14. Annexure: 2 Letter Regarding Extended time for holding of Annual General Meeting (AGM) for the FY 2019-20

भारत सरकार
कारपोरेट कार्य मंत्रालय
कार्यालय कम्पनी रजिस्ट्रार,
उत्तर प्रदेश,
37/17, वैस्टकाट बिल्डिंग, दि माल,
कानपुर – 208001 (उ.प्र.)
ई–मेल/E-mail : roc.kanpur@mca.gov.in

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
OFFICE OF REGISTRAR OF COMPANIES,
UTTAR PRADESH,
37/17, Westcott Building, The Mall,
Kanpur – 208001 (U.P.)
Phone No. 0512 & 2310323@2310443
e-mail roc.kanpur@mca.gov.in

No.ROC/KAN/AGM EXTN./2020/ 1105

Dated 08-9-2020

ORDER

Extension of time for holding of Annual General Meeting (AGM) for the financial year ended on 31.03.2020

1. Whereas sub-section (1) of section 96 of the Companies Act , 2013 (the Act) provides, inter-alia, that every company, other than a One Person Company, shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting (AGM) and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one AGM of a company and that of the next;

2. And whereas, the first proviso to sub-section (1) of section 96 of the Act provides that in case of the first AGM, it shall be held within a period of nine months from the date of closing of the first financial year of the company and in any other case, within a period of six months, from the date of closing of the financial year;

3. And whereas, the third proviso to Section 96(1) of the Act provides that the Registrar may, for any special reason, extend the time within which any annual general meeting, other than the first annual general meeting, shall be held, by a period not exceeding three months;

4. And whereas, various representations have been received from the Companies, Industry Bodies and Professional Institutes pointing out that several companies are finding it difficult to hold their AGM for the financial year ended on 31.03.2020 due to the difficulties faced in view of the Covid-19 Pandemic;

Page no.2 contd.,

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5. And whereas, the representations have been considered and the undersigned is of the considered opinion that due to such unprecedented special reasons, the time within which the AGM for the financial year ended on 31.03.2020 is required to be held as per provisions of sub-section (1) of Section 96 ought to be extended in terms of the third proviso to section 96(1);

6. Now, therefore, in terms of power vested with the undersigned under the third proviso to sub-section (1) of section 96 of the Act, I hereby extend the time to hold the AGM, other than the first AGM, for the financial year ended on 31.03.2020 for companies within the jurisdiction of this office, which are unable to hold their AGM for such period within the due date of holding the AGM by a period of three months from the due date by which the AGM ought to have been held in accordance with the provisions of sub-section (1) to section 96 of the Act, without requiring the companies to file applications for seeking such extension by filing the prescribed Form No. GNL-1.

Explanation: It is hereby clarified that the extension granted under this Order shall also cover the:

(i) pending applications filed in Form No. GNL-1 for the extension of AGM for the financial year ended on 31.03.2020, which are yet to be approved;

(ii) Applications filed in Form No. GNL-1 for the extension of AGM for the financial year ended on 31.03.2020, which were rejected,

where the approval for extension of AGM upto 3 months from the due date of the AGM shall be deemed to have been granted by the undersigned without any further action on the part of the company.

(Sudhir Kapoor)
Registrar of Companies,
Uttar Pradesh, Kanpur

(सुधीर कपूर)
(SUDHIR KAPOOR)
कम्पनी रजिस्ट्रार उ०प्र०
Registrar of Companies U.P.
भारत सरकार / Govt. of India
कानपुर / Kanpur

Place: Kanpur

Date: 08.09.2020

15. Annexure: 3 Allocation Methodology of UPPCL O&M Expenses

Shakti Bhawan,
14-Ashok Marg, Lucknow 226001

शक्ति भवन,
14–अशोक मार्ग, लखनऊ 226001

OM_Bharan

उत्तर प्रदेश पावर कारपोरेशन लिमिटेड

(उ0प्र0 सरकार का उपक्रम)

U.P. POWER CORPORATION LIMITED

(Govt. of Uttar Pradesh Undertaking

CIN No. U32201UP1999SGC024928

पत्रांक :– 743–कार्य/चौदह–पाकालि/2020–24–के/2020/लेखा स्कन्ध   दिनांकः– 10 जून, 2020

कार्यालय–ज्ञाप

उ0प्र0 पावर कारपोरेशन लि0 (पा0का0लि0) की मुख्यालय स्थित तथा परिक्षेत्रीय लेखा कार्यालय (सामग्री प्रबन्ध), पा0का0लि0 के नियन्त्रणाधीन विभिन्न इकाईयां एवं कार्यालयों यथा निधि प्रबन्ध, वाणिज्य स्कन्ध, नियोजन स्कन्ध, रेग्युलेटरी अफेयर यूनिट, रेस्पो, ई0एस0पी0सी0, पी0पी0ए0, कम्प्यूटराईजेशन इकाई, अपर पुलिस महानिदेशक (सतर्कता)/पुलिस अधीक्षक (सतर्कता–विद्युत कोष्ठ) के कार्यालय, विद्युत सेवा आयोग, विद्युत प्रशिक्षण संस्थान तथा मुख्य अभियन्ता (जल विद्युत) द्वारा पा0का0लि0 की सहायक विद्युत वितरण कम्पनियों यथा पूर्वांचल, मध्यांचल, पश्चिमांचल, दक्षिणांचल विद्युत वितरण निगम एवं केस्को हेतु विद्युत उत्पादको से बल्क ऊर्जा क्रय कर विद्युत वितरण निगमों को बल्क विद्युत आपूर्ति करना, विद्युत क्रय दायित्वों का भुगतान, विद्युत निगमों की ओर से विद्युत नियामक आयोग में ए0आर0आर0 दाखिल किया जाना, नीति निर्धारण, वित्तीय संस्थानो से वित्त पोषण हेतु समन्वय, शासन से समन्वय, कार्मिकों की नियुक्ति व उनको प्रशिक्षण दिया जाना तथा कामन कैडर के कार्मिकों का अधिष्ठान एवं सेवानैवृतिक दायित्वों के निस्तारण सम्बन्धी कार्य व अन्य आनुषंगिक कार्य किये जा रहे है। उपरोक्त कार्यों के सम्पादन में उ0प्र0 पावर कारपोरेशन लि0 की लेखीय इकाईयों के लेखों में कर्मचारी लागत, प्रशासनिक, सामान्य व अन्य व्यय, ब्याज व अन्य वित्तीय लागत, मरम्मत व अनुरक्षण व्यय, सम्पत्तियों पर ह्रास, देनदारों, चालू सम्पत्तियों व विनियोगों पर उनके मूल्य में कमी/संदिग्ध देनदारों के लिये कुछ प्रावधान किये जाते है, साथ ही फिक्स डिपॉजिट/विनियोग पर आय व आय के अन्य मदों में कुछ धनराशि विविध आय (Other Income) शीर्षक के अन्तर्गत प्रदर्शित होती है।

उपरोक्त परिप्रेक्ष्य में रेगुलेटरी अफेयर यूनिट (आर0ए0यू0) द्वारा विद्युत वितरण कम्पनियों के लिये किये जा रहे कार्य सम्पादन के दृष्टिगत पा0का0लि0 के ओ0एण्डएम0 व्ययों को वितरण निगमों पर भारित किए जाने का अभिमत दिया है। अतः इस सम्बन्ध में उपरोक्त अभिमतानुसार पा0का0लि0 के ओ0एण्डएम0 व्ययों में से भारण योग्य व्ययों को सुसंगत आधार पर विद्युत वितरण कम्पनियों पर भारित किया जाना आवश्यक है ताकि इन व्ययों के वित्त पोषण हेतु सरल व सुदृढ़ व्यवस्था भी सुनिश्चित की जा सके।

उपरोक्तानुसार व्ययों के भारण हेतु, निदेशक मण्डल से कार्योत्तर अनुमोदन की प्रत्याशा में, पा0का0लि0 की लेखीय इकाईयों (अनुलग्नक 'अ') के लेखों के अन्तर्गत व्ययों के मद में प्रदर्शित अवशेषों यथा कर्मचारी लागत तथा प्रशासनिक, सामान्य व अन्य व्यय, मरम्मत व अनुरक्षण व्यय आदि को सहायक विद्युत वितरण कम्पनियों पर विगत वित्तीय वर्ष में कुल बिक्रीत ऊर्जा की मात्रा (एम0यू0) के अनुपात में, निम्नांकित बिन्दु–1 के अन्तर्गत विशिष्ट कार्य सम्पादन कर रही इकाईयों/खण्ड/ संस्थान/कार्यालय आदि हेतु उ0प्र0 ऊर्जा क्षेत्र की अन्य सम्बन्धित कम्पनियों व वितरण कम्पनियों को व्यय भारण की निर्दिष्ट व्यवस्था के प्रतिबन्धाधीन, भारित कर अन्तरित किया जाये। अग्रेतर पा0का0लि0 के लेखो में प्रदर्शित स्थायी सम्पत्तियों के सापेक्ष आगणित ह्रास व इन सम्पत्तियों पर किये गये पा0का0लि0 से सम्बन्धित मरम्मत व अनुरक्षण व्यय, पा0का0लि0 द्वारा दिये गए बैंक चार्जेज तथा लेखो में प्रदर्शित 'विनियोग', 'विविध देनदार' व 'अन्य सम्पत्तियों' पर क्रमशः इनके मूल्यों में कमी/संदिग्ध देनदार/संदिग्ध प्राप्यों हेतु किये गये प्रावधान की धनराशि का अन्तरण नहीं किया जायेगा। इसी क्रम में लेखो में प्रदर्शित पा0का0लि0 से सम्बन्धित विविध आय को भी डिस्कॉमस् को अन्तरित नही किया जायेगा।

1.(क) कारपोरेशन की शक्ति भवन स्थित विद्युत जानपद इकाई (लो0को0 641), विद्युत अनुरक्षण इकाई (लो0को0 646) तथा विद्युत एवं यान्त्रिक इकाई (पेन्शन सेल) (लो0को0 647) जो कि शक्ति भवन, शक्ति भवन विस्तार व शक्ति भवन परिसर पर वातानुकुलन, सुरक्षा व्यवस्था, अग्नि शमन संयन्त्रों की व्यवस्था, लिफ्ट संचालन, मरम्मत व अनुरक्षण जैसी अन्य केन्द्रीकृत प्रसुविधायें पर व्यय करती है जिसका उपयोग शक्ति भवन स्थित उ0प्र0 पावर कारपोरेशन लि0, उ0प्र0 राज्य विद्युत उत्पादन निगम लि0, उ0प्र0 जल विद्युत निगम लि0, उ0प्र0 पावर ट्रासमिशन कारपोरेशन लि0 के कार्यालयों द्वारा किया जाता है अतः केन्द्रीय प्रसुविधाओं पर हुए व्ययों को उक्त कम्पनियों के कार्यालयों द्वारा मुख्यालय भवनो पर अध्यासित क्षेत्र (Occupied area) के अनुपात में विभक्त किया जाये तथा

पा0का0लि0 के अंश को छोड़कर व्ययों की शेष धनराशि को सम्बन्धित कम्पनियों पर भारित कर अन्तरित किया जाये।

(ख) विद्युत जानपद निर्माण खण्ड, लखनऊ (लो0को0 645) के द्वारा लखनऊ जनपद में स्थित पावर कारपोरेशन की आवासीय कालोनियों/स्कूल के वार्षिक अनुरक्षण एवं नलकूप संचालन के कार्यों हेतु आने वाले वित्तीय भार का वहन अध्यक्ष, उ0प्र0 पावर कारपोरेशन लि0 के कार्यालय ज्ञाप 530–कार्य/चौदह–पाकालि/ 2020–13–के/2020 दिनांक 16 मार्च, 2020 में निहित निर्देशों के अनुसार उत्तर प्रदेश पावर ट्रांसमिशन कारपोरेशन लि0 एवं उ0प्र0 राज्य विद्युत उत्पादन निगम लि0 द्वारा किया जाएगा।

(ग) कार्यालय अपर पुलिस महानिदेशक (सतर्कता), (लोकेशन कोड 983) के नियन्त्रणाधीन मुख्यालय लखनऊ पर तैनात अधिकारियों व अधिकारिको तथा विद्युत वितरण कम्पनियों में सृजित/क्रियाशील विद्युत चोरी निरोधक थाने एवं प्रवर्तन दल पर तैनात अधिकारियों एवं अधिकारिकों से सम्बन्धित कर्मचारी लागत, प्रशासनिक, सामान्य व अन्य व्यय लेखों में प्रदर्शित होते है, अतः मुख्यालय लखनऊ पर तैनात अधिकारियों व अधिकारिको से सम्बन्धित कर्मचारी लागत, प्रशासनिक, सामान्य व अन्य व्ययों को छोड़कर, इन मदो में शेष धनराशि को विद्युत वितरण कम्पनियों पर उपरोक्तानुसार अधिकारियों एवं अधिकारिकों की तैनाती की संख्या के अनुपात में सम्बन्धित विद्युत वितरण कम्पनी पर भारित कर अन्तरित किया जाये।

(घ) कार्यालय पुलिस अधीक्षक, उ0प्र0 सतर्कता अधिष्ठान (विद्युत कोष्ठ) (लोकेशन कोड 972) के नियन्त्रणाधीन अधिकारियों/अधिकारिकों से सम्बन्धित कर्मचारी लागत तथा प्रशासनिक, सामान्य व अन्य व्ययों को उ0प्र0 पावर कारपोरेशन लि0, उ0प्र0 राज्य विद्युत उत्पादन निगम लि0, उ0प्र0 जल विद्युत निगम लि0, उ0प्र0 पावर ट्रांसमिशन कारपोरेशन लि0 तथा समस्त विद्युत वितरण कम्पनियों (डिस्कॉमस व केस्को) के मध्य समान अनुपात (equal ratio) में विभक्त किया जाये तथा पा0का0लि0 के अंश को छोड़कर व्ययों की शेष धनराशि को सम्बन्धित कम्पनियों पर भारित कर अन्तरित किया जाये।

(ड.) अध्यक्ष, उ0प्र0 पावर कारपोरेशन लि0 के कार्यालय ज्ञाप 216–प्रशि0–10/पाकालि/2020–36–प्रसे0/99 टीसी–2 दिनांक 09 जून, 2020 में निहित निर्देशों के अनुसार विद्युत प्रशिक्षण संस्थान (लोकेशन कोड 982) में सुरक्षा व्यवस्था, कम्प्यूटर आपरेटर, विविध अनुरक्षण कार्यों हेतु ओ0एण्डएम0 एवं प्रशिक्षण कार्यक्रमों के मद में व्यय होने वाली राशि को उत्तर प्रदेश पावर ट्रांसमिशन कारपोरेशन लि0, पूर्वांचल, मध्यांचल, पश्चिमांचल, दक्षिणांचल विद्युत वितरण निगम (प्रत्येक द्वारा 19 प्रतिशत) तथा केस्को द्वारा 5 प्रतिशत की दर से वहन किया जाएगा।

संस्थान द्वारा पा0का0लि0 के कार्यालय ज्ञाप संख्या 505/पी0सी0एल0/सी0ए0–ए0एस0/ट्रांसको दिनांक 14.11.2018 में निर्दिष्ट व्यवस्था के अनुसार ट्रांसको को संस्थान की कर्मचारी लागत का 25% व्यय का अन्तरण नहीं किया जाएगा।

अतः संस्थान के लेखों में प्रदर्शित कर्मचारी लागत में से 10% राशि को तदर्थ आधार पर पा0का0लि0 के लिए रोकते हुये, शेष राशि को उत्तर प्रदेश पावर ट्रांसमिशन कारपोरेशन लि0, पूर्वांचल, मध्यांचल, पश्चिमांचल, दक्षिणांचल विद्युत वितरण निगम तथा केस्को पर उपरोक्तानुसार निर्दिष्ट अनुपात में भारित कर अन्तरित किया जाएगा।

विद्युत प्रशिक्षण संस्थान द्वारा यदि ऊर्जा क्षेत्र की अन्य कम्पनियों यथा उत्तर प्रदेश राज्य विद्युत उत्पादन निगम लि0/जल विद्युत निगम लि0 एवं बाहय संस्थानों के अधिकारियों/कर्मचारियों के प्रशिक्षण पर व्यय किया जाता है तो उक्त व्ययों की 100 प्रतिशत प्रतिपूर्ति संबधित कम्पनियों/संस्थानों से प्राप्त करते समय संस्थान की मार्गदर्शक संस्था द्वारा प्रतिपूर्ति हेतु जो धनराशि प्रति प्रशिक्षाणार्थी निर्धारित की जाए उसमें संस्थान के सभी व्ययों जैसे कि कर्मचारी लागत, आनुषंगिक ओ0एण्डएम0 व्यय इत्यादि को समाहित किया जाये।

(च) कार्यालय मुख्य अभियन्ता (जल विद्युत) (लोकेशन कोड 971) द्वारा मुख्य अभियन्ता संवर्ग एवं अवर अभियन्ता संवर्ग (कॉमन कैडर) के कार्मिकों के सम्बन्ध में तैनाती, अधिष्ठान, सेवानिवृत्तिक लाभों हेतु कार्यवाही आदि कार्य सम्पादन की दशा के दृष्टिगत इस कार्यालय के लेखो में प्रदर्शित कर्मचारी लागत, प्रशासनिक, सामान्य व अन्य व्ययों आदि को समस्त विद्युत वितरण कम्पनियों, उ0प्र0 पावर कारपोरेशन लि0, उ0प्र0 पावर ट्रांसमिशन कारपोरेशन लि0 में तैनात कॉमन कैडर के कर्मचारियों की संख्या में विभक्त किया जाये तथा पा0का0लि0 के अंश को छोड़कर व्ययों की शेष धनराशि को सम्बन्धित कम्पनियों पर भारित कर अन्तरित किया जाये।

(छ) विद्युत सेवा आयोग (लोकेशन कोड 973) द्वारा समस्त वितरण निगमों, ट्रांसको, पा0का0लि0 के लिए कर्मचारियों की भर्ती प्रक्रिया सम्पादित कराये जाने वाले कार्यो के दृष्टिगत आयोग के समस्त व्ययों को विद्युत वितरण

कम्पनियों, ट्रांसको, पा0का0लि0 में रिक्त पदो की संख्या के अनुपात मे विभक्त किया जाये तथा पा0का0लि0 के अंश को छोड़कर व्ययों की शेष धनराशि को सम्बन्धित कम्पनियों पर भारित कर अन्तरित किया जाये।

(ज) मुख्यालय भुगतान (लोकेशन कोड 992) द्वारा डिस्कामस् से सम्बन्धित योजनाओं के विज्ञापन व्ययों पर किये गये व्ययों को वर्तमान में व्यय से सम्बन्धित अनुभाग के नियन्त्रक अधिकारी अथवा अन्य प्राधिकृत अधिकारी द्वारा निर्दिष्ट अनुपात में भारित किया जा रहा है। इसी प्रकार डिस्कामस के कार्मिकों की कैशलेस चिकित्सा सुविधा के भुगतान को सम्बन्धित डिस्कामस को भारित किया जा रहा है, अतः इस सम्बन्ध में अग्रेतर किये जाने वाले व्ययों को व्यय से सम्बन्धित अनुभाग के नियन्त्रक अधिकारी अथवा अन्य प्राधिकृत अधिकारी द्वारा निर्दिष्ट अनुपात में ही विद्युत वितरण कम्पनियों को यथावत भारित किया जाये तथा जहाँ पर कोई व्यय स्पष्टतः किसी विद्युत वितरण कम्पनी से सम्बन्धित है तो उक्त को सम्बन्धित वितरण कम्पनी पर भारित किया जायेगा।

उ0प्र0 पावर कारपोरेशन लि0 के कार्यालय ज्ञाप संख्या 505/पी0सी0एल0/सी0ए0–ए0एस0/ट्रांसको दिनांक 14.11.2018 के द्वारा कर्मचारी लागत को पावर ट्रांसमिशन कारपोरेशन लि0 पर भारित किये जाने वाले निर्देश वित्तीय वर्ष 2019–2020 के लिए प्रभावी नहीं होंगे।

इकाई द्वारा उ0प्र0 पावर कारपोरेशन लि0 अंशदायी भविष्य निधि ट्रस्ट से सम्बन्धित कर्मचारी लागत को समस्त विद्युत वितरण कम्पनियों, उ0प्र0 पावर कारपोरेशन तथा उ0प्र0 पावर ट्रांसमिशन कारपोरेशन द्वारा अंशदान के अनुपात में विभक्त किया जाये तथा पा0का0लि0 के अंश को छोड़कर शेष धनराशि समस्त कम्पनियों को भारित करते हुये अन्तरित किया जाये।

(झ) केन्द्रीय भुगतान प्रकोष्ठ (लोकेशन कोड 396) द्वारा डिस्काम से सम्बन्धित विभिन्न योजनाओं पर किये गये व्ययों को वर्तमान में व्यय से सम्बन्धित अनुभाग के नियन्त्रक अधिकारी अथवा अन्य प्राधिकृत अधिकारी द्वारा निर्दिष्ट अनुपात में भारित किया जा रहा है। अतः इस सम्बन्ध में अग्रेतर किये जाने वाले व्ययों को व्यय से सम्बन्धित अनुभाग के नियन्त्रक अधिकारी अथवा अन्य प्राधिकृत अधिकारी द्वारा निर्दिष्ट अनुपात में ही विद्युत वितरण कम्पनियों को यथावत भारित किया जाए, साथ ही जहाँ पर कोई प्रशासनिक व सामान्य व्यय स्पष्टतः किसी वितरण कम्पनी से सम्बन्धित है तो उक्त को सम्बन्धित वितरण कम्पनी पर भारित किया जायेगा।

प्रकोष्ठ द्वारा यू0पी0 पावर सेक्टर इम्पलाईज ट्रस्ट की कर्मचारी लागत व प्रशासनिक व सामान्य व्ययों के भुगतान को समस्त वितरण कम्पनियों, पावर कारपोरेशन, उत्पादन निगम, जल विद्युत निगम तथा पावर ट्रासमिशन कारपोरेशन के द्वारा अंशदान के अनुपात में तथा उ0प्र0 पावर कारपोरेशन लि0 अंशदायी भविष्य निधि ट्रस्ट से सम्बन्धित प्रशासनिक व सामान्य व्ययों को समस्त विद्युत वितरण कम्पनियों, उ0प्र0 पावर कारपोरेशन तथा उ0प्र0 पावर ट्रांसमिशन कारपोरेशन द्वारा अंशदान के अनुपात में विभक्त किया जाये तथा पा0का0लि0 के अंश को छोड़कर शेष धनराशि समस्त कम्पनियों को भारित करते हुये अन्तरित किया जाये।

(ञ) उ0प्र0 पावर कारपोरेशन लि0 मुख्यालय पर कार्यरत विभिन्न अनुभाग/कार्यालय में तैनात अधिकारियों/अधिकारिकों द्वारा सामान्यतः वितरण कम्पनियों के लिए नीति निर्धारण से लेकर विभिन्न पूंजीगत एवं राजस्व सम्बन्धी योजनाओं के सुचारू संचालन हेतु की जा रही कार्यवाही एवं पा0का0लि0 (पृथक शीर्ष कम्पनी के रूप में) के कार्यों के सम्पादन के दृष्टिगत कारपोरेशन की मुख्यालय भुगतान एवं केन्द्रीय भुगतान प्रकोष्ठ से सम्बद्ध इकाईयों की कर्मचारी लागत के 50 प्रतिशत भाग को तदर्थ आधार पर पा0का0लि0 के लेखों में रोकते हुए, शेष 50 प्रतिशत को उत्तर प्रदेश पावर ट्रासमिशन कारपोरेशन लि0, पूर्वांचल, मध्यांचल, पश्चिमांचल, दक्षिणांचल विद्युत वितरण निगम (प्रत्येक को 9.5 प्रतिशत) तथा केस्को में 2.5 प्रतिशत की दर से भारित कर अन्तरित किया जाएगा।

(ट) 'प्रशासनिक, सामान्य एवं अन्य व्यय' के अन्तर्गत प्रदर्शित ऐसे मद जिन पर किया गया व्यय स्पष्टतः पा0का0लि0 से सम्बन्धित है यथा पा0का0लि0 के अंकेक्षको को देय अंकेक्षण शुल्क व उनका यात्रा व्यय, सम्पत्तियों का बीमा शुल्क, विद्युत व्यय, लेखन सामग्री व्यय, भवनों का किराया आदि को उ0प्र0 पावर कारपोरेशन लि0 की लेखा पुस्तकों मे ही दर्शाया जाए। अग्रेतर लीगल व्यय, कन्सल्टेन्सी, तकनीकी व प्रोफेशनल व्ययों के मद में प्रदर्शित राशि, जो कि पा0का0लि0 से सम्बन्धित है, को भी पा0का0लि0 की लेखा पुस्तकों में दर्शाया जाए।

(ठ) उपरोक्त के अतिरिक्त पूर्व में अन्तरित हो रहे व्ययों के सम्बन्ध में प्रचलित व्यवस्था यथावत् रहेगी।

2. वित्तीय वर्ष 2019–20 के लेखों में पूर्वावधि से सम्बन्धित व्ययों का लेखांकन किये जाने की दशा में उन व्ययों को भी उपरोक्तानुसार भारित व अन्तरित किया जाये।

3. उपरोक्त व्ययों का प्रोद्भूत आधार (Accrual basis) पर लेखांकन, जबतक की लेखीय नीति में पृथक रूप से उल्लेख न हो, सुनिश्चित करते हुये व्ययों के भारण व अन्तरण की कार्यवाही की जाये।

4. व्यय को भारित कर अन्तरित किये जाने के समय/सम्बन्ध में यदि किसी संशोधन की आवश्यकता उत्पन्न होती है तो तद्नुसार निर्णय लेते हुये अग्रिम दिशा–निर्देश निदेशक (वित्त), उ0प्र0पा0का0लि0 द्वारा निर्गत किये जायेंगे।

5. उपरोक्त बिन्दुओं में व्यय के भारण हेतु विद्युत वितरण कम्पनियों को बिक्रीत ऊर्जा की मात्रा (एम0यू0), कर्मचारियों की संख्या, कम्पनियों में रिक्त पदो की संख्या, ट्रस्ट को अंशदान तथा कम्पनियों द्वारा भवनो में अध्यासित क्षेत्र आदि आधारो हेतु चालू वर्ष के ठीक पूर्व वर्ष के आंकडे/सूचनायें प्रयोग में ली जायगी, उदाहरणार्थ वित्तीय वर्ष 2019–20 के व्ययों के भारण हेतु वित्तीय वर्ष 2018–19 के आंकडे/सूचनायें आगणन का आधार होंगी।

6. उपरोक्तानुसार कार्यवाही कराये जाने हेतु लेखा स्कन्ध द्वारा आवश्यक लेखांकन प्रक्रिया निर्गत की जायगी।

7. उपरोक्त व्ययों के भारण एवं अन्तरण पर नियमानुसार लागू/देय जी0एस0टी0 को सम्बन्धित अन्तरिती कम्पनी/कारपोरेशन द्वारा वहन किया जाएगा तथा नियमानुसार स्रोत पर आयकर कटौती की जायगी, इसके अतिरिक्त यदि किसी प्रकरण में विधिक करो से सम्बन्धित देयता बनती है तो उसे भी अन्तरिती कम्पनी/कारपोरेशन द्वारा वहन किया जाएगा। जी0एस0टी0, आयकर आदि के सम्बन्ध में आवश्यकतानुसार प्रक्रिया कारपोरेट टैक्स, उ0प्र0 पावर कारपोरेशन लि0 द्वारा जारी की जायेगी तथा प्रक्रिया के अनुपालन में आने वाले किसी भी कठिनाई के समाधान हेतु प्रकरण कारपोरेट टैक्स को सन्दर्भित किये जायेंगे।

उपरोक्त व्यवस्था वित्तीय वर्ष 2019–2020 से प्रभावी होगी।

प्रबन्ध निदेशक

पत्रांकः– 743–कार्य/चौदह–पाकालि/2020–24–के/2020/लेखा स्कन्ध तद्दिनांक

प्रतिलिपि निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषितः–

1. अध्यक्ष के निजी सचिव, उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
2. प्रबन्ध निदेशक, उ0प्र0 पावर ट्रांसमिशन कारपोरेशन लि0/उ0प्र0 राज्य विद्युत उत्पादन निगम लि0/उ0प्र0 जल विद्युत निगम लि0, शक्ति भवन, लखनऊ।
3. प्रबन्ध निदेशक, मध्यांचल/पूर्वांचल/पश्चिमांचल/दक्षिणांचल विद्युत वितरण निगम लि0/केस्को, लखनऊ/वाराणसी/मेरठ/आगरा/कानपुर।
4. निदेशक(वाणिज्य)/(कारपोरेट प्लानिंग)/(वितरण)/(वित्त)/(का0प्र0 एवं प्रशा0), उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
5. निदेशक(वित्त), मध्यांचल/पूर्वांचल/पश्चिमांचल/दक्षिणांचल विद्युत वितरण निगम लि0, लखनऊ/वाराणसी/ मेरठ/आगरा।
6. अधिशासी निदेशक (वित्त एवं लेखा), उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
7. मुख्य महाप्रबन्धक (लेखा एवं सम्प्रेक्षा), उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
8. समस्त अपर सचिव/संयुक्त सचिव/उप सचिव/अनु सचिव, कारपोरेशन मुख्यालय, शक्ति भवन, लखनऊ।
9. मुख्य अभियन्ता (वाणिज्य एवं ऊर्जा लेखा/पी0पी0ए0/कम्प्यूट्राइजेशन इकाई/जल विद्युत/आर0ए0यू0/ पी0एम0यू0), उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
10. महानिदेशक (प्रशि0 एवं मा0सं0वि0), उ0प्र0 पावर कारपोरेशन लि0, सरोजनी नगर, लखनऊ।
11. पुलिस उपमहानिरीक्षक, कार्यालय पुलिस महानिदेशक(सतर्कता), शक्ति भवन विस्तार, (12वां तल) लखनऊ।
12. कम्पनी सचिव, उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
13. पुलिस अधीक्षक, उ0प्र0 सर्तकता अधिष्ठान(विद्युत कोष्ठ) डालीबाग, लखनऊ।
14. उप महाप्रबन्धक (निधि प्रबन्ध/लेखा/सम्प्रेक्षा), उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
15. उप महाप्रबन्धक (लेखा), परिक्षेत्रीय लेखा कार्यालय (सामग्री प्रबन्ध), उ0प्र0 पावर कारपोरेशन लि0, लखनऊ।
16. उप महाप्रबन्धक (वित्त एवं लेखा), केस्को, कानपुर।
17. सचिव(ट्रस्ट), उ0प्र0 स्टेट पावर सेक्टर इम्पालइज ट्रस्ट, शक्ति भवन, लखनऊ।
18. अधीक्षण अभियन्ता, आयात–निर्यात एवं भुगतान मण्डल, उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।
19. अधिशासी अभियन्ता, स्टेट डेजिगनेटिड एजेन्सी, शक्ति भवन, लखनऊ।
20. समस्त आहरण वितरण अधिकारी, उ0प्र0 पावर कारपोरेशन लि0।
21. लेखाधिकारी/सहा0लेखाधिकारी (मुख्यालय भुगतान/केन्द्रीय भुगतान प्रकोष्ठ/पी0एम0यू0), उ0प्र0 पावर कारपोरेशन लि0, शक्ति भवन, लखनऊ।

आर.के.गुप्ता

(आर0के0 गुप्ता)
संयुक्त सचिव (कार्य)

कार्यालय ज्ञाप का अनुलग्नक 'अ'

उ0प्र0 पावर कारपोरेशन लि0

लो0को0	इकाई का नाम
300	परिक्षेत्रीय लेखा कार्यालय (सा0प्र0) से सम्बद्ध इकाईयां
325	विद्युत भण्डार क्रय मण्डल–तृतीय (ए0पी0डी0आर0पी0), लखनऊ
327	विद्युत भण्डार क्रय मण्डल–प्रथम, महानगर, लखनऊ
335	परिक्षेत्रीय लेखा कार्यालय (सामग्री प्रबन्ध), लखनऊ
330	परिक्षेत्रीय लेखा कार्यालय (सा0प्र0) से सम्बद्ध विद्युत बल्क क्रय–विक्रय से सम्बन्धित इकाई
240	विद्युत आयात, निर्यात एवं भुगतान मण्डल, शक्ति भवन विस्तार, लखनऊ
640	परिक्षेत्रीय लेखा कार्यालय (सा0प्र0) से सम्बद्ध विविध जानपदीय इकाईयां
641	विद्युत जानपद इकाई, शक्ति भवन, लखनऊ
645	विद्युत जानपद निर्माण खण्ड (प्रथम), पा0का0लि0, अलीगंज, लखनऊ
646	अनुरक्षण इकाई, उ0प्र0पा0का0लि0, शक्ति भवन, लखनऊ
647	विद्युत एवं यांत्रिक इकाई (पेंशन सेल), शक्ति भवन, लखनऊ
970	परिक्षेत्रीय लेखा कार्यालय (सा0प्र0) से सम्बद्ध विविध इकाईयां
971	मुख्य अभियन्ता (जल विद्युत), शक्ति भवन, लखनऊ
972	कार्यालय पुलिस अधीक्षक (सतर्कता) (विद्युत कोष्ठ), डालीबाग, लखनऊ
973	विद्युत सेवा आयोग, गोमती नगर, लखनऊ
974	स्टेट डेजिगनेटेड एजेन्सी, शक्ति भवन, लखनऊ
982	विद्युत प्रशिक्षण संस्थान, सरोजनी नगर, लखनऊ
983	कार्यालय अपर पुलिस महानिदेशक (सतर्कता), शक्ति भवन, लखनऊ
	मुख्यालय इकाईयां
991	केन्द्रीय भुगतान (वित्त प्रबन्ध), शक्ति भवन, लखनऊ
992	मुख्यालय भुगतान इकाई, शक्ति भवन विस्तार, लखनऊ
994	पुर्नभुगतान एवं ब्याज भुगतान, शक्ति भवन, लखनऊ
998	प्रोजेक्ट मैनेजमेन्ट यूनिट, शक्ति भवन विस्तार, लखनऊ
396	केन्द्रीय भुगतान प्रकोष्ठ, शक्ति भवन विस्तार, लखनऊ

16. Annexure: 4 Actuarial Valuation Study Report of FY 2019-20

Strictly Confidential

As per IND AS 19

Gratuity Scheme

Kanpur Electricity Supply Co. Ltd.

Actuarial Valuation for the period April 01, 2019 to March 31, 2020

MITHRAS CONSULTANTS

Fellow Actuary Details

Sapna Malhotra

Fellow Member, Institute of Actuaries of India

Membership No. IAI- 3766

Emailid:- sapna.malhotra@mithrasconsultants.com

Contact No.:- 09212375418

Date: September 19, 2020

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Section 1: Purpose and Scope of the Work Assigned

The primary objective of this valuation exercise is to provide Kanpur Electricity Supply Co. Ltd. (Hereinafter referred as "The Company") with an actuarial valuation of the gratuity benefit that is currently being provided for its employees in India, as at March 31, 2020, for financial year 2019-20.

I have been requested by the Company to calculate the accounting expenses associated with the Gratuity Plan for the period April 01, 2019 to March 31, 2020 in terms of Accounting Standard IND AS 19 issued by the Ministry of Corporate Affairs.

The results set out in this Report are based on requirements of IND AS 19 and its application to the Plan. They have been prepared for the specific requirements of IND AS 19 and should not be used for any other purpose. In particular this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels.

This Report is provided solely for the Company's use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by me for any consequences arising from any third party relying on this Report or any advice relating to its contents. The Company may make a copy of this Report available to its auditors, but I make no representation as to the suitability of this Report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Company's auditors in this regard. The Company should draw the provisions of this paragraph to the attention of its auditors when passing this Report to them.

Actuarial techniques have been adopted; taking into consideration the requirements under Accounting Standard IND AS 19 issued by The Ministry of Corporate Affairs and generally accepted actuarial principles.

All monetary amounts mentioned in this report are in Indian Rupee (INR), unless mentioned otherwise.

Section 2: Summary of Results

2.1 The below table shows the summary of key results for the period 01-04-2019 to 31-03-2020.

All Figures in INR	March 31, 2019	March 31, 2020
Fair Value of Plan Assets	0	0
Present value of obligation	118,735,042	138,851,799

The Company has informed us that the actuarial valuation was not done last year and they have kept a provision of INR 118,735,042 against the gratuity liability as at March 31, 2019.

2.2 Balance Sheet Position as on valuation date

All Figures in INR	March 31, 2019	March 31, 2020
Net asset/(liability) recognised in balance sheet	(118,735,042)	(138,851,799)

2.3 Expense Recognised in Profit and Loss Account

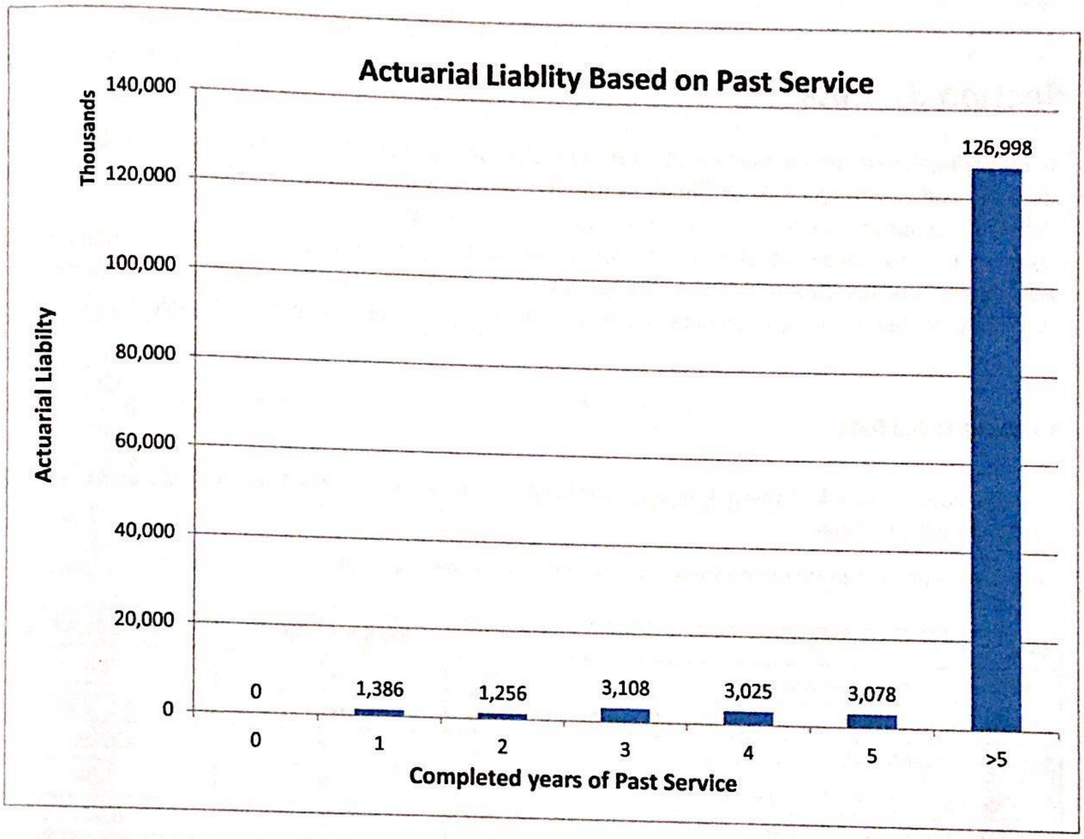
All Figures in INR	March 31, 2019	March 31, 2020
Total Employer Expense	NA	22,855,929

2.4 Bifurcation of Present Value of Obligation at the end of the year

All Figures in INR	March 31, 2019	March 31, 2020
Current Liability	NA	3,285,277
Non-Current Liability	NA	135,566,522
Total Liability	**118,735,042**	**138,851,799**

2.5 Enterprise best estimate of contribution during next year is INR 24,031,402.

2.6 Actuarial Liability based on past service



Section 3: Data

In preparing this report we have relied on the completeness and accuracy of the information provided to us orally and in writing by or on behalf of the Company and its advisers. We have not completed any detailed validation checks on the information provided. We have, however, carried out broad consistency and validation checks. The Company is solely responsible for validity, accuracy and completeness of the data and information provided. The valuation results may differ significantly from the results that would have been obtained in case there is change in input data by the client.

3.1 Membership Data

The calculations have been based on the membership information for the Plan as at March 31, 2020 as supplied by the Company.

Following is the summary of employees profile data as on valuation date:

Item	March 31, 2019	March 31, 2020
Total Number of Employees	NA	705
Total Monthly Salary (in 000's) (Basic Salary)	NA	30,733
Average Monthly Salary (absolute)	NA	43,593
Average Age (Age last Birthday) (in Years)	NA	34.98
Average past service (in Years)	NA	8.71
Average future service (in Years)	NA	25.02

We have assumed that Salary provided by the Company includes only basic salary.

3.2 Asset Data

There were no plan assets set up by the company. Hence we have taken zero value in this report.

All Figures in INR	March 31, 2019	March 31, 2020
Opening fair value of Plan Assets	NA	0
Actual Return on plan assets	NA	0
Employer Contributions	NA	511,625
Benefit Paid	NA	(511,625)
Closing fair value of Plan Assets	**NA**	**0**

Note: Benefit paid is equal to employer's contribution because benefit is directly paid by the company.

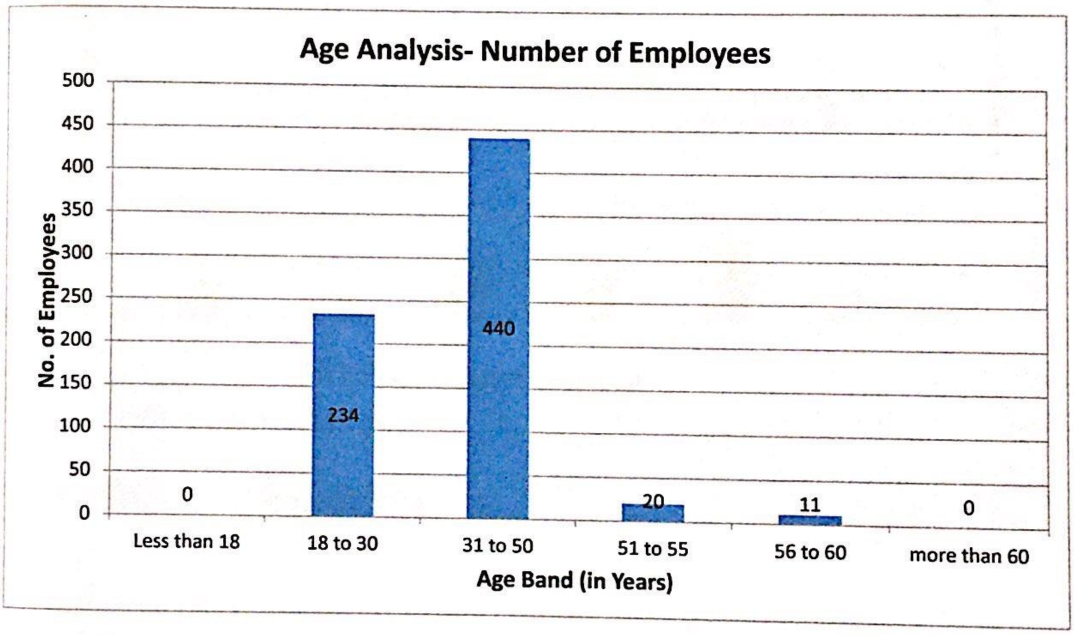
3.3 We have broadly performed the following consistency and validation checks:

- Data missing that is any blank field in the data
- The age last birthday is not less than 18 years at the valuation date
- Date of joining is less than valuation date
- Salaries are not negative or zero
- Age as at valuation date should not be more than the retirement age

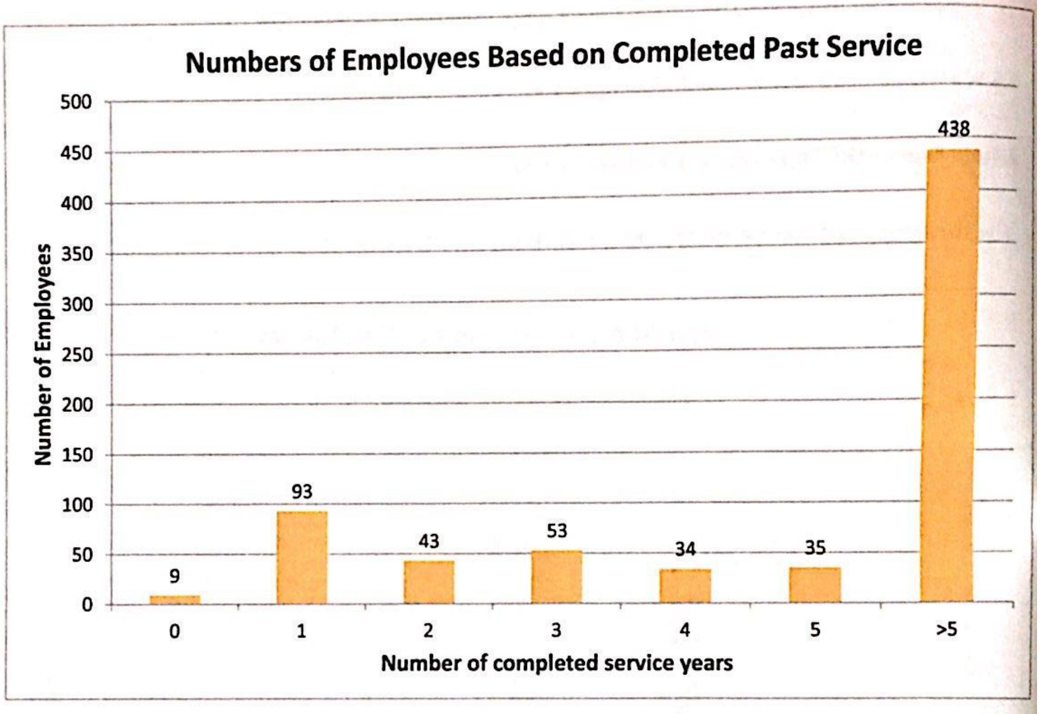
3.4 We have also conducted the following analysis on the data:

3.4(a) : Number of Employees in various age bands

The following chart represents employee's age profile of the Company:



3.4(b) : Number of Employees based on completed past service



Section 4: Assumptions

To prepare an actuarial valuation, assumptions are used in a forward looking financial and demographic model to present a single scenario from a wide range of possibilities. The future is uncertain and the plan's actual experience will differ from assumptions; these differences may be significant or material because actuarial estimates can be very sensitive to the assumptions made and, in some cases, to the interactions between the assumptions.

Different assumptions or scenarios within the range of possibilities may also be reasonable and results based on alternative assumptions would be different. As a result of the uncertainty inherent in a forward looking projection in a very long period of time, no one projection is uniquely "correct" and many alternative projections of the future could also be regarded as reasonable. Two different actuaries could, quite reasonably, arrive at different results based on the same data and different views of future. A "sensitivity analysis" shows the degree to which result would be different if alternative assumptions are used for the actuarial estimates.

Assumptions may also be changed from one valuation to the next because of changes in mandated requirement, plan experience, changes in expectation about future and other factors. A change in assumptions is not an indication that prior assumptions were unreasonable when made.

4.1 The assumptions and methodology used in compiling this Report are consistent with the requirements of IND AS 19.

4.2 Economic assumptions include:

- Discount Rate
- Salary Inflation rate
- Expected return on plan assets

4.3 Demographic assumptions include:

- Retirement Age
- Mortality
- Withdrawal Rates
- There is no medical cost involved

Following are the major assumptions that have been used in carrying out the valuation:

Per Annum	Year 1	Year 2	Year 3	Year 4	Year 5	Year 5+
Discount Rate	6.92%	6.92%	6.92%	6.92%	6.92%	6.92%
Salary Growth Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Withdrawal Rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Mortality Rate	100% of IALM 2012-14					

Note: Due to insufficient data and experience, we have used 100% of industry mortality table IALM 2012-14 for this valuation.

There is no explicit assumptions for disability and no assumption for medical cost and its trends.

Major assumption that had been used in last valuation ending at March 31, 2019 are:

Discount Rate	NA
Salary Growth Rate	NA
Withdrawal Rate	NA
Mortality Rate	NA

Note: Due to insufficient data and experience, we have used 100% of industry mortality table IALM 2006-08 for this valuation.

4.4 The requirements relating to the major valuation assumptions were made clear as per IND AS 19 and same have been used as provided by the employer. It should be noted that I have not performed any validation checks for the appropriateness and adequacy of the assumptions. The broader professional and accounting standard guidance are that Discount Rate should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary increase should take account inflation, seniority, promotion and other relevant factors.

4.5 The Duration of liability is calculated by scientific method called Macaulay duration. The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. The duration of the liabilities is approximately 19 years.

4.6 The discount rate as at 31 March 2020 is based on 19 years government bond yields as at 31 March 2020.

4.7 The results are particularly sensitive to some assumptions, such as the Discount Rate, inflation e.g. level of salary increases and mortality. A decrease in the Discount Rate assumed or an increase in salary inflation will lead to an increase in reported cost.

Section 5: Methodology

An actuarial estimation is only a snapshot of a plan's estimated financial condition at a particular point in time; it does not provide the plan's future financial condition or its ability to pay benefit in the future and does not provide any guarantee of future financial soundness of the plan. Over time, a plan's total cost will depend on a number of factors, including the amount of benefit plan pays, the number of people paid benefits, the period of time over which benefits are paid, plan expenses and the amount earned on any assets invested to pay benefits. These amounts and other variables are uncertain and unknowable at the valuation date.

Because modeling all aspects of a situation is not possible or practical, we may use summary information, estimates, or simplifications of estimates to facilitate the modeling future events in an efficient and cost- effective manner. We may also include factor or data that, if used, in our judgment, would not have significantly affected our results. Use of such simplifying techniques does not, in our judgment, affect the reasonableness of valuation results for the plan.

Valuations do not affect the ultimate cost of the plan, only the timing when benefits costs are recognized. Cost recognitions occur over time. If the costs recognized over the period of years are lower or higher than necessary, for whatever reason, normal and expected practice is to adjust future levels to recognize the entire cost of the plan over time.

5.1 The valuation has been carried out using the Projected Unit Credit (PUC) actuarial method to assess the Plan's liabilities, including those related to death-in-service and incapacity benefits.

Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The "projected accrued benefit" is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

Recognition of re-measurement Items

The disclosures in this report have been prepared using the immediate recognition approach of recognising all re-measurement items occurring during the year in the other comprehensive income (OCI).

Re-measurements arising from defined benefit plans comprise actuarial gains and losses on benefit obligations, the return on plan assets in excess of what has been estimated and the effect of asset ceiling, if any, in case of over funded plans. The company recognises these items of re-measurements immediately in other comprehensive income and all the other expenses related to defined benefit plans in employee benefit expenses in profit and loss account.

Section 6: Provisions

6.1 The benefits payable under this plan are governed by "Gratuity Act 1972"

6.2 We give below a summary of the principal rules of the Plan;

Type of Plan	Defined Benefit
Employer's Contribution	100%
Employee's Contribution	0%
Salary for calculation of gratuity	Last Drawn Basic Salary
Benefits on Normal Retirement	15/26 * Salary * No. of years of completed service
Benefit on early exit due to early retirement/withdrawal/resignation	Same as normal retirement benefit upto the date of exit
Benefit on death in service	Same as normal retirement benefit except that no vesting condition apply
Maximum Limit (Capped/Uncapped)	INR 20 Lakhs
Minimum Service Condition (in Years) (Vesting Period)	5 Years
Normal Retirement Age (in Years)	60 Years

Note: The principal rules of the plan regarding the payment of gratuity benefits to the employees have not changed over the previous valuation period.

6.3 We have made full actuarial valuations based on member data and plan information provided by the Company as at Valuation date.

6.4 The definitions of various terms used in the Report are given in the last section.

6.5 The full results of our calculations are set out in Disclosure Tables in Section 9.

6.6 We would be pleased to discuss this report with you.

Section 7: Characteristics of Defined Benefit Plan

7.1 The Nature of benefits provided by the plan

This plan provides a lump sum benefit based on the past service and salary at the time of leaving the plan.

The benefit formula is as per the Gratuity Act 1972:

15/26*Past Service*Current Salary

In case Plan Provision offers Capped Gratuity, maximum benefit payable is INR 20,00,000.

If the Plan Provision offers Uncapped Gratuity, maximum benefit payable is actual benefit as per above formula.

Under this Plan, Capped Gratuity is payable to all the employees.

7.2 Regulatory Framework in which Plan operates

This Plan is Governed by the "Gratuity Act 1972" issued by Ministry of Labour Laws.

The accounting standard governing the provisioning of this plan in the books of accounts is IND AS 19 issued by the Ministry of Corporate Affairs.

The actuarial valuation of this Plan has been done as per the actuarial principles as mentioned in the Actuarial Practice Standard APS15 issued by the "Institute of Actuaries of India".

Currently there are no minimum funding requirements in India.

7.3 Responsibilities for the governance of the Plan

The responsibility for the governance of this Plan lies with the Trustees, Board Members, or Employer who is managing the Plan. We have no responsibility of how the Plan is managed, liabilities are funded, data is stored, assumptions are set and benefits are paid to the employees.

7.4 Any expected changes in rules and regulations.

We do not anticipate any changes in the regulations are in near future.

Section 8: Risks associated with Defined Benefit Plan

Where there is a delay in benefit being promised and benefit being provided, there will always be some uncertainty for the benefit provider and the benefit recipient.

Benefit Risks in Defined Benefit Schemes

1 Risk to the beneficiary

The greatest risk to the beneficiary is that there are insufficient funds available to provide the promised benefits. This may be due to:

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities
- Or a combination of these events

2 Parameter risk

Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be insufficient to pay off the liabilities.

For example: the plan's liability is calculated with salary inflation assumption of 5% per annum. However, Company's' actual practice is to provide increment of 10% per annum. This will result into underfunding.

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability.

Further, actual withdrawals may be lower or higher than what was assumed in the valuation, may also impact the plan's liability.

3 Risk of illiquid Assets

Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

4 Risk of Benefit Change

There may be a risk that the benefit promised is changed or is changeable within the terms of the contract. For example regulator may increase the benefits payable under defined benefit plans.

5 Asset liability mismatching risk

ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

For example: The liability duration is 10 years. While assets are locked in 5-year g-sec securities. After 5 years, there is huge reinvestment risk to invest maturity proceeds of assets due to uncertainty about the market prevailing yields at that time.

Section 9: Disclosure Format

This section provides the Report under IND AS 19 in respect of Gratuity Plan.

Table I: Assumptions

Assumptions	March 31, 2019	March 31, 2020
Discount Rate	NA	6.92% per annum
Rate of increase in Compensation levels	NA	6.00% per annum
Rate of Return on Plan Assets	NA	Not Applicable
Average future service (in Years)	NA	25.02 Years

Table II: Service Cost

All Figures in INR	March 31, 2019	March 31, 2020
Current Service Cost	NA	13,606,469
Past Service Cost (including curtailment Gains/Losses)	NA	0
Gains or losses on Non Routine settlements	NA	0
Total	**NA**	**13,606,469**

Table III: Net Interest Cost

All Figures in INR	March 31, 2019	March 31, 2020
Interest Cost on Defined Benefit Obligation	NA	9,249,460
Interest Income on Plan Assets	NA	0
Net Interest Cost (Income)	**NA**	**9,249,460**

Table IV: Change in Present Value of Obligations

All Figures in INR	March 31, 2019	March 31, 2020
Opening of defined benefit obligations	NA	118,735,042
Service cost	NA	13,606,469
Interest Cost	NA	9,249,460
Benefit Paid	NA	(511,625)
Actuarial (Gain)/Loss on total liabilities:	**NA**	**(2,227,547)**
- due to change in financial assumptions	NA	NA
- due to change in demographic assumptions	NA	NA
- due to experience variance	NA	NA
Closing of defined benefit obligation	**118,735,042**	**138,851,799**

Table V: Change in Fair Value of Plan Assets

All Figures in INR	March 31, 2019	March 31, 2020
Opening fair value of plan assets	NA	0
Actual Return on Plan Assets	NA	0
Employer Contribution	NA	511,625
Benefit Paid	NA	(511,625)
Closing fair value of plan assets	**NA**	**0**

Table VI: Actuarial (Gain)/Loss on Plan Asset

All Figures in INR	March 31, 2019	March 31, 2020
Expected Interest Income	NA	0
Actual Income on Plan Asset	NA	0
Actuarial gain /(loss) on Assets	**NA**	**0**

Table VII: Other Comprehensive Income

All Figures in INR	March 31, 2019	March 31, 2020
Opening amount recognized in OCI outside P&L account	NA	0
Actuarial gain / (loss) on liabilities	NA	2,227,547
Actuarial gain / (loss) on assets	NA	0
Closing amount recognized in OCI outside P&L account	**NA**	**2,227,547**

Table VIII: The amount to be recognized in Balance Sheet Statement

All Figures in INR	March 31, 2019	March 31, 2020
Present Value of Obligations	118,735,042	138,851,799
Fair value of plan assets	NA	0
Net Obligations	118,735,042	138,851,799
Amount not recognized due to asset limit	NA	0
Net defined benefit liability / (assets) recognized in balance sheet	**118,735,042**	**138,851,799**

Table IX: Expense Recognized in Statement of Profit and Loss

All Figures in INR	March 31, 2019	March 31, 2020
Service cost	NA	13,606,469
Net Interest Cost	NA	9,249,460
Expenses Recognized in the statement of Profit & Loss	**NA**	**22,855,929**

Table X: Major categories of plan assets (as percentage of total plan assets)

Item	March 31, 2019	March 31, 2020
Government of India Securities	0%	0%
State Government Securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of Listed Companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Fund Managed by Insurer	0%	0%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	**0%**	**0%**

Table XI: Change in Net Defined Obligations

All Figures in INR	March 31, 2019	March 31, 2020
Opening of Net defined benefit liability	NA	118,735,042
Service cost	NA	13,606,469
Net Interest Cost	NA	9,249,460
Re-measurements	NA	(2,227,547)
Contribution paid to fund	NA	(511,625)
Closing of Net defined benefit liability	**118,735,042**	**138,851,799**

Section 10: Reconciliation of Expense in Profit and Loss Statement

All Figures in INR	March 31, 2019	March 31, 2020
Present Value of Obligation as at the end of the year	118,735,042	138,851,799
Present Value of Obligation as at the beginning of the year	NA	(118,735,042)
Benefit Paid	NA	511,625
Actual Return on Assets	NA	0
OCI	NA	2,227,547
Expenses Recognised in the Statement of Profit and Loss	NA	22,855,929

Note: The expense amount mentioned in Table IX of Section 9 reconciled with Zero difference.

Section 11: Reconciliation of Liability in Balance Sheet

All Figures in INR	March 31, 2019	March 31, 2020
Opening net defined benefit liability / (asset)	NA	118,735,042
Expense charged to profit and loss account	NA	22,855,929
Amount recognized outside profit & loss account	NA	0
Employer Contributions	NA	(511,625)
OCI	NA	(2,227,547)
Closing net defined benefit liability / (asset)	**118,735,042**	**138,851,799**

Note: The closing net liability amount mentioned in Table XI of Section 9 reconciled with Zero difference.

Section 12: Sensitivity Analysis

Following table shows the sensitivity results on liability due to change in the assumptions:

Item	March 31, 2020	Impact (Absolute)	Impact %
Base Liability	138,851,799		
Increase Discount Rate by 0.50%	127,554,354	(11,297,445)	-8.14%
Decrease Discount Rate by 0.50%	151,439,908	12,588,109	9.07%
Increase Salary Inflation by 0.50%	150,436,791	11,584,992	8.34%
Decrease Salary Inflation by 0.50%	127,947,157	(10,904,642)	-7.85%
Increase Withdrawal Rate by 0.50%	140,255,484	1,403,685	1.01%
Decrease Withdrawal Rate by 0.50%	137,328,796	(1,523,003)	-1.10%

Note:

- The base liability is calculated at discount rate of 6.92% per annum and salary inflation rate of 6.00% per annum for all future years.
- Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate.
- Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored.

Section 13: Maturity Profile of Defined Benefit Obligation (Valued on undiscounted basis)

All Figures in INR	March 31, 2019	March 31, 2020
Year 1	NA	3,434,054
Year 2	NA	1,209,220
Year 3	NA	2,088,857
Year 4	NA	1,432,594
Year 5	NA	3,786,372
After 5th Year	NA	536,723,294
Total	**NA**	**548,674,391**

Section 14: Comparison with last years' figures

All Figures in INR	March 31, 2019	March 31, 2020	Variation
Fair Value of Plan Assets	0	0	NA
Present value of obligation	118,735,042	138,851,799	16.9%
Net asset/(liability) recognised in balance sheet	(118,735,042)	(138,851,799)	16.9%
OCI	0	2,227,547	NA
Expense to be recognized in the Profit and loss statement	0	22,855,929	NA

Certificate

I have prepared an actuarial valuation on the Group Gratuity benefits in accordance with the Accounting Standard IND AS 19 issued by the Ministry of Corporate Affairs.

I have adhered to Guidance Notes issued by the Institute of Actuaries of India from time to time.

The valuation has been based on membership data provided by the Company which are summarized in Section 3.1 above.

Generally accepted actuarial principles and procedures have been applied in determining the liabilities under the scheme. The calculations are also consistent with my understanding of the requirements of IND AS 19.

The requirements relating to the major valuation assumptions were made clear to the Company as per IND AS 19 guidelines and same have been used accordingly. I consider that the assumptions used are appropriate for the purpose of this report.

The valuation may not, however, be appropriate for any purpose such as determining a suitable funding rate, should the Company wish to pre-fund the liabilities.

Sapna Malhotra MITHRAS CONSULTANTS
Fellow Member, Institute of Actuaries of India
Membership No. IAI- 3766
Date - September 19, 2020

Glossary

All definitions of terms are as per IND AS 19. The following terms are used with explanations given below:

- **Service cost comprises:**

a) current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;

b) past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan); and

c) any gain or loss on settlement.

- **Remeasurements of the net defined benefit liability (asset) comprise:**

a) actuarial gains and losses;

b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

- **Actuarial gains and losses are changes in the present value of the defined benefit obligation resulting from:**

a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and

b) the effects of changes in actuarial assumptions.

- **Balance Sheet:**

An entity shall recognise the net defined benefit liability (asset) in the balance sheet. When an entity has a surplus in a defined benefit plan, it shall measure the net defined benefit asset at the lower of:

a) the surplus in the defined benefit plan; and

b) the asset ceiling, determined using the discount rate specified in paragraph 83.

- **Funded Status**

This is the excess/(shortfall) of the fair value of plan assets over the Plan Liability.

Strictly Confidential

As per IND AS 19

Leave Benefit Scheme

Kanpur Electricity Supply Co. Ltd.

Actuarial Valuation for the period April 01, 2019 to March 31, 2020

MITHRAS CONSULTANTS

Fellow Actuary Details
Sapna Malhotra
Fellow Member, Institute of Actuaries of India
Membership No. IAI- 3766
Emailid:- sapna.malhotra@mithrasconsultants.com
Contact No.:- 09212375418
Date: Seprtember 22, 2020

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Section 1: Purpose and Scope of the Work Assigned

The primary objective of this valuation exercise is to provide Kanpur Electricity Supply Co. Ltd. (Hereinafter referred as "The Company") with an actuarial valuation of the leave encashment benefit that is currently being provided for its employees in India, as at March 31, 2020, for financial year 2019-20.

I have been requested by the Company to calculate the accounting expenses associated with the Leave Encashment Plan for the period April 01, 2019 to March 31, 2020 in terms of Accounting Standard IND AS 19 issued by the Ministry of Corporate Affairs.

The results set out in this Report are based on requirements of IND AS 19 and its application to the Plan. They have been prepared for the specific requirements of IND AS 19 and should not be used for any other purpose. In particular, this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels.

This Report is provided solely for the Company's use and for the specific purposes indicated above. Except where I expressly agree in writing, it should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by me for any consequences arising from any third party relying on this Report or any advice relating to its contents. The Company may make a copy of this Report available to its auditors, but I make no representation as to the suitability of this Report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Company's auditors in this regard. The Company should draw the provisions of this paragraph to the attention of its auditors when passing this Report to them.

Actuarial techniques have been adopted; taking into consideration the requirements under Accounting Standard IND AS 19 issued by The Ministry of Corporate Affairs and generally accepted actuarial principles.

All monetary amounts mentioned in this report are in Indian Rupee (INR), unless mentioned otherwise.

Section 2: Summary of Results

2.1 The below table shows the summary of key results for the period 01-04-2019 to 31-03-2020.

All Figures in INR	March 31, 2019	March 31, 2020
Fair Value of Plan Assets	0	0
Present value of obligation	604,147,817	526,975,557

The Company has informed us that the actuarial valuation was not done last year and they have kept a provision of INR 604,147,817 against the leave liability, as at March 31, 2019.

2.2 Balance Sheet Position as on valuation date

All Figures in INR	March 31, 2019	March 31, 2020
Net asset/(liability) recognised in balance sheet	(604,147,817)	(526,975,557)

2.3 Expense Recognised in Profit and Loss Account

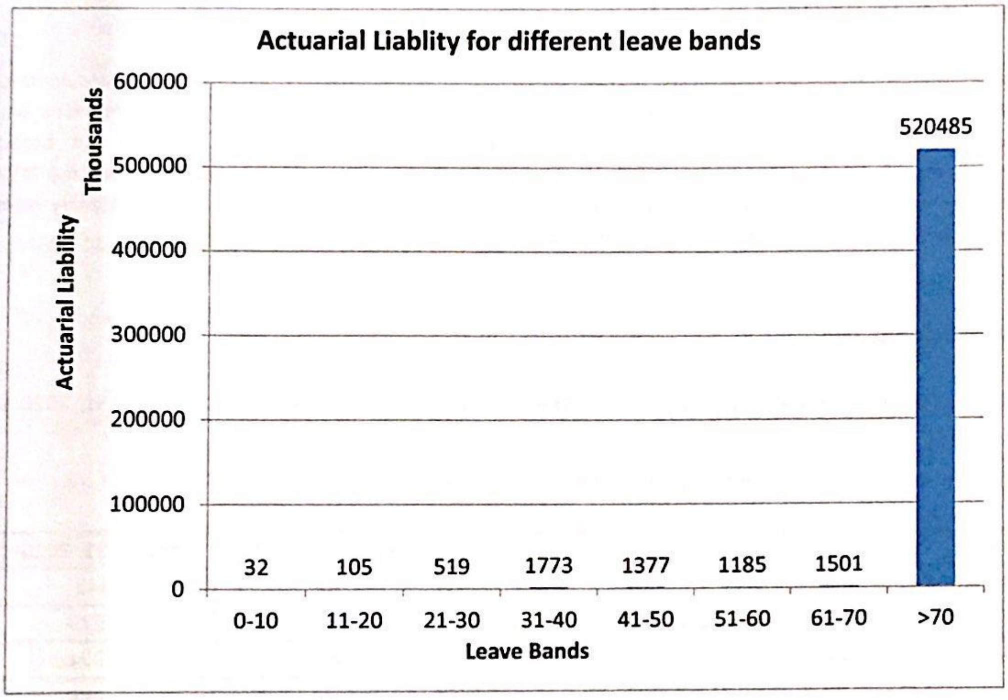
All Figures in INR	March 31, 2019	March 31, 2020
Total Employer Expense	NA	(27,468,272)

2.4 Bifurcation of Present Value of Obligation at the end of the year

All Figures in INR	March 31, 2019	March 31, 2020
Current Liability	NA	29,138,837
Non-Current Liability	NA	497,836,720
Total Liability	604,147,817	526,975,557

2.5 Enterprise best estimate of contribution during next year is INR 44,306,495

2.6 Actuarial Liability based on leave band



Section 3: Data

In preparing this report we have relied on the completeness and accuracy of the information provided us orally and in writing by or on behalf of the Company and its advisers. We have not completed detailed validation checks on the information provided. We have, however, carried out broad consistency and validation checks. The Company is solely responsible for validity, accuracy and completeness of the data and information provided. The valuation results may differ significantly from the results that would have been obtained in case there is change in input data by the client.

3.1 Membership Data

The calculations have been based on the membership information for the Plan as at March 31, 2020 supplied by the Company.

Following is the summary of employees profile data as on valuation date:

Item	March 31, 2019	March 31, 2020
Total Number of Employees	NA	1,342
Total Monthly Salary (in 000's) (Basic Salary)	NA	71,629
Average Monthly Salary (absolute)	NA	53,374
Average Age (Age last Birthday) (in Years)	NA	42.99
Average past service (in Years)	NA	18.46
Average future service (in Years)	NA	17.01
Total Accumulated Leaves (in days) (in data)	NA	309,207.00
Total Accumulated Leaves (in days) (valued)	NA	309,207.00

We have assumed that Salary provided by the Company includes only basic salary.

3.2 Asset Data

There were no plan assets set up by the Company. Hence, we have taken zero value in this report.

All Figures in INR	March 31, 2019	March 31, 20
Opening fair value of Plan Assets	NA	0
Actual Return on plan assets	NA	0
Employer Contributions	NA	49,703,98
Benefit Paid	NA	(49,703,98
Closing fair value of Plan Assets	**NA**	**0**

Note: Benefit paid is equal to employer's contribution because benefit is directly paid by the comp

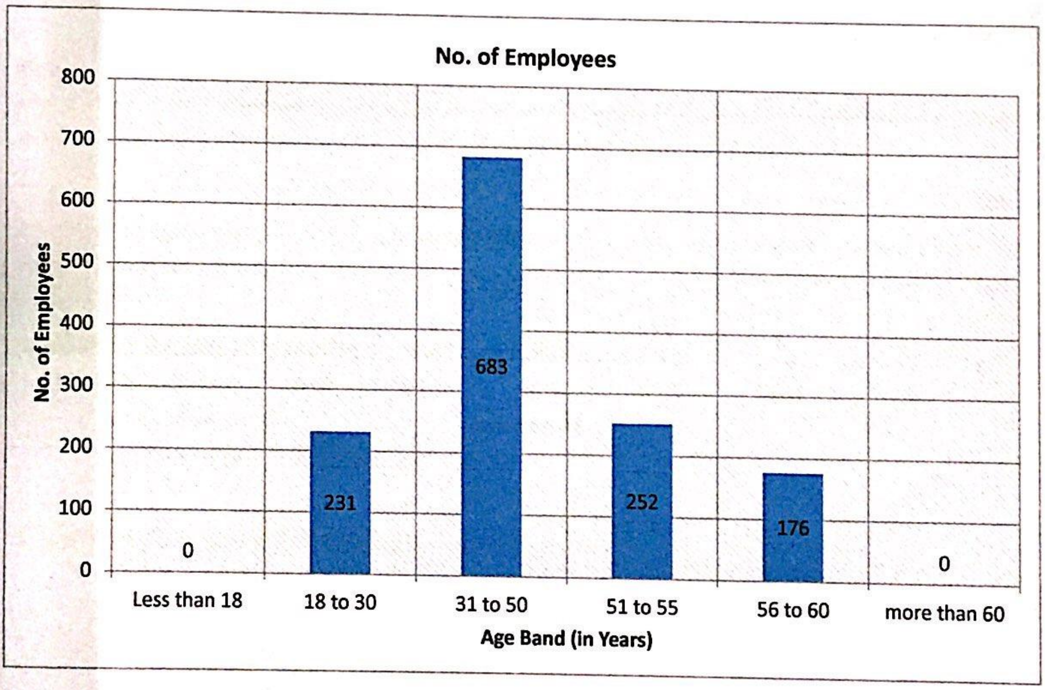
3.3 We have broadly performed the following consistency and validation checks:

- Data missing that is any blank field in the data
- The age last birthday is not less than 18 years at the valuation date
- Date of joining is less than valuation date
- Salaries are not negative or zero
- Age as at valuation date should not be more than the retirement age

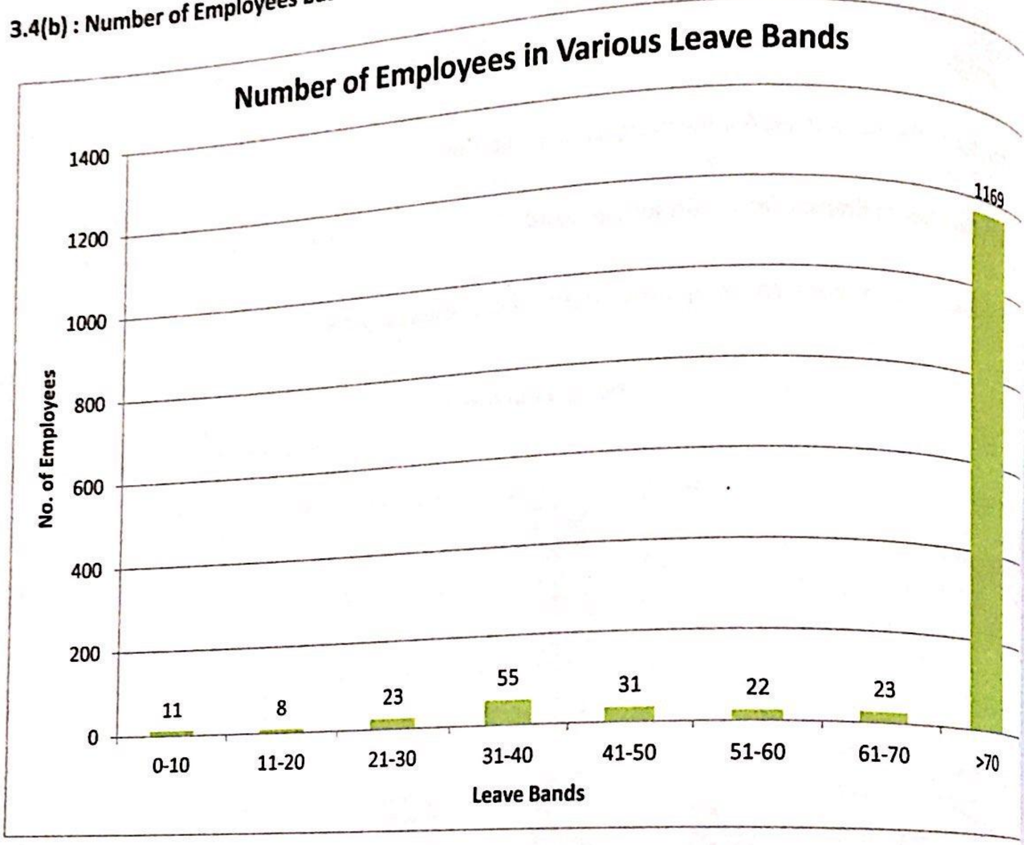
3.4 We have also conducted the following analysis on the data:

3.4(a) : Number of Employees in various age bands

The following chart represents employee's age profile of the Company:



3.4(b) : Number of Employees based in various Leave bands



Section 4: Assumptions

To prepare an actuarial valuation, assumptions are used in a forward looking financial and demographic model to present a single scenario from a wide range of possibilities. The future is uncertain and the plan's actual experience will differ from assumptions; these differences may be significant or material because actuarial estimates can be very sensitive to the assumptions made and, in some cases, to the interactions between the assumptions.

Different assumptions or scenarios within the range of possibilities may also be reasonable and results based on alternative assumptions would be different. As a result of the uncertainty inherent in a forward looking projection in a very long period of time, no one projection is uniquely "correct" and many alternative projections of the future could also be regarded as reasonable. Two different actuaries could, quite reasonably, arrive at different results based on the same data and different views of future. A "sensitivity analysis" shows the degree to which result would be different if alternative assumptions are used for the actuarial estimates.

Assumptions may also be changed from one valuation to the next because of changes in mandated requirement, plan experience, changes in expectation about future and other factors. A change in assumptions is not an indication that prior assumptions were unreasonable when made.

4.1 The assumptions and methodology used in compiling this Report are consistent with the requirements of IND AS 19.

4.2 Economic assumptions include:

- Discount Rate
- Salary Inflation rate
- Expected return on plan assets

4.3 Demographic assumptions include:

- Retirement Age
- Mortality
- Withdrawal Rates
- There is no medical cost involved

Following are the major assumptions that have been used in carrying out the valuation:

Per Annum	Year 1	Year 2	Year 3	Year 4	Year 5	Year 5+
Discount Rate	6.92%	6.92%	6.92%	6.92%	6.92%	6.92%
Salary Growth Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Withdrawal Rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Mortality Rate	100% of IALM 2012-14					

Note: Due to insufficient data and experience, we have used 100% of industry mortality table IALM 2012-14 for this valuation.

There are no explicit assumptions for disability and no assumption for medical cost and its trends.

Major assumption that had been used in last valuation ending at 31-Mar-2019:

Discount Rate	NA
Salary Growth Rate	NA
Withdrawal Rate	NA
Mortality Rate	NA

Note: Due to insufficient data and experience, we have used 100% of industry mortality table IALM 2006-08 for this valuation.

4.4 The requirements relating to the major valuation assumptions were made clear as per IND AS 19 and same have been used as provided by the employer. It should be noted that I have not performed any validation checks for the appropriateness and adequacy of the assumptions. The broader professional and accounting standard guidance are that Discount Rate should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary increase should take account inflation, seniority, promotion and other relevant factors.

4.5 The Duration of liability is calculated by scientific method called Macaulay duration. The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. The duration of the liabilities is approximately 19 years.

4.6 The discount rate as at 31 March 2020 is based on 19 years government bond yields as at 31 March 2020.

4.7 The results are particularly sensitive to some assumptions, such as the Discount Rate, inflation e.g. level of salary increases and mortality. A decrease in the Discount Rate assumed or an increase in salary inflation will lead to an increase in reported cost.

4.8 Leave availed is taken into account while calculating service cost, according to the trend provided by the Company.

Section 5: Methodology

An actuarial estimation is only a snapshot of a plan's estimated financial condition at a particular point in time; it does not provide the plan's future financial condition or its ability to pay benefit in the future and does not provide any guarantee of future financial soundness of the plan. Over time, a plan's total cost will depend on a number of factors, including the amount of benefit plan pays, the number of people paid benefits, the period of time over which benefits are paid, plan expenses and the amount earned on any assets invested to pay benefits. These amounts and other variables are uncertain and unknowable at the valuation date.

Because modeling all aspects of a situation is not possible or practical, we may use summary information, estimates, or simplifications of estimates to facilitate the modeling future events in an efficient and cost- effective manner. We may also include factor or data that, if used, in our judgment, would not have significantly affected our results. Use of such simplifying techniques does not, in our judgment, affect the reasonableness of valuation results for the plan.

Valuations do not affect the ultimate cost of the plan, only the timing when benefits costs are recognized. Cost recognitions occur over time. If the costs recognized over the period of years are lower or higher than necessary, for whatever reason, normal and expected practice is to adjust future levels to recognize the entire cost of the plan over time.

5.1 The valuation has been carried out using the Projected Unit Credit (PUC) actuarial method to assess the Plan's liabilities, including those related to death-in-service and incapacity benefits.

Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The "projected accrued benefit" is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

Recognition of re-measurement items

The disclosures in this report have been prepared using the immediate recognition approach of recognising all re-measurement items occurring during the year in the other comprehensive income (OCI).

Actuarial techniques allow an enterprise to measure that obligation with sufficient reliability to justify recognition of a liability.

Section 6: Provisions

6.1 We give below a summary of the principal rules of the Plan;

Type of Plan	Other Long-Term Employee Benefit – Earned Leave
Employer's Contribution	100%
Encashment during employment	No
Salary for calculation of Leave Encashment	Last Drawn Basic Salary
Benefits on Normal Retirement	(No. of accumulated leaves * Applicable monthly salary for the leave encashment)/30
Benefit on early exit due to early retirement/withdrawal/resignation	Same as normal retirement benefit upto the date of exit
Benefit on death in service	Same as normal retirement benefit except that no vesting condition apply
Annual Leave Entitlement (Yearly Accrual)	31 Days
Maximum cap on leave encashment amount	No Limit
Maximum accumulation of leaves allowed	300 days
Minimum Service Condition (in Years) – Vesting Period	NIL
Normal Retirement Age (in Years)	60 Years
Leave Availment Rate	0%

Note: The principal rules of the plan regarding the payment of leave benefits to the employees have not changed over the previous valuation period.

6.2 We have made full actuarial valuations based on member data and plan information provided by the Company as at Valuation date.

6.3 The definitions of various terms used in the Report are given in the last section.

6.4 The full results of our calculations are set out in Disclosure Tables in Section 9.

6.5 We would be pleased to discuss this report with you.

Section 7: Characteristics of Defined Benefit Plan

7.1 The Nature of benefits provided by the plan

This plan provides a lump sum benefit based on the accumulated encashable and salary at the time of leaving the plan.

The benefit formula is :-

Numbers of accumulated cashable leaves/Days in a month*Current Salary eligible for leave encashment

Days in a month represents the working days in a month.

Generally this plan offers uncapped benefit.

7.2 Regulatory Framework in which Plan operates

The accounting standard governing the provisioning of this plan in the books of accounts is IND AS 19 issued by the Ministry of Corporate Affairs.

The actuarial valuation of this Plan has been done as per the actuarial principles as mentioned in the Actuarial Practice Standard APS15 issued by the "Institute of Actuaries of India".

Currently there are no minimum funding requirements in India.

7.3 Responsibilities for the governance of the Plan

The responsibility for the governance of this Plan lies with the Trustees, Board Members, or Employer who is managing the Plan. We have no responsibility of how the Plan is managed, liabilities are funded, data is stored, assumptions are set and benefits are paid to the employees.

7.4 Any expected changes in rules and regulations.

There are no expected regulatory changes.

Section 8: Risks associated with Defined Benefit Plan

Where there is a delay in benefit being promised and benefit being provided, there will always be uncertainty for the benefit provider and the benefit recipient.

Benefit Risks in Defined Benefit Schemes

1) Risk to the beneficiary

The greatest risk to the beneficiary is that there are insufficient funds available to provide the pro benefits. This may be due to:

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities
- Or a combination of these events

2) Parameter risk

Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdra assumptions. In case the actual experience varies from the assumptions, fund may be insufficient to off the liabilities.

For example: the plan's liability is calculated with salary inflation assumption of 5% per annum. Howe Company's' actual practice is to provide increment of 10% per annum. This will result into underfundin

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability.

Further, actual withdrawals may be lower or higher than what was assumed in the valuation, may a impact the plan's liability.

3) Risk of illiquid Assets

Another risk is that the funds, although sufficient, are not available when they are required to fina the benefits. This may be due to assets being locked for longer period or in illiquid assets.

4) Risk of Benefit Change

There may be a risk that the benefit promised is changed or is changeable within the terms of t contract. For example regulator may increase the benefits payable under defined benefit plans.

5) Asset liability mismatching risk

ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or change interest rates or due to different duration.

For example: The liability duration is 10 years. While assets are locked in 5-year g-sec securities. Afte years, there is huge reinvestment risk to invest maturity proceeds of assets due to uncertainty about market prevailing yields at that time.

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Section 9: Disclosure Format

This section provides the Report under IND AS 19 in respect of Leave Encashment Plan.

Table I: Assumptions

Assumptions	March 31, 2019	March 31, 2020
Discount Rate	NA	6.92% per annum
Rate of increase in Compensation levels	NA	6.00% per annum
Rate of Return on Plan Assets	NA	Not Applicable
Average future service (in Years)	NA	17.01 Years

Table II: Service Cost

All Figures in INR	March 31, 2019	March 31, 2020
Current Service Cost	NA	7,396,025
Past Service Cost (including curtailment Gains/Losses)	NA	0
Gains or losses on Non Routine settlements	NA	0
Total	**NA**	**7,396,025**

Table III: Net Interest Cost

All Figures in INR	March 31, 2019	March 31, 2020
Interest Cost on Defined Benefit Obligation	NA	47,063,115
Interest Income on Plan Assets	NA	0
Net Interest Cost (Income)	**NA**	**47,063,115**

Table IV: Change in Present Value of Obligations

All Figures in INR	March 31, 2019	March 31, 2020
Opening of defined benefit obligations	NA	604,147,817
Service cost	NA	7,396,025
Interest Cost	NA	47,063,115
Benefit Paid	NA	(49,703,988)
Actuarial (Gain)/Loss on total liabilities:	**NA**	**(81,927,412)**
- due to change in financial assumptions	NA	NA
- due to change in demographic assumptions	NA	NA
- due to experience changes	NA	NA
Closing of defined benefit obligation	**604,147,817**	**526,975,557**

Table V: Change in Fair Value of Plan Assets

All Figures in INR	March 31, 2019	March 31, 2020
Opening fair value of plan assets	NA	0
Actual Return on Plan Assets	NA	0
Employer Contribution	NA	49,703,988
Benefit Paid	NA	(49,703,988)
Closing fair value of plan assets	**NA**	**0**

Table VI: Actuarial (Gain)/Loss on Plan Asset

All Figures in INR	March 31, 2019	March 31, 2020
Expected Interest Income	NA	0
Actual Income on Plan Asset	NA	0
Actuarial gain /(loss) on Assets	**NA**	**0**

Table VII: Other Comprehensive Income

All Figures in INR	March 31, 2019	March 31, 2020
Opening amount recognized in OCI outside profit and loss account	N/A	N/A
Actuarial gain / (loss) on liabilities	N/A	N/A
Actuarial gain / (loss) on assets	N/A	N/A
Closing of amount recognized in OCI outside profit and loss account	**N/A**	**N/A**

Note:- As per paragraph 154 and 156 of IND AS 19, Actuarial gains and losses on other long term employee benefit plans continue to be required to be recognized through P&L.

Table VIII: The amount to be recognized in Balance Sheet Statement

All Figures in INR	March 31, 2019	March 31, 2020
Present Value of Obligations	604,147,817	526,975,557
Fair value of plan assets	0	0
Net Obligations	604,147,817	526,975,557
Amount not recognized due to asset limit	0	0
Net defined benefit liability / (assets) recognized in balance sheet	**604,147,817**	**526,975,557**

Table IX: Expense Recognized in Statement of Profit and Loss

All Figures in INR	March 31, 2019	March 31, 2020
Service cost	NA	7,396,025
Net Interest Cost	NA	47,063,115
Net actuarial (gain)/ loss	NA	(81,927,412)
Expenses Recognized in the statement of Profit & Loss	**NA**	**(27,468,272)**

Note:- As per paragraph 154 and 156 of IND AS 19, Actuarial gains and losses on other long term employee benefit plans continue to be required to be recognized through P&L.

Table X: Major categories of plan assets (as percentage of total plan assets)

Item	March 31, 2019	March 31, 2020
Government of India Securities	0%	0%
State Government Securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of Listed Companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Fund Managed by Insurer	0%	0%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	**0%**	**0%**

Table XI: Change in Net Defined Obligations

All Figures in INR	March 31, 2019	March 31, 2020
Opening of Net defined benefit liability	NA	604,147,817
Service cost	NA	7,396,025
Net Interest Cost	NA	47,063,115
Re-measurements	NA	(81,927,412)
Contribution paid to fund	NA	(49,703,988)
Closing of Net defined benefit liability	**604,147,817**	**526,975,557**

Section 10: Reconciliation of Expense in Profit and Loss Statement

All Figures in INR	March 31, 2019	March 31, 2020
Present Value of Obligation as at the end of the year	604,147,817	526,975,557
Present Value of Obligation as at the beginning of the year	NA	(604,147,817)
Benefit Paid	NA	49,703,988
Actual Return on Assets	NA	0
OCI	NA	N/A
Expenses Recognised in the Statement of Profit and Loss	**NA**	**(27,468,272)**

Note: The expense amount mentioned in Table IX of Section 9 reconciled with Zero difference.

Section 11: Reconciliation of Liability in Balance Sheet

All Figures in INR	March 31, 2019	March 31, 2020
Opening net defined benefit liability / (asset)	NA	604,147,817
Expense as above	NA	(27,468,272)
Amount recognized outside profit & loss account	NA	0
Employer Contributions	NA	(49,703,988)
Closing net defined benefit liability / (asset)	**604,147,817**	**526,975,557**

Note: The closing net liability amount mentioned in Table XI of Section 9 reconciled with Zero difference.

Section 12: Sensitivity Analysis

Following table shows the sensitivity results on liability due to change in the assumptions:

Item	31-Mar-20	Impact (Absolute)	Impact %
Base Liability	526,975,557		
Increase Discount Rate by 0.50%	501,949,208	(25,026,349)	-4.75%
Decrease Discount Rate by 0.50%	554,211,157	27,235,600	5.17%
Increase Salary Inflation by 0.50%	553,225,718	26,250,161	4.98%
Decrease Salary Inflation by 0.50%	502,619,067	(24,356,490)	-4.62%
Increase Withdrawal Rate by 0.50%	529,852,287	2,876,730	0.55%
Decrease Withdrawal Rate by 0.50%	523,890,355	(3,085,202)	-0.59%

Note:

- The base liability is calculated at discount rate of 6.92% per annum and salary inflation rate of per annum for all future years.
- Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate.
- Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities to change in mortality are ignored.

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Section 13: Maturity Profile of Defined Benefit Obligation (Valued on undiscounted basis)

All Figures in INR	March 31, 2019	March 31, 2020
Year 1	NA	31,155,232
Year 2	NA	36,593,966
Year 3	NA	42,371,922
Year 4	NA	44,308,501
Year 5	NA	38,154,864
After 5th Year	NA	1,086,255,998
Total	**NA**	**1,278,840,483**

Section 14: Comparison with last years' figures

All Figures in INR	March 31, 2019	March 31, 2020	Variatio
Fair Value of Plan Assets	NA	0	NA
Present value of obligation	604,147,817	526,975,557	-12.8%
Net asset/(liability) recognised in balance sheet	(604,147,817)	(526,975,557)	-12.8%
OCI	N/A	N/A	NA
Expense to be recognized in the Profit and loss statement	NA	(27,468,272)	NA

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Certificate

I have prepared an actuarial valuation on the Group Leave Encashment benefits,provided for employees by the Company as at March 31, 2020, in accordance with the Accounting Standard IND AS 19 issued by the Ministry of Corporate Affairs.

I have adhered to Guidance Notes issued by the Institute of Actuaries of India from time to time.

Generally accepted actuarial principles and procedures have been applied in determining the liabilities under the scheme. The calculations are also consistent with my understanding of the requirements of IND AS 19.

The valuation has been based on membership data provided by the Company which are summarized in Section 3.1 above.

The requirements relating to the major valuation assumptions were made clear to the Company as per IND AS 19 guidelines and same have been used accordingly. I consider that the assumptions used are appropriate for the purpose of this report.

The valuation may not, however, be appropriate for any purpose such as determining a suitable funding rate, should the Company wish to pre-fund the liabilities.

Sapna Malhotra MITHRAS CONSULTANTS
Fellow Member, Institute of Actuaries of India
Membership No. IAI- 3766
Emailid:- sapna.malhotra@mithrasconsultants.com
Contact No.:- 09212375418
Date- September 22, 2020

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Glossary

All definitions of terms are as per IND AS 19. The following terms are used with explanations given below:

- **Service cost comprises:**

a) current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;

b) past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan); and

c) any gain or loss on settlement.

- **Remeasurements of the net defined benefit liability (asset) comprise:**

a) actuarial gains and losses;

b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

- **Actuarial gains and losses are changes in the present value of the defined benefit obligation resulting from:**

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a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and

b) the asset ceiling, determined using the discount rate specified in paragraph 83.

- **Funded Status**

This is the excess/(shortfall) of the fair value of plan assets over the Plan Liability.

SHAILENDRA KUMAR Digitally signed by SHAILENDRA KUMAR Date: 2021.02.22 11:41:58 +05'30'