



कार्यालय प्रधान महालेखाकार (महालेखापरीक्षक), उत्तराखण्ड
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT),
UTTARAKHAND



लोकहितार्थं सत्यमिष्य
Dedicated to Truth in Public Interest

पत्रांक - पी.ए.जी./उ.ख/आर्थिक - 1/वा. ले./यूजेवीएनएल/2018-19/328
दिनांक - 09.2019

गोपनीय

सेवा में,

प्रबन्ध निदेशक
यूजेवीएन लिमिटेड,
महारानी बाग,
जी. एम. एस. रोड,
देहरादून

विषय : यूजेवीएन लिमिटेड देहरादून के वर्ष 2018-19 के वार्षिक लेखों पर भारत के नियन्त्रक महालेखापरीक्षक की टीका टिप्पणियों के सम्बन्ध में।

महोदय,

एतत्सह कम्पनी अधिनियम, 2013 की धारा 143 (6) (b) के अधीन यूजेवीएन लिमिटेड देहरादून के 31 मार्च 2019 को समाप्त होने वाले वर्ष के लेखों पर, भारत के नियन्त्रक महालेखापरीक्षक की टीका-टिप्पणियाँ, उपरोक्त अधिनियम के प्रावधानों के अनुसरण में प्रेषित की जा रही है। कृपया कम्पनी की वार्षिक सामान्य बैठक के समक्ष इन टीका टिप्पणियों के प्रस्तुत किए जाने की वास्तविक तिथि की सूचना देने का कष्ट करें।

कृपया पावती भेजें।

भवदीय,

संलग्नक : यथोपरि।

(स. आ. लो.)
19/9/19
(एस. आलोक)
प्रधान महालेखाकार

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF UJVN LIMITED FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of financial statements of UJVN Limited for the year ended 31 March 2019 in accordance with financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of financial statements of UJVN Limited for the year ended 31 March 2019 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

1- Profit and Loss Account

Other Expenses (Note no. 28) – ₹ 45.70 crore

The above includes ₹ 1.02 crore on account of maintenance expenses of ERP Package which pertain to the financial year 2019-20 and included in the accounts as Current Liabilities.

This has resulted in overstatement of other expenses & Current Liabilities by ₹ 1.02 crore and understatement of profit by ₹ 1.02 crore.

2- Assets

Non-Current Assets

Capital Work in Progress (Note No. 5)- ₹ 1485.08 crore

The above includes ₹ 21.13 crore on account of CWIP related to the Bhaironghati Hydro Power Project. The project was discontinued as per Government of Uttarakhand (GoU) order dated 03 January 2011. GoU also directed UJVN Limited to claim the expenditure incurred on the project from Government of India through GoU. However, UJVN Limited had not

lodged the claim though eight years have already elapsed. The cost incurred for the above mentioned project should have been written off which has not been done.

This has resulted in overstatement of Profit as well as Capital Work in Progress by ₹ 21.13 crore.

3- Assets

Intangible assets under development- (Note No-6) ₹ 25.00 crore

The above does not include ₹ 0.54 crore on account of Consultancy paid / payable to a vendor for the implementation of ERP package. The ERP system was capitalized by the Company in October 2018, but the amount payable was not included in the capitalisation.

This has resulted in understatement of Intangible assets- ₹ 0.54 crore and understatement of Liability ₹ 0.30 crore (against work done) and retained earning- ₹ 0.24 crore (charged under O&M expenses in 2016-17 and 2017-18)

**For and on behalf of the
Comptroller & Auditor General of India**

S. Alok

(S. Alok)

**Principal Accountant General (Audit)
Uttarakhand**

**Place: Dehradun
Date: 19/09/2019**

COMMENTS OF COMPROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 AND MANAGEMENT REPLIES THERETO ON THE FINANCIAL STATEMENTS OF UJVN LIMITED FOR THE YEAR ENDED 31ST MARCH 2019.

PARA NO.	AG COMMENTS	MANAGEMENT REPLIES
1	<p>Profit and Loss Account Other Expenses (Note no. 28) – ₹ 45.70 crore</p> <p>The above includes ₹ 1.02 crore on account of maintenance expenses of ERP Package which pertain to the financial year 2019-20 and included in the accounts as Current Liabilities.</p> <p>This has resulted in overstatement of other expenses & Current Liabilities by ₹ 1.02 crore and understatement of profit by ₹ 1.02 crore.</p>	<p>Noted for compliance and necessary adjustment shall be made in the Financial Statements for the F.Y. 2019-20.</p>
2	<p>Assets Non-Current Assets Capital Work in Progress (Note No. 5) - ₹ 1485.08 crore</p> <p>The above includes ₹ 21.13 crore, the CWIP related to the Bhaironghati Hydro Power Project. The project was discontinued as per Government of Uttarakhand (GoU) order dated 03 January 2011. GoU also directed UJVN Limited to claim the expenditure incurred on the project from Government of India through GoU. However, UJVN Limited had not lodged the claim though eight years have already elapsed. The cost incurred for the above</p>	<p>Govt. of Uttarakhand and M/s CCC entered into a service agreement dated 14.02.2004 to develop Bhaironghati Hydro Power Project amounting to CAD 61,00000/-.</p> <p>UJVN Limited was executing agency as per the agreement. Accordingly, UJVN Limited executed the work and payments were made for which funds were provided by GoU.</p>

COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 AND MANAGEMENT REPLIES THERETO ON THE FINANCIAL STATEMENTS OF UJVN LIMITED FOR THE YEAR ENDED 31ST MARCH 2019.

	<p>mentioned project should have been written off which has not been done.</p> <p>This has resulted in overstatement of Profit as well as Capital Work in Progress by ₹ 21.13 crore.</p>	<p>M/s CCC has raised the bill for balance payment of CAD 1220000/- and GoU has been requested to provide necessary concurrence and funds for release of balance payment so that contract can be closed. The necessary adjustment and claims shall be done after the contract closure.</p>
<p>3</p> <p>Assets Intangible assets under development- (Note No. -6) ₹ 25.00 crore</p> <p>The above does not include ₹ 0.54 crore on account of Consultancy paid/ payable to a vendor for the implementation of ERP package. The ERP system was capitalized by the Company in October 2018, but the amount payable was not included in the capitalisation.</p> <p>This has resulted in understatement of Intangible assets - ₹ 0.54 crore and understatement of Liability ₹ 0.30 crore (against work done) and retained earning - ₹ 0.24 crore (charged under O&M expenses in 2016-17 and 2017-18)</p>		<p>Noted for compliance and necessary adjustment shall be made in the Financial Statements for the F.Y. 2019-20.</p>



KEY FINANCIAL DETAILS SINCE INCEPTION OF UJVN LTD

PARTICULARS	INSTALLED CAPACITY (MW)	SALES (GROSS)	NET PROFIT	SHARE CAPITAL (INCLUDING SHARE APPLICATION MONEY)	REVENUE RESERVES	NET WORTH	CAPITAL WORK IN PROGRESS (INCLUDING CAPITAL ADVANCE)	GROSS FIXED ASSETS	SUNDRY DEBTORS (INCLUDING UNBILLED DEBTORS)	LOAN FUNDING (INCLUDING INTEREST)
2001-02	992.30	55.15	(-35.65)	5.00	0.00	-0.42	399.07	685.35	187.71	71.21
2002-03	1007.20	136.01	(-26.21)	5.00	0.00	-26.72	573.82	701.88	199.48	248.15
2003-04	1011.60	232.24	14.72	5.00	0.00	-12.32	816.81	708.94	262.00	475.23
2004-05	1011.60	233.58	0.51	142.31	0.00	125.23	1061.36	740.40	242.36	696.61
2005-06	1013.70	265.90	30.10	370.10	15.47	382.97	1417.02	748.49	208.98	870.51
2006-07	1013.70	233.37	48.40	469.57	63.87	530.94	1801.77	772.47	205.97	1123.72
2007-08	1317.70	306.59	50.57	659.82	114.45	773.71	161.30	2683.35	167.05	1419.71
2008-09	1317.70	534.32	26.49	712.14	140.93	852.51	210.20	2692.60	250.86	1402.15
2009-10	1317.70	484.57	11.35	785.21	152.29	936.94	360.35	2719.78	398.35	1375.39
2010-11	1317.70	531.67	17.23	801.80	169.51	970.75	410.70	2760.34	499.91	1301.69
2011-12	1306.25	597.61	56.47	805.47	225.99	1030.86	491.57	2773.04	605.66	1227.07
2012-13	1310.25	560.70	17.12	873.58	242.51	1115.49	623.94	2801.86	634.21	1159.95
2013-14	1284.85	470.07	12.58	1075.79	255.64	1330.83	788.99	2846.45	811.59	1241.51
2014-15	1284.85	525.78	4.43	1083.89	259.48	1343.37	804.88	2999.65	708.14	1286.05
2015-16	1284.85	834.05	181.82	1105.69	423.02	1528.72	829.23	3259.94	922.73	1381.07
2016-17	1291.21	597.05	75.98	1152.69	388.23	1540.92	997.20	3459.33	870.23	1474.31
2017-18	1317.96	735.45	62.53	1167.86	570.55	1738.41	1293.82	3492.98	611.72	1632.00
2018-19	1317.96	755.17	25.92	1190.99	939.86	2130.85	1711.31	3544.23	628.74	1671.89

(Rs. in Crores)