shortfall in DSRA</p>	<p>In case of any event, on any payout date (T_i) leading to the funds available in DSRA being lower than the servicing requirement for the immediate next servicing date ($T_i + 90$), a final notice would be served to the Government of Uttar Pradesh on the next working day ($T_i + 1$). It would state the intention to invoke the Government of Uttar Pradesh Guarantee in case the situation is not remedied within the next 10 days ($T_i + 11$).</p> <p>If the irregularity continues beyond the above timeline, the Debenture Trustee shall invoke the Government of Uttar Pradesh Guarantee on the next working day ($T_i + 12$) to the extent of such shortfall in DSRA from the stipulated level.</p> <p>Such invocation of Government of Uttar Pradesh Guarantee can be made any number of times throughout the tenure of the bonds if the situation so warrants.</p>
<p>Remedies</p>	<p>In the event of occurrence of the EOD mentioned above, the Debenture Trustee shall</p> <ol style="list-style-type: none"> 1. Initiate legal recourse against the issuer for recovery of dues. 2. Give a final notice to the Government of Uttar Pradesh clearly stating its intention to invoke the Guarantee and enforce its rights under the Deed of Guarantee if the situation persists for a period of more than 15 working days from the date of such notice. <p>Upon continuation of such event, beyond the time stipulated above, the Debenture Trustee shall invoke the Security and Guarantee of the Government of Uttar Pradesh on the next working day.</p> <p>The invocation of Security and Guarantee for any default would cover the entire liabilities remaining outstanding in these bonds.</p> <p>The escrowing rights on the UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 and the UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 of the issuer by way of daily transfer of available funds to UPPCL BOND SERVICING ACCOUNT SERIES II 2022 would continue to remain active and operational till all the outstanding liabilities get settled.</p>
<p>Debenture Trustee</p>	<p>Beacon Trusteeship Limited</p>
<p>Registrar & Transfer Agent (RTA)</p>	<p>Beetal Financial & Computer Services Private Limited</p>

Notes:

1. *If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.*
2. *The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.*
3. *While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of Placement Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.*
4. *The issuer shall provide granular disclosures in their Placement Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

2.1 DISCLOSURES IN TERMS OF SEBI SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020

- (a) The Bonds shall be considered as secured only if the charged asset is registered with sub-registrar and registrar of companies or CERSAI or depository, etc., as applicable, or is independently verifiable by debenture trustee.

x) MATERIAL CONTRACTS AND AGREEMENTS

Set out below is the statement containing particulars of, dates of, and parties to all material contracts and agreements of the Issuer

- Memorandum & Articles of Association
- Credit Rating Letter dated September 12, 2022 from CRISIL Ltd. and September 9, 2022 from India Rating & Research Pvt. Ltd.
- Consent from Beacon Trusteeship Limited to act as trustee vide their Letter dated September 21, 2022.
- Consent of Beetal Financial Computer Services Pvt. Ltd to act as Registrar and Transfer Agent vide their Letter dated September 20, 2022.
- Audited Annual reports for the last 3 years starting from the F.Y. 2019-20
- Certified true copy of resolution dated January 24, 2022 read with board resolution dated September 12, 2022 of the Board of Directors u/s 179 of the Companies Act, 2013.
- List of authorized signatories under the resolutions

The above material documents and contracts are available for inspection between 11.00 a.m. to 3.00 p.m. on all working days at the registered office of the Issuer as mentioned below:

Registered Office: 14, Ashok Marg, Shakti Bhawan, Lucknow -226001

INCONSISTENCY/REPUGNANCE

In the event of any inconsistency between this Placement Memorandum and the other Transaction Documents, the provisions of the Debenture Trust Deed shall prevail.

xi) TERMS OF OFFER

In privately placed issues, additional Covenants shall be included as part of the Issue Details on the following lines, as per agreement between the issuer and investor:

- i. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate will be payable by the Issuer for the defaulting period
- ii. Delay in Listing: In case of delay in listing of the debt securities beyond 4 (four) trading days from the deemed date of allotment, the Issuer will pay penal interest of atleast 1 % p.a. over the coupon rate from the deemed date of allotment till the listing of such debt securities to the investor.
- iii. An undertaking from the issuer stating that in case of default, payment of interest and/or principal redemption on the due dates, an additional interest of minimum 2 % p.a. (two percent per annum) over the coupon rate shall be payable by the Issuer company for the defaulting period.
- iv. An undertaking from the issuer stating that in case of delay in listing of the debt securities beyond 4 (four) working days from the deemed date of allotment, the Issuer shall pay penal interest of at least 1 % p.a. (one percent per annum) per day over the coupon rate from the deemed date of allotment till the listing of such debt securities to the investor.

The interest rates mentioned in above four cases are the minimum interest rates payable by the Issuer and are independent of each other.

Such other covenants as agreed in the Debenture Trust Deed.

In case of a conflict between the Placement Memorandum and the Debenture Trust Deed the terms of the Debenture Trust Deed shall prevail.

xii) **ADDITIONAL DISCLOSURE REQUIREMENTS UNDER FORM PAS-4**

1. GENERAL INFORMATION

- i. Name, address, website and other contact details of the Company, indicating both registered office and the corporate office

SR. No	PARTICULARS	:	DETAILS
(i)	REGISTERED OFFICE OF THE ISSUER		
•	Name	:	U. P. Power Corporation Limited
•	CIN	:	U32201UP1999SGC024928
•	Address	:	UPPCL, 14, Ashok Marg, Shakti Bhawan, Lucknow -226001
•	Tele No	:	0522-2287801
•	Fax No	:	0522-2287798
•	Email	:	cgmfmuppcl@gmail.com
•	Website	:	www.upenergy.in
•	Date and place of Incorporation		30th November 1999, Lucknow
•	PAN		AAACU5088M
(ii)	CORPORATE OFFICE OF THE ISSUER		
•	Name	:	U. P. Power Corporation Limited

•	Address	:	UPPCL, 14, Ashok Marg, Shakti Bhawan, Lucknow -226001
•	Tele No	:	0522-2287801
•	Fax No	:	0522-2287798
•	Email	:	cgmfmuppcl@gmail.com
•	Website	:	www.upenergy.in
(iii)	COMPLIANCE OFFICER OF THE ISSUER		
•	Name	:	Mr. Anil Kumar Awasthi
•	Address	:	UPPCL, 14, Ashok Marg, Shakti Bhawan, Lucknow -226001
•	Tele No	:	0522-2287801
•	Fax No	:	0522-2287798
•	Email	:	uppclaudit@gmail.com
•	Website	:	www.upenergy.in
(iv)	CHIEF FINANCE OFFICER OF THE ISSUER		
•	Name	:	Mr. Anil Kumar Awasthi
•	Address	:	UPPCL, 14, Ashok Marg, Shakti Bhawan,, Lucknow -226001
•	Tele No	:	0522-2287801
•	Fax No	:	0522-2287798
•	Email	:	uppclaudit@gmail.com
•	Website	:	www.upenergy.in

ii. Date of Incorporation of the Company: 30th November, 1999

iii. Business carried on by the Issuer and its subsidiaries with the details of branches or units, if any:

U. P. Power Corporation Limited was incorporated on November 30, 1999, with an objective to

- (a) Carry on the business of purchasing, selling importing exporting, wheeling, system operation, trading of power, including finalization of tariff, billing and collection thereof.
- (b) To execute Power Purchase Agreements with generating companies, Central and State generating stations, regional Electricity Boards, neighbouring States, Utilities, Companies and persons.
- (c) To execute agreements for sale of power to distribution companies and other persons and to coordinate, air and advise on the activities of other companies and concerns, including subsidiaries, associates and affiliated engaged in generation transmission, distribution, supply and wheeling of electrical energy.
- (d) To schedule and dispatch generation of all units connected to the State power system including the centrally owned generating station, in respect of the share assigned to the State and electricity purchased from other States' under takings.
- (e) To study, investigate, collect information and data, review operations, plan, research, design, prepare project reports, diagnose operational difficulties and weaknesses, and advise on the remedial measures to improve and modernize existing EHV, HV, MV,

LV lines and sub- stations. To forecast load and plan generation in consultation with distribution companies (if any), and Central Generating Stations.

- (f) To enter into agreement with any licensee licensed under the Electricity Act, 2003 of any other act, law or regulation in force for the time being, or as modified from time to time or with any person for use of any transmission line of that licensee or person for such time and upon such terms as may be agreed.

(A)Details of subsidiaries or branches or units of the Issuer:

- a) Madhyanchal Vidyut Vitran Nigam Limited
- b) Pashchimanchal Vidyut Vitran Nigam Limited
- c) Purvanchal Vidyut Vitran Nigam Limited
- d) Dakshinanchal Vidyut Vitran Nigam Limited
- e) Kanpur Electricity Supply Company Limited

iv. Brief particulars of the management of the Issuer:

SN	Name	Designation/ Position
1.	Shri M. Devraj (IAS)	Chairman
2.	Shri Pankaj Kumar (IAS)	Managing Director
3.	Shri P. Guruprasad (IAS)	Nominee Director
4.	Shri Anupam Shukla (IAS)	Nominee Director
5.	Smt. Neha Sharma (IAS)	Nominee Director
6.	Shri Kanhaiya Lal Verma	Nominee Director
7.	Shri Neel Ratan Kumar	Nominee Director
8.	Shri Nidhi Kumar Narang	Director (Fin.)
9.	Shri Mrugank Shehar Dash Bhattamishra	Non-Executive Director (Director P&A)
10.	Shri Amit Kumar Srivastava	Director (Commercial)
11.	Shri Kamlesh Bahadur Singh	Director (Corporate Planning)
12.	Shri Sourajit Ghosh	Director(IT)
13.	Shri Anil Kumar Awasthi	Chief Financial Officer

A. Name, address, DIN and occupations of the directors:

SI No.	Name, Designation and DIN	Date of birth/Age	Address	Date of Appointment	Details of other Directorship	Whether willful defaulter (yes/no)
1	Shri Madasamy. Devaraj Chairman (08677754) Government Servant	27.05.1970 52 years	18 Rajbhawan Colony, Lucknow-226001	05.11.2019	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. as Chairman (Non-Executive) -U.P. Power Transmission Corporation Ltd. as Chairman (Non-Executive) -U.P. Jal Vidyut Nigam Ltd. as Chairman (Non-Executive) -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Kanpur Electricity Supply Co. Ltd. as Chairman (Non-Executive) -Madhyanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Purvanchal Vidyut Vitran Nigam Ltd. as Chaiman (Non-Executive) -Karanpura Energy Limited -U.P Power Corporation Ltd.	No
2	Shri Pankaj Kumar Managing Director (08095154) Government Servant	10.09.1979 42 years	2/124 Vishal Khand 2 Gomti Nagar Lucknow Uttar Pradesh India 226010	10.03.2021	-Uttar Pradesh Jal Vidyut Nigam Limited as Nominee Director -Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. as Nominee Director -U.P. Power Transmission Corporation Ltd. as Nominee Director -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Nominee Director -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Nominee Director -Madhyanchal Vidyut Vitaran Nigam Ltd. as Nominee Director -Purvanchal Vidyut Vitran Nigam Ltd. as Nominee Director -Kanpur Electricity Supply Co. Ltd.	No

SI No.	Name, Designation and DIN	Date of birth/Age	Address	Date of Appointment	Details of other Directorship	Whether willful defaulter (yes/no)
3	Shri Guru Prasad Porala Nominee Director (07979258) Government Servant	04.06.1972 50 years	B-706 CSI Tower Vipin Khand, Gomti Nagar, Lucknow-226010	23.07.2021	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. as Chairman (Non-Executive) -U.P. Power Transmission Corporation Ltd. as Chairman (Non-Executive) -U.P. Jal Vidyut Nigam Ltd. as Chairman (Non-Executive) -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Madhyanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Purvanchal Vidyut Vitran Nigam Ltd. as Chaiman (Non-Executive) -U.P Power Corporation Ltd.-Jawaharpur Vidyut Utpadan -U C M Coal Company Limited -UP SLDC Limited	No
4	Shri Neel Ratan Kumar Nominee Director (03616458) Government Servant	09.09.1964 57 years	532/KHA/204B Rastogi Bagh, Vishnupuri, Aliganj, Vikas Nagar, Lucknow, UP-226022	16.04.2013	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. -U.P. Power Transmission Corporation Ltd. -U.P. Jal Vidyut Nigam Ltd.	No
5	Shri Anupam Shukla Nominee Director (09659225) Government Servant	11.11.1986 36 years	3/244, Vishal Khand 3, Gomti Nagar, Lucknow-UP226010	10.06.2022	-U.P Power Transmission Corporation Ltd. -Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. -U.P. Jal Vidyut Nigam Ltd. -Bundelkhand Solar Power Development Saur Urja Kimited -Lucknow Solar Power Development Corporation Limited - TUSCO Limited	No
6	Shri Mrugank Shehar Dash Bhattamishra Non-Executive Director (09671246) Government Servant	10.06.1962 61 years	Flat no. 4001, Terra Tower, DN Oxy Park, Dumduma Khorda, Bhubaneshwar, Orissa- 751001 India	12.07.2022	- Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited - Meja Urja Nigam Private Limited, - Jawaharpur Vidyut Uptpadan Nigam Limited	No
7	Shri Kanhaiya Lal Verma Nominee Director (09670499) Government Servant	01.01.1963 60 years	ED-24,Talkatora Rajkiya Colony, Rajajipuram, Lucknow, UP-226017	06.06.2022	NIL	No

SI No.	Name, Designation and DIN	Date of birth/Age	Address	Date of Appointment	Details of other Directorship	Whether willful defaulter (yes/no)
8	Shri Amit Kumar Srivastava Director (Commercial) (09617008) Government Servant	30.06.1962 60 years	4/56 Vivek Khand, Gomti Nagar, UP 226010	24.05.2022	NIL	No
9	Shri Nidhi Kumar Narang Director (Finance) (03473420) Government Servant	18.02.1962 60 years	521, Plot no. F/21A Mahagun Maestro, Sector-50, Gautam Budh Nagar, Noida, UP-201301	1.06.2022	-Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. -U.P. Power Transmission Corporation Ltd. -U.P. Jal Vidyut Nigam Ltd. -Pashchimanchal Vidyut Vitaran Nigam Ltd. as Chairman -Madhyanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Dakshinanchal Vidyut Vitaran Nigam Ltd. as Chairman (Non-Executive) -Purvanchal Vidyut Vitran Nigam Ltd. as Chaiman (Non-Executive) -Jawaharpur Vidyut Utpadan Nigam Limited -U C M Coal Company Limited -Meja Urja Private Limited -Neyveli Uttar Pradesh Power Limited	No
10	Shri Sourajit Ghosh Director (IT) (09642955) Government Servant	02.07.1963 59 years	House no. A-48 Block A, Sector 33, Gautam Budh Nagar, UP-201301	18.06.2022	NIL	No
11	Shri Kamalesh Bahadur Singh Director (Corporate Planning) (09642954) Government Servant	19.05.1963 59 years	5/175 Vineet Khand-5, Gomti Nagar, Lucknow-226010	18.06.2022	NIL	No
12	Smt. Neha Sharma Nominee Director Government Servant	13.02.1984 38 year	Director Local Bodies UP + State Mission Director, Swachh Bharat Mission(urban), Gomti Nagar, Lucknow (UP)	02.09.2022	NIL	

B. Management perception of Risk Factors

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

The Company is exposed to the following risks from its use of financial instruments:

Credit Risk: Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligation resulting in a financial loss to the Company. Credit risk arises principally from cash & cash equivalents and deposits with banks and financial institutions. In order to manage the risk, company accepts only high rated bank/FIs.

Market Risk- Foreign Currency Risk: Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income/loss. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company has no material foreign currency transaction hence there is no Market Risk w.r.t foreign currency translation.

Market Risk- Interest Rate Risk: The Company is exposed to interest rate risk arising from borrowing with floating rates because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kind of loan arrangements with varied terms (eg. Rate of interest, tenure etc.).

At the reporting date, the interest rate profile of the Company's interest- bearing financial instruments are as under:

(In Lakhs)		
Particulars	31.03.2022	31.03.2021
Financial Assets		
Fixed Interest Rate Instruments- Deposits with Bank	0.00	0.00
Variable Interest Rate Instruments- Deposits with Bank	772482.37	821432.62
Total	772482.37	821432.62
Financial Liabilities		
Fixed Interest Rate Instruments- Financial Instrument Loans	8343589.40	8312909.31
Variable Interest Rate Instruments- Cash Credit from Banks	0.00	0.00
Total	8343589.40	8312909.31

Fair value sensitivity analysis for fixed-rate instruments

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

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

The Company manages liquidity risk by maintaining adequate FI/Bank facilities and reserve borrowing facilities by continuously monitoring, forecast the actual cash flows and matching the maturity profile of financial assets and liabilities.

General Risk

“Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under this section of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor’s decision to purchase such securities.”

RISKS RELATING TO THE BONDS

1. **There is no guarantee that the Debenture will be listed on BSE in a timely manner, or at all.**

In accordance with Indian law and practice, permissions for listing and trading of the issued pursuant to this Issue will not be granted until the relevant stock exchange as well as SEBI approve of the listing, which will be available only after an updated document is accordingly filed with the relevant authorities at the time of such listing. Approval for listing and trading will require all relevant documents authorising the issuing of Debenture to be submitted. There could be a failure or delay in listing the Debenture on the BSE. If permission to deal

in and for an official quotation of the Debenture is not granted by the Stock Exchange, the Debenture will remain unlisted.

2. There has been only a limited trading in the Debenture of such nature and the price of the Debenture may be volatile subject to variation.

These Debenture have no established trading market. There can be no assurance that an active public market for the Debenture will develop or be sustained. The liquidity and market prices of the Debenture can be expected to vary with changes in market and economic conditions, our financial condition and other factors that may be beyond our control.

3. You may not be able to recover, on a timely basis or recover at all, the full value of the outstanding amounts and/ or the interest accrued thereon, in connection with the Debenture.

Our ability to pay interest accrued on the Debenture and/ or the principal amount outstanding from time to time in connection therewith would be subject to various factors, including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the Debenture and/ or the interest accrued thereon in a timely manner, or repay at all.

Foreign investors subscribing to the Debenture are subject to risks in connection with (i) exchange control regulations, and, (ii) fluctuations in foreign exchange rates.

The Debenture will be denominated in Indian Rupees and the payment of interest and redemption amount shall be made in Indian Rupees. Various statutory and regulatory requirements and restrictions apply in connection with the Debenture held by foreign investors. The amounts payable to foreign investors holding the Debenture, on redemption of the Debenture and/or the interest paid/payable in connection with such Debenture would accordingly be subject to prevailing Exchange Control Regulations. Any change in the Exchange Control Regulations may adversely affect the ability of such foreign investors to convert such amounts into other currencies, in a timely manner or may not be permitted to be converted at all. Further, fluctuations in the exchange rates between the Indian rupee and other currencies could adversely affect the amounts realized by foreign investors on redemption or payment of interest on the Debenture by us.

4. Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Debenture are legal investments for it, (ii) the Debenture can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Debenture.

5. The Debenture are subject to the risk of change in law.

The terms and conditions of the Debenture are based on Indian law in effect as of the date of issue of the relevant Debenture. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of

the relevant Debenture and any such change could materially and adversely impact the value of any Debenture affected by it.

6. **Any downgrading in credit rating of our other Debenture may affect the rating for these Debenture and consequently trading price of the Debenture and our ability to raise funds.**

The credit ratings of our other Debenture may be suspended, withdrawn or revised at any time by the assigning Credit Rating Agencies. Any revision or downgrading in the credit rating may affect the ratings for these Debenture and consequently may lower the value of the Debenture and may also affect our ability to raise further debt on competitive terms.

7. **Payments made on the Debenture will be subordinated to certain tax and other liabilities preferred by law i.e. secured debt.**

The Debenture will be subordinated to certain liabilities preferred by law. Such as to claims of the GoI on account of taxes, and certain liabilities incurred in the ordinary course of our transactions. In particular, in the event of bankruptcy, liquidation or winding-up, our assets will be available to pay obligations on the Debenture only after all of those liabilities that rank senior to these Debenture have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Debenture. Further, there is no restriction on the amount of debt securities that we may issue that may rank above the Debenture.

- v. Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

A. Statutory Dues:	Nil
B. debentures and interest thereon:	Nil
C. Deposits and interest thereon:	Nil
D. Loans from any banks or financial institution and interest thereon:	Nil

- vi. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Name	:	Mr. Anil Kumar Awasthi
Designation	:	Chief Financial Officer
Address	:	UPPCL, 14, Ashok Marg, Shakti Bhawan,, Lucknow -226001
Tele No	:	0522-2287801
Fax No	:	0522-2287798
Email	:	uppclaudit@gmail.com
Website	:	www.upenergy.in

- vii. Details of any default in annual filing of the Issuer company under the Companies Act, 2013 or the rules made thereunder:

There has been no default in annual filing of under Companies Act 2013 by UP Power Corporation Limited.

2. PARTICULARS OF OFFER

- i. Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer: Not Applicable
- ii. Relevant date¹ with reference to which the price has been arrived at: Not Applicable
- iii. The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year (in terms of number of securities as well as price) by the Issuer:

Date of Issuance	Nature of Instrument	No. of investor	No. of Securities
4-Apr-22	Equity (Right Issue)	1	2,53,30,055
5-May-22	Equity (Right Issue)	1	10,41,667
3-Jun-22	Equity (Right Issue)	1	20,55,738
1-July-22	Equity (Right Issue)	1	78,01,231
5-Aug.-22	Equity (Right Issue)	1	45,26,467

- iv. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: Not Applicable
- v. Contribution being made by the promoters or directors either as part of offer or separately in furtherance of such objects: Not Applicable

Financial position of the Company for the last 3 financial years	Please refer Annexure 1
Date of passing of Board Resolution	Board resolutions dated January 24, 2022 and September 12, 2022
Date of passing of resolution in general meeting, authorizing the offer of securities	December 22, 2020
Kind of securities offered (i.e. whether share or debentures) and class of security; the total number of shares or other securities to be issued.	Secured, Rated, Listed, Redeemable, Taxable, Government of Uttar Pradesh Serviced Non-Convertible Bonds; Supported by Unconditional & Irrevocable Guarantee by The Government of Uttar Pradesh as a Principal Debtor & not merely as a surety.
Price at which the security is being offered, including premium if any, along with justification of the price	Face Value: INR 10,00,000 Discount: NA Premium: NA Bonds are issued at par value of INR 10,00,000
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived	Not Applicable

¹ Relevant Date means a date at least thirty days prior to the date on which the general meeting of the company is scheduled to be held.

at along with report of the registered valuer;																									
Relevant date with reference to which the price has been arrived at (Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held)	Not Applicable																								
The class or classes of persons to whom the allotment is proposed to be made	Please refer Term Sheet as provided in Placement Memorandum																								
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)	Not applicable																								
The proposed time within which the allotment shall be completed	Issue Opening Date: October 04, 2022. Issue Closing Date: October 04, 2022. Pay-in Date: October 07, 2022. Issue Allotment Date: October 07, 2022.																								
The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Since the issue is through EBP Bidding Platform, the allottees will be finalized through Bidding Mechanism																								
The change in control, if any, in the company that would occur consequent to the private placement	No																								
The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of securities as well as price	<table border="1"> <thead> <tr> <th>Date of Issuance</th> <th>Nature of Instrument</th> <th>No. of invest or</th> <th>No. of Securities</th> </tr> </thead> <tbody> <tr> <td>4-Apr-22</td> <td>Equity (Right Issue)</td> <td>1</td> <td>2,53,30,055</td> </tr> <tr> <td>5-May-22</td> <td>Equity (Right Issue)</td> <td>1</td> <td>10,41,667</td> </tr> <tr> <td>3-Jun-22</td> <td>Equity (Right Issue)</td> <td>1</td> <td>20,55,738</td> </tr> <tr> <td>1-July-22</td> <td>Equity (Right Issue)</td> <td>1</td> <td>78,01,231</td> </tr> <tr> <td>5-Aug.-22</td> <td>Equity (Right Issue)</td> <td>1</td> <td>45,26,467</td> </tr> </tbody> </table>	Date of Issuance	Nature of Instrument	No. of invest or	No. of Securities	4-Apr-22	Equity (Right Issue)	1	2,53,30,055	5-May-22	Equity (Right Issue)	1	10,41,667	3-Jun-22	Equity (Right Issue)	1	20,55,738	1-July-22	Equity (Right Issue)	1	78,01,231	5-Aug.-22	Equity (Right Issue)	1	45,26,467
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The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable																								

Amount, which the Company intends to raise by way of securities	INR 500 Crores, with green shoe option to retain oversubscription of upto INR 2,988 Crores, i.e. for an aggregate issue size of upto INR 3,488 Crores
Terms of raising of securities: **	Refer Term Sheet as provided in Placement Memorandum
Proposed time schedule for which the Issue is valid	Till pay-in date and deemed date of allotment, i.e., October 07, 2022
Purpose and objects of the Issue	The net proceeds out of the issue after deduction of issue related expenses would be used by issuer for augmenting the long term resources of the Company for meeting their gross operational funding and working capital requirements.
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of the object	Not Applicable
Principal terms of assets charged as security	<p>The bonds would be secured by way of</p> <ol style="list-style-type: none"> 1. Exclusive Charge on the UPPCL BOND SERVICING ACCOUNT SERIES II 2022 and on the amount transferred therein to be utilized only for servicing of the bonds on quarterly servicing dates. 2. Exclusive Charge on the UPPCL DEBT SERVICING RESERVE ACCOUNT BOND SERIES II 2022 and the funds lying there-in. 3. First charge on UPPCL DESIGNATED RECEIPT ACCOUNT BOND SERIES 2022 and UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 and any present and future amount, received by way of Government of Uttar Pradesh funding for servicing these bonds and on account of supply of power from Irrigation and Agriculture departments of the State to the extent of INR 600 crores per quarter. This first charge would be on pari-passu basis along with the Bond Holders in the UPPCL State Government Serviced Bonds Series I/2022 and any further issuance for an aggregate issue amount not exceeding INR 8,000 crores. 4. Charge on the residual current assets including book debts and receivables of the company after taking into account the extent of prior charges created in favour of the existing secured lenders of the Issuer. The book value of such assets would provide 100% security cover on the outstanding

	<p>bonds throughout its entire tenure. This charge in respect of the Series II Bonds would also be on pari-passu basis with the existing Bond Holders of Series I Bonds and bond holders of any Additional Proposed Bonds.</p> <p>No further encumbrance would be created on these current assets which in any way shall be senior to the charge of the bondholders mentioned above.</p> <p>Further, the receipts for supply of power from Irrigation & Agriculture departments of INR 600 crores per quarter flowing into UPPCL STATE GOVERNMENT FUNDING RECEIPT ACCOUNT BOND SERIES 2022 both present & future as well as assigned revenue inflows from urban division(s) (as applicable) (which are required to be deposited if the funds from the Irrigation & Agriculture departments is lower than the stipulated amount), to the extent of INR 600 crores per quarter would be hypothecated to secure the Series II Bonds on pari-passu basis with the existing Bond Holders in the Series I Bonds and bond holders of any Additional Proposed Bonds in favour of the Trustee acting on behalf of Bond Holders of respective series.</p> <p>The charges pertaining to all the above hypothecated assets would be filed with the office of the concern Registrar of Companies and other appropriate agencies.</p>
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	No such order or regulation has impacted going concern status of UP Power Corporation Ltd.

vi. The pre-issue and post-issue shareholding pattern of the Issuer is mentioned below:

Sr. No.	Category	Pre-issue (31.08.2022)		Post-Issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoter holding				
1	Indian	113,75,48,996	100.00%	113,75,48,996	100.00%
	Bodies Corporate	0	0	0	0
	Sub-total	113,75,48,996	100.00%	113,75,48,996	100.00%
2	Foreign promoter	0	0	0	0
	Sub-total (A)				

Sr. No.	Category	Pre-issue (31.08.2022)		Post-Issue	
		No of shares held	% of share holding	No of shares held	% of share holding
B	Non-Promoter holding's				
1	Institutional Investor	0	0	0	0
2	Non-Institutional Investor	0	0	0	0
	Private Corporate bodies	0	0	0	0
	Directors & Relatives	0	0	0	0
	Indian Public	0	0	0	0
	Individual Shareholders	0	0	0	0
	Sub-Total (B)	0	0	0	0
	Grand Total	113,75,48,996	100%	113,75,48,996	100%

3. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC.

- i. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons: Nil
- ii. Remuneration of directors (during the current year and last three financial years):

(INR In Lakh)

Particulars	FY 2022-23 (upto August 31, 2022)	FY 2021-22	FY 2020-21	FY 2019-20
Salary & Allowances	57.45	162.57	170.25	175.91
Leave Encashment	2.78	3.66	26.22	0
Contribution to Gratuity/Pension/PF	13.20	20.43	27.24	16.17

- iii. Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remark: NIL

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	NIL
Details of any litigation or legal action pending or taken by any Ministry or Department of the	NIL

Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this Placement Memorandum and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed																	
Remuneration of directors (during the current year and last 3 (three) financial years)	Please refer to point ii above																
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this Placement Memorandum including with regard to loans made or, guarantees given or securities provided	<p style="text-align: right;">(Rs. In lakhs)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">FY 2021-22</th> <th style="text-align: center;">FY 2020-21</th> <th style="text-align: center;">FY 2019-20</th> </tr> </thead> <tbody> <tr> <td>Loans (Net Increase / Decrease)</td> <td style="text-align: right;">1,12,640.80</td> <td style="text-align: right;">22,98,633.94</td> <td style="text-align: right;">(3,01,069.37)</td> </tr> <tr> <td>Guarantees</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Securities</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> </tbody> </table>	Particulars	FY 2021-22	FY 2020-21	FY 2019-20	Loans (Net Increase / Decrease)	1,12,640.80	22,98,633.94	(3,01,069.37)	Guarantees	-	-	-	Securities	-	-	-
Particulars	FY 2021-22	FY 2020-21	FY 2019-20														
Loans (Net Increase / Decrease)	1,12,640.80	22,98,633.94	(3,01,069.37)														
Guarantees	-	-	-														
Securities	-	-	-														
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this Placement Memorandum and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	NIL																
Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this Placement Memorandum in the case of the Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Placement Memorandum and if so, section-wise details thereof for the Company and all of its subsidiaries	NIL																
Details of acts of material frauds committed against the Company in	NIL																

the last 3 (three) years, if any, and if so, the action taken by the company	
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4. FINANCIAL POSITION OF THE ISSUER:

i. The capital structure of the Issuer company in the following manner in a tabular form:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) as on 30.06.2022	Share Capital	INR In Lakh
	Authorised Share Capital 1250000000 Equity Shares of INR 1000 par value	12500000.00
	Issued, Subscribed & Fully Paid up 113,75,48,996 Equity Shares of INR 1000 each	11375489.96
Size of the Present Issue	Secured, Rated, Listed, Redeemable, Taxable, Government Of Uttar Pradesh Serviced Non-Convertible Bonds; Supported By Unconditional & Irrevocable Guarantee by the Government of Uttar Pradesh as a Principal Debtor & not merely as a surety having face value of INR 10,00,000 each, for cash, at par, of INR 50,000 Lakh, with green shoe option to retain oversubscription of upto INR 2,98,800 Lakh, i.e. for an aggregate issue size of upto INR 3,48,800 Lakh, by U. P. Power Corporation Limited (“UPPCL”/ “The Issuer” / “ Company ”) Under SERIES II 2022, comprised of eight sub-series namely ‘A’, ‘B’, ‘C’, ‘D’, ‘E’, ‘F’, ‘G’, And ‘H’ with tenure sequentially ranging from 2 years 6 months to 9 years 6 months, Redeemable in four equal quarterly installments.	
Paid-up Capital: A. After the offer: B. After the conversion of convertible instruments (if applicable)	Since the offer pertains to Non-Convertible Bonds, it will not have any impact on issued share capital of the Company	
Share Premium Account: A. Before the offer: B. After the offer:	The Non-Convertible Bonds are being issued at Face Value, hence the Share Premium Account will not be impacted	
Details of the existing share capital of the Issuer: i) Equity Share Capital:		
Details of allotments (number and price) made by the Issuer for consideration other than cash in the last one year preceding the date of this offer letter along with the details of consideration in each case.	As follows:	
Not applicable		

Profits of the Issuer, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this offer letter	As follows:		
INR in Lakh			
Particulars	Preceding Year (2022)	Preceding Year (2021)	Preceding Year (2020)
Profit before tax	-8,30,526.77	17,34,897.53	-3,15,072.90
Profit after tax	-8,30,526.77	17,34,897.53	-3,15,072.90
Dividends declared by the Company	Nil	Nil	Nil
Dividends declared by the Issuer in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	As follows:		
Year	Dividend	Interest Coverage Ratio	
2022	Nil	-	
2021	Nil	-	
2020	Nil	-	
2019	Nil	-	
A summary of the financial position of the Issuer as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this offer letter	Refer Annexure 1		
Audited cash flow statement for the 3 (three) years immediately preceding the date of circulation of this offer letter	Refer Annexure 1		
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Issuer	NIL		

5. DECLARATION BY THE DIRECTORS THAT:



- a. the Issuer has complied with the provisions of the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules made thereunder;
- b. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the Issue pursuant to this offer letter shall be used only for the purposes and objects indicated in the private placement offer cum application letter;


I am authorised by the Board of Directors of the company vide resolution number 184(11) dated September 12, 2022 to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles

of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For UP Power Corporation Limited



(Anil Kumar Awasthi)
Chief Financial Officer
Uttar Pradesh Power Corporation Ltd.
CFO


(NEERAJ CHAURASIA)
Dy. GM(FM)
U.P. Power Corporation Ltd.
Shakti Bhawan, Lucknow
Shri Neeraj Chaurasia
DGM (Finance)

Date: October 04, 2022

Place: Mumbai

Annexures:

1. FINANCIAL STATEMENTS OF LAST 3 FINANCIAL YEARS
2. RATING LETTER
3. RATING RATIONALE
4. BOARD RESOLUTION
5. SHAREHOLDERS' RESOLUTION
- 6A. DEBENTURE TRUSTEE CONSENT LETTER
- 6B. DEBENTURE TRUSTEE OFFER LETTER
- 6C. DEBENTURE TRUSTEE DILIGENCE CERTIFICATE
7. BSE IN-PRINCIPLE APPROVAL LETTER
8. APPLICATION FORM

Part B

(To be filled by Applicant)

Sl. No.	Details	Description
1	Name	
2	Father's name	
3	Corporate Identity Number	
4	Nationality	
5	Complete address including Flat / House Number, street, locality, pin code	
6	Name of Contact Person	
7	Phone number	
8	Email id	
9	PAN number	
10	Bank account details	

For and on behalf of _____

Anil Kumar Awasthi
(CFO)

Neeraj Chourasia
(Deputy General Manager)

Initial of the Officer of the Company designated to keep record: _____

ANNEXURE 1

FINANCIAL STATEMENTS OF LAST 3 FINANCIAL YEARS

[ENCLOSED SEPARATELY]

ANNEXURE 2

RATING LETTERS

[ENCLOSED SEPARATELY]

Ratings

CONFIDENTIAL



RL/UTPARDPCL/291074/BOND/0422/30750/103752397/2

September 12, 2022

Mr. A. K. Gupta

Authorised Signatory

U. P. Power Corporation Limited

Shakti Bhawan

14-Ashok Marg

Lucknow - 226001

Dear Mr. A. K. Gupta,

Re: CRISIL Rating on the Rs.4048.8^A Crore Bond of U. P. Power Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated May 27, 2022 bearing Ref. no: RL/UTPARDPCL/291074/BOND/0422/30750/103752397/1

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Bond	4048.8	Provisional CRISIL A+ (CE) /Stable

Kindly note that the provisional rating will be converted to final rating after CRISIL Ratings receives following transaction documents duly executed and/or confirmations on completion of the following pending steps, within 90 days from the date of issuance of the instrument and to the satisfaction of CRISIL Ratings.

- Corporate Guarantee deed
- Default Escrow agreement
- UPPCL Account Agreements
- Hypothecation agreement
- Term sheet
- Debenture trustee agreement
- Representation and warranties

The final rating assigned after end of 90 days (or following an extension of upto 90 days, if any, granted by the rating committee of CRISIL Ratings after considering case specific considerations) shall be consistent with the available documents or completed steps, as applicable. CRISIL Ratings will issue a final rating letter on receipt of documents as mentioned above.

Please note that, in arriving at the ratings, CRISIL Ratings has assumed that the representations made by UPPCL are true and that the structure, shall work and operate as represented by UPPCL. CRISIL Ratings does not guarantee the accuracy, adequacy, or completeness of the representations made by you to CRISIL Ratings and/or the representations made in the transaction documents. CRISIL Ratings is not responsible for any acts of commission or omission of the UPPCL and/or the Trustee.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (ref. no.: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. Further, SEBI circular dated June 30, 2017 (ref. no. SEBI/ HO/ MIRD/ MIRD4/ CIR/ P/ 2017/ 71), requires you to inform CRISIL Ratings with the details of Securities as per the format prescribed, refer Annexure A, immediately but not later than seven (7) days from the date of placing the debt security. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards, Yours sincerely,

Aditya Jhaver
Director - CRISIL Ratings

Nivedita Shiba
Associate Director - CRISIL Ratings



Mr. Anil Kumar Gupta
Executive Director (Finance)
U.P. Power Corporation Limited
Shakti Bhawan 14 Ashok Marg, Lucknow,
Tel: +91 522 2270944

September 09, 2022

Dear Sir,

Re: Rating Letter for non-convertible debenture (NCD) programme of U.P. Power Corporation Limited

This is in reference to the rating action commentary released on 31st March 2022.

India Ratings and Research (Ind-Ra) is pleased to communicate the following ratings:

Instrument Type	Size of Issue (million)	Rating/Outlook
Proposed NCDs (Series 3) [#]	NR40,488	Provisional IND A+(CE) Stable

[#] Series 3 NCDs: The ratings are provisional and pending execution of documents as detailed in Annexure II. The final rating, upon the receipt of the executed documents consistent with the draft documents, shall be assigned within 90 days from the date of issuance of the instrument. The provisional rating may be extended by another 90 days, subject to Ind-Ra's policy, if the execution of documents is pending at that time. In the absence of the documentation considered while assigning the provisional rating, the agency would have assigned a rating of 'IND A-' to the proposed instruments.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action

commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrpt@indiaratings.co.in

Sincerely,

India Ratings



Devendra Pant
Senior Director

ANNEXURE 3
RATING RATIONALE
[ENCLOSED SEPARATELY]

Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)

CRISIL

An S&P Global Company

Rating Rationale

April 12, 2022 | Mumbai

U. P. Power Corporation Limited

'CRISIL A+(CE)/Stable' Converted from Provisional Rating to Final Rating for Rs.3951.2 crore Bond

Rating Action

Rs.4048.8 Crore Bond [§]	Provisional CRISIL A+ (CE) /Stable (Reaffirmed)
Rs.3177 Crore Bond	CRISIL A+ (CE) /Stable (Reaffirmed)
Rs.3878 Crore Bond	CRISIL A+ (CE) /Stable (Reaffirmed)
Rs.3951.2 Crore Bond	CRISIL A+ (CE) /Stable (Converted from Provisional Rating to Final Rating)

§ A prefix of 'Provisional' indicates that the rating centrally factors in the strength of specific structures, and is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable, without which the rating would either have been different or not assigned ab initio. This is in compliance with a May 6, 2015 directive 'Standardizing the term, rating symbol, and manner of disclosure with regards to conditional/ provisional/ in-principle ratings assigned by credit rating agencies' by Securities and Exchange Board of India (SEBI) and April 27, 2021 circular 'Standardizing and Strengthening Policies on Provisional Rating by Credit Rating Agencies (CRAs) for Debt Instruments' respectively by SEBI.

¹ crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has converted its provisional rating on the Rs.3951.2 crore bond issuance programme of U. P. Power Corporation Limited (UPPCL) to final rating of 'CRISIL A+(CE)/Stable'. CRISIL Ratings has also reaffirmed its 'Provisional CRISIL A+(CE)/CRISIL A+(CE)/Stable' rating on the other bonds of UPPCL.

CRISIL Ratings has now received the final executed corporate guarantee and other required documents for this transaction. This executed document is in line with terms of the transaction when provisional rating was assigned. Hence, CRISIL Ratings has converted the provisional rating to a final rating

The ratings continue to reflect the strength of unconditional and irrevocable guarantee provided by the Government of Uttar Pradesh (GoUP), trustee-administered escrow and payment mechanism for the bonds and presence of adequate liquidity of two quarters in the form of debt service reserve account (DSRA). The company is adhering to a defined T structure wherein electricity receivables are escrowed into a bond-servicing account on daily basis so as to adequately fund the account by T-15 days (wherein T is the due date) prior to the entire debt servicing requirement for that quarter.

The proposed bond issuance of Rs 8000 core (currently raised Rs 3951.2 crore) also factors in the strength of an unconditional and irrevocable guarantee provided by the GoUP, expected state budgetary allocation covering entire debt servicing requirement, trustee-administered escrow and payment mechanism for the bonds and expected liquidity of 2 quarters in the form of debt service reserve account (DSRA). The company is expected to adhere to a defined T structure where electricity receivables are escrowed into a bond-servicing account on daily basis so as to adequately fund the account by T-15 days (where T is the due date) prior to the entire debt servicing requirement for that quarter. In case of any cashflow mismatch, additional revenue stream can also be trapped.

The ratings also reflect GoUP's high dependence on the centre for revenue along with healthy own-tax buoyancy, leading to large revenue surplus since fiscal 2007 with fiscal 2021 being an exception. These strengths are partially offset by the weak socio-economic parameters of the state, and high indebtedness with weak performance of state electricity distribution companies (discoms) leading to higher dependence on the state for support in the form of guarantees and subsidies.

Analytical Approach

For arriving at its rating, CRISIL Ratings has applied its criteria on rating instruments backed by guarantees. In addition to the state guarantee, the payment mechanism provides for an enhanced liquidity cushion through a DSRA and a subsidy/budgetary allocation-trapping mechanism in case the DSRA is utilised. This liquidity buffer mitigates the risk of delayed payment, if any, from the state government, thereby lowering the risk for the instrument.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation

Key Rating Drivers & Detailed Description

Strengths:

Presence of unconditional and irrevocable guarantee provided by GoUP, trustee-administered escrow and payment mechanism, and adequate liquidity

The existing bond issue benefits from the credit enhancement provided by a well-defined T-structured guarantee trigger mechanism, an adequate liquidity buffer, and a mechanism to trap the subsidy receipts to replenish the DSRA if it is utilised.

The primary cash flow to be harnessed for bond servicing will come via escrow of electricity receivables of around Rs 20 crore per day to a bond servicing account. In this account, fixed deposits will be maintained on daily basis in such a manner that the entire servicing required in a quarter is collected by T-15 days. Any excess amount will be transferred back to the revenue account of the company, thereby providing adequate cover. In the event of a shortfall in primary cash flow, the structure will be backed by a legal recourse to the state government via a trustee-monitored guarantee invocation framework. Furthermore, a two-quarter DSRA provides liquidity cushion, which lowers the risk of any delay in receipt of payment from the state government. If the DSRA is utilised, the structure provides for trapping of subsidy receipts (more than Rs 11,500 crore allocated for fiscal 2022) that are a steady budgeted monthly inflow from the state and would first be used to top up the DSRA, well before the next payment cycle. The additional liquidity buffer enhances the strength of the payment structure and provides adequate protection from administrative delays.

However, utilisation of the DSRA, lack of prompt receipt of funds from the state government, or non-compliance with the timelines of the T-structure by the trustee would continue to be key rating sensitivity factors.

Proposed bond issuance to also have similar structure with additional cushion of budgetary allocation from the state government covering entire debt servicing requirements

The proposed bond issuance of Rs 8,000 crore (currently raised Rs 3951.2 crore) will also involve daily escrow of electricity receivables of around Rs 9 crore per day to a bond-servicing account. It will be further supported by fund infusion from GoUP on a quarterly basis through budgetary allocation. The funds shall be infused between T-45 to T-15 days to fully meet the debt servicing obligations due on date T. Post receipt of funds from the state, any surplus amount in the bond servicing account shall be available to UPPCL for corporate purpose. In addition to this, collections from irrigation and agriculture departments (if required from other customers as well) up to Rs 600 crore can be trapped on quarterly basis in case of delay in receipt of funds from the state or insufficient collections through escrow mechanism. The proposed bond issuance shall have a two-quarter DSRA which provides liquidity cushion.

Large economy base and healthy own-tax buoyancy

Uttar Pradesh is the third-largest Indian state in terms of gross state domestic product (GSDP) with consistent revenue surpluses, benefitting from the high share in central tax devolutions (CTD) and healthy own-tax revenue. Because of the large population base, the state gets the largest share of tax devolutions at 17.9% as recommended by the 15th Finance Commission; a marginal decrease from the earlier share of 17.96% (recommended by the 14th Finance Commission) and remains a key driver contributing to 30-35% of the overall revenue receipts.

Uttar Pradesh has had revenue surpluses since fiscal 2007 due to large inflow of CTD with an exception in fiscal 2021 when revenue is estimated to be in deficit due to substantial reduction in CTD. For fiscal 2021, based on CAG estimates, the state is expected to have a revenue deficit of Rs ~13,000 crore, though revenue surplus is expected from fiscal 2022 onwards due to recovery in tax collections. Tax buoyancy in the state continues to be healthy with own-tax revenue being 6.5-7.5% of the GSDP.

Weaknesses

Weak socio-economic parameters

Uttar Pradesh has weak demographic and socio-economic positioning with low per capita income compared with other states. The contribution from the secondary sector has been declining, with high dependence on the primary sector. The state also has fourth-highest population density and low literacy and urbanisation rates. The weak social indices will necessitate considerable outlays for eventual convergence to the national average level over a longer term.

High indebtedness with moderate economic management

Total debt plus guarantee to GSDP has risen close to 48% in fiscal 2021 (CAG) from 42.8% in the previous fiscal. The increase was mainly due to higher borrowing to fund revenue deficits and capital outlays and also increase in guarantees by around Rs 28,000 crore under the Atmanirbhar package sanctioned for UPPCL. The gross fiscal deficit to GSDP remained high at 3.8% in fiscal 2021 (CAG) against 2.74% in fiscal 2020. There has been no utilisation of ways and means by the state.

Below-average operational performance of UPPCL

The state's power reforms have lagged as discoms have not met both the operational and financial targets laid under UDAY (*Ujwal Discom Assurance Yojana*). The AT&C (aggregate technical and commercial) loss remained high at 31.3% and 27.2% in the first half of fiscal 2022 and fiscal 2021 respectively similar to 30.4% in fiscal 2020. The gap in average cost of supply and average revenue requirement (ACS-ARR) continues to be high at Rs 0.98 per kilowatt hour (kWh) and 0.94 per kWh in the first half of fiscal 2022 and fiscal 2021 respectively, compared with Rs 0.34 per kWh in fiscal 2020 mainly due to lower revenue realisation, adverse customer mix and higher power purchase expenses. Due to the high proportion of domestic consumers, which has further increased in the current fiscal and past fiscals following lockdowns, transmission and distribution losses remained high at 25.6% and 20.6% in the first six months of fiscal 2022 and fiscal 2021 respectively, compared with 18.5% in fiscal 2020. Furthermore, with higher exposure to rural consumers, collection efficiency remained fairly low in the past. However, in fiscal 2021, collection efficiency improved to 91.3% post receipt of payments from GoUP in March 2021. In the current fiscal, collection efficiency was 89% higher as compared to 85.8% in fiscal 2020. The power sector will remain critical and will be well-supported through increasing subsidies from the state government. Any change in the government's stance towards the sector will be a key monitorable.

The discom package of around Rs 28,000 crore under the Atmanirbhar scheme prevented significant build-up of payables for UPPCL, resulting in improvement in the payable position. Furthermore, the company continues to receive support in the form of subsidy and loss funding from the state government, which supports the fiscal performance to some extent. Also, under the revamped distribution sector scheme and Atmanirbhar Bharat package, the company is expected to get government subsidy and government department receivables over the next nine years and three years respectively which shall improve the accrual.

Liquidity: Adequate

The bonds are serviced by electricity receivables from discoms; Rs 20 crore is escrowed each day to service the debt obligation for these rated instruments. Additionally, the existing bonds' liquidity is supported by DSRA equivalent to two rolling quarters of debt servicing amount of Rs 939 crore and Rs 193 crore DSRA for recently raised bonds. For proposed bond issuance, Rs 9 crore shall be escrowed each day to ensure bond servicing account is fully funded by T-15 days. Also on quarterly basis, payment shall be received from GoUP through budgetary allocation between 15 to 45 days prior to due date to service the bond obligations. Furthermore, support from the state government in the form of subsidies and access to finance from non-banking financial companies due to its critical utility role, and state government ownership support liquidity.

Outlook: Stable

The bonds should continue to benefit from the strong payment structure and support from GoUP in the long term.

Rating Sensitivity Factors

Upward factors:

- Sustained improvement in the power sector and reform orientation of the state
- Reduction in indebtedness to below 25% of GSDP

Downward factors:

- Sustained increase in indebtedness beyond 50% of GSDP
- Sustained increase in revenue deficit
- Decline in liquidity buffers or non-adherence to the payment structure

Adequacy of credit enhancement structure

The guarantee provided by GoUP is unconditional, irrevocable and covers the entire rated amount of the bonds. A trustee-monitored payment mechanism is in place to ensure timely payment of the interest and principal obligation. The company is adhering to a defined T structure where electricity receivables are escrowed into a bond servicing account on a daily basis so as to adequately fund the account by T-15 days prior to the entire debt servicing requirement for a particular quarter, and additional liquidity cushion in the form of a DSRA for two quarters.

Unsupported ratings: CRISIL BB

CRISIL Ratings has introduced the 'CE' suffix for instruments having an explicit credit enhancement feature, in compliance with the Securities and Exchange Board of India circular dated June 13, 2019.

Key drivers for unsupported ratings

For arriving at the unsupported rating, CRISIL Ratings has considered the business and financial risk profiles of UPPCL and its subsidiaries. The business risk profile continues to be strong due to monopoly in the power distribution business in the designated service area and the critical role to the state economy. The ACS-ARR gap persists while AT&C losses remain high although with some improvement over the years. The financial risk profile remains weak due to a highly leveraged capital structure and large losses. However the risk is mitigated by the presence of financial flexibility and access to banking facilities.

Additional disclosures for the provisional rating

The provisional rating is contingent upon occurrence of the following steps or execution of the following documents, as applicable:

- Corporate Guarantee deed
- Default Escrow agreement
- UPPCL Account Agreements
- Hypothecation agreement
- Term sheet
- Debenture trustee agreement
- Representation and warranties

The provisional rating shall be converted into a final rating after receipt of transaction documents duly executed and/or confirmations on completion of pending steps within 90 days from the date of issuance of the instrument. The final rating assigned post conversion shall be consistent with the available documents or completed steps, as applicable. In case of non-completion of steps or non-receipt of the duly executed transaction documents within the above-mentioned timelines, the rating committee of CRISIL Ratings may grant an extension of up to another 90 days in line with its policy on provisional ratings.

Rating that would have been assigned in the absence of the pending documentation

In the absence of pending steps/ documentation considered while assigning provisional rating as mentioned above, CRISIL Ratings would have assigned a rating of 'CRISIL BB/Stable'

Risks associated with the provisional rating:

The 'Provisional' prefix indicates that the rating is contingent on occurrence of certain steps or execution of certain documents by the issuer, as applicable. If the documents received and/or completion of steps deviate significantly from the expectations, CRISIL Ratings may take an appropriate action, including placing the rating on watch or changing the rating/outlook, depending on the status of progress on a case to case basis. In the absence of the pending steps / documentation, the rating on the instrument would not have been assigned ab initio.



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Correction: India Ratings Assigns U.P. Power Corporation's NCDs Final 'IND A+(CE)'/Stable; Affirms Existing Ratings

May 27, 2022 | Power

This announcement rectifies the version published on 31 March 2022 to correct the list of pending documents required for converting the provisional documents into final ratings. The amended version is as follows: India Ratings and Research (Ind-Ra) has taken the following action on U.P. Power Corporation Limited's (UPPCL) bonds' ratings:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Non-convertible debentures (NCDs) (Series 3) [^]	-	-	-	INR39,512	IND A+ (CE)/Stable	Assigned
Proposed NCDs (Series 3) [#]	-	-	-	INR40,488	Provisional IND A+(CE)/Stable	Affirmed
NCDs (Series 1) [*]	-	-	-	INR71,425 (reduced from INR72,671.25)	IND AA(CE)/Stable	Affirmed
NCDs (Series 2 Tranche 1) [*]	-	-	-	INR30,429	IND A+ (CE)/Stable	Affirmed
NCDs (Series 2 Tranche 2) [*]	-	-	-	INR38,760	IND A+ (CE)/Stable	Affirmed
Unsupported ratings [§]	-	-	-	-	IND BBB+/Stable	Affirmed

^{*}Details in the annexure

[§] Ind-Ra has assigned the unsupported rating in compliance with the Securities Exchange Board of India's circular dated 13 June 2019, which requires credit rating agencies to disclose unsupported ratings without factoring in the explicit credit enhancement (CE) and supported rating after factoring in the explicit CE.

[^] The assignment of the final rating follows the receipt of following key executed transaction documents conforming to the information already received by Ind-Ra. The final rating is, therefore, the same as the provisional rating assigned on 14 March 2022. The key documents received are deed of guarantee, debenture trustee deed, debenture trustee agreement, information memorandum, deed of hypothecation, accounts agreement, default escrow accounts agreement, debenture trustee awareness letter, acknowledgement of standing instruction from UPPCL by ICICI Bank Limited, FORM NO. CHG-9: Application for registration of creation of charge for debentures and undertaking from UPPCL to share the charge creation document once charge is registered.

[#] Series 3 NCDs: The ratings are provisional and pending execution of documents as detailed in Annexure II. The final rating, upon the receipt of the executed documents consistent with the draft documents, shall be assigned within 90 days from the date of issuance of the instrument. The provisional rating may be extended by another 90 days, subject to Ind-Ra's policy, if the execution of documents is pending at that time. In the absence of the documentation considered while assigning the provisional rating, the agency would have assigned a rating of 'IND A-' to the proposed instruments.

Analytical Approach: All the three series of NCDs are backed by an unconditional, irrevocable, pre-default guarantee from the government of Uttar Pradesh (GoUP), which is the principal debtor for the timely debt servicing throughout the bond tenor. Also, the NCDs have trustee monitored structured payment mechanism whereby UPPCL's daily collections flow into a designated receipt account (DRA) on a first priority basis and then flow into the designated UPPCL bond servicing account (UBSA) of each series on a daily basis so that sufficient funds get build up T-15 days from the due date of debt servicing.

For Series-1 Bonds: Ind-Ra has factored in the state's consolidated fund support for the timely payment of debt servicing and the replenishment of the debt service reserve account (DSRA); this is almost similar to the comfort available to state

development loan investors. This extraordinary cushion available to investors of Series-I bonds is reflected in the two-notch rating differential from Series-2 and Series-3 bonds.

For Series-2 Bonds: Ind-Ra has factored in the structured payment mechanism, adequate liquidity buffer and escrow mechanism to trap UPPCL's subsidy receipts from the GoUP to replenish the DSRA, in case it falls below the requirement.

For Series-3 Bonds: Ind-Ra has factored in the structured payment mechanism, the commitment by the GoUP to extend budgetary support for the repayment of bonds and the escrow mechanism to trap UPPCL's revenue receipts from the irrigation and agriculture departments of the state government against power sales to replenish the DSRA, in case it falls below the requirement.

UPPCL's unsupported rating continues to be based on the credit profile of the GoUP, its ongoing support and the strength of linkages between the corporation and the state government.

Key Rating Drivers

Unconditional, Irrevocable Guarantee: The GoUP has extended an unconditional and irrevocable guarantee for the rated bonds. The respective structures define the event for invocation of the guarantee by the trustee and other credit enhancers.

Structured Debt Servicing Mechanism (Series – 3): The rating is supported by the presence of a debt servicing mechanism to tap into UPPCL's top line/cash flows. The mechanism will ensure a minimum daily transfer of INR90 million from UPPCL's daily collections to a DRA on first priority basis, which would flow into UBSA. The transfers into the DRA will remain free from any encumbrance. Starting from the first day of each quarter, a prorated amount will be auto transferred to the UBSA from the DRA. Daily transfers into the UBSA would be such that the entire amount required for the immediate debt servicing will be available in the UBSA 15 days prior to the servicing date (T-15).

The structure provides for the GoUP budgetary support for servicing the bonds by way of the requisite fund infusion in the default escrow account anytime between 15 and 45 prior to every quarterly bond servicing date.

On the 14th day prior to the bond service date (T-14 day), in case the built-up is insufficient, the debenture trustee would inform the GoUP and seek the amount to cover up the shortfall by 10 days prior to the bond servicing date (T-10 day). If the GoUP fails to cover up the shortfall in the UBSA T-10 day, the trustee will call upon the GoUP guarantee on the T-9 day to the extent of shortfall. Thereafter, the GoUP will have to make good the UBSA shortfall by T-3 days.

Rolling DSRA (Series-3): The ratings are further supported by the liquidity buffer available for the bond servicing in the form of a rolling DSRA, which, at all times, has to be maintained at an amount equivalent to the total debt servicing obligation (principal and interest) for the next two quarters. The initial DSRA will be created one day prior to the pay-in date. If the shortfall in the UBSA persists on the T-2 day, the trustee would transfer the funds from the DSRA to make good the shortfall in the UBSA.

As it is a rolling DSRA, UPPCL will need to top it up to meet the enhanced principal repayment requirement falling due from the ninth and 10th quarter within 15 days after the expiry of the seventh and eighth quarter.

DSRA Replenishment from Agriculture and Irrigation Department Accounts (Series-3): The power revenue received by UPPCL from the agriculture and irrigation department of the state government will become available to the trustees for recouping the DSRA in case of its impairment. The average annual revenue received by UPPCL from the agriculture and irrigation department for FY18-FY21 was INR34.74 billion. This revenue will be routed into a specified account with a default escrow mechanism. In case of a DSRA impairment or a shortfall, the escrow mechanism will be activated. Furthermore, the structure provides for the allocation of one or more urban domestic circles/divisions. In case the

revenue receipt from the irrigation and agriculture department on a quarterly basis falls short of INR5 billion per quarter for any two consecutive quarters, UPPCL will hypothecate the revenue flow from urban domestic circles/divisions in favour of the debenture trustee until the flow into this subsidy account is restored to INR5 billion per quarter.

Curing DSRA Impairment (Series-3): In case of a DSRA impairment, firstly the escrow mechanism on UPPCL's default escrow account would be activated on the very next working day on the instruction of the debenture trustee. All funds available in the account would be immediately transferred into the DSRA. Secondly, all amounts in the UBSA and the DRA will be transferred to the DSRA on an ongoing basis until the DSRA is fully replenished and the full requisite amount for servicing of the bonds for the next quarterly payout date gets built-up in the UBSA.

Secured Bonds (Series-3): The bonds shall be secured by way of a charge on the residual current assets, including receivables of the company after considering prior charges in favour of the existing secured lenders, with a minimum cover of 1.0x to be maintained during the tenure of the bonds. The receipts for supplying power from the irrigation and agriculture departments and the assigned revenue inflows from urban domestic divisions (if required to be allocated) will carry first charge and would also be hypothecated (to the extent of INR5 billion) in favour of the trustee. The charge pertaining to hypothecated assets would be filed with the offices of Registrar of Companies and other appropriate agencies.

Adherence of Servicing Mechanism: The ratings continue to be supported by the presence of a well-orchestrated debt servicing mechanism to ensure the timely servicing of the bonds. The mechanism, which is ensuring a daily pre-defined transfer of funds from UPPCL's daily collections to the respective debt servicing accounts of different bonds, which is being duly adhered to for Series-1 and Series-2.

Rolling DSRA Coverage for Series 1 and Series 2: The affirmation is supported by the adequate liquidity buffer available for bond servicing in the form of a rolling DSRA. The account, at all times, has to be maintained at an amount equivalent to the total debt servicing obligation (principal and interest) for the next one quarter for Series 1 and two quarters for Series 2.

UPPCL is maintaining comfortable coverages, basis the structure payment mechanism, for both DSRA's and bond servicing accounts. For the Series 1 bonds, the average quarterly DSRA coverage had been maintained at 1.02x till 28 February 2022, while the bond servicing cover was 1.028x. For Series 2 bonds, the average quarterly DSRA coverage was maintained at around 2.41x till 20 January 2022 while the bond servicing cover was 1.02x.

Reducing Power Losses; Improvement in Collection Efficiency: Although UPPCL's aggregate technical and commercial (AT&C) losses declined over FY17-FY21 to 27.53% (FY20: 30.02%; FY19: 33.40%; FY18: 37.78%; FY17:40.97%), they are still high. The decline in AT&C losses is slower than the agreed milestone of 15% under the Ujjwal DISCOM Assurance Yojana's (UDAY). Its collection efficiency improved to 91.30% in FY21 (FY20: 85.85%; FY19: 81.90%; FY18: 79.06%), but its collection efficiency and AT&C losses deteriorated to 88.96% and 31.29%, respectively, in 1HFY22.

To increase its collection efficiency further, UPPCL is changing its billing agencies, increasing the payment gateways and enabling more mobile billing and payment options for consumers. However, Ind-Ra believes that UPPCL's collection efficiency may take time to show results and will remain at the same level in the medium term. The reduced losses during FY17-FY21 were a result of the company stepping up its investments in the distribution infrastructure and feeder segregation.

Sustained Revenue Surplus Position: The GoUP's revenue account remained in surplus over FY16-FY20. However, the state witnessed a revenue deficit in FY21 after a gap of 14 years due to COVID-19. As per the revised estimates (RE) for FY21, the GoUP projected the revenue deficit to be 0.77% of gross state domestic product (GSDP). On account of the COVID-19-led disruptions, the state's tax collections were severely impacted, resulting in the GoUP projecting revenue receipts growth of negative 16.26% yoy in FY21 (RE), lower than the CAGR of 12.71% witnessed over FY16-FY20. The revenue receipts as per FY21 (RE) would be lower by INR1,157.7 billion than FY21 (BE). Of this, the slippage on account

of the state's share in central taxes was 46.9%, followed by the state's own tax revenue (SOTR) of 35.5% and non-tax revenue of 17.6%. The revenue shortfall was compensated by an expenditure compression by INR751.55 billion and capex by INR129.56 billion as per FY21 (RE). The state government has budgeted a revenue surplus of 1.22% of GDP for FY22 (FY21 (RE): negative 0.77%).

Liquidity Indicator- Adequate: UPPCL's available funds (standalone basis), comprising cash and unrestricted investments, grew to INR46.90 billion at FYE21 (FYE20: INR25.63 billion). UPPCL is still relying heavily on the state government in the form of equity and fresh loans from banks for meeting its operational expenditure obligations. There were limited funds available to cover its operating expenditure (FY21: 7.61%) and long-term debt (6.5%).

UPPCL needs to repay around INR154 billion and INR143 billion in FY23 and FY24 towards the debt servicing of existing obligations (both interest and principal). Although the principal repayment for Series 3 bonds will start after eight quarters of issuing bonds, UPPCL will have to service interest from the end of the first quarter. Due to the available credit enhancers in the form of DSRA and the escrow of revenue for debt servicing, the liquidity available for bond servicing is adequate. The GoUP has agreed to extend the budgetary support for the repayment of Series- 3 bonds.

UPPCL has availed a fund-based working capital limit of INR16.70 billion as on 23 February 2022. The average maximum working capital utilisation in the 12 months ended January 2022 was 12.48% (maximum: 38.64%). UPPCL's debt/EBITDA, on a consolidated basis, at FYE21 improved to 5.05x (FYE20: 112.99x) due to the recognition of the INR171.18 billion, on account of the reversal of provisioning cost for the impairment in the investments made in the subsidiaries. Ind-Ra believes UPPCL's standalone liquidity position will remain stretched unless GoUP infuses further equity.

Unsupported Rating Based on Support and Linkages with GoUP: UPPCL is 100% owned by the GoUP. It has a monopoly over power distribution in Uttar Pradesh. The tariffs are fixed by the state regulator, thus mitigating large fluctuations in its financial performance. However, insufficient and infrequent tariff revisions have an impact on UPPCL's financial performance. The last revision in power tariff to 7.41% was effective from September 2019.

The GoUP provides revenue subsidy to UPPCL for supplying power to below-poverty-line families and agriculture consumers. The projects implemented by UPPCL are supported by capital grants under various schemes sponsored by the state and Centre governments. UPPCL has been regularly receiving grants from the GoUP which helped it manage its repayment obligations on time. The GoUP, till 2 March 2022, extended the equity support of INR58 billion out of budgeted equity support of INR79 billion (FY21: INR72 billion). The total subsidy to be received from the GoUP in FY22 remains INR145 billion, of which UPPCL has received INR137 billion at end-February 2022. UPPCL expects to receive the remaining subsidy portion for FY22 before the end of the fiscal year.

Growing Top Line and Improvement in Margins: During FY17-FY21, power sales to its own subsidiaries accounted for average 99.78% of UPPCL's income profile. UPPCL's standalone top line expanded at a CAGR of 9.14% in the same period (FY21:11.89%; FY20: 0.51%) and on a consolidated level, its top line increased at a CAGR of 8.53% during FY17-FY21 (FY21: negative 0.51%; FY20: 7.27%). However, with the implementation of UDAY, UPPCL (standalone) reduced its losses FY17 onwards and improved its EBITDA margins to 28.68% in FY21 (FY17: negative 20.38%). During FY21, the GoUP agreed to provide INR209.40 billion on account of tariffs and UDAY subsidy, which would be paid in the next 10 years. Hence, in consonance with the order, the subsidiaries of UPPCL (discoms) have accounted for the subsidies in the FY21 on an accrual basis, as a result the provision for the impairment of investments in discoms has been reversed by INR171.18 billion in the audited accounts for FY21, leading to its EBITDA margins improving in FY21. Furthermore, UPPCL booked revenue of INR280.72 billion in 1HFY22 (down 3.14% yoy). Ind-Ra believes that the UPPCL's revenue profile will continue to grow in the long term due to growing demand for power in the state.

State's High Debt Burden: Uttar Pradesh's fiscal deficit/GDP had peaked in FY04 at 7.0% of GDP. Thereafter, the state's finances have improved. Over FY16-FY17, the GoUP's finances came under pressure owing to the adjustment related to UDAY. Its fiscal deficit ratios worsened to 4.34% in FY17 (FY16: 5.14%; FY15: 3.21%). Although the fiscal deficit ratio moderated to the prudential level of 3% of GDP over FY18-FY20, and turned to surplus in FY20 (0.66%), the state's debt to GDP ratio remained above 25% during the same period. The state's debt to GDP ratio is budgeted at 34.20%

for FY22. As the revenue account remained in surplus, higher borrowings were channelised towards funding capex which is positive for the long-term growth prospective of the state.

Rating Sensitivities

For Bonds

Positive: An improvement in the credit profile of Uttar Pradesh will lead to a positive rating action.

Negative: Any one or all of the following will result in a negative rating action:

- any deviation from the terms of the bonds or the structured payment mechanism,
- a weakening of the credit profile of the state.

For Unsupported Ratings

Positive: The following developments can lead to a positive rating action:

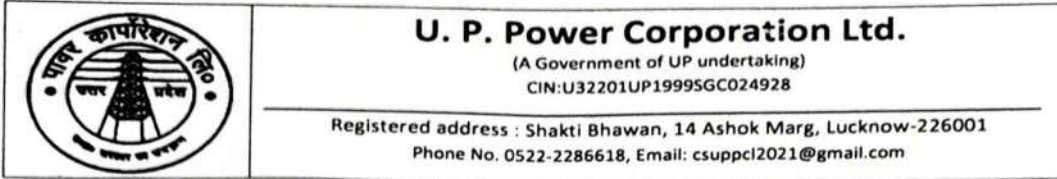
- an improvement in the GoUP's credit profile,
- sustaining positive EBIDTA (consolidated) at least for two consecutive years,
- UPPCL's debt/EBITDA (consolidated) staying below 8.0x for two consecutive years.

Negative: Events that could, individually or collectively, lead to a negative rating action include:

- a significant deterioration in the GoUP's credit profile,
- any weakening of UPPCL's linkages with the GoUP,
- a delay in receipt of subsidy from the GoUP (subsidy receivables increasing to more than 90 days for two consecutive years).

ANNEXURE 4

BOARD RESOLUTION



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS HELD ON MONDAY ON 12th SEPTEMBER, 2022 AT 5.30 PM AT REGISTERED OFFICE OF THE COMPANY AT SHAKTI BHAWAN, 14 ASHOK MARG, LUCKNOW-226001

<p>184(11) Approval regarding the issuance of the bonds upto Rs.4048.80 Crore as 2nd tranche out of the total amount to the tune of Rs.8000.00 Crore on private placement basis to ensure the availability of funds for maintaining uninterrupted supply of electricity by DISCOMs.</p>	<p>184(11) The Board of Directors, after due deliberation, passed the following resolution:-</p> <p>A. RESOLVED THAT in respect of the proposed further issuance(s)/Series II of secured, rated, listed, redeemable, taxable, Government of Uttar Pradesh serviced fresh Bonds, of upto Rs. 4048.80 crores by the Company, constituting of base issue size of Rs. 500 crores and green shoe option of upto Rs. 3548.80 crores, out of Rs.8000 crores approved by the Board, which will be supported by unconditional & irrevocable Guarantee by the Government of Uttar Pradesh and shall be issued on private placement basis, and such issuance(s) being within the limits approved by the Board vide item no.175(4) at their meeting held on January 24, 2022, a two members' committee consisting of Deputy General Manager (Finance) and Chief Financial Officer of the Company be and is hereby constituted and the committee members be and are hereby jointly authorized for the following :-</p> <ol style="list-style-type: none">1. To sign all the documents as required (including documents to create security interest in terms of the Transaction Documents), execute necessary formalities, functions and documentation in relation to the proposed issue (s) of the Bonds.2. To decide the terms and conditions of Bonds that are required to be captured in the Term Sheet, Information Memorandum and the Transaction Documents as per requirement.3. To identify the potential investors to the Bonds, approve and authorise the issuance of Information Memorandum, by whatever named called, in respect of the Bonds to the potential investor (s) and to adopt and maintain records of the investors in compliance to provisions of section 42 of Companies Act, 2013.4. To apply to National Securities Depository Limited and Central Depository Services (India) Limited for creation of ISIN, allot the Bonds and take appropriate actions for the
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[Handwritten signature]

credit of the Bonds to the demat account of the allottees in dematerialized form and to execute all necessary documents in connection therewith.

5. Any other matter as may be necessary or required towards the compliance under the Companies Act, 2013, Rules made there under and SEBI (LODR) Regulations, 2015 or any other law as may be applicable to the proposed issue of Bonds.
- B. FURTHER RESOLVED THAT the Managing Director of the Company be and is hereby authorized for approving payment of applicable Stamp duty with respect to each Series of the Bonds.
 - C. FURTHER RESOLVED THAT M/s Beetal Financial and Computer Services Pvt. Ltd and M/s Beacon Trusteeship Limited be and are hereby appointed as R&T agent the Bond Trustee respectively on the basis of the terms & conditions and rates offered by both the firms in respect of the above issuance(s).
 - D. FURTHER RESOLVED THAT interest rates of the Bonds shall be discovered through E-bidding process performed at EBP portal of BSE/NSE, where these Bonds are to be listed and the Managing Director and the Director (Finance) be and are jointly authorized to finalize the ceiling limit in the coupon, in consultation with the Merchant Bankers.
 - E. FURTHER RESOLVED THAT for issuance (s) of proposed Bonds by the Company, Bond Servicing Account(s), Debt Servicing Reserve Account(s), Designated Receipts Account(s) and such other bank accounts, if and as required, to be opened/ maintained (if already opened) and operated in compliance of terms and conditions of the issue structure(s), Term Sheet(s), Information Memorandum(s) and other ancillary Transaction Documents, (the "Accounts") be and are hereby authorised to be opened with ICICI Bank by way of agreement(s) with "NIL" charges and that the Accounts be operated by the signatories of the Company (as per their authority matrix) who have been authorised by the Board of Directors of the Company in terms of the resolution passed on September 7, 2019.
 - F. FURTHER RESOLVED THAT the consent of the Board be and is hereby accorded to create charge(s) (in such manner and in such order of priority and on such terms and conditions as may be required) in favour of the Bond Trustee by way of hypothecation over the Company's assets and receivables in terms of the Transaction Documents, along with the Accounts, and all existing and future rights and benefits of the Company relating thereto.
 - G. FURTHER RESOLVED THAT Deputy General Manager(Finance) and Chief Financial Officer of the Company be and is hereby authorized to file the necessary documents with the relevant authorities for ensuring compliance under the provisions of the companies Act, 2013, SEBI (LODR)

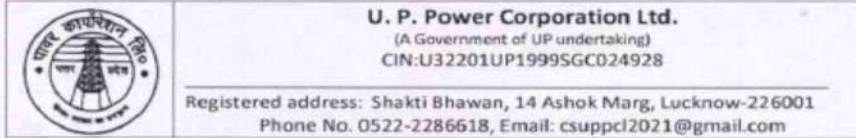
	<p>Regulations, 2015 and such other laws as may be applicable from time to time.</p> <p>H. FURTHER RESOLVED THAT the Deputy General Manager (Finance) and Chief Financial Officer of the Company be and are hereby jointly authorized to do all such acts, deeds, matters and things as may be required for the aforesaid purposes and as may be ancillary or incidental thereto.</p> <p>I. FURTHER RESOLVED THAT Director (Finance), Company Secretary and Chief Financial Officer of the Company be and hereby are authorized to affix common seal of the company on any documents and agreements in relation to the aforesaid Bond issuance as per the requirement.</p>
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For U.P. Power Corporation Limited


Jitesh Grover
(Company Secretary)
(Additional Charge)

ANNEXURE 5

SHAREHOLDERS' RESOLUTION



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE 21st ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF U.P. POWER CORPORATION LIMITED HELD ON 22nd DECEMBER, 2020 AT ITS REGISTERED OFFICE - SHAKTI BHAWAN, 14 ASHOK MARG, LUCKNOW.

ITEM NO. 4 : INCREASE IN BORROWING POWER OF THE COMPANY.

Resolution no. 4

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, the consent of Company be and is hereby accorded to the Board of Directors of the Company for borrowing, from time to time, from any one or more of the Company's banker and/or from any one or more other persons, firms, body corporate or financial Institution(s) by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, creation of charge, hypothecation or lien or pledge of the company's assets and properties, whether movable or stock-in-trade (including raw materials, store, spare parts, components in stock or in transit), work-in-progress, book debts and all or any of the undertakings of the company notwithstanding that monies to be borrowed which together with the monies already borrowed by company (apart from the temporary loan obtained or to be obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the company and its free reserves, it is to say that those reserves which are not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 1,00,000 crore (One Lakh crore) only exclusive of interest, and Board of Directors are hereby, empowered and authorised to arrange or fix the term and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT the company do hereby accords its consent under Section 180(1)(a) of the Companies Act, 2013 to the Board of Directors to mortgage and/or create charge on all or any of the movable assets including book debts both present and future or the whole or substantially the whole of the undertaking(s) of the company for securing any loan obtained or as may be obtained from financial institution(s) or person or persons together with interest, costs, charges, expense and any other money payable to the company.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior/pari passu/ subservient with/to the mortgages and/or charges already created

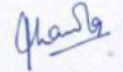
or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to finalise, settle, and execute such documents/ deeds/ writings/ papers/ agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/ charges as aforesaid.

Date: 04.03.2022

Place: Lucknow

For U.P Power Corporation Limited



Dr. Jyoti Arora
Company Secretary

ANNEXURE 6A

DEBENTURE TRUSTEE CONSENT LETTER



CL : CL/MUM/21-22/BT/199/3
Ref. no. BTL/OPR/2022-23/24523
Date: September 21,2022

To,
U P Power Corporation Limited
Shakti Bhavan, 14- Ashok Marg,, Lucknow,
Lucknow-226001,Uttar Pradesh India

Kind Attn: Mr. A K Gupta

Subject : Consent Letter to act as Bond Trustee for Secured Listed Non-Convertible Debentures aggregating upto Rs. 500.00 Crores (+ GSO Rs. 3548.80 Crores)

Dear Sir,

This is with reference to our discussion regarding appointment of Beacon Trusteeship Limited as Bond Trustee for Secured Listed Non-Convertible Debentures aggregating to Rs. 500.00 Crores (+ GSO Rs. 3548.80 Crores)

In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In this connection, we confirm our acceptance to act as Debenture Trustee for the same.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Looking forward to a long and fruitful association with your esteemed organization.

Yours faithfully

For Beacon Trusteeship Limited

Maunika
Authorized Signatory
Name : Veena Nautiyal
Designation : Vice President



Accepted

For U P Power Corporation Limited

Authorised Signatory

BEACON TRUSTEESHIP LIMITED

Registered & Corporate Office: 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai - 400 051.

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

CIN : U74999MH2015PLC271288

ANNEXURE 6B

DEBENTURE TRUSTEE OFFER LETTER

[ENCLOSED SEPARATELY]



19455/CL/MUM/21-22/BT/199
Date: February 21, 2022

U P Power Corporation Limited
Shakti Bhavan,
14- Ashok Marg,,
Lucknow,
Lucknow-226001, Uttar Pradesh
India

Kind Attn: Mr. A K Gupta

Sub: Engagement Letter to act as Bond Trustee for Secured Listed Redeemable Non-Convertible Debentures aggregating upto Rs. 2000.00 Crores (+ GSO Rs. 6000.00 Crores)

Dear Sir,

This is with reference to our discussion regarding appointment of Beacon Trusteeship Limited as Bond Trustee for Secured Listed Redeemable Non-Convertible Debentures aggregating to Rs. 2000.00 Crores (+ GSO Rs. 6000.00 Crores)

In this context, please find enclosed herewith Terms of Engagement of BTL– **Annexure I** and Terms of Engagement – **Annexure II**.

Kindly acknowledge and return a copy of this letter by email/ courier as a token of your acceptance of the terms. Should you require any clarifications please do not hesitate to get in touch with the following:

Name	Designation	Mobile	Email
Veena Nautiyal	RM	+91 9324724945	veena@beacontrustee.co.in
Jaydeep Bhattacharya	Sr. Vice-President	+91 9324724949	jaydeep@beacontrustee.co.in
Kaustubh Kulkarni	ED	+91 9920699299	kk@beacontrustee.co.in

We look forward to working with your organization and building a long-standing mutually beneficial relationship
Yours faithfully

For Beacon Trusteeship Limited

Authorised Signatory

Accepted
For U P Power Corporation Limited

Authorised Signatory

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

ANNEXURE 6C

DEBENTURE TRUSTEE DILIGENCE CERTIFICATE

[ENCLOSED SEPARATELY]



DUE DILIGENCE CERTIFICATE – ANNEXURE A

(Pursuant to Regulation 44(3)(a) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2022)

Ref No: BTL/OPR/22-23/24543-2

Date: September 21, 2022

To,
BSE Limited
25th Floor, P. J. Towers,
Dalal Street,
Mumbai -400001

Dear Sir /Madam,

SUB.: ISSUE OF SECURED, RATED, LISTED, REDEEMABLE, TAXABLE, GOVERNMENT OF UTTAR PRADESH SERVICED NON-CONVERTIBLE BONDS OF RS. 500 CRORE PLUS GREEN SHOE OPTION TO RETAIN OVER-SUBSCRIPTION UP TO RS. 3,548.80 CRORE I.E. FOR AN AGGREGATE ISSUE SIZE OF RS. 4,048.80 CRORE BY WAY OF A PRIVATE PLACEMENT BY U. P. POWER CORPORATION LIMITED (UPPCL).

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents.
- 2) On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents,

WE CONFIRM that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property[ies].
- c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.
- d) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

For Beacon Trusteeship Limited



Name: Pratapsingh Nathani
Designation: Chairman & Managing Director

Place: Mumbai

BEACON TRUSTEESHIP LIMITED

Registered & Corporate Office: 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai - 400 051.

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

CIN : U74999MH2015PLC271288

ANNEXURE 7

BSE IN-PRINCIPLE APPROVAL LETTER

[ENCLOSED SEPARATELY]

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/COMP/AA/IP-PPDI/315/22-23



September 28, 2022

U P Power Corporation Ltd.

14, Ashok Marg, Shakti Bhawan, Lucknow -226001 | Corporate Office: 14, Ashok Marg, Shakti Bhawan, Lucknow -226001.

Dear Sir,

Re: Private Placement of Secured, Rated, Listed, Redeemable, Taxable, Government of Uttar Pradesh serviced Non-Convertible Bonds: supported by Unconditional & Irrevocable Guarantee by the Government of Uttar Pradesh as a Principal Debtor & not merely as a surety and inter alia, has certain servicing obligations, of a face value of Rs.10,00,000/- each, for cash, at par, of Rs.50,000 Lakh, with Green shoe option to retain oversubscription of upto Rs.3,54,880 Lakh, i.e. Aggregating to Rs.4,04,880 Lakh by U. P. Power Corporation Limited ("UPPCL"/ "The Issuer" / "Company") under Series II 2022, comprised of eight sub-series namely 'A', 'B', 'C', 'D', 'E', 'F', 'G', and 'H' with tenure sequentially ranging from 2 years 6 months to 9 years 6 months, redeemable in four equal quarterly instalments, ("Bonds").

We acknowledge receipt of your application on the online portal on September 21, 2022 seeking in-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links [Electronic Issuance - Bombay Stock Exchange Limited \(bseindia.com\)](#)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

9. *Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.*

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, whichever is applicable. The Exchange reserves its right to withdraw its In-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Deputy Manager

ANNEXURE 8
APPLICATION FORM
[ENCLOSED SEPARATELY]