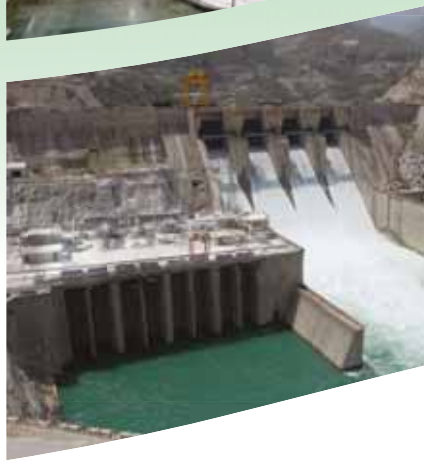
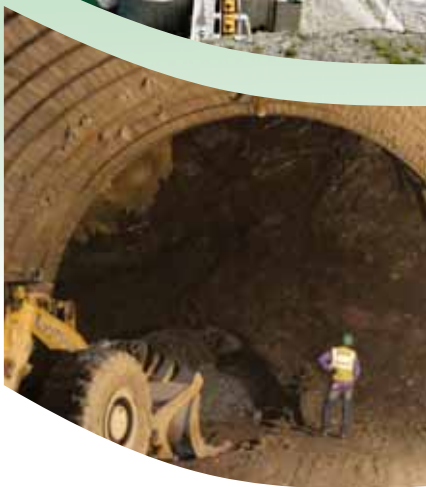


# 28<sup>TH</sup> ANNUAL REPORT

28<sup>वीं</sup> वार्षिक रिपोर्ट  
2015-16



टीएचडीसी इंडिया लिमिटेड  
THDC INDIA LIMITED

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## NOTICE

**NOTICE** is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of THDC India Limited will be held on 26.09.2016 at 12:30 PM at THDCIL, Ganga Bhawan, Pragatipuram, By Pass Road, Rishikesh (Uttarakhand) – 249201 ( Phone- 0135- 2439309 ) to transact the following Business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Annual Accounts together with Auditors' Report and Directors' Report of the Corporation for the year ended March 31, 2016.
2. To fix the remuneration of the Statutory Auditors for the year ended March 31, 2016.
3. To Declare Final Dividend for the year 2015-16.

### SPECIAL BUSINESS

4. To fix the remuneration of the Cost Auditors for the Financial Year 2016-17.
5. Issue of Secured Non-Convertible Non-Cumulative Bonds on Private Placement Basis.

By order of the Board of Directors of  
**THDC INDIA LIMITED**



(S. Q. Ahmad)  
Company Secretary  
**M-9412998458**

### To:

- All the Members of THDCIL
- Smt. Renuka Kumar, Director (Hydel), Ministry of Power, Shram Shakti Bhawan, Rafi Marg, New Delhi- 110001.
- Shri S.K. Sharma, Chief Engineer (Ganga), GoUP.
- All Directors of THDCIL
- Statutory Auditors – P.D. Agrawal & Co., 364 A, Govind Puri, Hardwar - 249403
- Secretarial Auditor- Shri P.S.R. Murthy.

### NOTE

A Member of the Company entitled to attend & vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member. A proxy form and Explanatory Statement is enclosed.

**Place** : Rishikesh

**Date** : 16.09.2016

## Registered Office

Bhagirathi Bhawan (Top Terrace), Bhagirathipuram,  
Tehri (Garhwal)-249001, (Uttarakhand)  
CIN: U45203UR1988GOI 009822



## Other Offices

### RISHIKESH

Pragatipuram, Bye-pass Road, Rishikesh-249201 (Uttarakhand)

### NCR

Plot No.20 Sector-14, Kaushambi, Ghaziabad-201010 (U.P.)

### DEHRADUN

26, EC Road, Dehradun-248001 (Uttarakhand)

### LUCKNOW

101, Haj Apartment, 7, Jopling Road, Lucknow-226001 (U.P.)

### PUNE

Arun Plaza, 2<sup>nd</sup> Floor, S. No. 19/3 Hinjewadi Road,  
Dange Chowk, Thergaon, Pune-411033 (Maharashtra)

### VPHEP

Alaknanda Puram, Siyasain, Pipalkoti, Distt. Chamoli (Uttarakhand)

### KHURJA

Village & Post - Dashahara, Khurja, Distt. Bulandshahar - 203131 (U.P.)



## Company Secretary

Shri S.Q. Ahmad



## Statutory Auditors

M/s P.D. Agrawal & Co.

Chartered Accountants

364 A, Govind Puri, Hardwar - 249403



## Bankers

Punjab National Bank

Union Bank of India

State Bank of India

State Bank of Hyderabad





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THDC INDIA LIMITED



# Board of Directors

As on 26<sup>th</sup> September, 2016



**Shri R.S.T. Sai**  
Chairman & Managing Director



**Shri Deepak Singhal**  
Principal Secretary (Irrigation), GoUP  
Govt. Nominee Director



**Shri Suresh Kumar Sharma**  
Special Secretary (Energy), GoUP  
Govt. Nominee Director



**Smt. Anju Bhalla**  
Joint Secretary, MoP, Gol  
Govt. Nominee Director



**Shri D.V. Singh**  
Director (Technical)



**Shri S.K. Biswas**  
Director (Personnel)



**Shri Sridhar Patra**  
Director (Finance)



**Shri Bachi Singh Rawat**  
Independent Director



**Shri Mohan Singh Rawat**  
Independent Director



**Shri Maharaj K. Pandit**  
Independent Director

## Our Vision

A world class energy entity with commitment to environment and social values.

## Our Mission

- To plan, develop and operate energy resources efficiently.
- To adopt state of the art technologies.
- To achieve performance excellence by fostering work ethos of learning and innovation.
- To build sustainable value based relationship with stakeholders through mutual trust.
- To undertake rehabilitation and resettlement of project affected persons with human face.



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THDC INDIA LIMITED



## Chairman's Address

### Ladies & Gentlemen,

Welcome to the 28<sup>th</sup> Annual General Meeting of your Company. The Report of the Auditors and Directors' Report for the year 2015-16 along with the annual Audited Accounts are already with you and I would take them as read.

It is my pleasure to apprise that during the year being reported upon, both the operational plants of your company, i.e 1000 MW Tehri HPP and 400 MW Koteshwar HEP continued to perform well. The plants generated 4348 MU against their combined design energy of 3952 MU. Operational efficiency of over 81% and 70% was achieved at Tehri HPP and Koteshwar HEP respectively which is well above the normative figures of 77% and 68% approved by regulators. Your Company has registered turnover of ₹ 2479.65 Cr. and PAT of ₹ 809.02 Cr. during the F.Y. 2015-16 as against ₹ 2407.93 Cr. and ₹ 691 Cr. respectively during in Previous Year. The PAT has increased by 17.08% during the year. MoU rating for this year is expected to be 'Very Good'.

### Ongoing Projects

Works at the ongoing 444 MW Vishnugad Palkoti HEP, are progressing on all fronts. Pace of the

works had been, however slow due partly to cash flow problems of contractor and some local problems. Construction of 1000 MW Tehri PSP has also been effected by similar problems besides adverse geological conditions. I assure you that efforts are being made on all fronts to improve the progress of the works and strategic interventions are being done to ease the cash flow problem of the contractor .

There has been an encouraging progress on the 1320 MW Khurja STPP during the year. Acquisition of major portion of land has been completed. Preparation of DPR for Railway Siding through RITES is in progress. Ministry of Coal has allotted the Amelia Coal Block to Khurja STPP in Public interest. Execution of formal agreement for Allocation of Amelia Coal Mine is awaited.

### Renewable Energy

Renewable energy is the sun rise sector and many of Gol's enabling policy decisions have given impetus to solar and wind sectors. The government has set a target of 175 GW of capacity creation in Renewable Sector.

Ladies & Gentlemen, last year I had informed you that in line with government policy, your company

is making sincere efforts to diversify into non-conventional Energy sources like Wind and Solar. It gives me immense pleasure to inform that your company has commissioned the 50 MW Wind Power Project at Patan wind farm, Gujarat on 29<sup>th</sup> June, 2016. With this your company has added 50 MW renewable energy to the grid. Encouraged by this experience your company has invited tenders for yet another Wind Farm of 50-75 MW capacity.

Your company has also signed MoU with Solar Energy Corporation of India (SECI) in Feb'15 for setting up grid connected Solar Power Projects up to 250 MW capacity, of which it is proposed to initially take up 50 MW. A tripartite agreement amongst SECI, Kerala State Electricity Board and THDCIL has been signed in March, 2015 for

## Corporate Social Responsibility & Sustainability

In pursuance of Corporate Governance in the larger interest of stakeholders, Your Company has taken various initiatives by way of Corporate Social Responsibility & Sustainability. Your Company has earmarked a budget of 2% of average PAT over three years, as per the Companies Act. Your company firmly believes that the Business activities and CSR activities should be conducted with commitment to environment, ecology and social values.

A Company Sponsored Non Govt. Organization (CONGO) named SEWA (Society for Empowerment & Welfare Activities) registered under Societies Registration Act, 1860 is working to promote sustainable livelihood, overall development and well being of target communities in the operational area of your Company's business. THDC Education Society (TES), another CONGO sponsored by your company is running two schools, where children from poor families are provided quality education. In addition, your company is also funding viability gap for running another school managed by 'Omkananda Ashram' at Koteswar Project. This school is catering to children of neighbouring villages. Efforts are on to set up yet another school at VPHEP for benefit



Shri R.S.T. Sai, CMD, THDCIL receiving the Gold Trophy under prestigious "SCOPE Gold Troppy for Excellence in Public Sector Management" from Hon'ble President of India, Shri Pranab Mukherjee

development of 50 MW Solar project in Distt. Kasaragod, Kerala. SECI has already obtained possession of land and tenders have been invited on 'Domestic Content Requirement' basis.

Works of the 24 MW Dhukwan Small Hydro Project in Distt Jhansi, Uttar Pradesh are progressing satisfactorily. Your company is confident of commissioning this Project by Mar'18. Your company also intends to set up a canal top solar project by taking advantage of space above the open channels of this Project.

Your Company is putting in sincere efforts in expediting the ongoing construction projects and harness the best output from the existing projects.

of Project Affected Families. Your Company has established an Engineering College viz. Institute of Hydropower Engineering & Technology (IHET), at Bhagirathipuram, Tehri. This institution is being run as a constituent college of Uttarakhand Technical University. This initiative has been taken to promote Technical Education in core engineering areas and train the local youth to propel the development of hydro power in the region. Two batches have since passed out of IHET.

## Corporate Governance

I am glad to inform that since its inception, your Company has always achieved 'Excellent' rating





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for compliance with DPE guidelines on Corporate Governance. Your Company remains committed to maintaining the highest standards of Corporate Governance and would continue to work in a transparent and professional manner to create value for all its stakeholders. The trust of stakeholders being its prime capital, your company is committed to preserve, protect and enhance it.

The 6<sup>th</sup> Sustainability Report was published based on the guidelines issued by the Ministry of Corporate Affairs, encompassing the international GRI parameters. The Sustainability Reports are also placed on website of your company for transparency and feedback for continual improvement. Taking one step forward, your company has included chapters on Business Responsibility Report (BRR) and Management Discussion and Analysis Report (MDAR) in the Annual Report.

### Future Outlook

You will agree with me that power supply is a key driver of economic growth of any country. To achieve and sustain GDP growth rate at double digit level, we must ensure capacity addition in electricity generation commensurately. The government also has accorded priority for inclusive growth and set the target of “24x7 power for All” by 2018-19. The need of the hour is to provide affordable power, which is only possible by productive use of capital. Your company is making continuous efforts with the Govt. of Uttarakhand to obtain the long elusive permission for filling Tehri Reservoir up to full capacity EL 830m. This will yield additional benefit of irrigation as well as additional generation of electricity, without any extra cost to national economy.

Given the level of domestic savings and buoyant FDI flows, finding funds for Capacity Addition is not much of a problem. But issues involving various facets of governance are. In the context of power sector it impacts by way of time and cost overrun of projects and efficient operation of power stations.

Capacity addition plans of Your Company were

impacted by the emerging developments in governance. The list of 24 projects effected by litigation pending before Hon'ble Supreme Court includes 05 projects of your Company in Uttarakhand. The conflict of interest involved in the role of MoE&F as owner of forest and as administrator of clearances for development projects is crux of the issue. Entrusting clearances to an independent quasi judicial authority, which would hold regular sittings in a transparent manner is the only way the logjam can be resolved.



Shri P.K. Pujari, Secretary (Power), MoP, Gol and Shri R.S.T. Sai, CMD, THDCIL exchanging MoU Documents for the year 2016-17

Bureacracy of MoE&F looks towards comfort of resting on shoulders of ‘advisory committes’, which are quite often packed with pseudo experts having dubious credentials acting whimsically and at times reopening decided issues. The fixation of minimum environmental flow for VPHEP of your company is an example of the haphazard working. Once capital decisions are taken, the rules of game should not be changed. This is necessary to sustain investment climate in the country.

### Acknowledgment

Ladies & Gentlemen, the sincere efforts and hard work of about 2000 employees is the key to the success of your company. All the employees of your Company are regularly imparted training to acquire new skills and knowledge beneficial to the sector as a whole. Each one of them deserves your appreciation.

I take this opportunity to thank Govt. of India for extending necessary support. I also thank the Ministry of Power and other Ministries of Govt. of



A view of 28<sup>th</sup> Annual General Meeting of the Company

India; the Govt. of UP, the Government of Uttarakhand, the CEA, CWC, for the immense support and co-operation received. I am equally thankful to all other Governmental and Non-Governmental agencies for extending their support in the development of your Company.

I also take this opportunity to express my gratitude to all our stakeholders, who have reposed trust in us and extended their constant support. I also thank financial institutions, Banks, Contractors and Suppliers and all other stakeholders for their cooperation and contribution to the progress of your Company.

I also thank and appreciate my esteemed colleagues on the Board for their guidance and valuable support.

Ladies and Genlemen, this is the 10<sup>th</sup> occasion on which I am availing of the privilege of addressing the Annual General Meeting of your company. I shall be soon laying down office on superannuation. I thank you all for affording me a patient hearing, as ever. I seek your whole-hearted support and encouragement in this exciting journey, which in the year ahead, will be even more challenging and rewarding.

**(R.S.T. Sai)**

Chairman & Managing Director  
DIN : 00171920

**Place :** Rishikesh  
**Date :** 26.09.2016



## DIRECTORS' REPORT 2015-16

### Dear Members,

Your Directors are pleased to present the 28<sup>th</sup> Annual Report of the Company along with the Audited Annual Accounts and Report of the Statutory Auditors and comments of Comptroller & Auditor General of India for the year ended March 31, 2016.

### MAJOR HIGHLIGHTS

- Power generation increased from 4214.18 MU in 2014-15 to 4348.29 in 2015-16.
- Revenue realization from DISCOMs was 100% of the sales figure of the Current Year.
- MoU Rating Company was awarded 'Excellent' for the Year 2014-15.
- Capital Expenditure (CAPEX) during the year was 10905.91 Million INR as against 6300.25 Million INR during 2014-15.
- PAT increased by 17.06% during the year and stood at 8090 Million INR as on 31.03.2016.
- 50 MW Wind Power Project at Patan Wind Farm, Gujarat got commissioned on 29<sup>th</sup> June, 2016, two months prior to the scheduled commissioning period.
- Swachh Vidyalaya Abhiyan completed 1188 nos of Toilets in Schools in Uttarakhand and Uttar Pradesh.
- THDCIL has been conferred SCOPE Excellence Award-2016 on 11.04.2016.

### FINANCIAL RESULTS

The Financial Results of the operations during the year ending 31<sup>st</sup> March 2016 are summarized as under :



A view of Underground Power House of 1000 MW, Tehri HPP

PARTICULARS	2015-16	2014-15
<b>Income</b>		
Revenue from operations	24665	23971
Other Income	132	108
<b>Gross Income (a)</b>	<b>24797</b>	<b>24079</b>
<b>Expenditure</b>		
Employee Benefit Expenses	2302	2244
Finance Costs	3289	4388
Depreciation	4928	4839
Generation, Administration & other expenses	1810	1785
Provisions for doubtful debt, receivables unserviceable stores / write off	1	2044
Tariff Adjustment (Regulatory Liability)/ Prior period adjustment	106	1399
Extraordinary items- (Income)/ Expenses- Net	3483	0
<b>Total Expenditure (b)</b>	<b>15919</b>	<b>16699</b>
<b>Profit Before Tax (PBT) (a-b)</b>	<b>8878</b>	<b>7380</b>
Tax	788	469
<b>Profit After Tax (PAT)</b>	<b>8090</b>	<b>6911</b>

## FINANCIAL PERFORMANCE

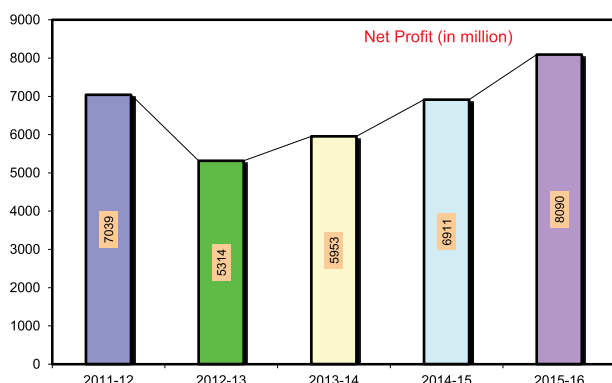
### Gross Revenue & Profit

Your Company has registered increase in Gross Revenue Earned as well as Profit After Tax (PAT) in FY 2015-16 as against Previous Year. There is also increase in the % of PAT to Gross Revenue in the FY 2015-16 as compared to previous year. The position of Gross Revenue, Profit After Tax (PAT) and % change in PAT to Gross Revenue is tabulated below :

(₹ In Million)

Particulars	2015-16	2014-15	Increase
Gross Revenue	24797	24079	718
PAT	8090	6911	1179
PAT % to Gross Revenue	32.62%	28.70%	

Graphical Presentation of Net Profit of last five years is shown below:



### Dividend

Considering the requirement to plough back the retained earnings for funding ongoing CAPEX Programme, slowrealisation from DISCOMs and liquidity position etc. your Directors have recommended Final Dividend of ₹ 45.52 per Equity Share for the current financial year 2015-16. The Dividend Pay Out for the year is ₹ 1620.00 million which represents 20% of Profit After Tax (PAT).

Gol have issued guidelines suggesting payment of dividend at 5% of Net Worth or 30% of PAT whichever is higher vide OM No. 3(3)-B(S)/2015 dated 5<sup>th</sup> January 2016. The said Guidelines also bear stipulation to seek exemption from above dividend payment guidelines with approval from the Administrative Ministry. Accordingly, exemption would be sought from the Ministry of Power.

### Capital Structure

The Authorised Share Capital of the Company is ₹ 40000 Million. The Paid-up Share Capital of the Company is ₹ 35589 Million. During the Year Company has received ₹ 300 Million from Gol towards Equity. CAPEX for 2015-16 was ₹ 10905.91 Million.



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## OPERATIONAL PERFORMANCE

### • Generation from Tehri and Koteshwar Power Plants

During the FY 2015-16, the Energy Generation and Plant Availability Factor (PAF) at Tehri and Koteshwar Plants are as follows:

Name of the Plant	Generation in MUs			PAF in %		
	MoU Target (Excellent)	MoU Target (Very Good)	Achievement	MoU Target (Excellent)	MoU Target (Very Good)	Achievement
Tehri HPP (1000MW)	3066	2920	3101.08	84	80	81.295
Koteshwar HEP (400MW)	1239	1180	1247.21	70	67	70.134

Forced outages of Tehri HPP and Koteshwar HEP have been 0.09% and 1.856% respectively during 2015-16.

## COMMERCIAL PERFORMANCE

Your Company believes in rendering best services to the beneficiary DISCOMS. This has been acknowledged by the beneficiaries expressing their satisfaction with 'Excellent' rating in the Annual Feedback Form. The Commercial Performance in terms of Revenue from operations of your company has improved as compared to the previous year. The details are as under:

(₹ In Million)

Description	2015-16	2014-15
Revenue from Operations	24665	23971.6
Cash Realisation (%)	100	83

THDC India Limited entered into the Power

Purchase Agreement for Wind Power Project (50 MW) with Gujarat UrjaVikas Nigam Limited (GUVNL) on 15<sup>th</sup> June, 2016 at Vadodara. The Project has been commissioned and is fully operational. All the 25 units of 2 MW each are in Generation Mode.

## PROJECT FINANCING

The Company has made financial tie up for US\$ 648 million with World Bank for VPHEP. For Tehri PSP, Loan has been tied up with SBI Led Consortium for ₹ 15000 million loan and with Societe Generale for Euro 83.87 million.

During the year, Company has withdrawn loan amounting to US\$ 25.71 million from World Bank for VPHEP and ₹ 4263.30 million from SBI Led Consortium for Tehri PSP.

### Loan Details of VPHEP and Tehri PSP

Name of Project	Lender name	Loan Amount	Currency	Amount drawn during the Year 2015-16	Loan outstanding as on 31.03.2016
<b>VPHEP Project</b>					
1	IBRD LOAN FROM WORLD BANK	US\$ 648 MILLION	US \$	₹ 180.23 Cr.	₹ 342.75 Cr.
<b>TEHRI PSP Project</b>					
1	SBI	₹ 1500 Cr.	Rupees	₹ 426.33 Cr.	₹ 1166.32 Cr.
2	SOCIETE GENERALE	Euro 83.87 million	EURO	0.00	0.00

**PROGRESS AND STATUS OF PROJECTS UNDER CONSTRUCTION:**

• **Tehri PSP(4x250 MW)**

The Pumped Storage Plant (PSP) works on the principle of recycling of water. Tehri PSP will have 4 Reversible Units of 250 MW each. It will convert the off-peak energy to peak energy. For pumping operation during off-peak hours, the energy requirement will be of the order of 1651.66 MU. During Peak Hours it will work in Turbine Mode to generate additional peaking power of 1321.82 MU p.a. for the Northern Region.

Furtherance to award of EPC Contract in July, 2011 the company encountered different external factors such as adverse geological conditions, delay in permission for mining of aggregate from Asena Quarry, prohibition of dumping of muck in designated dumping area and cash crisis of civil contractor etc. which have slowed down progress of works. By persistent persuasion with local Administration and close co-ordination with external agencies, the company has been able to carry out uninterrupted work. Temporary interest bearing working capital finance has been extended to the contractor to expedite works at all possible fronts simultaneously. All access adits and drainage galleries to different structures are almost complete. Presently, excavation in U/s Surge Shaft- 3&4, Butterfly Valve Chamber (BVC), Bus Bar Tunnels, Machine Hall, D/s Surge Shafts and TRTs is in progress at different stages. Preparations to start concrete lining in TRTs are also complete. Equipment / Material worth ₹ 236.46 Cr. Plus 48.99 million Euro (total approx. INR 574.51 Cr.) has reached at Site. Erection of both EOT cranes at power house has been completed 591 nos. of Penstock Steel liner out of 600 nos. have been fabricated.

The details of approved cost of the Project, expenditure incurred and schedule of commissioning are furnished below :

( ₹ in Crore)

Cost ( ₹ in Crore)		Schedule	
Approved	Expenditure (up to Jun-16)	Approved	Anticipated
2978.86 (As per RCE approval at Apr-10 PL)	1786.22 (59.96%)	Feb-16	Sep-19

Achievement of MoU Targets for 2015-16: Out of the 4 targets, following 3 targets have been achieved:

1. Complete bench excavation of top chamber of downstream surge shaft TRT-4 & TRT-3 including link portion (from El.658.65M to El. 641.50M) has been achieved on 31<sup>st</sup> Jan-16 under excellent rating.
2. Complete erection of EOT Crane-1 in Service Bay including fixing of embedment and laying of rails has been achieved on 31<sup>st</sup> March-16 under Very Good Rating.



An overview of Tehri Dam & Reservoir

3. Approval of 95% drawings of EM Works has been achieved on 15.02.16 under Excellent Rating.

• **Vishnugad Pipalkoti HEP(VPHEP)(4x111 MW)**

The VPHEP is a Run-of-the-river Project. It envisages construction of a 65 M high concrete dam harnessing a gross head of 237 M on River



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Alaknanda. It will generate 1674 MU of electric energy (90% dependable year).

The Contract for Civil and HM Package was signed with M/s HCC Limited, Mumbai on 17.01.2014 with a completion period of 54 months. The contractor has mobilized at various fronts and the work is in progress at Diversion Tunnel, De-silting Chambers, adits to Intake and Gate Operation Chamber of HRT at the Dam Site and adit to TRT, excavation of Power House and Transformer Hall and Main Access Tunnel at Power House site etc. However, the work progress has suffered due to stoppage / hurdles created by the local residents, Geological Variations and cash flow problem with the contractor. Efforts are ongoing to resolve the local issues with the help of Dist. Administration and local Distt. Court. Efforts are on to provide financial assistance to improve the cash flow position of the contractor in order to expedite works.

The Contract for Electro-mechanical works was signed with Ms BHEL, NOIDA on 18.11.2014 with a completion period of 48 months. Power House Station Layout has been approved. Measurement of soil resistivity at different locations of project has been conducted. Crane clearance diagram of EOT crane for Power house, BFV and GIS Hall has been finalized. Balance Design and Engineering is in progress. On dovetailing the Civil & HM Works and EM Works, the project is anticipated to be commissioned in Dec.'2019.

The approved cost, expenditure and schedule of commissioning of the Project are tabulated below:

(₹ in Crore)

Cost (₹ in Crore)		Schedule	
Approved	Expenditure (up to Jun-16)	Approved	Anticipated
2491.58 (March'08 PL) (As per Investment Approval dtd. Aug.'08)	849.35 (34%)	June'13 (As per Investment Approval dtd. Aug.'08)	December' 2019



An overview of Koteswar Dam & Reservoir

Achievement of MoU Targets for 2015-16: Out of the three targets, following two targets have been achieved:

1. Complete excavation of adit to Power House Top (EL 1054) Achieved on 21.11.2015 under Good Rating.
2. Complete excavation of adit to HRT: Very Good-15.03.16: Achieved on 13.03.2016 under Very Good Rating.

### • Dhukwan Small Hydro Project (24 MW)

Dhukwan Small Hydro-Electric Project is envisaged to be constructed at the toe of existing Dhukwan Masonry cum Earthen Dam across Betwa River in District Jhansi, U.P. The Project with an installed capacity of 24 MW (3 x 8 MW) is a part of overall development of the power potential of the Betwa River. On completion, the project will generate 97.82 MU annually.

- Agreement for Civil Package has been signed on 24<sup>th</sup> Dec'14, subsequent to transfer of Forest land 2<sup>nd</sup> June'14.
- Infrastructure works are in progress. Excavation in Approach Channel, Intake Area, HRC and Power House is almost complete. Cross Drainage Works of two aqueducts in HRC area has been completed. Further concreting in HRC Intake Area and Forebay area is in progress.

- Hydro-Mechanical and Electro-Mechanical Packages have also been awarded. Approval of Design & Drawings is under progress.

The cost of the Project, expenditure incurred and schedule of commissioning is tabulated below :

(₹ in Crore)

Cost (₹ in Crore)		Schedule	
Approved	Expenditure (up to Jun-16)	Approved	Anticipated
195.42 (As per Investment approval)	72.20 (36.94%)	Feb-14	2018-19

#### • Malari Jhelum and JhelumTamak

Hon'ble Supreme Court of India, vide its order dated August 13, 2013 has stayed the grant of environment clearance to 23 Hydro Electric Projects in Uttarakhand which include Malari Jhelam and Jhelam Tamak Projects of your company. ₹ 293 Million has been incurred till March 31, 2016. This has been shown under CWIP (Capital Work In Progress) as the matter is sub-judice and pending before Apex Court.

#### NEW & RENEWABLE ENERGY PROGRAMME

Your company has diversified into New & Renewable sources of energy.

#### • Wind Power Generation:

EPC Contract for 50 MW (25x2MW) wind power project at Patan Wind Farm site, Gujarat with its comprehensive Operation & Maintenance for 20 years was awarded to M/s Gamesha Renewable Pvt. Ltd, Chennai on 30.10.15 amounting to ₹ 315 Cr. and the agreement was signed on 14.12.2015.

50 MW Wind Power Project at Patan, Gujarat got commissioned on 29<sup>th</sup> June, 2016, two months prior to the scheduled commissioning period. By commissioning of 50 MW Wind Power Project, THDC has added 50 MW Renewable Energy to the Grid.

#### • Solar Power Generation:

THDCIL signed MoU with Solar Energy Corporation of India (SECI) on 13.02.2015 for setting up Grid Connected Solar Power Projects up to 250 MW capacity, of which it is proposed to initially take up 50 MW.

A Tripartite Agreement amongst SECI, Kerala State Electricity Board and THDCIL was signed on 31.03.2015 for development of 50 MW Solar project in Distt. Kasaragod, Kerala.

Possession of land for setting up of 50 MW Solar PV Project in Distt.Kasaragod, Kerala has been taken over by SECI / Solar Park. NIT for the EPC Contract has been issued on 28.06.2016 by SECI. Bids have been invited and scheduled to be opened on 20.09.2016.



Underground Construction Work of Tehri PSP (1000 MW) in Progress

#### DEVELOPMENT OF PROJECTS IN BHUTAN

#### • Sankosh HEP (8X312.5 MW):

The proposed project envisages construction of Roller Compacted Concrete Gravity Dam of 215 m height and two Power Houses (Left bank and Right bank) at the toe of Main Dam with installation of (8X312.5 MW) with energy generation of 5949.05 MU and a regulating dam downstream of main dam of (3X28.33 MW) with energy generation of 416.34 MU.

Currently the DPR for Sankosh (2585 MW) is under examination in CEA/CWC.





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### • Bunakha HEP (3X60 MW):

The proposed project envisages construction of a Storage Dam and Toe Power House with installation of (3x60 MW) vertical Francis Turbine with annual energy generation of 707.44 MU. The Construction period for the project is 69 months. During Feb'14, the Cabinet of Royal Govt. of Bhutan (RGoB) conveyed its approval for implementation of Bhunakha HEP. The Inter Governmental (IG) Agreement for implementation has been signed between Gol and RGoB in April' 2014.

The Project is not economically feasible as stand alone. CEA/CWC determined funding pattern based on a formula for sharing of cost of Dam by downstream projects. The matter has been referred to the EJJ (Empowered Joint Group) for reconsideration at the instance of downstream projects. Cost estimate as originally prepared at 2013 PL has been revised at April 2015 PL pending finalization of cost sharing mechanism.

### DIVERSIFICATION INTO OTHER ENERGY AREAS

#### • Khurja Super Thermal Power Station- (1320 MW).

The 1320 MW Khurja Super Thermal Power Plant(STPP) is being set up in District Bulandshahar of Uttar Pradesh. Total annual generation from the Plant would be 9828 MU corresponding to 85% Plant Availability Factor (PAF). Water commitment letter for release of 53 cusecs water from Govt. of UP has been issued. The layout and DPR of the project has been revised and also accepted by MoEF, utilizing entire plot of 1,200 acres land for the implementation of 2 units of 660 MW each, with future expansion for 3rd unit of 660 MW.

Approval for incurring expenditure of ₹ 585.82 Cr. towards Pre-Investment activities including land acquisition has been accorded by GOI on 20.11.15. The status of various activities are as under :



A view of Wind Power Project at Patan, Gujarat

- Physical possession of total 1200.843 Acres land including Gram Sabha land has been obtained. A sum of ₹ 310Cr. has been released by THDCIL against compensation for Land. Out of this, ₹ 40 Cr. released to UPSIDC and ₹ 270 Cr. to SLAO for disbursement to affected farmers.
- Fencing for secured possession of the land is in progress and shall be completed by end of July, 2016.
- Site office (prefabricated structure) is likely to be completed by end of July, 2016.
- On request of THDCIL, allocation of Amelia Coal Mine in Dist. Singrauli, Madhya Pradesh has been allotted by Ministry of Coal.

### REHABILITATION & RESETTLEMENT:

THDCIL has formulated a Resettlement and Rehabilitation Policy for upcoming projects making improvements in the provisions of Govt. of India's National Rehabilitation and Resettlement Policy-2007 in consultation with concerned stakeholders. The Policy addresses issues of loss of land, houses, other resources and means of livelihood and employability etc. of the Project Affected Families (PAFs) due to project construction. The policy aims to address the concerns of the vulnerable individuals. Major emphasis has been laid upon economic upliftment of the PAFs and



**"Shield Dwar" - Entrance Gate of Koteshwar Power House, a replica of 'Kedereshwar Jyotirlinga'**

provision of sustained livelihood broadly in following ways:

- Capacity-building efforts are being made for PAPs, which aim at skill upgradation through various income generation / restoration, livelihood enhancement & skill development training programmes and schemes; and
- To Promote and enhance education in and around the Project Area with additional efforts for promoting education among Girl & vulnerable children, the Project has formulated Scholarship schemes.
- Utmost precaution has been taken by THDCIL to prevent any damage to public and private property due to construction/operation of project.

#### **ENGINEERING CONSULTANCY**

Your company has established an Engineering Consultancy Department equipped with latest Design Software and experienced design experts to provide consultancy and advisory services in the field of Hydro Engineering and other civil assignments. Following assignments were undertaken during the previous year:

- Consultancy for Slope stabilization at Hon'ble Governor's residence, the "Raj Bhawan" in Nainital, Uttarakhand.

- Consultancy for development of underground parking complex at Mussoorie, Uttarakhand.
- Design & Engineering Consultancy work of slope Stabilization works of vulnerable zones between Katra and Shri Mata Valshno Deviji Shrine assigned by Shri Mata Valshno Devi Shrine Board (SMVDSB), J&K.
- Consultancy for the protection of 20 chronic land slide zones on various roads of Uttarakhand under PWD.
- Consultancy for preparation of report (PFR) on hydro potential of the Indravati river based on integrated basin concept for Chattisgarh State Power Generation Company Ltd.

#### **RESEARCH AND DEVELOPMENT**

Your company has established a full fledged Research and Development Center at Rishikesh. The Projects carried out by the R&D Department in the Year 2015-16 are as under:

- Development of self-compacting concrete for Hydro Power Structures.
- Assessment of Sediment Yield from the Catchment Area of Tehri Reservoir.
- Analysis of dynamic performance of variable speed hydroelectric plants under grid disturbance.



Group Photograph of Felicitation Ceremony of 'Swachh Bharat Abhiyan' of Govt. of India after completion of Targets

- Indigenous development of Valves for Tehri HPP.
- CFD Modeling for water Conductor system of KHEP .
- Earth quake monitoring stations established around Tehri Region.
- Condition Monitoring of EM equipment of Tehri & KHEP.
- Expansion & updation of Micro Seismic Network around Tehri region.
- Vibration Data Analysis of Rotary Machines and auxiliaries for Tehri and Koteshwar.
- Parametric 2D analysis of Power house cavern of JTSEP to demonstrate that Insitu stress measurement not be made mandatory for PH at DPR stage.
- Procurement of additional facilities/software for electrical system design & other software /hardware /equipment for R&D Centre. Expenditure on training/seminar/workshops/conferences/ books/ journals /honorarium/ Membership of professional & technical institutions// other miscellaneous expenditure including consultancy fees of the experts for carrying out in house R&D Projects etc.
- Stabilization of slopes and re-alignment of Tehri Koteshwar road.
- Setting up of satellite based real time inflow forecasting system for catchment area of Tehri Reservoir.

The Budget Allocation for the R&D Projects for the F.Y. 2015-16 was proposed as ₹ 49.62million representing 0.72% of PAT of the year 2014-15. As per DPE Guidelines, the annual budget allocation for R&D Projects shall be minimum 0.5% of PAT for the previous year. Actual expenditure on R&D incurred was 34.50 million for the F.Y. 2015-16 which is 0.5% of the PAT of the year 2014-15.

#### QUALITY ASSURANCE

In the current financial year 2015-16 following management system certifications have been acquired:

- Corporate Office Rishikesh, Tehri HPP, PSP, VPHEP Pipalkoti & KHEP Koteshwar has acquired certification against ISO 9001:2008 (Quality Management System) and ISO 14001:2004 (Environmental Management System), OHSAS 18001:2007 (Occupational Health and Safety Management System).
- THDCIL has acquired the certification of ISMS (Information Security Management System)



Sh. D.V. Singh, Director (Technical), THDCIL briefing the Ex. Hon'ble Prime Minister of Nepal, Sh. K.P. Sharma Oli and Hon'ble Minister of State (I/C) for Power, Coal & Renewable Energy, Sh. Piyush Goyal about Tehri Project

ISO 27001:2013 in October 2015 for 3 years through STQC (Standardization, Testing and Quality Certification), New Delhi.

### ENVIRONMENT MANAGEMENT

As a responsible Corporate Citizen, your Company is committed towards Environment Protection and Ecological Balancing. The company carries various works for sustainable development. Various steps taken in this regard are as under :

- The Company had conducted various studies through premier institutes like BSI, NEERI, ZSI etc. to assess impact of Tehri Dam Project. On the basis of outcome of these studies, the Company has framed detailed mitigation plans to reduce the negative impact on the environment.
- Post impoundment studies have been carried out to assess the impact of impoundment on environment.
- Maintenance of Botanical Garden over an area of 14.28 ha near Koti having 249 different species of plants including medicinal, ornamental, timber, fuel and fodder.
- The Slope Protection Work carried out at Tehri – Koteshwar Road and Chaaka - Pendars-Ali Halzent Road through engineering measures. Jurrasi and Palam Nala at Koteshwar were also treated by engineering measures.
- Plantation of Dwarf Plant Species around the Reservoir of Koteshwar Dam Project is being carried out through Tehri Forest Division New Tehri.
- A five-member panel of internationally recognized experts has been constituted for monitoring and appraisal of environment and social issues involved in the development of Vishnugad Pipalkoti HEP.
- M/s WAPCOS Ltd., Gurgaon and Indian Council of Forestry Research and Education, Dehradun have been engaged for 3<sup>rd</sup> party monitoring of implementation of Environment Management Plan and Catchment Area Treatment Plan of VPHEP.
- Directorate of Coldwater Fisheries Research (DCFR), Bhimtal has been engaged for the development and implementation of Fishery Management at VPEHP.
- To sensitize people, World Environment Day was celebrated on June 5, 2015 at Rishikesh in which reputed Scientists, Environmentalist, and School Children participated.



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Your Company has successfully obtained ISO 14001:2004 (Environmental Management System) certifications for Corporate Office, Rishikesh, Tehri HPP Stage-I, Koteshwar HEP, Tehri PSP & VPHEP.

### IMPLEMENTATION OF RISK MANAGEMENT

Your Company being a Hydro Power Developer is subject to significant sector specific and geographical location specific risks in implementation of Projects. The Company has adapted Risk Management Manual duly approved by the Board. The Manual provides the detailed mechanism for Risk Identification, Risk Avoidance, and Mitigation of various risks associated with business activities including construction and operation on day to day basis.

Your Company has constituted Risk Management Committee comprising of officers from Project Site as Risk Officer, Project Finance and Corporate Design (Civil &HM) Deptt.as members for each ongoing construction project. The nominated Risk Officer from the Project site acts as the member secretary of the Committee. Disaster Management Plan (DMP) for Vishnugad Pipalkoti HEP has been prepared in Jan,2016. Detailed information on the Implementation of Risk Management is mentioned separately in the Corporate Governance Report (Annexure-I).

### IT AND COMMUNICATIONS

We make use of information and communication technologies for the execution and management of our projects and power stations. We consider information technology to be a strategic tool for us to improve our overall productivity and efficiency. We have successfully implemented various software solutions to help in optimum utilization of generating assets, accelerated development of construction projects thereby improving quality, productivity and profitability of the organization

THDC has latest Information Technology and Communication infrastructure. Security policy is also in place to manage the Information Technology (IT) system to ensure optimum and



Shri S.K. Biswas, Director (Personnel), THDCIL, left, receiving the Prestigious "Green Tech. Platinum HR Leader Award" from Dr. Bhaskar Chatterjee, Retd. (IAS) and DG & CEO India Institute of Corporate Affairs, Ministry of Corporate Affairs, Govt of India

secure utilization of the assets owned by THDC. All key business functions viz. Finance, HR, Procurement & Contracts, Inventory, Project Management, Power Plant Operation and Maintenance Energy Sales and Accounting, Quality Assurance etc. have computerized Systems. These computerized systems are web based and are being accessed remotely from all locations viz. Corporate Office, Regional offices/ Projects/ Power stations to run the IFS application through above communication network.

THDC has Implemented Cyber Security Policy at Corporate Office Rishikesh from Dec, 2015. Company has successfully reduced paper consumption, achieved standardization of Z data, and accuracy of information to a large extent with well - planned Information Technology facilities. As per Government of India directives, e-procurement (Electronic Tender) System has also been successfully implemented.

### PROCUREMENT FROM MICRO & SMALL ENTERPRISES

Annual procurement plan including items to be procured from Micro & Small Enterprises (MSEs) have been uploaded on THDC Website for benefits of MSMEs. Nodal officer on behalf of THDCIL for co-ordination & implementation of procurement policy has been nominated and conveyed to



Celebration of 29<sup>th</sup> Foundation Day of THDCIL at Rishikesh

Ministry of Micro, Small and Medium Enterprises & Ministry of Power.

Special vendor development program in coordination with Ministry of Micro, Small and Medium Enterprises has also been organized.

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The contracts/arrangements/transactions entered in to by the company in F.Y. 2015-16 were in the ordinary course of business and on an arm's length basis. None of the contract/arrangement/transaction entered into with related parties could be considered material in accordance with the policy on related party transactions.

Your Directors draw attention of the members to note no. 29.8 to the financial statement which sets out related party disclosures as per Accounting Standard-18.

### AWARDS AND RECOGNITION

THDC endeavors for an all-round growth and the same is reflected in the list of awards & achievements.

#### Awards in Management & Leadership:

- THDCIL had been conferred SCOPE Excellence Award - 2016 on 11.04.2016 at Delhi in

recognition to its pivotal role in for Public Sector Management.

- THDCIL has also received Best HR Leader Award by Green-Tech. Foundation at Mumbai on 06.05.2016 for Innovative Human Resource Management.
- THDCIL has been conferred with 'Global CSR Excellence & Leadership Awards' for "Innovations in Corporate Social Responsibility Practices" by the World CSR Congress on 18<sup>th</sup> Feb, 2016 while commemorating 5<sup>th</sup> Worlds CSR Day at Mumbai.

### HUMAN RESOURCE MANAGEMENT

Human Resources Management (HRM) function has driven myriad changes striking a balance between business needs and individual aspirations. In the present scenario of competition and striving for excellence, human resource plays a pivotal role in an organization's success. Organizational development in your Company has the focus on fostering a successful system that maximizes productivity of human resources, as well as optimizes other resources as part of larger business strategies. Your company has a human capital of 1990 as on 31.03.2016 comprising of 829 Executives, 104 Supervisors, 1057 Workmen. Your



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company inducted 49 ETs in various disciplines of Engineering, Finance, Legal, Mass Communication etc through GATE Score 2015, CLAT Score 2015 and other modes. A robust roadmap for training and learning of new inductees was prepared for their Orientation, OJT. Your Company takes pride in its highly motivated and competent human resource that has contributed its best to bring the Company to its present heights.

### TRAINING AND DEVELOPMENT

Your company consistently evaluates and trains its employees to keep them updated with latest changes and relevant knowledge to enhance their productivity and work efficiency. The company has taken several initiatives to upgrade skills of its human assets to meet future challenges and to provide better career opportunities.

Your company has engaged a Consultant for “Skill Gap Analysis and Initial Diagnostic for Capacity Building Institutional Strengthening” (CBIS) for THDCIL. Assignment is in progress. Your company was awarded Gold Trophy, Citation under prestigious “SCOPE Award for Excellence” for outstanding contribution to the Public Sector Management.

The training imparted is in tune with the emerging needs and challenges. The Training Need Assessment is linked with the organization/business necessities to enrich employees with requisite proficiencies. The training programs are initiated to develop and groom internal talent through multi disciplinary programmes internally and externally.

Besides as per MOU targets, Two certificate courses 1) Enterprise Risk Management (covering 21 No. Executives) 2) Sustainable Development, R&R and CSR (15 No. Executives) were also conducted through IIT, Roorkee and ASCI, Hyderabad respectively.

Your Company has addressed specific training needs of Board Members for building leadership qualities, Corporate Governance etc.

During the FY 2015-16, your company has organised a series of training programs in technical and behavioral aspects viz Primavera training,

Management Development Program, O&M training for Workmen etc. During the year, special attention has been given to nominate women employees for programs/Seminar for women empowerment and other issues related to them. Special training program was organised for employees of various social categories, to acquaint them with the features of reservation policy & essential provisions devised especially for them.

Your company has conducted a total of 61 In-house dedicated training programs for employees and external floated nominations spanning 4299 Training Man days against the target of 4000 Man days. Average training mandays works out to 2.16 per employee. The total percentage of technical trainings has been 43%.

Your company has invested heavily to train the trainers and now has Professional Certified Trainers who can design, organise and deliver effectively as Faculty for In-house programs to be organised at our Human Resource Development Centre at Rishikesh.

### EMPLOYEE RELATIONS

Both, employees and management complemented efforts of each other in furthering the interest of the company as well as its stakeholders, contributing to over-all harmony and cordial employee relations. There have been continuous interactions between the management and the apex fora of workmen and executives. Structured meetings were organized during the year wherein issues relating to performance and productivity were discussed. Representatives of workmen were allowed to participate in joint management councils where equal number of employees and Management representatives participated in constructive discussion. The Quality Circle team from THDC bagged the Par Excellence Award, three teams bagged the Excellence Award and one team bagged the Distinguished Award at the NCQC 2015 held at Chennai from 18<sup>th</sup> to 21<sup>st</sup> December 2015. Your company organized several welfare activities during the year ranging from organizing summer sports, winter sports, inter PSU sports etc. A number of other cultural activities



Group photograph of participants of Executive Development Programme

were organized to de stress the employees, as well as to create better relationship among each other by respective clubs.

#### **Initiatives for SC/ST and Physically challenged persons:**

Your company endeavours to comply with the guidelines issued by Govt. of India from time to time on implementation of reservation policy on Direct Recruitment, promotion etc. for SC/ST and Physically challenged candidates. Your company implemented Govt. guidelines on welfare of SC/ST personnel and redressal of their grievances in letter and spirits. Continuous Efforts are made to fill up backlog vacancies through the process of internal promotion & recruitment.

In compliance of implementation of United Nations Convention on the Rights of Persons with Disabilities, the Corporation has provided easy accessibility by way of erecting ramps in most buildings of the Corporation. Your company has been nominating employees belonging to Physically Handicapped category to attend special training programmes.

#### **IMPLEMENTATION OF OFFICIAL LANGUAGE**

Your Company has made vigorous efforts for the propagation and successful implementation of the official Language Policy of the Government of India. Several Hindi workshops and competitions were conducted at projects, and corporate during the year to encourage the employees to maximize

the use of Hindi in official work. All office orders, formats and circulars were issued in Hindi as well. Important advertisements and house journals were released in bilingual form- in Hindi and in English. Your company has been conferred 'Third Prize' of the prestigious "Rajbhasha Kirti Award", for the year 2014-15 for best implementation of the official language policy of the Govt. of India in Region – "A" Category under Public Sector undertaking.

During the year 24 numbers of workshops were organized by Rajbhasa section where 519 numbers of employees were imparted training in different Hindi training programmes.

Apart from the above, 12 (Twelve) officers and employees have participated in intensive Hindi workshop conducted by "Central Hindi Training Institute" during the year 2015-16. Hindi books were purchased for approximately ₹ 4,30,096.00 (Four lac thirty thousand ninety six). To provide bilingual working facility in Computers/Laptops, Hindi Software/Fonts have been installed. To encourage the employees to perform their work in Hindi, a Hindi typing/ Stenography Incentive Scheme has also been introduced. Quarterly meetings of Official Language Implementation Committee were organized in subordinate offices/ units.

Hindi "Hasya Kavi Sammelan" was organized during the year 2015. Hindi house journal "PEHEL" is being published. Several other events were organized during celebration Hindi Pakhwara.

#### **RIGHT TO INFORMATION ACT, 2005**

Your company has taken concrete actions to provide information to the citizens of the country in accordance with the Right to information Act, 2005.

THDCIL's official website contains information as required to be published under Section 4(1)(b) of the Act. Particulars of Appellate Authority, CPIO, PIOs of the Corporation, and all related formats for seeking information, submission of appeal to the first Appellate Authority are available on the THDCIL website.





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All the applications received from the information seekers are dealt with as per provisions contained in the RTI Act, 2005 and prompt action is taken on them. During the year 2015-16, total 143 applications were received from the citizens across the country seeking information of various nature and information was made available to them on time.

During the year 18 appeals have been received by First Appellate Authority, out of which 14 were rejected and 04 partially accepted after examination. All the appeals have been disposed off by the Appellate Authority. 06 Appeals were filed at Central Information (CIC), New Delhi out of which 03 appeals were rejected and 03 appeals were partially accepted.

### Women Employee Welfare:

Your Company formed "Internal Complaints Committees" as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 reflecting its commitment to provide a safe and caring environment to female employees. Your company has also constituted WIPS(Women in Public Sector) committee.

### VIGILANCE

Vigilance Deptt. in its endeavor to prevent corruption & malpractices has focused on implementation of Preventive Vigilance measures. Strategically vigilance organization of THDCIL in recent past has focused on proactive and preventive, vigilance management.

- Vigilance department is conducting regular, surprise and CTE Type of Inspection of Works. These preventive inspections have effect in preventing various malpractices & irregularities during award and execution of works.
- Review of existing provision of GCC, DOP and internal instructions (in form of codes/ manuals) are being initiated for bringing out efficiency and transparency in public procurement with the consent of the management.
- Systematic corrective actions are being suggested and intimated to concerned officials for taking suitable action, as and when noted.

- The time schedule laid down by the central vigilance commission for conducting enquiries and investigations were by and large adhered to.
- Online complain system as major step to ensure transparency has been developed and deployed. Vigilance MIS system and grievance tracking system (GTS) through URL <http://www.thdc.co.in> are in operation from March 2015.
- Vigilance awareness week 2015 was conducted by the vigilance department from 26.10.2015 to 31.10.2015 with the theme for this year specified by CVC, "preventive vigilance is a tool of good governance".
- On this occasion Vigilance Deptt. published a booklet on "General observations based on CTE's Intensive Examinations" to create awareness amongst the officials.
- Training program on "Vigilance Awareness & Anticorruption" was organized at Sustainable livelihood and community development Center, Rishikesh for sensitizing the Executives.

### PR INITIATIVES AND ACTIVITIES

Your corporation has adopted diversified means of communication to reach out to its stakeholders. The key achievements during F.Y. 2015-16 in the area of Corporate Communication Department are:

- Corporation's official facebook page & twitter handle has been started in June 2013. Both these social Media tools are linked with Ministry of Power, PMO & My. Gov. (Citizen Engagement Platform) of Govt. of India.
- Important news in print media is now forwarded to senior executives on email to keep them informed about major power sector related news.
- THDCIL has launched its quarterly electronic magazine called "THDCIL Communication Charter" with interesting, informative and imaginative content. The attempt behind this initiative is to promote "User Generated Content" (UGC) and encouragement of employees participation in the communication process of the Corporation.

- Collaborative Knowledge Desk:- In order to facilitate internal exchange of knowledge, information, key learning, Success Stories etc. THDCIL has started a Collaborative Knowledge Desk on its web portal.
- THDCIL Corporate Film:- Corporate Communication Department had produced an hour Corporate Film of THDCIL in 2016 viz. THDCIL-A Journey towards Excellence which visually sketches the journey of more than 25 years of the Corporation in frames.
- Corporate Communication Department brought out following publications during F.Y. 2015-16 :
  - 04 Quarterly issues of House Journal 'Gangavatanam',
  - THDC Sustainability Report 2014-15
  - MoU between MOP & THDCIL 2015-16.
  - THDC Hydro-Tech.,
  - THDC Brochures for IITF-2015.

## CORPORATE GOVERNANCE

### • The Company's Governance Philosophy

Your Company has, endeavored to adopt Good Corporate Governance Practices as required under the Companies Act, 2013/DPE Guidelines even though Clause 49 of the Listing Agreement is not applicable, being an unlisted company

The Corporate Governance mechanism in your Company is based on parameters like Transparency and Fairness, Timely and Balanced Disclosures, Structure of Board to add value, Role and responsibilities of the Board, Integrity in Financial Reporting, Promote Ethical and Responsible Decision Making Obligations towards Environment, Rights and Interests of Stakeholders, Compliances etc. The Company has been rated Excellent by DPE for compliance with Guidelines on Corporate Governance for the year 2015-16.

A Detailed Report on the Corporate Governance including functioning and scope of Audit Committee, Remuneration Committee and other Board level committees is annexed herewith as per **Annexure-I**.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) & SUSTAINABLE DEVELOPMENT

Your Company is committed to the national and international goals and has greater concern for social and environment sustainability. As required under Companies Act 2013 & CSR Rules. Your Company has introduced CSR & Sustainability Policy 2015 with the approval of the Board. Accordingly, 2% of average net profit of the Company over 03 preceding years has been allocated for implementation of CSR.

All CSR Projects are considered by the Below Board Level Committee(BBLC) and approved by Board Level CSR Committee (BLC). Before implementation of CSR Project Baseline Survey is done to priorities the activities. Impact Assessment is made by Specialised Agencies for all CSR Projects having value less than ₹ 5 lac.

During the FY 2015-16 the company has incurred CSR expenditure amounting to ₹ 13.35 Cr. which is 2% of the Net Profit as compared to ₹ 29.09 Cr. in Previous Year.

THDCIL under Swachh Bharat / Swachh Vidyalaya Abhiyan has completed 1188 nos of toilets in the states of Uttarakhand (1060) and Uttar Pradesh (128).

Detailed Report on CSR is attached as **Annexure-II**  
**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

In compliance with DPE Guidelines on Corporate Governance a separate Report on Management Discussions and Analysis is given as **Annexure-III** to the Report.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**

The information is given at **Annexure-IV** to the Report.

**BUSINESS RESPONSIBILITY REPORT**

As a part of Good Corporate Governance Practice a Separate Section on Business Responsibility Report is given at **Annexure-V** to the Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Clause 'C' to Section 134(5) of the Companies Act, 2013, your Directors state that :



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Shri R.S.T. Sai, CMD, THDCIL, Shri Rajeev Sharma, CMD REC and Shri D.V. Singh, Director (Technical), THDCIL in a Inaugural Function of 2<sup>nd</sup> girls Hostel of THDC Hydro Engineering College at Tehri

- i) In the preparation of the Annual Accounts, all the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2016 and Profit and Loss of the Company for the year ended on that date;
- iii) The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) These accounts have been prepared on a Going Concern Basis.
- v) The proper systems have been devised to ensure compliance with the provision of all applicable laws for effective operation and such system was adequate.

#### BOARD OF DIRECTORS

Since the last AGM, Shri Bachi Singh Rawat, Shri Mohan Singh Rawat and Prof. Maharaj Krishan Pandit have been appointed as Independent Directors. Shri Sanjay Agarwal, Principal Secretary (Energy), GoUP Nominee Director has ceased to be the Director on Board of THDCIL.

#### Cost Auditors

M/s R.M. Bansal & Company, Cost & Management Accountants, Kanpur and M/s Chandra Wadhwa & Company, Cost & Management Accountants, New Delhi have been appointed by the company as Cost Auditors to conduct the Audit of Cost Accounting Records for Koteshwar Unit and Tehri Unit respectively for the Financial Year 2016-17 under Section 148 of the Companies Act, 2013.

#### Statutory Auditors

Your Company being Government Company, the appointment of Statutory Auditors is made by Comptroller and Auditor General of India under Section 139 of the Companies Act, 2013. M/s P.D. Agrawal & Co., Chartered Accountants, 364 A, Govind Puri, Hardwar-249403, were appointed as

Statutory Auditor of the Company by C&AG vide their letter no. CA.V/COY/Central Government, Tehri (I) /111 Dated 06/07/2015 under Section 139 of the Companies Act, 2013.

As required under Section 142 of the said Act, proposal for fixation of the remuneration payable to the Statutory Auditors being placed in the ensuing Annual General Meeting (AGM) for consideration.

The report of the Statutory Auditor is enclosed.

### **Management Comments on the Statutory Auditor's report**

The Statutory Auditors of the Company have given an unqualified report on the Accounts of the Company for the financial year 2015-16 .Hence comments of the Company is "Nil".

### **Review of Accounts by Comptroller & Auditor General of India**

The Comments of Comptroller & Auditor General of India as supplement to the Statutory Auditors' Report under Section 143(7) of the Companies Act, 2013 on the Accounts of the Company for the year ended March 31,2016 are enclosed.

The C&AG has issued 'Nil' Comments on the Annual Accounts. Accordingly, the Management reply is 'Nil'.

### **Secretarial Audit**

Secretarial Audit for the FY 2015-16 has been done by M/s PSR Murthy, a Practicing Company Secretary in compliance of Section 204(1) of the Companies Act, 2013. The Company has complied with all the Secretarial Provisions and no case of default is reported. The Report of the Secretarial Auditor is attached as **Annexure VI**.

### **ACKNOWLEDGEMENT**

The Board of Directors acknowledge with deep sense of appreciation, the co-operation received from the various Ministries/Departments of the Govt. of India particularly the Ministry of Power; Ministry of

Water Resources; Planning Commission; Ministry of Finance; Ministry of Environment & Forests; Department of Public Enterprises; Central Water Commission; Central Electricity Authority; Department of Corporate Affairs; Ministry of External Affairs; Royal Govt. of Bhutan. The Board of Directors also acknowledge the support and co-operation received from Government of UP and Government of Uttarakhand and their various Departments, notably the Director, Rehabilitation of the Tehri Project. The Board also acknowledges the support received from Govt. of Maharashtra and Nuclear Power Corporation of India Ltd.

The Directors take this opportunity to thank the Statutory Auditors, Comptroller & Auditor General of India, the Chairman, the Principal Director of Commercial Audit and Ex-Officio Member, Audit Board for their valued co-operation during the year.

Your Directors further wish to place on record their sincere thanks to the various National/ International Financial Institutions/ Banks for the continued trust and confidence reposed by them by rendering timely assistance and patronage for successful implementation of various projects by the company.

The Directors wish to place on record, their appreciation of the untiring efforts and contribution made by the employees at all levels in achieving growth and excellence by the Company.

For and on behalf of Board of Directors.

**(R.S.T. Sai)**

Chairman & Managing Director

DIN : 00171920

**Date** : 26.09.2016

**Place** : Rishikesh



## BUSINESS OVERVIEW

### CAPITAL CREATION IN A SUSTAINABLE WAY

In our quest to achieve our vision of becoming a world class energy entity with commitment to environment and social values, we have been leveraging various capitals in a sustainable manner to add value to various stake holders and the nation at large.

Capitals	What we do	How we manage	How we measure	Output
<b>Financial</b>	<ul style="list-style-type: none"> <li>- As a power generation company fully owned by Govt we get equity capital from Govt and raise loan capital from financial institutions and commercial banks.</li> <li>- Net margin between Recoveries Made from beneficiaries as part of tariff for power sold and cost of generation contributes to the profit of the co.</li> <li>- Revenue is also generated from Consultancy services rendered by the company.</li> <li>- Part of the accrued capital is distributed as dividend and balance is Reinvested in future projects as Internal Resources.</li> </ul>	<p>THDCIL's financial capital is created as per the regulatory environment in power sector and risk appetite of the company in taking up new projects.</p> <ul style="list-style-type: none"> <li>- THDCIL has a well informed Board comprising of functional, nominee and independent directors to ensure highest standard of corporate governance.</li> <li>- THDCIL has strong internal control system and is also subject to oversight by external agencies like C&amp;AG and CVC.</li> </ul>	<p>Key parameters like gross income, net profit, networth, capital employed, Size of balance sheet. duly vetted by certified Chartered Accountant.</p>	<p>During 2015-16 gross Income increased by 2.97%, net profit increased by 17.14%, net worth Increased by 9.90% and balance sheet Increased by 3.60% Dividend</p>
<b>HUMAN</b>	<ul style="list-style-type: none"> <li>- THDC strives to achieve performance excellence by fostering work ethos of learning and innovation.</li> <li>- Build sustainable value based relationship with stakeholders through mutual trust.</li> <li>- THDC differentiates knowledge in the field of construction and operation of complex power projects in challenging locations to fulfil India's dream of power to all household.</li> </ul>	<p>- THDCIL believes that its employees are its real assets. THDCIL hires executives in various disciplines viz HR, Engineering, Finance, Legal, Mass Communication etc. through GATE SCORE, Campus Interviews, All India Tests etc. as per requirement. The company always ensures that best talents are hired, nurtured and retained for growth of organization. A robust roadmap for new</p>	<ul style="list-style-type: none"> <li>- Grievance Redressal Cell has been constituted to address the grievances of all level of employees.</li> <li>- Internal Complaints Committees" as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 reflecting its commitment to provide a safe and caring environment to female employees &amp; to deal with issues</li> </ul>	<ul style="list-style-type: none"> <li>- THDC strives to achieve performance excellence by fostering work ethos of learning and innovation.</li> <li>- Build sustainable value based relationship with stakeholders through mutual trust.</li> <li>- THDC differentiates knowledge in the field of construction and operation of complex power projects in challenging locations to fulfil India's dream of power to all household.</li> <li>- Undertakes R&amp;R activities with a human face.</li> </ul>

Capitals	What we do	How we manage	How we measure	Output
HUMAN	<ul style="list-style-type: none"> <li>- Undertakes R&amp;R activities with a human face.</li> </ul>	<p>inductees has been prepared for one year on Orientation, OJT under Mentors and Classroom Training in reputed institutes for all round development.</p> <p>THDC has transparent policy frame work for governing various facets of HR management.</p> <ul style="list-style-type: none"> <li>- Company carries out "Skill Gap Analysis and Diagnostic Study" as part of HR intervention to improve the quality of man power.</li> </ul> <p>Company has a well formulated R&amp;R policy. Apart from carrying out plethora of R&amp;R activities, two schools are run by THDC Education Society (TES) a registered society. The school generally caters to the educational need of under privileged class. The school not only provides good education but it also provides school books, school dresses and other items of school uniform free to students. It has started a meal initiative to provide balanced diet and nutrition to children named Naivedyam.</p>	<p>related to safety, dignity, prevent &amp; redress complaints if any related to harassment.</p> <p>WIPS(Women in Public Sector) committee is also in place</p> <ul style="list-style-type: none"> <li>- There has been a structured interaction between the management and the Unios &amp; Associations of Workmen, Supervisors and Executives to obtain feedback about policies and address issues of mutual interest.</li> <li>- Representatives of workmen were allowed to participate in Joint Management Council where equal number of Employees and management representatives participate in constructive discussion over issues related to productivity, improvement in Quality, waste reduction, any other issues incidental to generation and betterment of employees &amp; generating plants etc.</li> </ul> <p>Structured meeting were organized during the year wherein issues relating to performance and productivity were discussed.</p>	



# टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED



Capitals	What we do	How we manage	How we measure	Output
<b>NATURAL</b>	<ul style="list-style-type: none"> <li>- Being initially incorporated as a hydro power company THDCIL generates clean and renewable power harnessing water resources.</li> <li>- THDCIL has recently ventured into wind power and is in the process of setting up solar power plant.</li> <li>- THDCIL believes in the philosophy of energy saved is energy generated. THDCIL is adopting use of environment friendly and star rated equipments in the offices, guest houses, street lights, residence etc. The old equipments consuming more electricity are being replaced by star rated equipments in a phased manner. Solar water heaters have been installed in all hostels and guest houses in Rishikesh. Conventional street light luminaries have been replaced with LEDs.</li> <li>- As a responsible Corporate Citizen THDCIL is committed towards Environment Protection and Ecological Balancing. The company carries various work for sustainable development.</li> <li>- THDCIL has an efficient reservoir management system in place to monitor water and forecast water inflow for optimum utilization of water.</li> </ul>	<p>The Company had conducted various studies through premier institutes like BSI, NEERI, ZSI etc. to assess negative impact of Tehri Dam Project. On the basis of outcome of these studies, the Company has framed detailed mitigation plans to reduce the negative impact on the environment.</p> <p>Post impoundment studies have been carried out to assess the impact of impoundment on environment.</p> <p>M/s WAPCOS Ltd., Gurgaon and Indian Council of Forestry Research and Education, Dehradun have been engaged for 3rd party monitoring of implementation of Environment Management Plan and Catchment Area Treatment Plan of VPHEP.</p> <p>Directorate of Coldwater Fisheries Research (DCFR), Bhimtal has been engaged for the development and implementation of Fishery Management at VPEHP.</p>	<ul style="list-style-type: none"> <li>- Secure accreditation from international certification bodies.</li> <li>- Generation of green and clean power by achieving targets.</li> <li>- Increase forest cover through plantation.</li> <li>- Compensatory Afforestation</li> <li>- Introduction of energy management and monitoring system.</li> <li>- Continuous monitoring of impact on flora and fauna.</li> <li>- Checking of water quality Pre &amp; Post impoundment</li> <li>- Measurement of Methane level in reservoir</li> <li>- No of energy saving devices replaced.</li> </ul>	<ul style="list-style-type: none"> <li>- In compliance to ZSI recommendation, Mahaseer fish hatchery having capacity of 3 lacs seeds per annum has been constructed near Jurasinalla, Koteshwar.</li> <li>Maintenance of Botanical Garden over an area of 14.28 ha near Koti having 249 different species of plants including medicinal, ornamental, timber, fuel and fodder.</li> <li>- THDCIL has taken an initiative to harness the canteen and horticultural waste for productive use at Rishikesh Township. The biogas generated from waste treatment plant is utilized for thermal application in the kitchen while the manure is used for in-house horticultural activities.</li> <li>THDCIL has successfully obtained ISO 14001:2004 (Environmental Management System) certifications for Corporate Office, Rishikesh, Tehri HPP Stage-I, Koteshwar HEP, Tehri PSP &amp; VPHEP.</li> <li>During the year 2015-16, total 16,326nos. of trees were planted in various locations of Project rim areas and nearby THDCIL campus Rishikesh</li> <li>- 2100 ha. of land (1138 ha. forest land and 962 ha. agriculture land) is being developed as green belt at tehri.</li> <li>- The total peripheral land area made available for plantation is 450 ha at kdw.</li> <li>- 169 conventional street lights have been replaced with LED lights.</li> </ul>

Capitals	What we do	How we manage	How we measure	Output
<b>INTELLE-CTUAL</b>	<p>THDCIL thrives to develop in house knowledge and intellectual base to enhance its construction and operation capability.</p> <ul style="list-style-type: none"> <li>- Develop new and improved methods and technologies in the relevant field through R&amp;D.</li> <li>- Indigenise import substitute product as partner to make in India Campaign.</li> <li>- Thrive to achieve excellence in quality.</li> </ul>	<p>Provides platforms to employees for sharing and dissemination of knowledge.</p> <ul style="list-style-type: none"> <li>- Investing in digital technology to provide better service to stake holders.</li> </ul> <p>Equip R&amp;D centre and research lab with equipments and software.</p> <ul style="list-style-type: none"> <li>- Has set up quality circles.</li> <li>- Publication of various Books, Journals, Manuals regarding Works, Safety, HR and Financial practices to increase the knowledge base of employees.</li> <li>- Online monitoring of projects through Primavera</li> <li>- Publishing magazines like Hydro tech, Pahal and Gangavataranam.</li> </ul>	<p>Awards and recognition.</p> <ul style="list-style-type: none"> <li>- publications of articles in magazines.</li> </ul> <p>Initiatives taken in R&amp;D and innovations</p> <p>Knowledge management.</p> <ul style="list-style-type: none"> <li>- extending knowledge support to various govt agencies.</li> </ul>	<ul style="list-style-type: none"> <li>- In order to strengthen good governance, various packages using information technology have been developed / being developed such as Bill Tracking System, Grievance Tracking System and Vigilance MIS, Commercial module, integration with Financial Management System (FMS), Human Resource Management System (HRMS) software, Financial Management System (FMS) application, Web based software for Quality Assurance, On-line Billing System</li> <li>- Established</li> <li>- Design &amp; Engineering Consultancy work of Slope Stabilization works of vulnerable zones between Katra and Shri Mata Vaishno Deviji Shrine assigned by Shri Mata Vaishno Devi Shrine Board (SMVDSB).</li> <li>- Consultancy for the protection of twenty Chronic land slide zone on the various roads of Uttarakhand under PWD.</li> <li>- Development of self-compacting concrete for Hydro Power Structures- Experimental works.</li> <li>- Assessment of Sediment Yield from the Catchment Area of Tehri Reservoir" GIS modeling and Analysis.</li> <li>Condition Monitoring of EM Equipment of Tehri&amp; KHEP.</li> <li>Establishment of sophisticated Geotechnical laboratory.</li> <li>Earth Quake Monitoring Stations in the vicinity of Tehri.</li> <li>Measurement of Methane Gas in Tehri Reservoir.</li> <li>Indigenous Development of Valves of Tehri HPP.</li> <li>CFD Modeling for water Conductor system of KHEP</li> </ul>





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**THDC INDIA LIMITED**



Capitals	What we do	How we manage	How we measure	Output
<b>INTELLECTUAL</b>				<p>Analysis of dynamic performance of variable speed hydroelectric plants under grid disturbance.</p> <p>The Quality Circle team from THDCIL bagged the Par Excellence Award, three teams bagged the Excellence Award and one team bagged the Distinguished Award at the NCQC 2015 held at Chennai from 18th to 21st December 2015.</p>
<b>SOCIAL</b>	<p>Socially responsible corporate, continuously enhancing value creation in society and community and promoting sustainable development.</p> <p>- Since inception THDCIL has strived to run the business with human face and remained socially responsible corporate entity.</p>	<p>Has board level CSR Committee headed by independent director.</p> <p>CSR policy has been approved in line with clause 135 of companies act 2013.</p> <p>THDCIL is running two schools under THDC Education Society (TES) (Society registered under society registration act 1860), one at Bhagirathipuram, Tehri offering education and another school at Pragatipuram, Rishikesh offering education to children of nearby areas belonging to economically weaker sections including backward and SC/ST.</p> <p>An Engineering College in Bhagirathipuram (near Tehri Dam and HPP), Tehri has been established by THDCIL under CSR initiatives to meet out the future requirements of skilled manpower / technical graduates in sustainable manner.</p> <p>Two ITIs one in Chamba and other in Gopeshwar have been adopted by THDC India Limited to meet the skilled manpower requirement in the State.</p>	<p>Monthly Progress Report is submitted to the In-charge of CSR &amp; Sustainability.</p> <p>Impact assessment of all completed CSR &amp; Sustainability programme above ₹ 5.00 lakhs will be done through specialized external agencies and the report containing the success/failure is submitted to Board Level CSR Committee.</p>	<p>Board had approved CSR Budget amounting to ₹ 17.19 Cr. for the FY 2015-16.</p> <p>MoP has allocated construction and repair work of 1093 toilets of various schools of Uttarkhand as a part of Swachh Bharat Abhiyan . THDCIL has successfully completed the Target by completing 1188 Toilets.</p> <p>THDCIL sponsored the establishment of Institute of Hydropower Engineering &amp; Technology at Tehri in the state of Uttarakhand. Total strength is 1097 students.</p> <p>Computer Training Program of 06-months duration for approx. 600 unemployed educated youth of minorities and weaker sections was organized.</p> <p>- 2 Years Skill Development Training in Fitter Trade is being provided to 05 youths of Chopra Village, TehriGarhwal through Govt. ITI Chamba, Tehri.</p> <p>After conducting base line survey 50 Self Help Groups (SHGs) and Mahila Mangal Dal have been formed in the Pratapnagar block to initiate the activities with minimum of 10 women in a group.</p> <p>Ten (10) villages have been adopted in clusters, one each at Koteswar Dam Area and Kandisaur. towards ensuring livelihood security through farming system</p>

Capitals	What we do	How we manage	How we measure	Output
		<p>The R&amp;R Policy for VPHEP exceeds provisions laid down in the National Policy on Resettlement and Rehabilitation (2007). In VPHEP Shri Bhuvaneshwari Mahila Ashram (SBMA) an NGO has been engaged to act as interface between THDCIL and the Project affected communities.</p> <p>Implementation of all CSR works of company have been entrusted to company sponsored NGOs i.e. SEWA-THDC which dedicatedly look after CSR activities manned by professional.</p> <p>Focus areas like:-</p> <ol style="list-style-type: none"> <li>i. THDC Niramaya (Health) - Nutrition, Health and Sanitation and Drinking Water projects</li> <li>ii. THDC Jagriti (Initiatives for a Bright future) – Education initiatives</li> <li>iii. THDC Daksh (Skill) - Livelihood Generation and Skill development initiatives</li> <li>iv. THDC Utthan (Progress)- Rural Development</li> <li>v. THDC Samarth (Empowerment)- Empowerment initiatives</li> <li>vi. THDC Saksham (Capable) - Care of the aged and differently abled</li> <li>vii. THDC Prakriti (Environment) - Environment protection initiatives identified.</li> </ol>		



**टीएचडीसी इंडिया लिमिटेड**  
**THDC INDIA LIMITED**



Capitals	What we do	How we manage	How we measure	Output
<b>TANGI- BLE</b>	<p>Take up construction of new power projects in the field of hydro ,wind ,solar thermal etc.</p> <p>Maintain the operational projects in excellent condition and keep the outages to the minimum to ensure uninterrupted power generation.</p> <p>Created modern townships at various locations with all facilities</p>	<p>Co ordinates with various state govt and central agencies for taking new projects from concept to commissioning.</p> <p>Construction of projects with state of the art technology with experienced work force.</p> <p>Invests in physical assets and baseline studies for speedy implementation of projects.</p> <p>Implements project management tools.</p> <p>Carries planned maintenance of operational projects.</p> <p>Proper liasioning for realisation of dues from the beneficiaries.</p>	<p>No of projects in operation, construction and under investigation.</p> <p>No of units generated from operational projects.</p>	<p><b>Operational projects- projects-</b></p> <ol style="list-style-type: none"> <li>1.Tehri HPP -1000mw</li> <li>2.Koteswar HPP-400mw</li> <li>3.Patan Gujarat-50 mw</li> </ol> <p><b>Projects under construction-</b></p> <ol style="list-style-type: none"> <li>1.Tehri PSP-1000mw</li> <li>2.VPHEP-400mw</li> <li>3.Dhukwan SHP-24mw</li> </ol> <p><b>DPR and S&amp;I Stage – Uttarakhand</b></p> <ol style="list-style-type: none"> <li>1.Jhelum Tamak HEP – 108 MW</li> <li>2.Malari Jhelum HEP- 65 MW</li> <li>3.Gohana Tal HEP – 50 MW</li> <li>4.Karmoli HEP – 140 MW</li> <li>5.Jhadganga HEP – 50 MW</li> <li>6.Bokang Bailing HEP – 330 MW -</li> </ol> <p><b>Maharashtra</b></p> <ol style="list-style-type: none"> <li>1.Malshej Ghat PSP – 700 MW</li> <li>2.Humbarli PSP – 400 MW</li> </ol> <p><b>In Bhutan-</b></p> <p><b>Bunakha-180mw.</b></p> <p>Thermal –Khurja STTP-1320 MW-</p> <p><b>Renewable –</b></p> <p>Solar- under bidding – 50 MW</p>

## FINANCIAL CAPITAL

### Balance Sheet

₹ 13549.14 Cr.

### Gross Income

₹ 2479.65 Cr.

### Net Profit

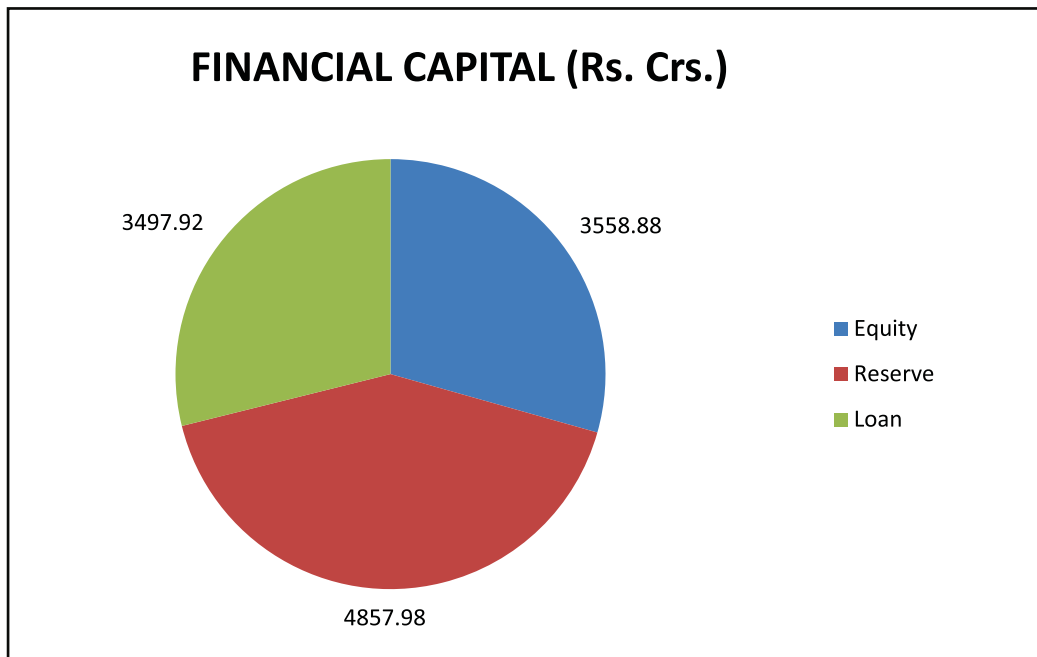
₹ 809.02 Cr.

### Net Worth

₹ 8416.86 Cr.

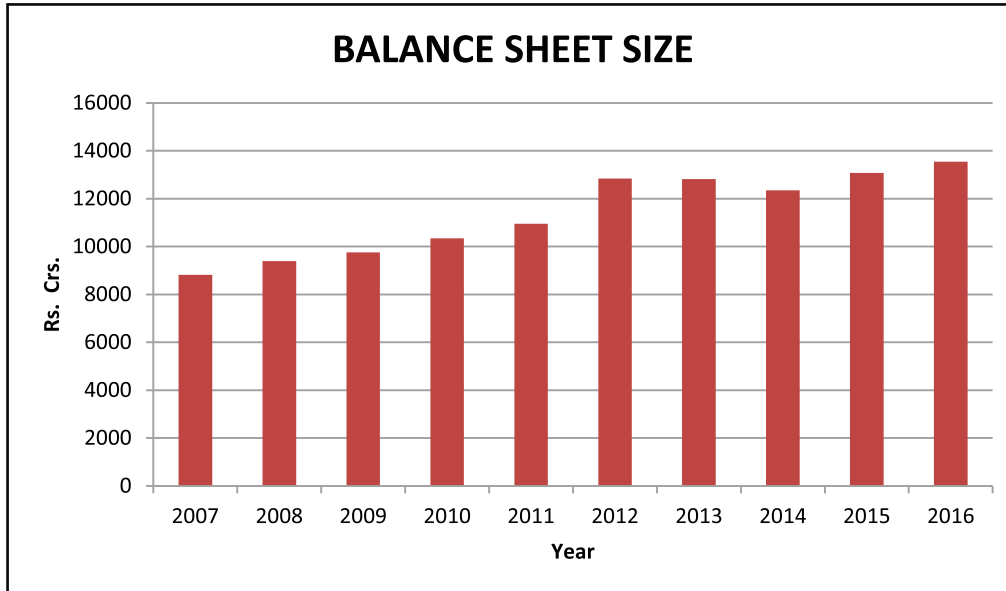
THDCIL values financial interest of all its stake holders and always thrives to optimize value addition to its financial capital by earning profit along with discharging its social responsibility not just restricting itself to statutory minimum. The company ensures adherence to the debt equity norm of 70:30 at project inception. Paid up Equity capital of THDCIL as on 31.03.2016 is ₹ 3558.88 Cr.

and long term borrowing is ₹ 3497.92 Cr. Within the broad regulated parameters, we try to control cost without compromising on quality to add to our bottom line. With efficient management of financial capital THDCIL has never incurred loss since its first project went into commercial operation in 2006.



THDCIL believes that the success and growth of the company is largely influenced by company's capability to make reliable and realistic financial forecast. Accordingly, in synchronization with long term corporate plan, financial forecast has been prepared to ensure strategic investment decisions and remunerative revenue stream. Annual plans are managed and monitored through annual Financial budgeting.

Financial capital generated after commercial operation through accumulation of profit up to 31.03.2016 comes to ₹ 5178.40 cr., of this dividend distributed (including proposed dividend) upto 31.03.2016 is ₹ 1035.50 Cr., and reserved for plough back is ₹ 4142.90 Cr. Capital expenditure on new projects is leveraged on the strength of internal resources.



To facilitate prompt and efficient decision making it is imperative that real time financial information is available to the management. In this direction THDCIL has an efficient web based financial management system with the central server linked to all its locations.

Internal financial control system plays an important role in directing the efforts of the corporation to achieve its objectives along with minimizing financial risks. The financial control system put in place takes care of efficient use of scarce financial capital of the company without sapping the efficiency or speed of decision making. Financial management manuals and other control systems are reviewed from time to time to make them relevant to the changing ecosystem.

To avoid human interface and make timely payments to stake holders, THDC had migrated to e- payment system. All payments to suppliers and

contractors and employees are made through e payment. We appreciate that our contractors and suppliers are our partners and important stake holders who help us in deployment of our financial resources which in turn facilitates income generation to add value to owners and stake holders.

#### CARE Rating

THDCIL has arranged for annual surveillance by M/s CREDIT ANALYSIS AND RESEARCH LTD for knowing annual credit rating of THDCIL. It helps in raising debt capital from banks & other financial institutions at competitive rates of interest and also helps our stakeholders to know about the credit risk of the company. THDCIL has strived to improve its credit rating, as a result of which its credit rating has steadily increased from “AA-” in F.Y. 2013-14 to “AA” in F.Y. 2014-15 and then to “AA+” in F.Y. 2015-16.

## HUMAN CAPITAL

Employees	Training Man-Days
1990	4299

Human Resources Management (HRM) function has driven myriad changes striking a balance between business needs and individual aspirations. In the present scenario of competition and striving for excellence, human resource plays a pivotal role in an organization's success. Organizational development in your Company focuses on fostering a successful system that maximizes utilization of human resources in synergy with other resources as part of overall business strategy.

### Competent and Committed workforce

THDCIL has a competent and committed workforce. The executives have rich experience and requisite skill to operate in competitive environment. The attrition rate in THDCIL is negligible & we believe that the skill, industry knowledge and operating experience of our executives provides us with a competitive advantage as we seek to expand & diversify in existing markets and successfully enter new geographic areas. We invest significant resources in human resource and development and our uniform operational systems, processes and staff training procedures to enable us to replicate our operating standards across all our projects and stations. The company has taken several initiatives to upgrade skills of its human assets to meet future challenges and to provide better career opportunities.

We have an in-house team for project design and our engineering capabilities range from the concept stage to the commissioning of our projects. The team also takes need based support of reputed project consultants. Our Company has in-house expertise in a range of related engineering disciplines, viz. hydrology, electrical, civil and geotechnical design.

THDCIL has a human capital of 1990 personnel as on 31.03.2016 comprising of 826 Executives, 104 Supervisors, 1054 Workmen. THDCIL has inducted 47 Executive Trainees in various disciplines of Engineering, Finance, Legal, Mass Communication, Environment etc based on transparent process of recruitment. A robust roadmap for training and learning of new inductees was prepared for their Orientation. THDCIL takes pride in its highly motivated and competent human resource that has contributed its best to bring the Company to its present heights.

### Employee Training and Development

THDCIL has conducted a total of 61 Inhouse dedicated training programs for our employees and nominations to external programmes spanning 4299 Training Mandays against the target of 4000 Mandays. Average mandays comes out 2.16 per employee. The total percentage of technical trainings has been 43%. To name a few, significant training programs are as under:

- 1) Primavera training
- 2) Management Development Program
- 3) O&M training for Workmen
- 4) Mentoring Workshop
- 5) HR for HR
- 6) Women Empowerment Program
- 7) Motivational workshops for Executives (incl. Board level members) as well as Non Executives
- 8) Integrated Lead Auditor

As per MOU targets, Two certificate courses 1) Enterprise Risk Management (covering 21 No. Executives) 2) Sustainable Development, R&R and CSR (15 No. Executives) were also conducted through IIT, Roorkee and ASCI, Hyderabad respectively.



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During the year, special attention has been given to nominate women employees for programs/ Seminar for women empowerment and other issues related to them.

Special training program was organised for employees of reserved categories, to acquaint them with the features of reservation policy & essential provisions devised especially for them.

### SKILL GAP ANALYSIS

THDCIL has engaged a Consultant for “Skill Gap Analysis and Initial Diagnostic for Capacity Building Institutional Strengthening” (CBIS) for THDCIL. The broad scope of work of CRISIL includes review of vision & mission, process review, skill & training development, human resource planning and organization structure. THDCIL was awarded Gold Trophy, Citation under prestigious “SCOPE Award for Excellence” for outstanding contribution to the Public Sector Management.

### TRAINING OF BOARD MEMBERS

THDCIL has addressed specific training needs of Board Members for building leadership qualities, Corporate Governance etc. Independent Directors are also nominated for external training programmes organised on Corporate Governance, Company Law and new enactments in force.

The HR is not only looking at ‘Hiring to Retirement’ but also on how to train, retain and sustain human resources. Our Corporation has evolved various interventions for effective engagement of Human Capital.

### EMPLOYEE ENGAGEMENT

**Social Media:** THDCIL has a dedicated PR department handling day to day Public Relation issues with all professionalism and responsibility. THDCIL has an active and engaging facebook page & twitter handle which is also linked to facebook page and twitter handle of Ministry of Power(MOP) & PMO. Corporate Communication Dept from time to time disseminates information to

our stakeholders via these communication channels. Employees constantly share their views and feedback on these digital platforms.

**Social Interaction Platforms-** THDCIL as formulated various platforms of Social Interaction, maintaining work life balance and to strengthen the Internal Communication. THDC Officers Club, THDC Ladies Welfare Association have active presence in Social Media. There is also महिला मंडल दल. The clubs have gym facility, library, and canteen facilities. Employees of the Corporation and their family members use these platforms for regular social interaction, entertainment and building good interpersonal relationship. Community festivals are celebrated, several welfare activities during the year ranging from organizing summer sports, winter sports, inter PSU sports etc have been organized.

### BUSINESS COMMUNICATION

Employees in THDCIL are connected on whatsapp at inter and intra department/ project level for day today exchange of information which has also lead to lesser use of paper and is playing a pivotal role in inching towards “**Paperless Work Culture**”. For example PR Personnel of the Corporation across the Projects and other offices are connected through this medium and exchange information for House Journal, Internal Consumption, Press Releases. In addition to this exchange of videos/ photos of projects etc. is also on whatsapp for wider information exchange.

**Electronic Magazine:-** THDCIL has an interactive quarterly electronic magazine called “**THDCIL Communication Charter**” featuring Cover Story, Interview, Book Review, Quiz, Poll, Columns and variety of content with greater shelf life. Gradually the attempt behind this initiative is to promote “**User Generated Content**” (UGC) and encouragement of employees participation in the communication process of the Corporation.

THDCIL as a responsible Corporate Citizen is a firm believer of free flow of information of amongst

its stakeholders. There is a vibrant and diverse Policy Framework in place. There are various policy interventions which are in public domain. Some of them are:-

### POLICY FRAMEWORK

1. **CORPORATE ETHICS POLICY-** THDCIL has adopted Corporate Ethics Policy in 2012 with the aim to meet the employee's and consumer's expectations to have greater fairness and transparency in its business practices. This policy will serve to guide the business behaviour to ensure that all those who work for the organization observe the highest standard of professional ethics and have a responsibility to contribute to the good governance of THDCIL and to enhance its reputation of probity, integrity and impartiality.
2. **WHISTLE BLOWER POLICY/ VIGIL MECHANISM-** THDCIL has adopted Whistle Blowers Policy which is in public domain. It aims to provide a say to stakeholders in case any unethical behavior, inappropriate action (if any) surfaces.
3. **GRIEVANCE REDRESSAL MECHANISM –** THDCIL has put in place Public Grievance Redressal System to ensure transparency in conduct of its business and to address and amicably resolve the issues and concerns of its stakeholders. We have Director (Public Grievances) for the Corporation and Public

Grievance Redressal Officer (PGRO) for every Project and Unit Offices.

4. **CSR & SUSTAINABILITY POLICY-** THDCIL CSR and Sustainability Policy-2015 had been framed and adopted by THDCIL in compliance of the provisions of the Company Act 2013 and guidelines issued by Department of Public Enterprises, Govt. of India. This policy has provided an administrative framework to THDCIL CSR and SD Interventions.
5. **CSR COMMUNICATION STRATEGY-** DPE Guidelines on CSR & Sustainability effective from 1st April 2013 requires that a mechanism shall be put in place by CPSEs for regular dialogue and communication with stakeholders regarding the selection and implementation of CSR and Sustainability activities. In view of this THDCIL Board has approved CSR Communication Strategy

### AWARDS

It is the result of these inventive and innovative interventions that your Corporation has been bestowed with **SCOPE GOLD TROPHY for Public Sector Management** and Green Tech HR Leadership Platinum Award. Company has been conferred 'Third Prize' of the prestigious "RajbhashaKirti Award", for the year 2014-15 for best implementation of the official language policy of the Govt. of India in Region – "A" Category under Public Sector undertaking.





## NATURAL CAPITAL

*Natural Capital refers to the natural resources we use or save to create values for our external and internal stakeholders and community at large as well as actions we take to promote natural resource preservation / environmental mitigation.*

THDCIL, since inception, has placed Natural Capital as one of its key focus area. THDCIL strives to control the environmental impact of its activities. Reduction of atmospheric emissions (especially greenhouse gases), measures for soil and water conservation, biodiversity protection, integration of facilities with their surroundings, reduction at source, reuse, recycling: the efforts extend to all aspects of reducing environmental impact. THDCIL believes that Company's business should be known not just for the financial results it generates, but for the imprint it leaves on the society as a whole and impact on the environment in particular.

### Contribution in Economic Development of Country along with Natural Resource Saving

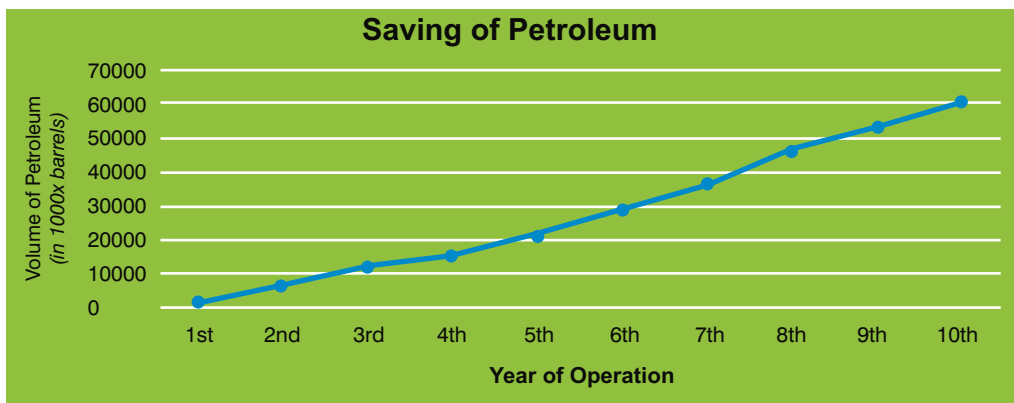
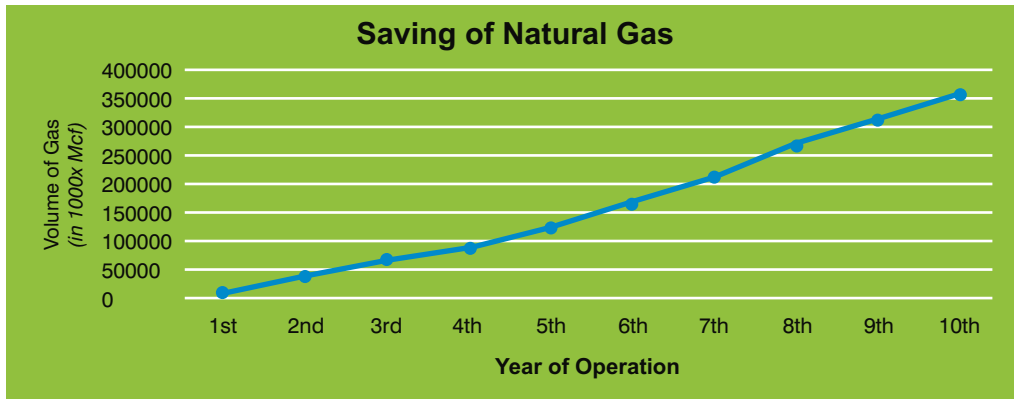
Power is the prime requirement for any country to develop. Since 2006-07, THDCIL Has a humble share of 0.475% in the net installed capacity of our country<sup>1</sup>. This share of THDCIL is all through hydro and renewable power generation which are clean and green source of power.

Since the very 1<sup>st</sup> year of its operation, THDCIL has helped country in saving coal, natural gas and petroleum which could be burnt to produce same amount of electricity. The net saving that have been made by THDCIL by its operation are 16489063.6 Million Tonne of coal, 353384940 Mcf of Natural Gas and 60674842 barrels of petroleum respectively<sup>2</sup>.



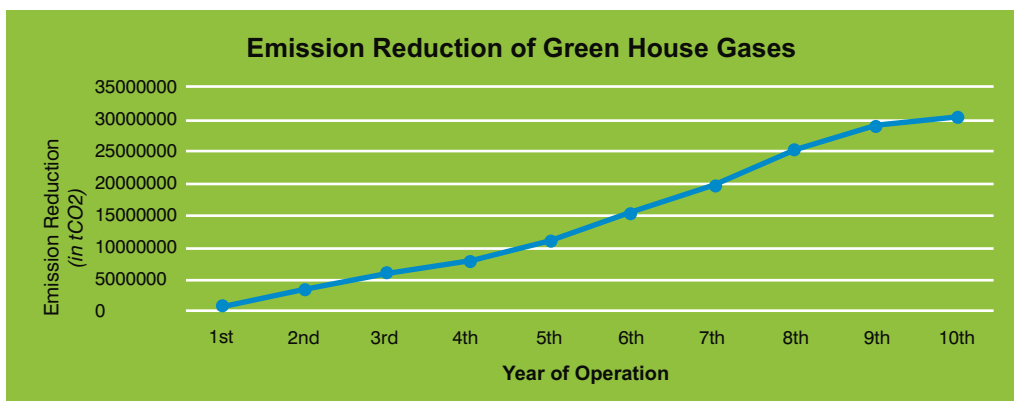
1: [http://www.cea.nic.in/reports/monthly/installedcapacity/2016/installed\\_capacity-07.pdf](http://www.cea.nic.in/reports/monthly/installedcapacity/2016/installed_capacity-07.pdf)

2: As per U.S. Energy Information Administration, amount of fuel used to generate 1 kWh: Coal = 0.00052 short tons or 1.04 pounds or Natural gas = 0.01011 Mcf (an Mcf equals 1,000 cubic feet) or Petroleum = 0.00173 barrels (or 0.07 gallons) (<https://www.eia.gov/tools/faqs/faq.cfm?id=667&t=2>)



### Reduction in Green House Gas Emission

Generation of electricity from hydro and renewable sources not only saved the natural resources but also helps THDCIL in becoming an active member in combat against climate change. By virtue of operation, THDCIL has saved generation of approximately 3.00 Cr. tCO<sub>2</sub> of Green House Gases (GHGs) that could be generated by burning coal to produce 34954 MU of electricity from 2006-07 to 2015-16<sup>3</sup>.



3: ACM0002: Grid-connected electricity generation from renewable sources, issued by United Nations Framework Convention on Climate Change (UNFCCC).



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### Creation of Carbon Sink

The main natural carbon sinks are plants, the ocean and soil. Trees grab carbon dioxide from the atmosphere to use in photosynthesis; some of this carbon is transferred to soil as plants die and decompose. Acknowledging the importance of trees in natural system, THDCIL has committed to protect the forest and trees and wherever cutting of forest is necessary for project activity, THDCIL plants more trees than the mandatory norms under Forest (Conservation) Act, 1980.

Under CSR, 2,25,266 trees are planted from 2009-10 to 2015-16 with 16,326 trees last year only.

### Biodiversity Conservation & Ecological Balance:

Commitment to Biodiversity Conservation & Ecological Balance is shown by the work undertaken by THDCIL in this regard. Under this THDCIL has carried out following activities:



- The Herbal Research Development Institute (HRDI), Mandal, Gopeshwar, District Chamoli has been engaged for the development of Herbal Garden at VPHEP. As suggested by HRDI, the civil works towards development of Terraces including soil preparation activities have already been completed during 2015-16 and plantation of species comprise of Ornamental, Medicinal & Aesthetic value are underway.

- Directorate of Coldwater Fisheries Research (DCFR), Bhimtal engaged for the development and implementation of Fishery Management at VPHEP. DCFR has conducted exhaustive survey in Alakanda River and its tributaries from Vishnuprayag to Karnprayag for riverine ecology and in process of preparing suitable Fish Management Plan for VPHEP.
- For wildlife protection and avoiding man – animal conflict at project site of VPHEP, 04 Watch Towers/monitoring units are proposed for establishment at suitable locations.

### National Energy Conservation Campaign

THDC India Limited annually organizes State Level Painting Competition in the Uttarakhand State as Nodal Agency under the Energy Conservation Campaign of Bureau of Energy Efficiency, Ministry of Power, Govt. of India. Around 01 lakh students of various schools participate in the preliminary round at their schools 100 best painters are selected throughout the state 50 nos. in Category–A for students of Class 4,5 & 6 and 50 nos category-B for the students of class 7, 8 & 9. All these successful kids gets the opportunity to participate in National Level Painting Competition on Energy Conservation at Delhi. Many times kids from Uttarakhand got prizes at National Level and received prizes from Hon'ble President, Prime Minister, Union Minister for Power.

### Energy Management Efficiencies

THDCIL endeavors to use energy efficient technology in its conscious approach and responsibility to minimize environmental foot prints. THDCIL is adopting use of environment friendly and star rated equipments in the offices, guest houses, street lights, residence etc. The old equipments consuming more electricity are being replaced by star rated equipments in a phased manner.

THDCIL believes in efficient use of electricity as a way to reduce demand. THDCIL is focusing on energy efficiency programs with in the company.

Energy audit of residential and office complexes are conducted on regular intervals. Recommendations of energy auditor are implemented in time bound manner. Following measures have been adopted for energy conservation and management:

- Energy Audit of KHEP was conducted through Central Power Research Institute (CPRI). THDCIL is in process of implementing recommendation made by CPRI.
- Solar water heaters have been installed in all hostels and guest houses in Rishikesh.
- Old ceiling fans have been replaced with Five star rated ceiling fans.
- New buildings were equipped with energy efficient equipments / Luminary with day light provision to use day light properly.
- LED light fittings have been installed in office and guest houses buildings.
- Residential electricity consumers of colony premises were inspired towards benefits of use of energy efficient appliances / luminaries in their residence.
- Old Air Conditioners have been replaced with new Star Rated ACs.
- 169 Nos of Conventional street lights has been replaced with energy efficient LED lights. Transition to LED present a huge potential for cost and consumption savings.
- THDCIL is planning to install rooftop solar energy generation plant at corporate office.
- THDCIL is planning to install motion sensor based lighting system across facilities.

### Environment Management & Monitoring

**E-waste:** Towards responsible handling of e-waste, THDCIL has empanelled third party e-waste handlers authorized by Central Pollution Control Board (CPCB) for disposal of e-waste.

**Muck Management:** Dumping of muck is being done at designated / identified area & well above

the high flood level. Engineering measures and Biological measures are adopted at sites for muck handling in environment friendly manner.

**Sewage Treatment & Disposal:** Construction of 1 MLD Sewage Treatment Plant for township located at Rishikesh has been taken up in FY 2015-16. Treated effluent water from STP is proposed to be used for horticulture purpose inside the township.

### Biogas Plant

THDCIL has taken an initiative to harness the canteen and horticultural waste for productive use at Rishikesh Township. In this regard, THDCIL carried out an assessment study of all the available technologies. THDCIL adopted the TEAM (TERI's Enhanced Acidification and Methanation) process after the preliminary assessment. THDC awarded project to TERI for the setting up of a waste treatment plant based on the TERI's patented technology-TEAM process for the treatment of kitchen and horticultural waste. The biogas generated from the plant of the capacity of 500 kg/day is utilized for thermal application in the kitchen while the manure is used for in-house horticultural activities.

### Environment Monitoring:

Hydro Projects are clean source of power. During construction phase, environment may get damaged if due precautions are not taken. To mitigate such damage to environment, multi-tier monitoring system has been adopted in VPHEP. 3rd party independent agencies were hired to inspect and evaluate the implementation of Environment Management Plan at project site. M/s WAPCOS Ltd., Gurgaon and Indian Council of Forestry Research and Education (ICFRE), Dehradun are engaged as 3rd party agencies to inspect and evaluate the implementation of EMP and Catchment Area Treatment plan. In addition to above, periodic monitoring of air, water and noise quality are done. As of now, all the parameters of air, water and noise quality are under permissible limits guided by Central Pollution Control Board.



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### Impact of Tehri Dam on Self purification capacity of Ganga River

THDCIL has carried out water quality studies through NEERI before and after impoundment of reservoir. Water quality was tested with different parameters. It is concluded that the uniqueness of river Bhagirathi/ Ganga lies in its sediment content and of bacteria fages that reduce and ultimately eliminate coliforms from the overlying water column. Thus, Tehri dam is not affecting the quality or self preservation property of river Bhagirathi/ Ganga, as it mimics a static container which is conducive for conditions responsible to maintain the water quality.

### Botanical garden at Koti:

As per recommendation of MoEF, a Botanical Garden has been developed in an area of 14.28 ha. near Koti. The species of plants which has submerged in the reservoir have been conserved in the Botanical Garden. A total of 249 different species of plant including medicinal, ornamental, timber, fuel and fodder have been planted in the garden. Approximately 12000 plants have been planted in botanical garden. The botanical garden is being maintained by State Forest Deptt., GoUK since 2011.

### Mahaseer Fish Hatchery

As per conditions laid down by MoEF, THDCIL has conducted the study of flora and fauna in the region. Zoological Survey of India (ZSI) made extensive study of fauna of concerned rivers and recommended to prepare plan to conserve Mahaseer fish. In compliance to ZSI recommendation, Mahaseer fish hatchery having capacity of 3 lacs seeds per annum has been constructed near Jurasinalla, Koteshwar. The expenditure of

₹ 110 lac has been incurred in development of fish hatchery.

Artificial breeding operation of fish has been successfully made twice in the hatchery, wherein, 60000 fingerlings introduced into the back water of Tehri Dam reservoir.

### Green belt developed in Tehri Project area

As per recommendations made by Hannumantha Rao Committee (HRC) development of Green Belt along reservoir rim is being carried out by State Forest Deptt., GoUK. 200 m wide green belt (from 840 msl to 1040 msl) with estimated cost of ₹ 820 lacs in 2100 ha of land (1138 ha forest land and 962 ha agriculture land) is being developed as green belt. Out of 2100 ha, an area of 1138 ha of forest land has been completed while 962 ha of agriculture land is yet to be developed. An amount of ₹ 476 lac has been released to Forest Deptt. upto Mar' 2015.

### Measurement of Methane in Tehri Reservoir

In order to quantify the potential of Tehri reservoir on the production of methane during summer stratification and measurement of emission rate of Methane in Tehri Reservoir a study has been conducted through National Institute of Oceanography (NIO), Goa (A constituent laboratory of the council of scientific Research) in year 2014.

It was observed from the study that Dissolve Oxygen was always more than 4mg/L, the entire water column was observed to be oxic at all times. The absence of anaerobic conditions in the reservoir in the reservoir was not conducive for methane production and any methane produced in the sediments would be oxidised in the oxic water column.

## INTELLECTUAL CAPITAL

Intellectual capital is the group of knowledge assets that are attributed to an organisation and most significantly contribute to an improved competitive position of the organisation by adding value to key stakeholders.

### INNOVATION IN PROJECTS.

- **Installation of Bus Reactor at Koteshwar**

Transmission system in Tehri and Koteshwar was frequently experiencing over voltages caused breakdown of units of Tehri and Koteshwar. In order to mitigate the overvoltage problem it was agreed to provide 125 MVAR Bus Reactor at Koteshwar switchyard due to space constraints at Koteshwar Pooling station (KPS-PGCIL).

- Bus Reactor has been installed by POWERGRID at the Koteshwar Switchyard. System will resolve the over voltage problem and ensure reliable operation of the units as well as grid stability

### **Transmission of Generation data through OPGW (Optical Ground Wire) Network**

Data transmission from Koteshwar to NRLDC through PLCC equipment installed by Powergrid at Koteshwar was quite intermittent. In order to ensure better compliance of the grid code and Hon'ble CERC orders, POWERGRID has laid the OPGW network at Tehri and Koteshwar Project and interfaced our equipment. Now data shall be sent to NRLDC by OPGW. The broadband optic fibre network has been developed based on electricity network topology. Telecom Network over Transmission system ensures very high availability for Telecom Network for reliable data transmission.

- **Installation of On-Line dry out units for the Generator Transformer at Tehri.**

During service life, Generator Transformers are subjected to various atmospheric conditions

like higher humidity, which allows the oil paper insulation to absorb moisture from external environment. It was observed that BDV of GT No.01 had dropped to 45Kv when the machine was under shut down for 24 days during its annual maintenance. The parameter was improved through continuous oil filtration for 3 days before the transformer was put into service. By using On-Line dry out unit the moisture content of GT oil has reduced significantly. Based on experience gained, same system has been installed in all the units of Tehri HPP. Similar system is also planned to be installed at Koteshwar.

- **Development of Web Based System software "Gunvatta" for the Quality assurance and inspection related activities.**

"Gunvatta" software has been developed for the online management of QA&I related activities. It is a tool for executing the quality processes between vendor and customer through online interfacing. Following are the salient features:

1. Register the contract and close the contract once the work is completed.
2. Sub contractor approval process can be done online.
3. Approved documents can be accessed online worldwide.
4. Checks on quantity inspected and quantity for which MDCC issued.

All the modules are concatenated viz: Without approval of sub-vendor main contractor will not be able to submit quality plans, without approval of design/drawings/datasheet quality plan cannot be approved, without approval of design/drawing/datasheet and quality plan inspection call cannot be raised, Total inspected item and MDCC recommended item cannot be more than the LoA quantity as per contract.



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### • RESEARCH AND DEVELOPMENT:

In-house R&D activities carried out for technology absorption, state of the art solution to recurring problems of projects and to enhance linkage with other national organizations, academic institutions for efficient and reliable operation and maintenance of hydro power stations. A separate R&D cell has been established at Corporate Office, Rishikesh for implementation of R&D activities.

A Geological Museum has been established by THDCIL at Rishikesh with the purpose to enhance understanding & knowledge of the persons of different fields about the Geological Science. Various Rock Samples, Mineral Samples & Fossil Samples are displayed in this Museum. Different geological structural feature are displayed in the form of 3-D Models, Maps etc. A library of geological events & geological history of THDCIL projects and models is being established.

### CONSULTANCY SERVICES

THDC India Ltd. has the experience of corporate and project planning, design engineering, construction management, erection & commissioning, contracts management, project management, human resource management, financial management, commercial management and also the experience of tackling the problems encountered during execution of gigantic 2400MW Tehri Hydro Power Complex. To effectively utilize the in-house expertise and the experience gained, a dedicated consultancy division in THDCIL is providing consultancy services in an integrated manner from concept to commissioning of Hydroelectric Projects to national and international organizations. The consultancy in the field of Rock & Earth fill / Concrete Gravity Dam, Tunnel, Surface and underground power plants, Slope Stabilization, Pumped Storage Schemes, road/highway tunnels etc. has been provided by THDCIL to various organizations. the following consultancy assignments are presently under way:-

- Power Potential and E&M Studies of Hydro Power Project under Damanganga – Pinjal Link Project for Bhugad Dam and Reservoir .
- Power Potential and E&M Studies of Hydro Power Project under Damanganga – Pinjal Link Project for Khargihill Dam and Reservoir.
- Power Potential and E&M Studies for 06 Nos. Hydel Projects proposed under Par – Tapi – Narmada Link Project for preparation of Detailed Project Report (DPR) developed by National Water Development Agency (Award of Consultancy Work is in process).
- Design and Engineering measures for Stabilization works of Varunavat Parvat landslide in Uttarkashi,
- Design and Engineering measures for stabilization of vulnerable zones between Katra and Shri Mata Vaishno Deviji Shrine”.
- Engineering consultancy for the Stabilization of Chronic Slide Zones on various roads in the Uttarakhand state.
- Pre – Feasibility Report of Underground Parking Place in Mussoorie.
- Preparation of Detailed Project Report ( DPR) of Grid connected Solar Power Project of 20 MW capacity.

### DPR PREPARATION UDERWAY

#### **Sankosh HEP (8X312.5 MW):**

The proposed project envisaged with construction of two power houses (Left bank and Right bank) at the toe of Main Dam with installation of (8x312.5 MW) with energy generation of 5949.05 MU and a regulating dam downstream of main dam of (3X28.33 MW) with energy generation of 416.34 MU. Currently the DPR for Sankosh (2585 MW) with optimized dam height of 215m of RCC (Roller Compacted Concrete) is under examination in CEA/CWC.

#### **Bunakha HEP (3X60 MW):**

The proposed project envisaged with construction

of a Storage Dam Toe Power House with installation of (3x60 MW) vertical Francis Turbine with annual energy generation of 707.44MU. The Construction period for the project is 69 months including one year pre- construction stage. During Feb'14, the Cabinet of Royal Govt. of Bhutan (RGoB) conveyed its approval for implementation of Bhunakha HEP. The Inter Governmental (IG) Agreement for implementation has been signed between Gol and RGoB in April' 2014.

### COLLABORATIVE KNOWLEDGE DESK:

Knowledge management is an important area to capture, preserve and disseminate in house knowledge that is generated. Without effective knowledge management platform very often knowledge generated in the course of construction and operation is not captured for future reference. In order to facilitate internal exchange of knowledge, information, key learning, Success Stories etc. THDCIL has started a **Collaborative Knowledge Desk** on its web portal in which employees can log in and share their experiences which can help in process improvement and knowledge up gradation of employees.

### Quality Circle

THDCIL has been encouraging its employees and engaging them quality circle. It is

concept where the employees identify the problems of their respective fields and propose the solution by their own and implement them as well. It enhances the skill development, confidence, morale and values of team work among the employees. Annual Quality Circle Meet is organized and selected Quality Circles represent the Corporation in many national events.

THDCIL teams have showed its presence in different platform of Quality Circle Forum of India (QCFI) in last few years and conferred many awards in different categories.



Quality Circle Urja Team (O&M Tehri) awarded with PAR EXCELLENCE at 29<sup>th</sup> NCQC 2015 at Pune Organised by Quality Circle Forum of India

Recently our Quality Circle teams awarded in National Quality Convention held at Chennai.



Team of THDCIL during the Quality Convention 2015 at Chennai





## QUIZES

**Corporate Quiz** Corporate HRD annually organizes Corporate Quizzing event which mainly deals with Business GK, Current Corporate & Power Sector Affairs. Winners of these events represent company at various platforms.

**Inter-Power Sector Platforms such as Quiz for Excellence (Q4E)**- THDCIL every year sends its team of employees in Quiz for Excellence (Q4E) organized by Power HR Forum at Power Management Institute NTPC-NOIDA. From last two years our teams are winning prizes in different categories. In Q4E-2014 our employee won Best Young Presenter Male Award while representing the Company on the topic-Values, Moral & Ethics and in Q4E-2015 our team won the award of Best Promising Team and the theme of the Competition was “Making Our Organization a Better Workplace”.

### INDIGENIZATION OF SPARES

To promote the concept of “**Make in India**”, the indigenization of spares of EM equipment at Tehri

HPP, supplied by M/s Power Machine, Russia has been initiated by THDCIL. In this regard, 250 MW Generator spares such as Stator windings, rotor poles, Middle slot wedges have been developed through M/s BHEL and other vendors. In addition to above, development of 25 types of high pressure valves for oil & air and low pressure valves for water have also been developed. The following outcomes of indigenization are as follows:

- Reduction in dependency on imported source/spares.
- Encouraging the MSME sectors for the active participation in the nation building.
- Quality is being improved with continuous feedback from the projects.
- Saving of precious foreign reserve of the country.
- Shorter lead time can result in reduced inventory.



## SOCIAL CAPITAL

*Social Capital refers to the bond we have with our external and internal stakeholders and community at large to create societal value as a responsible corporate citizen.*

Commitment of THDCIL for sustainable development is based on the simple principle that no organization can survive until and unless it keeps its stakeholders happy. This commitment towards upliftment of society is evidenced by the Resettlement & Rehabilitation of Project Affected Persons (PAPs) and execution of various schemes under Corporate Social Responsibility.

### Corporate Social Responsibility.

The budget allocated for CSR has been fully utilized. Implementation of CSR works is undertaken through company sponsored NGOs i.e. SEWA-THDC and THDC Education Society (TES). CSR budget has been utilized mostly in the vicinity of various project locations /business area of THDCIL. The major thrust areas during current financial year were health & sanitation, promoting education, vocational skills & livelihood projects, women empowerment, environmental sustainability & ecological balance, rural development of backward areas in District-Tehri. Inclusive growth and upliftment of the marginalized and under-privileged sections of the society has been the main focus.

Few major initiatives taken up by THDCIL under CSR are:

### Education Development (THDC Jagriti)

#### a) THDC School Rishikesh & Tehri

As a responsible corporate citizen THDCIL strives to contribute and promote education among needy external stakeholders. THDCIL is running two schools under THDC Education Society (TES) (Society registered under societies registration act 1860), one at Bhagirathipuram, Tehri offering education from 6<sup>th</sup> to 12<sup>th</sup> standards and another school at Pragatipuram, Rishikesh offering education from 1<sup>st</sup> to 10<sup>th</sup> standards. In both schools, children of nearby areas belonging to economically weaker sections including

backward and SC/ST are being provided quality education. There is sharp increase in the enrolment of students in both the schools and in more than 650 students were enrolled in Year 2015-16. Total expenditure incurred to run both schools for the year 2015-16 was about Rs. 3.68 Cr. Free dress, books and stationary, free bus service are being provided to students with fee concession to SC/ST/BPL students. 100% scholarship for SC/ST students have been provided.

**Naivaidyam (नवैद्यम)** initiative started in the schools run by TES in collaboration with MadhubanAashram, Rishikesh in Rishikesh and Tehri. Under this scheme, nutritious



meals are offered to the students. It is prepared and supplied by Madhuban Aashram with the funding provided by (TES).

#### b) THDC Institute of Hydropower Engineering and Technology

An Engineering College in Tehri has been established by THDCIL under CSR initiatives and is operational since 2011-12. The institute imparts Engineering education to aspiring students across the country in five disciplines i.e. Civil, Mechanical, Electrical, Electronics & Communication and Computer Science. In year 2015-16, construction of Girls Hostel was



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completed by joint CSR contribution from Rural Electrification Corporation Limited (RECL) & THDCIL and inaugurated jointly by CMD THDCIL & CMD RECL in the month of Feb 2016. In the institute, 5% seats are reserved for the students from the Project Affected Families. Presence of THDC-IHET has generated new source of income to local people.

### c) Jr. High School Koteshwarpuram

OmkarandSarswati Public School, an English Medium Jr. High School is being run by Omkarand Ashram at Koteshwar, Dist-Tehri with financial support by SEWA-THDC. This school provides quality education to children of villages in the neighbourhood mainly comprising of project affected families of KHEP. Total 140 no students are getting education from this school. Teaching staff having good qualification are appointed to provide better education and curricular activities to the children. The total expenditure for the school for the year 2015-16 was ₹ 21.42 Lac.

### d) Computer Training Programmes

18 nos. computer centers were established by SEWA-THDC for skill development of unemployed youth and students at project



affected and rehabilitation area in Tehri, Dehradun and Haridwar district. 06 months' computer training programme was organized in all center and more than 1300 youth and students benefited from this programme.

### e) Distribution of Books, Furniture and other item in various govt. schools

To strengthening the existing school education system in project affected areas of Tehri



project, THDCIL has distributed furniture, computers, inverter assembly, water filters, study materials, school dress etc. in Govt. and private schools of project affected areas. More than, 1000 students are getting benefited from this scheme.

### Health and Veterinary Care (THDC Niramaya)

- Being a committed corporate citizen, THDCIL runs 04 homeopathic dispensaries through Swami Narayan Mission Society, ShishmJari, Muni Ki Reti, Rishikesh at Muni-Ki-Reti (Narendra Nagar), Pokhari (Pratapnagar), Dhauntary (Uttarkashi) & Koteshwarpuram (Koteshwar) since last four years. These facility has provided healthcare need to more than 2.00 lacs patients till date.
- Keeping the medical needs of PAPs of Tehri Project, THDCIL has also organized 03 Multispecialty Medical Health Camps medical camps through Nirmal Eye Institute, Rishikesh and organized one medical camp through THDCIL Hospital, Tehri. Total 762 patients attended the camps, out of these 200 critical patients have undergone cataract surgery.
- A 06 bedded allopathic dispensary with pathological test, X-ray, ECG and Minor Operation Theatre facilities with free of cost distribution of medicines and ambulance



facilities has been established at Deengaan, Pratapnagar, Tehri. A team of MBBS doctor, Pharmacist, Nurse and Medical assistant has been posted at dispensary for regular health care service to rural masses since June'14. Residents of around 20 villages approx are being primarily benefitted from this dispensary. Approximately, 30000 patients are getting benefitted from this hospital.

- The medical facilities of the company at Tehri, Koteshwar and VPHEP are open to neighbouring communities and provide free services.

### Swachh Bharat Abhiyan

- Ministry of Power, Govt. of India allocated construction/ repair work of 1093 nos. toilets in various schools of Uttarakhand and UP state under "Swachh Vidyalaya Abhiyan" as per Govt. target. THDCIL has achieved the target in time. Under this program THDCIL have completed total 1188 nos. toilets (539 new & 649 Dysfunctional toilets) and handed over to school authority.
- Public awareness and door to door campaign



within THDC offices, Colony at projects & offices, Schools, Hospitals, work place, streets, roads & markets, rail Stations, Bus Stations, Bank area of River Ganga, Parks and other Public places covering areas as much as possible- were carried out.

### Rural Development (THDC Utthan)

- **Holistic Development Programme through HNB Garhwal University**

SEWA-THDC has framed a holistic development plan for 30 rim area villages of Tehri project and engaged HNB Garhwal University, Srinagar for its implementation. Whole plan is conceptualized towards endowing sustainable livelihood opportunity to community, empowering women and overall development of society.

- **Programme on Ecological Restoration and Socio-economic Empowerment of Rural Communities for Sustainable Livelihood and Resource Management at Deen Gaon through Kirori Mal College, Delhi**

The Company in association with Kirori Mal College, Delhi University, a programme on Ecological and Socio-economic Empowerment of Rural Communities for Sustainable Livelihood and Management at UpaliRamoli in Pratapnagar Block of Tehri Garhwal District in Uttarakhand is being undertaken since 2011. This is a long term programme for Rural Based Holistic Development of 10 remote villages of block Pratapnagar Distt. Tehri. Activities of 4th phase of the project have been completed in F.Y. 2015-16.

- **Livelihood development program through integrated farming systems approach in dam affected area of Tehri Distt.**

SEWA-THDC awarded a project of Livelihood development program through integrated farming systems approach in dam affected area of Tehri Distt to College of Forestry, Ranichuri, VCSG Uttarakhand University of Horticulture & Forestry, Bharsar, Ranichuri. This is a long term project of 03 years based on agriculture activities. The project activities shall



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be implemented in 20 villages of Tehri District in two clusters one is being established in Koteswar project area and other is being established in Bhilangna block of Tehri District. Total budget of the project for 3 years is approx. ₹ 68.00 Lac.

### Major activities in above projects are as under:

- Establishment of Computer, tailoring cum stitching centres
- Organise dhealth camps
- Vocational training in Hotel management
- Promotion of off seasonal vegetable by distribution of Hybrid seeds farmers

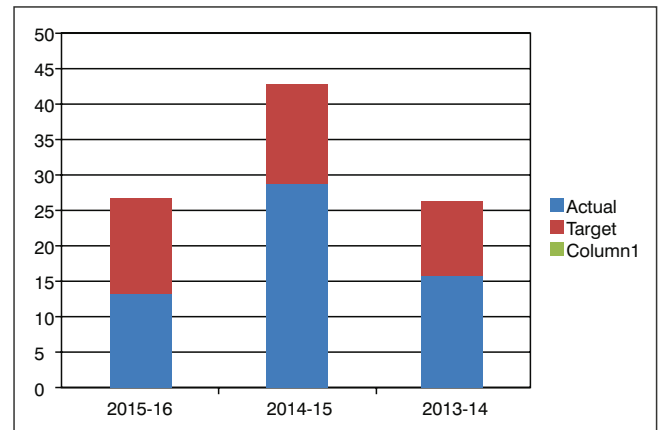


- Horticulture- Distribution of fruit plants
- Exposure visit to farmers for promotion of latest Agriculture based techniques
- Awareness Programme for Adolescent girls & distribution of Sanitary Napkins
- Cleanliness Programme and Yoga Camps
- Awareness programme through Kissan Gosthies, Poly Houses for increased productivity
- Promotion and Strengthening of Farmer Self Help Groups (FSHGs) for Pickle & Juice making & Bee Keeping.
- Drinking water management
- Promotion of clean energy through distribution of smokeless Chulla
- Providing bio pesticides for pest and disease management

- Interactive forums for crop insurance banking and line department services (Market linkage with Govt. schemes)

### BUDGET ALLOCATION ON CSR ACTIVITIES

Expenditure	F.Y. 2015-16	F.Y. 2014-15	F.Y. 2013-14
Actual	13.35 Cr.	29.09 Cr.	15.79 Cr.
Target	13.34 Cr.	13.77 Cr.	10.63 Cr.



### Resettlement & Rehabilitation Initiatives

#### Agriculture Development & Livelihood Project under Rural Development

THDCIL is fully committed to give support to families residing in the Rehabilitation colonies of Tehri project. In Patri Rehab Colony, THDCIL has taken an initiative for small and marginal farmers and creates a Custom Hiring Centre (CHC) in association with the KrishiVibhaag, GoUK, SEWA-THDC, Rishikesh and the farmers SHG named 'AdarshKisan Club, Bhaag 3 & 4, Pathri' (registered with NABARD) in the ratio 40:40:20 respectively for making advance farm machinery more approachable to small and marginal farmers. Approximately 100 farmers are getting benefited from this initiative of THDCIL.

#### Empowerment Initiatives (THDC Samarth)

Under the project THDC Samarth, long duration six months training programmes were organized in financial year 2015-16 on various activities such as tailoring, beautician etc. at Rishikesh and Tehri. More than 300 families of poor and weaker section of the society including minorities benefitted from these programmes.

### **Livelihood Generation and Skill Development Initiatives (THDC Daksh)**

Under THDC Daksh initiative of THDCIL joined hands with IL&FS Skills to deliver placement linked Skill Development programs for the youth of the Project Affected Areas to alleviate poverty in rural areas of project affected area. Under this programme, different industry based training programs i.e. Hotel Management, BPO, Hospitality etc. were provided to over 100 educated youth of project affected area. At present, approximately 75% of total youth have been placed on job in different hotels and companies.

### **Welcoming and educating the community about our business & policies (Prakaty / प्राकट्य):**

As a common practice and to make aware community about THDCIL business & policies and acknowledge the aspiration and need of PAPs, THDCIL organize various community meets having participants from local administration, THDCIL, NGOs working in project affected areas and local community etc. In FY 2015-16, 28 (more than 02 meetings per month) such meets were organized in VPHEP site.

### **Project Aajivika (आजीविका) under R&R:**

Capacity-building efforts are being made for PAPs, which aim at skillup gradation through various income generation / restoration, livelihood enhancement & skill development training programmes and schemes. The R&R policy has the provision of mitigating loss of income through cash compensation and capacity building for self-employment. From Apr'15 to May' 16, 222 males and 326 females got trained in various short term programmes organized for PAPs of Vishnugad Pipalkoti HEP.

*In support to National Skill Development Mission of GoI, long term technical skill development programme were also organized with GMR foundation, New Delhi & ITI, Rudraprayag for PAPs of VPHEP. Process of identification of young PAPs for imparting skill development training is underway in Khurja STPP.*

### **Monthly Assistance Scheme for Widows:**

Inspired from National Social Assistance Scheme

of GoI, THDCIL is committed in supporting and providing necessary assistance to vulnerable peoples such as widows, persons with disability etc. In moving forward, THDCIL has already launched a scheme of providing monthly assistance to project affected widows. Under this schemes total 18 widows are getting benefited from this scheme.

### **Project Vidvatta (विद्वत्ता) under R&R:**

To Promote and enhance education in & around the Project Area with additional efforts for promoting education among Girl child & vulnerable, the Project has formulated Scholarship Scheme that includes following three categories;

- Meritorious Students of Project Affected Area / Educational Assistance to Project Affected Persons.
- Merit Scholarship for Meritorious Students in & around Project Area and
- Educational Assistance for Poor / Vulnerable / Girl Students of Project Affected Area.

The Scholarship Policy of VPHEP is in the process of implementation since academic Year 2011-12. Till date, around 530 students that include 285 Girls from Project Affected Villages have been benefited from the Scheme. The Process of disbursement of Scholarship for the Academic Year 2015-16 has commenced and till date, 54 students of which 25 are girls has received the assistance.

### **Project Vishwas (विश्वास) under R&R:**

Utmost precaution has been taken up by THDCIL to prevent any damage to public and private property due to construction / operation of project. However, in case of any damage due to construction / operation of project, THDCIL is committed to bear cost of damage and renovation / reconstruction. In VPHEP, PAPs having properties above tunnel alignment has shown concerned that construction of tunnel may cause damage to their properties. THDCIL as an out of box approach, has taken Public Liability Insurance Policy of ₹ 52 Crore with annual premium of ₹ 21.27 Lac for the structures above tunnel alignment through New India Assurance Company for period Jan'16 to Jan' 17 and show its sureness of hand to PAPs.



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THDC INDIA LIMITED

## TANGIBLE CAPITAL

### POWER GENERATION:

As on date in addition to the 50 MW power generated from wind, THDC India Ltd., has a capacity of 1400 MW comprising of 1000 MW Tehri HPP and 400 MW Koteshwar HEP project.

### Tehri Power Complex (2400 MW)

To achieve the maximum benefits from Tehri Dam, Koteshwar HEP has been constructed downstream of Tehri Dam and is under operation. Tehri Pump Storage Plant for which Tehri and Koteshwar reservoirs acts as upstream and downstream reservoirs is under construction. Integrated Operation of all three projects of Tehri Complex is nothing less than tightrope walking between protecting social & religious interests and commitment to feed Grid with high reliability and security.

### Tehri HPP(4X250 MW)

Tehri HPP, 260.5 m high Earth and rockfill dam being the highest dam in India is located on the confluence of river Bhagirathi and Bhillangana.



With the synchronization of 4<sup>th</sup> unit of 250 MW in March-07, it became fully operational with installed capacity of 1000 MW.

The Tehri Project is a multipurpose Project providing power benefits to the Northern Region, Irrigation benefits to Uttar Pradesh, and Drinking Water benefits to NCT Delhi and U.P. Due to regulated releases from the Tehri storage reservoir, the existing downstream hydro projects of the State are also benefiting by way of augmentation in generation at no additional cost to them.

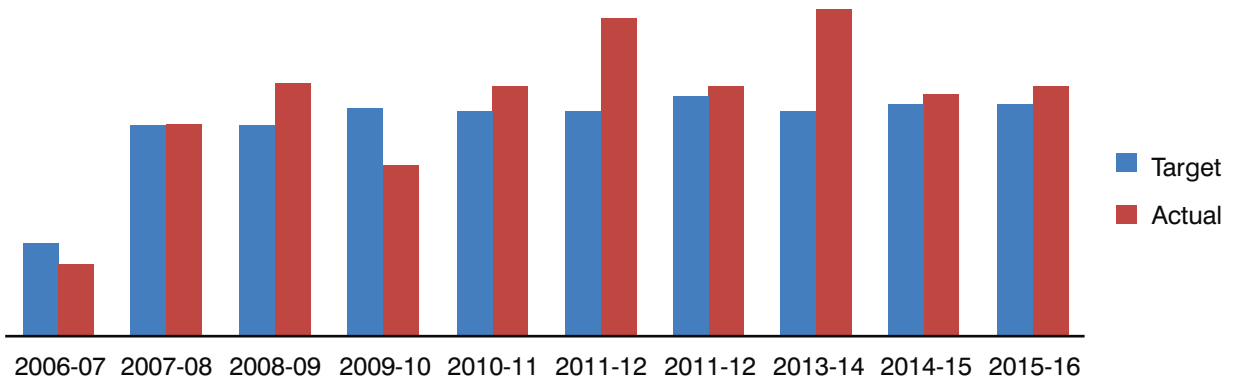
Being a storage Storage projects Tehri Dam helped in mitigation of floods, which has been demonstrated by during 2010, 2011 & 2013 floods.

During the 30-31 July 2012, three out of the five regional power grids collapsed leaving about 670 million people powerless making it as the largest blackout month in history. Tehri and Koteshwar Project played a pivotal role for restoring the grid. With the support of hydropower plants supply was extended to emergency loads such as Railways, Metro, Mines and Airports, etc. All emergency loads such as Railways, Metros and airport were provided with power supply mostly by about 1530 hours approximately.

In addition to this, Tehri machines have the provisions to be operated under synchronous condenser mode, so that reactive power (for the improvement of Voltage) could be supplied to the grid, if required.

The performance of the generating units and its auxiliaries since commissioning have been found smooth and trouble free and achieved all the generation targets set for the Financial Year 2006-07 to 2015-16.

### Generation of Tehri HPP

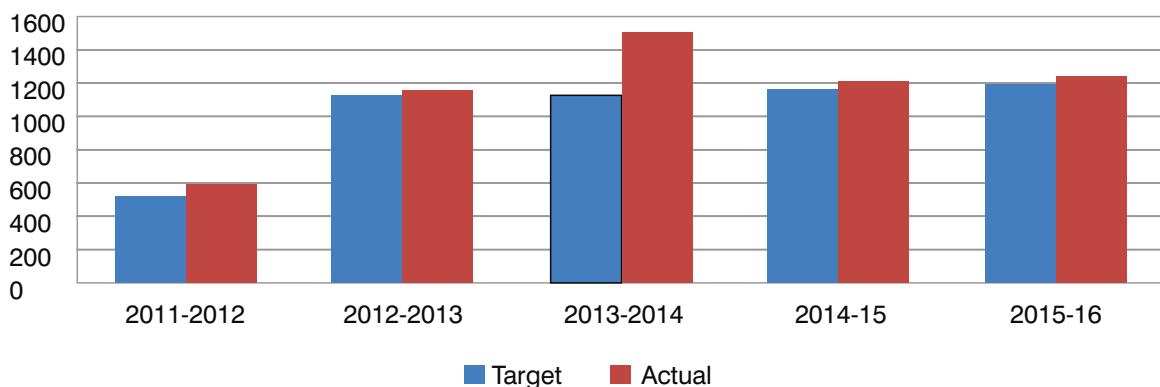


### KOTESHWAR HEP (4X100 MW)

400 MW Koteshwar power house located in the downstream of Tehri reservoir, was declared under commercial operation in April 2012 with the synchronization of 4<sup>th</sup> unit to the grid. Koteshwar Power Plant also enjoys the provision for black start capability by virtue of which it plays an important role in the restoration of grid in the event of grid failure.



### Generation of Koteshwar HEP







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## DIVERSIFICATION INTO OTHER FORMS OF ENERGY

### WIND ENERGY

With the commercial operation of 25 numbers of wind turbines on June 29, 2016, contributing 50 MW of renewable power to the national Grid, THDC India Limited has added another feather to its crown. The wind turbines are installed in the Patan district of Gujarat and have been commissioned by M/s Gamesa, a leading wind power producer remarkably 2 months ahead of the scheduled date of commissioning and are fully operational. This plant is expected to generate 110 MUs annually and shall strengthen the Western Grid. The Power



Purchase Agreement (PPA) for the project has been signed with Gujarat Urja Vikas Nigam Limited (GUVNL).

### SOLAR ENERGY

A tripartite agreement amongst SECI, Kerala State Electricity Board and THDCIL has been signed on 31.03.2015 for development of 50 MW Solar project in Distt. Kasaragod, Kerala.

Possession of land for setting up of 50 MW Solar PV Project in Distt.Kasaragod, Kerala has been taken over by SECI / Solar Park. NIT for the EPC Contract has been issued on 28.06.2016 by SECI. Award of the EPC contract is expected by August 2016.

### THERMAL ENERGY

Khurja Super Thermal Power Station-(1320 MW)

It is a coal based 1320MW Super Thermal Power Plant in District Buland shahar of Uttar Pradesh. Total annual generation from the Plant would be 9828MU corresponding to 85% Plant Availability Factor (PAF). The layout and DPR of the project has been revised and also accepted by MoEFCC, utilizing entire plot of 1,200 acres land for the implementation of 2 units of 660 MW each, with future expansion for 3rd unit of 660 MW.

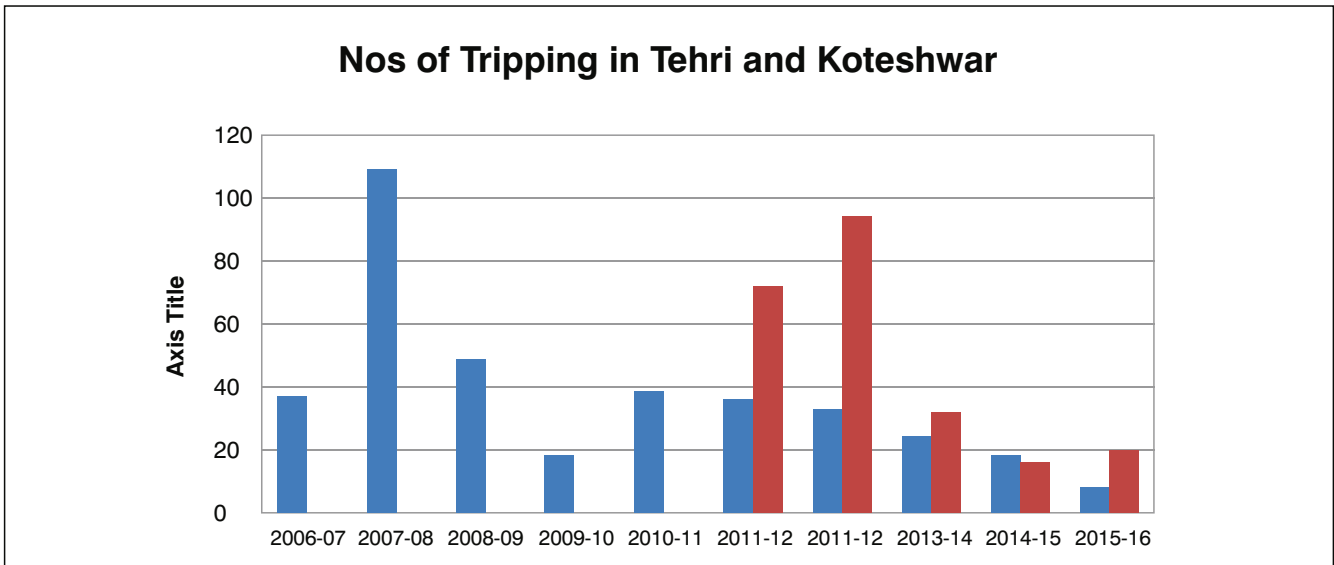
## FUTURE POWER GENERATION IN THDC



**FORCED OUTAGE:**

There has been a declining trend on forced outage starting from 2006-07 to 2015-16. Adoption of best maintenance practices, adherence to the preventive maintenance schedules as prescribed

by OEMs have led to the stabilization of unforeseen breakdowns. The decreasing trend of outages at Tehri and Koteshwar Plants is depicted in the given bar graph:



**PROJECTS UNDER CONSTRUCTION**

**Tehri Pumped Storage Plant (4X250 MW)**

The 4X250 MW Tehri Pumped storage plant, biggest PSP in India on completion shall add a generating capacity of 1000 MW peaking power to the Northern Region. It is based on the concept of recycling of water discharged between upper reservoir and lower reservoir. The Tehri Dam reservoir shall function as the upper reservoir and Koteshwar reservoir as the lower balancing reservoir. Presently Civil, HM and EM works are under progress. Project is expected to be commissioned by Sep- 2019.

**Vishnugad Pipalkoti HEP (VPHEP) (4x111 MW)**

The VPHEP is a run-of-the-river project. The project is located in district Chamoli in the state of Uttarakhand. It envisages construction of a 65 M high concrete dam harnessing a gross head of 237 M on River Alaknanda. It will generate 1674 MU units (90% dependable year). For the funding of

the debt portion (70 %) of the project, loan agreement for US \$ 648 million has been signed with World Bank on 10th Aug-11. On dovetailing the Civil & HM Works and EM Works, the project is anticipated to be commissioned in Dec.'2019.

**Dhukwan Small Hydro Project (3X8 MW):**

Dhukwan Small Hydro-Electric Project is envisaged to be constructed at the toe of existing Dhukwan masonry cum earthen dam across Betwa River in District Jhansi, U.P. The project with an installed capacity of 24 MW (3 x 8 MW) is a part of overall development of the power potential of the Betwa River. Project is under construction and expected to be commissioned by Feb- 2018 .On completion, the project will generate 97.82 MU annually.

**NEW MEASURES AND TECHNOLOGICAL UPGRADATION:**

**Condition Monitoring of EM equipment of Tehri and Koteshwar HEP**

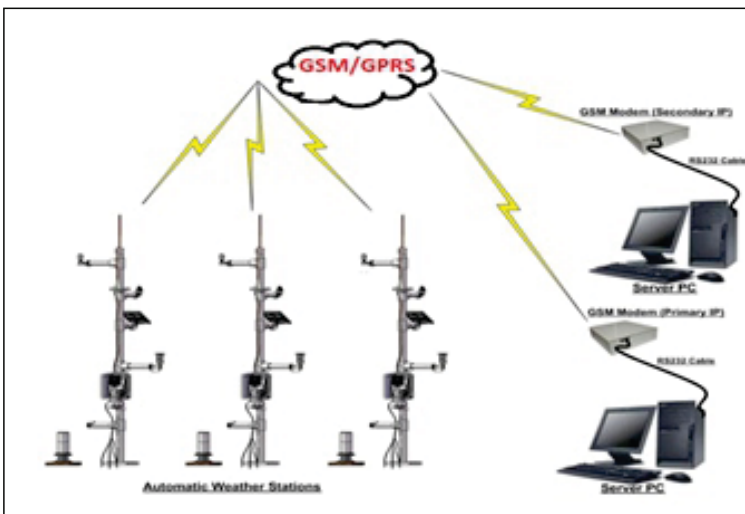


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To improve availability, reliability and life of machines, condition monitoring and Diagnosis of Electro-mechanical equipment of Tehri and Koteshwar HEP was carried out by M/s Central Power Research Institute, Bangalore in year 2015-16. Condition monitoring is the process to assess the condition of machinery while in operation with the objective to indicate the early signs of deterioration or malfunction, and wear& tear trend in the structure, plant and machinery through surveillance, testing and analysis. The findings of M/s CPRI have also been implemented.

### Real Time Flood Forecasting

Flood forecasting network has been installed for Tehri HPP which shall enable advance decision



making for the controlled release of water from the reservoir and help in creating sufficient cushion in the reservoir to absorb the floods. Real time inflow forecasting system is comprised of eleven number automatic weather stations, four number G&D stations installed in the catchment area of Tehri reservoir and one central earth station at Tehri Project. The system will be capable to observe real time meteorological and hydrological data and transmitting the same to earth station established at Tehri for further processing of data for forecasting the inflow for Tehri reservoir. It is expected that the proposed system after validation

of mathematical model would provide 15-16 hour lead time information at about 90% accuracy. System has been installed on 30.06.2016.

**Micro Seismic network** has been installed to collect long-term data of micro earthquake activity in the region around Tehri Dam and to collect earthquake data and Strong Motion Accelerograph (SMAs). At present twelve recording stations of the network are in operation. Out of these, nine stations are radio-linked to a Central Recording Station (CRS) at New Tehri (NTT) and three stations are operating in independent mode.

### Advance Early Warning System

In order to disseminate information to the d/s population up to Rishikesh about water releases

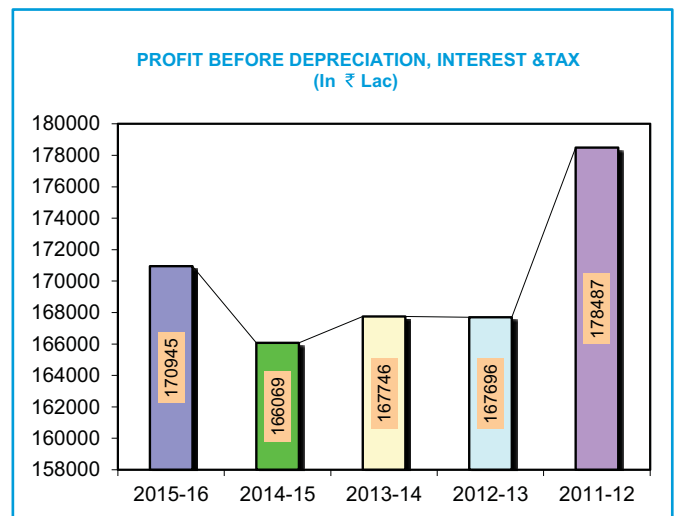
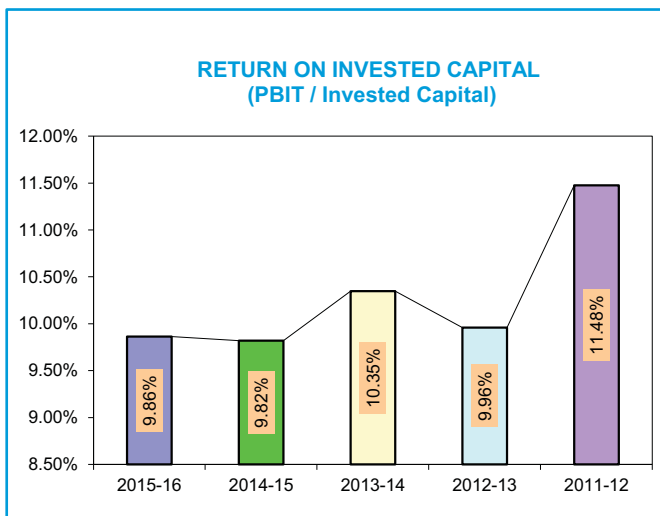
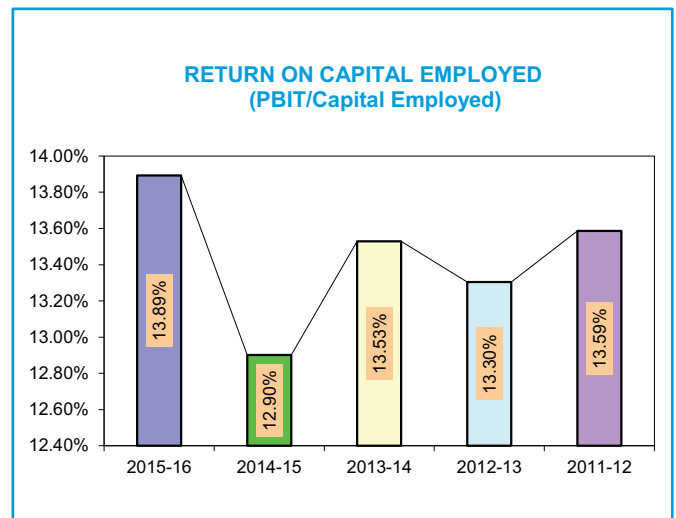
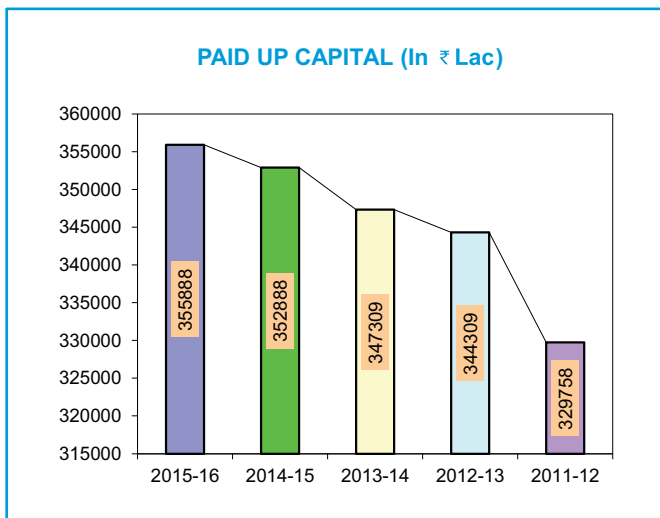
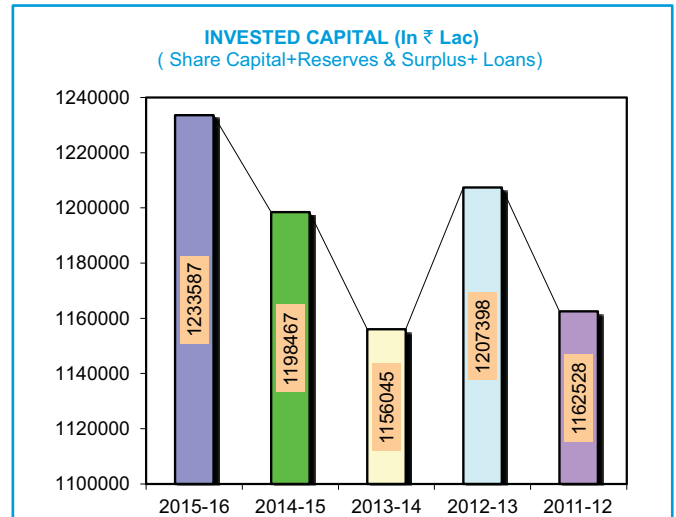
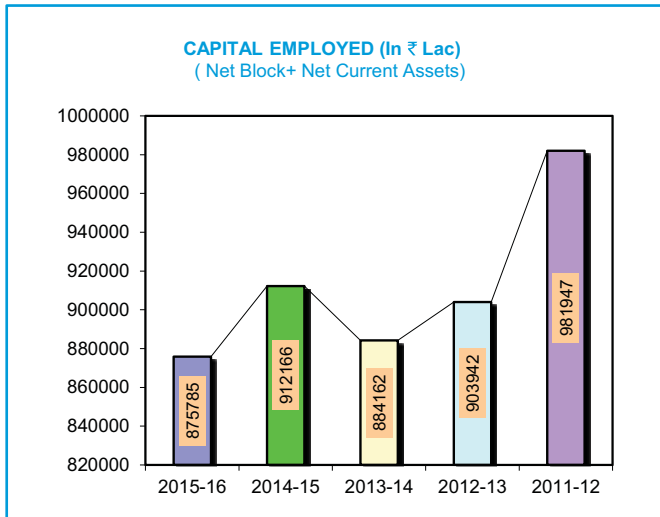
from Tehri and Koteshwar dams, an advance warning system is being established through Disaster Mitigation and Management Centre (DMMC), GOUK, Dehradun. The system is comprised of installation of sirens and speakers at eight stations from downstream of Koteshwar dam to TriveniGhat, Rishikesh and establishment of two control rooms, at Koteshwar Project and at DMMC, Dehradun.

Work for establishment of early warning system has been awarded by DMMC to M/s Solas Marine Services Pvt. Ltd. (on behalf of M/s Federal Signal, USA) with schedule completion as 19.07.2017.

### Agreement with Bureau of Reclamation, USA

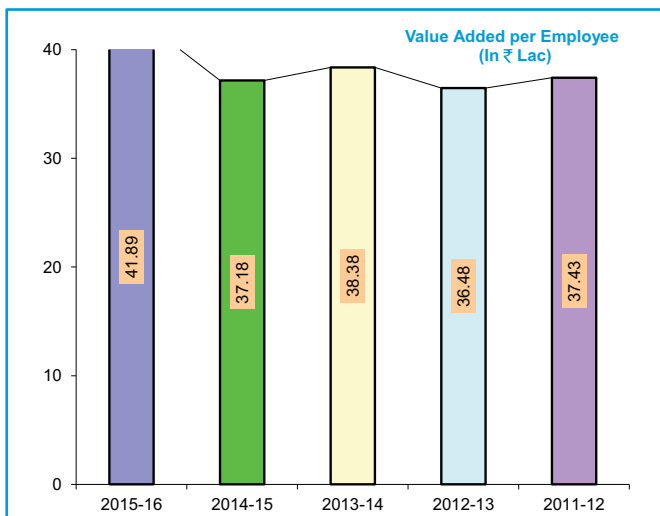
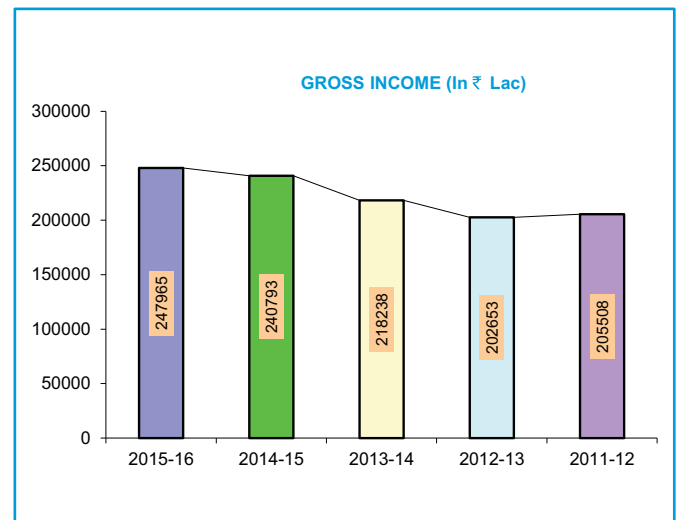
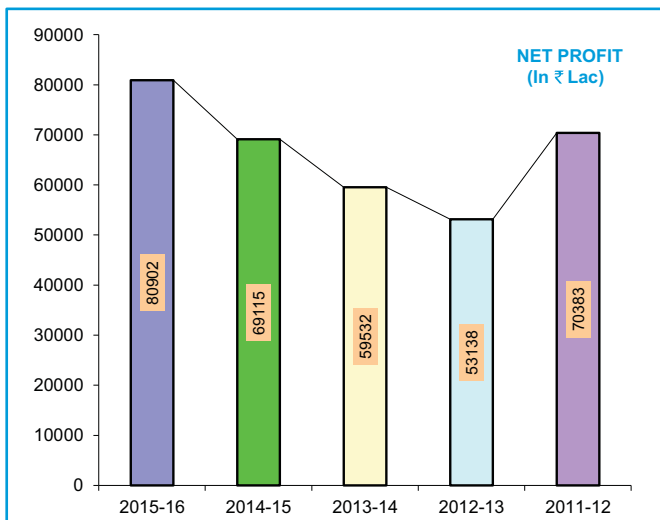
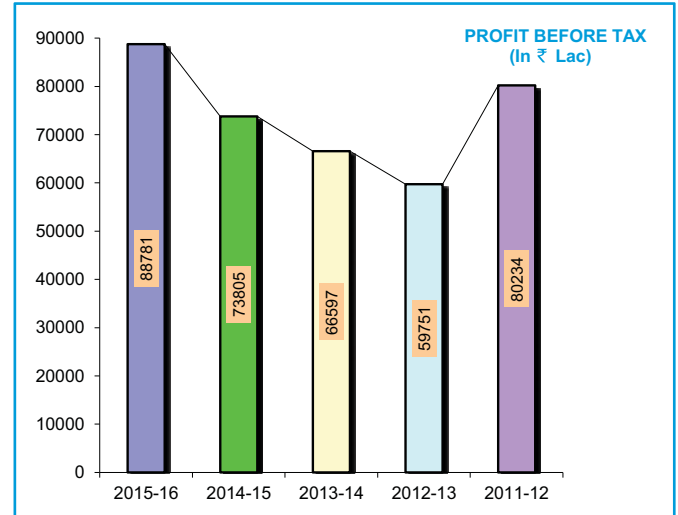
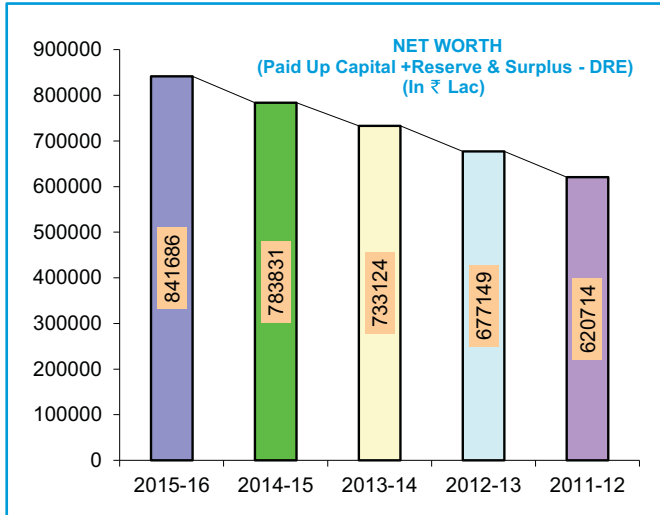
THDCIL has signed an agreement with Bureau of reclamation of the Department of interior of United State of America which is involved in construction and O&M of various types of dams. Presently USBR is maintaining more than 100 dams. In order to cater their experience & expertise, THDCIL has invited to assess the condition of civil structure and HM equipment of Tehri HPP with total estimated cost of \$285000.

## FINANCIAL HIGHLIGHTS





## FINANCIAL HIGHLIGHTS



**ANNEXURE –I to the Directors' Report**

## **REPORT ON CORPORATE GOVERNANCE**

To  
The Members

Your Directors are pleased to present the Company's Report on Corporate Governance. The Company is a Joint Venture promoted by Government of India and Government of Uttar Pradesh. The Guidelines on Corporate Governance issued by Department of Public Enterprises are mandatorily applicable to Your Company. The Company has strived and aspired to adopt good practices of Corporate Governance required under Companies Act, 2013 and DPE Guidelines. Your company is complying with all the Corporate Governance Guidelines issued by DPE. The Company has been rated Outstanding by DPE for Compliance with Guidelines on Corporate Governance for the year 2014-15. Based on the grading reports submitted to DPE the company expects the same, for the year 2015-16 also.

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Corporate Governance Mechanism in your Company is based on following parameters:

- Transparency and fairness.
- Timely and Balanced Disclosures
- Role and responsibilities of the Board to add value.
- Integrity in Financial Reporting.
- Promote ethical and responsible decision making.
- Obligations towards Environment.
- Rights and Interests of stakeholders.
- Compliances.

Systems are in place for Strategic Planning, Risk Management, Financial Plans and

Budgets, Integrity of Internal Controls and Reporting, Communications Policy with emphasis on transparency and full disclosure on the various facets of the Company's operations, its functioning and its financials and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit.

## **2. BOARD OF DIRECTORS**

### **2.1 SIZE OF THE BOARD**

Your Company is a Government Company within the meaning of Section 2(45) of Companies Act., 2013 with Equity Share Holding of 75% by President of India and 25% by Governor of Uttar Pradesh. The business of the company is superintended by the Board of Directors. As per the Articles of Association of the Company, the President of India shall from time to time determine the number of Directors of the Company, which shall not be less than seven and not more than fifteen.

### **2.2 COMPOSITION OF BOARD**

Presently, the Board comprises of the Chairman and Managing Director, Functional Directors, Government Nominee Directors and Independent Directors. As on 31<sup>st</sup> March, 2016, the Board of Directors of the Company comprises of TEN Directors, out of which four Directors are Functional Directors including Chairman, One Director is the Nominee of Government of India, two Directors are Nominee of GoUP and three Directors are Independent Directors. The Directors bring to the Board wide range of experience and skills. Brief profile of the Directors is set out in the Annual Report.



### 2.3 AGE LIMIT AND TENURE OF DIRECTORS

The age limit of Chairman & Managing Director and Whole Time Directors is 60 years. The Chairman & Managing Directors and other Whole Time Directors are appointed for a period of five years from the date of assumption of the charge or till the date of superannuation whichever event occurs earlier.

Part-time Govt. Nominee Directors are serving in Ex-officio capacity as representative of the Ministry/ Administrative Department of Govt. of India/ Govt. of Uttar Pradesh and retire on ceasing to be an official of that Ministry/ Administrative Department. Independent Directors are appointed by Government of India usually for tenure of three years.

### INFORMATION TO BE PLACED BEFORE BOARD OF DIRECTORS

The following agendas are regularly submitted to the Board:

- Annual Operating Plans, Budgets and any updates.
- Capital Budgets and any updates.
- Award of Major Contracts.
- Review of progress of ongoing projects including critical issues and areas needing management attention.
- Annual Accounts, Directors' Report, etc.
- Quarterly Financial Results for the company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Disclosure of Interest by Directors about Directorship and Committee positions occupied by them in other companies.
- Amendment in Memorandum and Articles of the Company and other policy matters.

- Quarterly Report on foreign exchange exposures.
- Any significant development in Human Resources/Industrial Relations like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Highlights of important events from last meeting to the current meeting.
- Joint Ventures and collaboration agreements.
- Implementation and status of New Projects.
- Raising of Long/ Short Term Loans and other financing issues.
- Payment of Interim and Declaration of Final Dividend.
- Fixation of remuneration of Statutory Auditors.
- Issues relating to Human Resource Development and Industrial Developments.
- Any Material issues requiring consideration of Board etc.

### POST MEETING FOLLOW UP SYSTEM

Action taken reports (ATR) on the decisions and directions of Board is also regularly placed before the Board as separate agenda.

### 2.4 BOARD MEETINGS AND ATTENDANCE

The Board meetings are convened by giving appropriate advance notice, after obtaining approval of the Chairman of the Board. Detailed agenda, management reports and other explanatory statements are circulated well in advance, normally 7 days, for facilitating meaningful, informed and focused decisions at the meetings.

Five Board Meetings were held during the financial year 2015-16. Details of Dates of Meeting, strength of Board and no. of Directors Present are given in **Table 1:**

**Table 1: Details of Board Meetings during the year 2015-16**

Sr. No.	Date of Board Meetings	Strength of Board	No of Directors Present
1.	May 23, 2015	7	5
2.	July 30, 2015	7	5
3.	September 22, 2015	7	6
4.	December 22, 2015	10	6
5.	January 27, 2016	10	7

Details of Categories of Directors, number of Board meetings attended by Directors, attendance at last AGM, number of other Directorship/ Committee Membership during the year 2015-16 are placed in **Table 2** :

**Table 2: Categories of Directors and the Directorships and Committee positions held by them.**

Sr. No.	Directors	Number of Board meetings attended	Attendance at last AGM	Other Directorships held	Other Positions	
					Chairmen	Member
<b>FUNCTIONAL DIRECTORS</b>						
1.	Shri R.S.T. Sai (Chairman & Managing Director)	5	Attended	2	1	2
2.	Shri D.V.Singh Director (Technical)	5	Attended	-	-	2
3.	Shri S. K. Biswas Director (Personnel)	5	Attended	-	-	-
4.	Shri Sridhar Patra Director (Finance)	5	Attended	-	-	-
<b>GOVERNMENT NOMINEE DIRECTORS</b>						
5.	Shri Raj Pal, Economic Adviser MOP, Govt. of India, New Delhi (Up to 30/06/2015)	1	Not Attended	1	-	-
6.	Shri Deepak Singhal, Principal Secretary (Irrigation), Govt. of UP. (w.e.f 26.08.2014)	1	Attended	1	-	-
7.	Shri. Sanjay Agarwal, Principal Secretary (Energy), Govt. of UP (26.08.2014 To 20.04.2016 )	1	Not Attended	2	4	1
8.	Smt. Anju Bhalla ( w.e.f 01.07.2015)	2	Not Attended	1	-	-





Sr. No.	Directors	Number of Board meetings attended	Attendance at last AGM	Other Directorships held	Other Positions	
					Chairmen	Member
<b>INDEPENDENT DIRECTORS</b>						
9.	Shri O.P. Gahrotra, Ex-Addl. Chief Secty. (Finance) Govt of Maharashtra, Mumbai (Up to 23.05.2015)	0	Not Attended	6	-	-
10.	Shri Bachi Singh Rawat (w.e.f 22.12. 2015)	2	Not Attended	-	-	-
11.	Shri Mohan Singh Rawat Gaonwasi ( w.e.f 22.12.2015)	2	Not Attended	-	-	-
12.	Prof. Maharaj Krishan Pandit ( w.e.f 22.12.2015)	0	Not Attended	-	-	-

## 2.5 DIRECTORS' COMPENSATION & DISCLOSURES:

Your Company, being a Government Company under the administrative control of Ministry of Power, Govt. of India, the appointment, tenure and remuneration of Directors are decided by the President of India. Hence, the Board does not decide remuneration of Whole-time Directors. Part-time Directors nominated by Government in Ex-officio capacity are not paid any kind of remuneration. Independent Directors are paid sitting fees @ ₹ 20,000 per sitting for meetings of Board as well as Committee meetings (rate fixed by Board as per Rule 4 of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with section 197 of Companies Act, 2013).

The Details of payments made towards sitting fees to Independent Directors during the year 2015-16 are given in **Table 3**:

**Table 3: Details of payments made as sitting fees to Independent Directors**

Name of Independent Directors	Sitting Fees (in Rupees)			CSR & Sustainability Development Committee	Total (in ₹ )
	Board Meeting and AGM	Audit Committee Meetings	Remuneration Committee Meeting		
Shri. Bachi Singh Rawat	40,000	20,000	20,000	20,000	100,000
Shri Mohan Singh Rawat	40,000	20,000	NIL	20,000	80,000
Prof. Maharaj Krishan Pandit	NIL	NIL	NIL	NIL	NIL

**Table 4: Remuneration of Whole-time Directors**

THDCIL being a Government Company, the appointment, tenure and remuneration of Directors are decided by the Government. Remuneration paid to whole time directors during FY 2015-16 was as per terms and conditions of their appointment.

Details of remuneration of Whole-time Functional Directors and Company Secretary of the company paid for F.Y. 2015-16 are given below:

Amount in

Directors	Designation	Salary/ Allowances	Benefits Linked Incentives *	Performance Related Pay(PRP)	Gross Total
Sh. R.S.T. Sai	Chairman & Managing Director	4706696	0	3319190	8025886
Sh. D.V.Singh	Director(Technical)	3426617	0	1866173	5292790
Sh. S.K. Biswas	Director(Personnel)	3505828	0	1769292	5275120
Sh. Sridhar Patra	Director(Finance)	4190639	0	900000	5090639
Sh. S.Q.Ahmad	Company Secretary	2689086	0	651096	3340182

(1)\*Includes Travelling expenses, Contribution to PF & Pension Fund, Expenditure on Medical, Leave encashment, Other Expenses & Post Retirement Medical Expenses etc.

(2)The amount mentioned above is inclusive of Provisions.

## 2.6 KMP (KEY MANAGERIAL PERSONNEL)

As per the Section 203(1) of Companies Act, 2013, and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 every company belonging to prescribed class or classes of companies shall have the wholetime Key Managerial Personnel (KMP). Accordingly THDCIL has designated following key managerial personnel.

1. Shri R.S.T. Sai, Chairman Managing Director
2. Shri Sridhar Patra, Chief Financial Officer
3. Shri S.Q. Ahmad, Company Secretary

## 2.7 BOARD MEETING PROCEDURES :

**i) Decision making Process:** The Company has laid down a set of guidelines and follow secretarial standard for the meetings of the Board of Directors with a view to

professionalizing all corporate affairs. These guidelines seek to systematize the decision making process in Board meetings in an informed and efficient manner.

### ii) Scheduling and selection of agenda items for Board meetings:

- The meetings are convened by giving appropriate notice after obtaining the approval of the Chairman of the Board. Detailed agenda notes, management reports and other explanatory statements are circulated in advance, normally 7 days, among the members to facilitate meaningful, informed and focused decisions during the meeting.
- When urgent issues need to be addressed, meetings are called at shorter notice or resolutions are passed by circulation.



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- Wherever it is not practical to attach voluminous documents to the agenda, such papers are placed on the table in the meeting.
- The agenda papers are circulated after obtaining the approval of the concerned Functional Director and CMD.
- Presentations are made in the Board meetings on Agenda matters to enable members to take informed decisions.

The members of the Board have complete access to all information of the Company. The Board is also free to recommend any issue that it may consider important for inclusion in the agenda. Senior Management officials are called to provide additional inputs to the items being discussed by the Board, as and when necessary.

### **Recording of minutes of the Board/Committee meetings:**

Minutes of the proceedings of each Board/Committee meetings are duly recorded in the Minutes Book. The Draft minutes of each Board meeting are circulated by e-mail and comments sought from each member of the Board giving 7 days time. After that the Minutes are finalized incorporating the suggestions/advice of the Directors. The finalized minutes are again put up in the next BOD meeting for information.

### **Follow-up mechanism :**

System of submission of action-taken Report (ATR) on the decisions of the Board/Committee members has been introduced from the F.Y. 2013-14. This acts as an effective follow-up, review and report process of Board matters.

#### **iii) Compliance :**

It is our Endeavour to ensure that all applicable provisions of law, rules and

guidelines are adhered to while preparing the agenda notes.

### **3. COMMITTEES OF BOARD OF DIRECTORS:**

Presently, the company has three Sub. Committees of Board as under:

- i) Audit Committee.
- ii) Remuneration Committee.
- iii) CSR & Sustainability Committee.

The Company Secretary serves as the Secretary to Sub-Committees of the Board.

#### **3.1 AUDIT COMMITTEE**

The Company has constituted Audit Committee as per Section 177 of the Company Act, 2013. Composition, Quorum, Scope, etc. of the Audit Committee are in line with the Companies Act, 2013 and Guidelines on Corporate Governance, as issued by Department of Public Enterprises, Govt. of India. The powers and terms of reference of the audit committee are as specified in Clause 4.2 and 4.3 of the DPE Guidelines on Corporate Governance and Companies Act, 2013.

#### **3.1.1 COMPOSITION OF AUDIT COMMITTEE**

As per Companies Act, 2013 and DPE Guidelines on Corporate Governance, the Audit Committee shall have minimum three Directors as members. Two-thirds of the members of audit committee shall be Independent Directors and the Chairman of Audit Committee shall be Independent Director. In line with DPE Guidelines the Audit Committee has been constituted as under:

The composition of the Audit Committee as on 31.03.2016 is given in **Table 5:**

**Table 5: Name of Members of Audit Committee and their Categories**

S.No.	Name of Members	Category of Members
1.	Shri Bachi Singh Rawat	Independent Director - Chairman
2.	Shri Mohan Singh Rawat	Independent Director - Member
3.	Prof. Maharaj Krishan Pandit	Independent Director - Member
4.	Shri D.V. Singh	Director- (Technical) - Member

Director (Finance) and Chief Audit Officer are the permanent Special Invitees.

### 3.1.2 TERMS OF REFERENCE OF AUDIT COMMITTEE

The Terms of Reference of Audit Committee include following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending for appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (C) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgement by management;
  - Significant adjustments made in the

financial statements arising out of audit findings;

- Compliance with legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval. Reviewing, with the management, performance of statutory auditors, internal auditors and adequacy of the internal control systems.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue. etc), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notices and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendation to the Board to take up steps in the matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and



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seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- Scrutiny of inter- corporate loans and investments.
- Valuation of undertaking or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Discussion with internal auditors and/or auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors/ auditors/agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- To review the follow up action on the audit observations of the C&AG audit.
- To review the follow up action taken on the

recommendations of Committee on Public Undertakings (COPU) of the Parliament.

- Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
- Review and pre-approve all related party transactions in the company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.
- Review with the independent auditor the coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources
- Consider and review the following with the independent auditor and the management :
  - The adequacy of internal controls including computerized information system controls and security, and
  - Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
  - Consider and review the following with the management, internal auditor and the independent auditor :
    - Significant findings during the year, including the status of previous audit recommendations.
    - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information,

### **Powers of Audit Committee:**

Commensurate with its role, the Audit Committee shall exercise powers, which include the following:

- The Audit Committee shall have authority to investigate into any matter specified above or

referred to it by the Board and for this purpose, shall have full access to information contained in the records of the company.

- To seek information on and from any employee.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- The recommendations of the Audit Committee on any matter shall be considered by the Board.

#### Review of Information by Audit Committee

- The Audit Committee shall review the following information:
  - Management discussion and analysis of financial condition and results of operations;

- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment and removal of the Chief Internal Auditor shall be placed before the Audit Committee; and Certification/ declaration of financial statements by the Chief Executive/ Chief Finance Officer.

#### 3.1.3 MEETINGS AND ATTENDANCE

One Meeting of Audit Committee was held in the year 2015-16. Details of Meeting held are given in **Table 6:**

**Table 6: Details of Audit Committee meeting held during the year 2015-16.**

S. No.	Date of Audit Committee Meeting	Members Strength	No. of Members Present
1.	March 26, 2016	4	3

The details of the meetings of Audit-Committee attended by the members for the year 2015-16 are given in **Table 7.**

**Table 7: Details of Audit Committee meeting attended by the members:**

S. No.	Name of Members of Audit Committee	No. of Meetings held during his tenure	No. of Meetings attended
1.	Shri Bachi Singh Rawat	1	1
2.	Shri Mohan Singh Rawat	1	1
3.	Prof. Maharaj Krishan Pandit	1	0
4.	Shri D.V. Singh	1	1

The Director (Finance) and Chief Audit Officer invariably attended the Audit Committee meeting as Special Invitees.



### 3.2 REMUNERATION COMMITTEE

As per provisions of Section 178 of the Companies Act, 2013 and DPE Guidelines, a Remuneration Committee was reconstituted to consider and decide the Pay & Allowances, Annual Bonus/Variable Pay Pool, and Policy, within the prescribed limits. The Remuneration Committee comprises of three members. Name of members and their category are placed in **Table 8:**

**Table 8: Name of members of Remuneration Committee and their Categories:**

S.No.	Name of Members	Category of Member
1.	Shri Bachi Singh Rawat	Independent Director-Chairman
2.	Prof. Maharaj Krishan Pandit	Independent Director-Member
3.	Smt. Anju Bhalla	Govt. Nominee Director-Member

Director (Personnel) is the permanent Special Invitee of the Committee.

#### 3.2.2 MEETINGS AND ATTENDANCE

One meeting of the Remuneration Committee was held during the financial year 2015-16 on January 27, 2016. The details of the meeting of Remuneration Committee attended by the members are as under:

**Table 9: Name of members of Remuneration Committee and their attendance:**

S.No	Member of Remuneration Committee	Category of Members	Meeting held during his tenure	Meeting attended
1.	Shri Bachi Singh Rawat	Chairman	1	1
2.	Prof. Maharaj Krishan Pandit	Member	1	0
3.	Smt. Anju Bhalla	Member	1	1

Director (Personnel) attended the meeting as Special Invitee.

### 3.3 CSR & SUSTAINABILITY COMMITTEE

As per Section 135 of the Companies Act, 2013 and CSR & Sustainability Policy-2014 issued by DPE the Board has constituted the Board Level CSR & Sustainability Committee for effective implementation of CSR Activities of your company.

#### 3.3.1 COMPOSITION

The composition of the CSR & Sustainability Committee as on 31.03.2016 is given in **Table 10:**

**Table 10: Name of members of CSR & Sustainability Committee and their categories:**

S.No.	Name of Members	Category of Members
1.	Shri Mohan Singh Rawat	Independent Director – Chairman
2.	Shri Bachi Singh Rawat	Independent Director – Member
3.	Shri D.V. Singh	Functional Director – Member
4.	Shri Sridhar Patra	Functional Director – Member

General Manager (S&E), CSR & Sustainability being the Nodal Officer is the permanent Special Invitee to the Committee. The Board Level Committee meets at least once in every three months and four times in a year.

### 3.3.2 MEETINGS AND ATTENDANCE

One meeting of the CSR & Sustainability Committee was held in the FY 2015-16. Details of Meeting held are given in **Table 12**:

**Table 12: Meeting of CSR & Sustainability Committee and attendance:**

S. No.	Date of CSR & Sustainability Committee meeting	Members Strength	No. of Members Present
1.	January 27, 2016	4	4

Director (Finance) attended the meeting as Special Invitee.

### Functions of CSR & Sustainability Committee

The Board Level CSR & Sustainability Committee steers the Implementation and Monitoring of the CSR-SD Programmes/ Activities of the Company, which include the following:

- Consideration of CSR & Sustainability Projects / Activities and Annual Plan/Budget.
- Consideration of Periodical CSR-SD Progress Report / Status Report.
- Monitoring of CSR-SD Activities.
- Consideration of Impact Assessment Report of CSR-SD Projects.
- Any other task as deemed necessary etc.





#### 4. GENERAL BODY MEETINGS

Date, time and location where the last three Annual General Meetings were held are given in Table 13.

**Table 13: Details of Last three Annual General Meetings:**

Annual General Meetings	27 <sup>th</sup> Annual General Meeting held on 22 <sup>nd</sup> September, 2015	26 <sup>th</sup> Annual General Meeting held on 27 <sup>th</sup> September, 2014	25 <sup>th</sup> Annual General Meeting held on 25 <sup>th</sup> September, 2013
<b>Time</b>	05.00 PM	05.00 PM	12.30 PM
<b>Venue</b>	THDC INDIA LIMITED, 1 <sup>st</sup> Floor, East Tower, NBCC Place, Bhishma Pitamah Marg, New Dehli	THDC INDIA LIMITED, 1 <sup>st</sup> Floor, East Tower, NBCC Place, Bhishma Pitamah Marg, New Dehli	THDC INDIA LTD Plot No.20, Sector No.14, Kaushambi, Ghaziabad (U.P.)
<b>Special Business</b>	<ul style="list-style-type: none"> <li>To fix Remuneration of Cost Auditor for the F.Y. 2015-16.</li> <li>To Borrow ₹ 2500 Cr. through issue of Bonds.</li> </ul>	<ul style="list-style-type: none"> <li>To fix Remuneration of Cost Auditor for the F.Y. 2014-15.</li> <li>To approve the Borrowing Powers of the Board in excess of Paid up Capital &amp; Free Reserve.</li> </ul>	NIL

#### 5. DISCLOSURES

##### 5.1 RELATED PARTY TRANSACTIONS:

There was no transaction of material nature with Promoters, Directors or Management, having potential conflict with the interest of company at large. The details of related party disclosures are included in Notes on Accounts as per AS-18.

#### 6. WHISTLE BLOWER POLICY

Whistle Blower Policy has been adopted to establish a mechanism for employees to report to the management, concerns about unethical behavior, actual or suspected fraud, or violation of the company's General Guidelines

on conduct or ethics policy. Adequate safeguards are provided to employees against victimization and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

- It provides necessary safeguards for protection of employees from victimization, for whistle blowing in good faith.
- An employee who knowingly makes false allegations shall be subject to Disciplinary Action.
- The Copy of Whistle Blower Policy is also available on the Official Website of the company for ensuring transparency.

## 7. GRIEVANCE REDRESSAL MECHANISM

The Grievance Redressal Committee has been constituted in line with the DPE Guidelines dated 05.09.1985, with an objective to provide an easily accessible mechanism for expeditious settlement of employee grievances leading to increased job satisfaction and improvement in productivity and efficiency of the organization.

The Scheme covers all employees one step below Board Level on the regular rolls of the Corporation including those on deputation.

It includes matters relating to leave, increment, non extension of benefits under rules, interpretation of service rules, except the following:

- a.) Annual Performance Appraisals/ Confidential Reports
- b.) Promotions, including DPC's minutes and decisions
- c.) Where the grievance does not relate to an individual employee
- d.) Grievance arising out of discharge or dismissal of an employee
- e.) Grievance relating to selection/ absorption/ induction
- f.) Cases sub-judice in the Court
- g.) Cases duly considered by the Competent Authority under compliance of order of Court and speaking orders already passed

The Grievance Redressal Committee (GRC) is constituted as under:

1. Sh. P. P. S. Mann, ED (TC), Tehri - Chairman
2. Sh. R. N. Singh, AGM (SP), Kaushambi - Member
3. Sh. P. K. Agarwal, GM (Project), Koteshwar - Member
4. Sh. K. S. Pundir, Sr. Manager (Law), Rishikesh - Secretary

As per record number of employees grievances received during year 2014-15 is nil.

## 8. RISK MANAGEMENT:

The Company has adopted 'Risk Management Manual' in June, 2012. The Manual is intended to maintain a uniform Risk Management System in the Corporation at various Hydro Power Projects at different stages of implementation. As per the Manual the Risk Management Committee comprising of members from Finance, Planning, Design, and Projects etc. was constituted to develop and implement a 'Risk Management Plan'. Committee meetings are being held regularly with suggestions to improve the effectiveness of risk management plan.

In line with the Manual, risk management plan was carried out. Each department has opened a Risk Register and nominated their Nodal Risk Officer for coordinating risk activities as mentioned in 'Risk Management Manual'. In case of occurrence of any risk the same shall be recorded in 'Risk Experience Register' about the Risk occurred and action taken to mitigate it for future reference. The Risk Management of the company is being reviewed periodically by the company. Board also review the Risk Management on a regular basis. No significant incidence of risk has occurred during the year.

## 9. RECORD MANAGEMENT SYSTEM

THDC has adopted Record Management Manual in line with guidelines of National Archives of India with the following objectives :

- To facilitate proper preservation and storage of records.
- To facilitate quick retrieval of records.
- To exercise control on growth of records at its inception itself.



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- To identify records for timely weeding out so as to optimize the cost of maintenance of records.
- To comply with statutory obligations for retention of records.
- To optimize office space utilization, etc.

In compliance to above, Chief Record Officer and requisite staffs have been appointed to oversee the Record Management System of the company. Separate Record Office has been created in Rishikesh with all required facilities as per the Guidelines of National Archives of India. The work of collecting files/ documents for safe custody has been started. Categorization work with proper Computerized Coding to place records in available racks/optimizers has been done.

### 10. MEANS OF COMMUNICATION – Official Website

The Company has adapted effective communication system through published materials viz. Annual Reports, House Journals, Print Media etc. The company has maintained its official website with extensive material available for public at large as well as employees. All the material information about the company have been hosted at the Website. Regular updation is made to the Website to make it more useful. The Office Website named [www.thdc.co.in](http://www.thdc.co.in) include following information :

- Company's Profile, Vision, Mission of the Company, Contact No.
- Board of Directors & Board Sub-Committees.
- Memorandum & Articles of Association.
- Company's Performance & Annual Reports.
- Major Projects and its status.
- Latest events, photographs, CSR initiatives.
- Various Policies and Manuals of the Company.

- Employee related information available at Intranet with employee login.
- Information under RTI Act. etc.

### 11. COMPTROLLER AND AUDITOR GENERAL OF INDIA :

Your Company being a Govt. PSU comes under jurisdiction of Comptroller and Auditor General of India and is also subject to parliamentary oversight under Section 139 of Companies Act, 2013.

The Statutory Auditors of the company are appointed by the Comptroller and Auditor General of India, who gives the directions to the Auditors on the manner in which the audit should be conducted by them. The Comptroller and Auditor General of India is also empowered to Comment upon the Audit Reports of the Statutory Auditors. In addition, the Comptroller and Auditor General of India conducts a test audit of the accounts of your company and submit reports. The Audited Accounts of the Company is placed before both the Houses of Parliament within a prescribed time limit.

### 12. CORPORATE ETHICS POLICY

The Board of Directors of your company has adopted 'Corporate Ethics Policy' as a part of Corporate Governance initiative. The Policy will serve to guide the employees of the Company to observe highest standard of Professional Ethics, Good Governance, Probity, Integrity and Impartiality while discharging official duties.

### 13. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors has laid down separate Code of Conduct & Ethics for Board Members and Senior Management in alignment with Company's Vision and Values to achieve the Mission & Objectives. It aims at enhancing

ethical and transparent process in managing the affairs of the Company.

Annual Affirmation is obtained regarding Compliance of Code of Business Conduct and

Ethics from Board Members and Senior Management of the Corporation upto the level of AGM.

**Declaration as required under clause 3.4.2 of DPE Guidelines**

'All the members of the Board have affirmed the compliance of the Code of Conduct for the financial year ended on March 31, 2016.'

**(R.S.T. Sai)**  
Chairman & Managing Director

**CERTIFICATE ON CORPORATE GOVERNANCE**

The Certificate on Corporate Governance has been obtained from practicing company secretary as per DPE Guidelines.

**14. ADDRESS FOR CORRESPONDENCE**

THDC INDIA LIMITED  
Pragatipuram By Pass Road ,  
Rishikesh- 249201  
Uttarakhand.

The phone numbers and e-mail reference for communication are given below:

<b>Company Secretary</b>	Sh. S.Q. Ahmad
Office Contact Nos.	0135-2439309, Fax- 0135-2439442
E-Mail	thdccc@yahoo.co.in
<b>For Public Grievances</b>	Sh. R.N. Singh, AGM(SP)/ Director of Public Grievances
Contact	0120-2776490, Fax No. 0120-2776433
E-Mail	rnsingh@thdc.co.in



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THDC INDIA LIMITED

**P.S.R MURTHY**  
**PRACTICING COMPANY SECRETARY**  
**C.P. 13090**

**CORPORATE GOVERNANCE CERTIFICATE**

To,  
The Members,  
THDC India Limited  
Tehri Garhwal,  
**Tehri - 249 001**

1. I have examined the compliance conditions of Corporate Governance by **THDC India Limited (the "company")** CIN.U45203UR1988GOI009822 in accordance with the provisions of the Companies Act 2013 read with Guidelines issued by the Department of Public Enterprises for Central Public Sector Undertakings in May 2010. THDC India Limited is an unlisted Government of India Enterprise with equity participation from Government of India and Government of Uttar Pradesh.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
3. In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company complied with the conditions of Corporate Governance except to the extent mentioned below:
  - a) **The composition of the Board was with the required number of Independent Directors as per the provisions of the Companies Act 2013 from December 2016 and onwards.**
  - b) **As a result there was only one Audit Committee Meeting during the year 2015-16.**
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

**(P.S.R. Murthy)**

**ACS-5880**

**C P No-13090**

**Place:** New Delhi

**Date:** 02<sup>nd</sup> Sept 2016

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178 RPS FLATS, SHEIK SARAI PHASE-1, NEW DELHI-110 017  
MOBILE: 919816010286; TEL:011-26018714  
EMAIL:pendyala50@yahoo.com

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

### Brief Outline of the Company's CSR Policy

As required under Companies Act 2013 & CSR Rules, all companies covered under the eligibility criteria based on threshold limit of net worth, turnover or profit shall formulate a CSR policy for undertaking activities as specified in Schedule VII of the Companies Act. Accordingly, your company has recently introduced its CSR & Sustainability policy 2015 with the approval of the Board. The CSR vision of your company is "Socially responsible corporate, continuously enhancing value creation in society and community and promoting sustainable development."

### Planning and Selection of CSR & Sustainability Activity

- Planning and selection of CSR projects is done in accordance to CSR rules and the activities as specified in Schedule VII of the Companies Act.
- CSR activities is undertaken in project/ programme mode, which entails planning the stages of execution in advance by fixing targets at different milestones, resources required within the allocated budget, and having a definite time span for achieving desired outcomes.
- THDCIL may collaborate with other companies/ CPSEs for undertaking CSR projects or programs or activities.
- Only such CSR activities / projects are selected which can be better implemented / monitored through in-house expertise.
- Baseline/ need assessment survey is preferred prior to the selection of any CSR activity.
- The Budget and Annual CSR and Sustainability Plan is approved by the Board on the recommendation of the CSR Committee.

### CSR Projects/Activities

CSR works being undertaken by THDCIL are purely based on priority of the stakeholders directly impacted by its operations and activities. Long term projects for promotion of sustainable livelihood of the project affected villages of district Tehri are



Free Eye Check-up Camp for Tehri Project Area Villagers

serving its objectives very well and have been well accepted by the local communities. Stakeholders are being continuously engaged through various meetings, seminars and krishakgosthies. The benefits accrued from our CSR projects are visible. People especially from the project affected area are now reasonably aware of the projects/ programmes/ activities being undertaken by SEWA-THDC in their areas under Corporate Social Responsibility and are associating themselves actively for implementation of the various CSR works taken up by SEWA-THDC.

According to the policy about 65% of the CSR fund is being utilized in neighborhood of operational area and balance is being utilized in the broad geographical areas where our business extends. One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc. has been avoided as it would not be qualified as part of CSR expenditure.



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### The Major CSR activities include:

- Promoting Health Care including Preventive Health Care & running of dispensaries.
- Providing Safe Drinking Water.
- Construction of Toilets under “Swachh Bharat Abhiyan”.
- Promoting Education among economically weaker section, SC/ST and OBC.
- Providing facility of Higher Education in the Project Area.
- Vocational skill trainings in the affected area population to generate employment including assistance to local ITI’s.
- Ensuring Environmental Sustainability, Ecological Balance, Protection of Flora & Fauna, Animal Welfare, Agro forestry, Conservation of Natural Resources and Maintaining Quality of Soil, Air & Water.
- Rural Based Holistic Development in the remote rural areas around project.
- Woman Empowerment etc.

### Detailed CSR Activities are given at Appendix-I CSR Budget

As per the Companies Act, 2013 the company shall spend at least two percent of the average net profit in pursuance of CSR policy of the company. Accordingly, CSR Budget for the year 2015-16 comes out to ₹ 13.34Cr. Implementation of all CSR works of company have been entrusted to company sponsored NGO i.e. SEWA-THDC and TES. CSR budget has been utilized mostly in the vicinity of THDCIL's various project locations /business area as per the Companies Act 2013 and DPE guidelines on CSR & Sustainability 2014 effective from 1<sup>st</sup> April 2014.

### Implementation Mechanism

The implementation of CSR projects/ programmes/ activities is done through company sponsored

Societies namely SEWA-THDC and THDC Education Society (TES) in association with the partner NGOs, Societies, Trusts, Government Agencies, & Universities etc

### Monitoring, Evaluation & Impact Assessment

- a) Corporate CSR & Sustainability Department shall monitor the Programmes/Activities periodically with the help of Identified Key Performance Indicators, the periodicity being determined largely by the nature of performance indicators and Project Cycle. Like implementation, monitoring too should be done in project mode with continuous feedback mechanism, and recourse always available for Mid-Course Correction in implementation, whenever required.
- b) Monthly Progress Report is submitted to the Director In-charge of CSR and Sustainability. Quarterly progress report on CSR and Sustainability is regularly placed before the Board after consideration by the CSR Committee.
- c) The CSR Projects having value of ₹ 5.0 lac or more are being evaluated by Independent External Agencies/ Experts on the prescribed parameters. Based on the impact assessment future CSR activities are planned.

### AUDIT OF CSR PROJECTS

The Annual Accounts of SEWA-THDC and THDC Education Society (TES), the implementing agencies, are annually audited by Practicing Chartered Accountant as per Bye-laws of the respective agencies.

### THE COMPOSITION OF THE CSR COMMITTEE

#### Below Board Level Committee (BBLC) and Board Level CSR Committee (BLC)

The Company has constituted Board Level CSR Committee (BLC comprising Independent Directors and Director(In-charge) of CSR) in line with

Companies Act, 2013. The Chairman of the BLC is an Independent Director. Regular meetings of the Board Level CSR Committee are convened to consider Annual CSR Budget, review of CSR Activities, implementation mechanism etc.

Besides this, Below Board Level CSR Committee (BBLC) has also been constituted with members from Senior Officers of the company and external experts for effective implementation of CSR Programmes.

After enactment of Companies Act 2013 applicable from 01.04.2014, a new Board Level CSR Committee has been reconstituted as follows:

- Shri Mohan Singh Rawat , Independent Director Chairman
- Shri Bachi Singh Rawat, Independent Director Member
- Shri D.V Singh, Director (Technical) Member
- Shri Sridhar Patra, Director (Finance) Member

**Average net profit of the company for the last three financial years** : ₹ 667.17 Cr.

**Prescribed CSR Expenditure ( 2% percent of the amount as in item 3 above).** : 2% of Average Net Profit of Previous Three Years i.e ₹ 13.34 Cr.

**Detail of CSR amount spent during the financial year**

- (a) Total amount spent for financial year. : ₹ 13.35 Cr. which is more than 2% of Average Net Profit of preceding three years.
- (b) Amount unspent, If any. : Nil.
- (c) Manner in which the amount spent during the financial year : As per **Appendix –I** enclosed.

**In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.** : THDCIL has spent more than 2% of Average Net Profit of preceding three years on CSR for the FY 2015-16.

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company.

Sd/- (Chairman & Managing Director)	Sd/- (Chairman CSR Committee)
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## VARIOUS CSR ACTIVITIES DURING F.Y. 2015-16

### EDUCATION DEVELOPMENT (THDC JAGRITI)

#### THDC School Rishikesh & Tehri.

As a responsible corporate citizen THDCIL strives to contribute and promote education among needy external stakeholders. THDCIL is running two schools under THDC Education Society (TES) (Society registered under societies registration act 1860), one at Bhagirathipuram, Tehri offering education from 6<sup>th</sup> to 12<sup>th</sup> standards and another school at Pragatipuram, Rishikesh offering education from 1<sup>st</sup> to 10<sup>th</sup> standards. In both schools children of nearby areas belonging to economically weaker sections including backward and SC/ST are being provided quality education.

The buildings are permanent structure with well ventilated spacious class rooms and labs for physics, chemistry, biology and computer education. To enhance the knowledge and personality development of students various in house competitions, co-curricular activities viz. Yoga, poem recitation, Quiz, Essay Writing, Games, Cultural Programme, Drawing etc. are organized regularly.

Many initiatives have been taken to improve the quality of Education by a team of trend staff & experienced Principals with Army school & Central School background. Extracurricular activities are organized from time to time like Summer Camps, Excursion Tours etc. The students are trained for cultural programmes and National Festivals. The initiative taken by TES has yielded fruitful results. There is sharp increase in the enrolment of students in both the schools. Teachers are being provided training from time to time to improve their skills. Total expenditure incurred to run both schools for the year 2015-16 was about ₹ 3.68 Cr. Free dress, books and stationery, free bus service are being provided to students with fee concession to SC/ST/BPL students. 100% scholarship for



Distribution of School Furniture

SC/ST students have been provided. Naivedyam (Mid day meal) has also been started.

- **Jr. High School Koteswarpuram**

One English Medium Jr. High School is being run at Koteswar, Tehri by SEWA-THDC through a society Omkaranand Sarswati Public School, Education Society to provide quality education to children of project affected families of KHEP. Total 140 no students are getting education from this school. Teaching staff having proper qualification are appointed to provide better education and curricular activities to the children. The total expenditure for the school for the year 2015-16 was ₹ 21.42 Lac.

- **THDC Institute of Hydropower Engineering and Technology**

An Engineering College in Bhagirathipuram (near Tehri Dam and HPP), Tehri has been established by THDCIL under CSR initiatives to meet out the future requirements of skilled manpower/ technical graduates.

The institute has state of art infrastructural facilities such as Administrative Block, Academic Blocks, Laboratories, Workshop, Library, Canteen and Hostel for boys and girls etc. The College runs graduate courses in five

disciplines i.e. Civil, Mechanical, Electrical, Electronics & Communication and Computer Science.

The Institute is a constituent college of Uttarakhand Technical University (UTU), Dehradun. There are two more constituent colleges run by UTU in Uttarakhand region, i.e. Institute of Technology, Gopeshwar in Chamoli Distt and Simant Institute of Technology, Pithoragarh. THDC Institute of Hydro Power Engineering & Technology, Tehri can be rated as best amongst other constituent colleges of UTU, because of greater facilities, learned faculty and its infrastructure. Engineering College is operational since academic year 2011-12. THDC presently has two Girls Hostel out of which one Girls Hostel was completed in 2015-16 by joint CSR contribution from Rural Electrification Corporation Limited (RECL) & THDCIL and inaugurated jointly by CMD THDCIL & CMD RECL in the month of Feb., 2016. Students of far flung areas of Uttarakhand mainly from tribal belt of the state covering district Pithoragadh, Chamoli, Tehri, Uttarkashi etc. are being benefitted and getting higher technical education.

Moreover, Tehri Dam project affected families are also being benefitted by opening of the institute close to their homes. 5% seats are reserved for the students from the Project Affected Families. Presence of THDC-IHET has increased the income level of the local community. It has generated direct / indirect employment. Local communities / vendors engaged in various livelihood activities viz milk supply, news paper/magazines, Book shops, fruits and vegetables, medical shops, canteen, laundry etc. are largely benefitted. Local agencies are operating hostel canteens, transport facilities etc.

#### • **Computer Training Programmes**

Under education development programme, SEWA-THDC established 18 no computer centres for skill development of unemployed youth and students at project affected and rehabilitation area in Tehri, Dehradun and

Haridwar district. Six month computer training programmewas organized in all centre and more than 1300 youth and students benefited from this programme. The rural community who were not aware of the function of the computer and hesitated to work on it, have now got skill and basic knowledge of computer i.e. MS word, MS excel, MS power point and internet etc. Now they are working on computer with confidence under computer awareness program.

#### • **Distribution of Books, Furniture and other item in various Govt. Schools.**

- For promotion of better education, THDCIL has provided 350 furniture sets (3 seats per set) in 12 Govt. schools of Bhilnagana Block each school was provided 35 sets of furniture
- Provided 28 furniture sets, 04 sets dining tables, 84 Blankets, 02 computer & 01 inverter to Kasturba Gandhi Vidyalaya, VIII. Rausal (Bhilangana), Tehri
- Provided study material, school uniforms etc. to 79 students of SC/ST families of villages Chopra, District Tehri.
- 300 number. furniture sets (3 seats per set) were provided with the collaboration of Rotary Foundation in project affected area schools & office.
- 40 number. water filters have been provided in 22 Govt. schools of Chamba Block, Tehri District.

#### **Health and Veterinary Care (THDC Niramaya)**

- Four homeopathic dispensaries are running at Muni-Ki-Reti (Narendra Nagar), Pokhari (Pratapnagar), Dhauntary (Uttarkashi) & Koteswarpuram (Koteswar) since last four years through Swami Narayan Mission Society, Shishm Jhari, Muni Ki Reti, Rishikesh. Running Cost of per homeopathy dispensary is approx. ₹ 5.00 Lac per year and approx. 1200 patient per month are getting benefitted from each dispensary. Approx 20 villages of rim area are getting benefitted through this project. Qualified doctors having BHMS degree are posted in all



Free Health Check-up Camp for VPHEP Project Area Villagers

dispensaries. Local people and public representative like MLA/MP and gram pradhans appreciated the work of dispensaries.

- Three Multispecialty Medical Health Camps were organized through Nirmal Eye Institute, Rishikesh and one medical camp organized through THDC hospital Tehri in the project affected areas and rehab colonies. Total 762 patients attended the camps for taking medical treatment. Out of these 200 critical patients have undergone cataract surgery. Free treatment & medicines were provided to patients.
- A 06 bedded allopathic dispensary with pathological test, X-ray, ECG and Minor Operation Theatre facilities with free of cost distribution of medicines and ambulance facilities has been established at Deengaon, Pratapnagar, Tehri. A team of MBBS doctor, Pharmacist, Nurse and Medical assistant has been posted at dispensary for regular health care service to rural masses since June'14. Residents of around 20 villages approx are being primarily benefitted from this dispensary. On an average 40 patients per day are availing health consultations and free medicines.

#### SWACHH BHARAT ABHIYAN

- Ministry of Power, Govt. of India allocated construction/ repair work of 1093 nos. toilets in various schools of Uttarakhand and UP state

under “Swachh Vidyalaya Abhiyan” as per Govt. target. THDCIL has achieved the target in time. Under this program THDCIL have completed total 1188 nos. toilets (539 new & 649 Dysfunctional toilets) and handed over to school authority.

- Public awareness and door to door campaign within THDC offices, Colony at projects & offices, Schools, Hospitals, work place, streets, roads & markets, rail Stations, Bus Stations, Bank area of River Ganga, Parks and other Public places covering areas as much as possible were carried out under Swachh Bharat Abhiyan. As per need, cleaned

the local area, dustbins were fabricated and placed at the places allocated in consultation with Nagar palika Rishikesh & New Tehri. As a result, now all the dump of local areas is being collected first in dustbin then in the allocated dumping sites.

- In the FY 2015-16 total 25 no. individual toilets were constructed in the remote location of block Pratapnagar district Tehri. Toilets were constructed for the SC families of the village panchayat at Deengaon after a open meeting was organized in the village. Beneficiary families found that the construction of toilets is right approach for betterment, healthy and safe life for their family members. Mainly women appreciated the efforts of THDCIL for maintaining their privacy and giving them safe and respectable facilities.

#### Rural Development (THDC Utthan)

- **Holistic Development Programme through HNB Garhwal University**

SEWA-THDC and HNBGU are committed and working in 30 villages of project affected area on sustainable livelihood, empowering of women and rural based holistic development of rim area villages. Continuous activities of the project are being looked after by staff deputed by HNB. Major activities initiated under the project are as under:

- Operation of project centre at site (Bhauniyara village of Jakhnidhar Block) for taking up CSR activities
- Establishment of Computer center (02 no) & tailoring cum stitching centres (02 no)
- Organised 02 health camps (597 beneficiary)
- Vocational training in Hotel management (10 students)
- Promotion of off seasonal vegetable by distribution of Hybrid seeds to approx. 1000 farmers
- Horticulture- Distribution of fruit plants in 10 villages
- Awareness programme- 02 no. Kissan Gosthies and 02 no Block level meetings for convergence with Govt. schemes (ie; RKVY, MNREGA etc.)
- Exposure visit to 30 farmers for promotion of latest Agriculture based techniques



Women Empowerment Centre at Tehri Garhwal

- **Programme on Ecological Restoration and Socio-economic Empowerment of Rural Communities for Sustainable Livelihood and Resource Management at DeenGaon through Kirori Mal College, Delhi**

The Company in association with Kirori Mal College, Delhi University, a programme on Ecological and Socio-economic Empowerment of Rural Communities for Sustainable Livelihood and Management at Upali Ramoli in Pratapnagar Block of Tehri Garhwal District in Uttarakhand is being undertaken since 2011. This is a long term programme for Rural Based Holistic Development of 10 remote villages of block Pratapnagar Distt. Tehri. Activities of 4th phase of the project have been completed in F.Y. 2015-16. Major activities initiated at Deen Gaon Centre include:

- Operation of centre at site (Deengoan village of Pratap Nagar Block) for taking up CSR activities
- Awareness Programme for Adolescent girls & distribution of Sanitary Napkins
- Cleanliness Programme in 04 villages
- 03 no. Yoga Camps
- Coaching programme for Competitive Exams

- Distribution of 5000 fruit plants in 08 villages
- Plantation of fodder - Napier Grass in 04 villages
- Poly Houses for increased productivity (02 no.)
- Distribution of hybrid seeds for promotion of off season vegetable
- Awareness programme through Kissan Gosthies
- Construction of Vermin Compost pits (05 no. for demonstration)
- Promotion and Strengthening of Farmer Self Help Groups (FSHGs) for Pickle & Juice making & Bee Keeping
- Drinking water management (Mgmt of springs & distribution of water filters)
- Promotion of clean energy through distribution of smokeless Chullahs
- **Livelihood development program through integrated farming systems approach in dam affected area of Tehri Distt.**

SEWA-THDC awarded a project of Livelihood development program through integrated farming systems approach in dam affected area of Tehri Distt to College of Forestry, Ranichuri, VCSG Uttarakhand University of Horticulture & Forestry, Bharsar, Ranichuri. This is a long term project of 03 years based on agriculture activities. The project activities shall be implemented in 20 villages of Tehri District in two clusters one is being established in Koteshwar project area and other is being



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established in Bhilangna block of Tehri District. Total budget of the project for 3 years is approx. ₹ 68.00 Lac. The major activities of the project are:

- Formation of 20 SHGs and helping them with seed money of ₹ 20000/- to each SHG
- Community Plantation
- Development of 03 Napier grass nursery
- Distribution of fruit plants
- Quality vegetable seed distribution to farmers
- Providing the organic manure in form of fortified compost & vermin compost
- Providing improved seed replacement in millet based farming to farmers
- Developing 4 sites for specific vegetable nurseries
- Protected farming aids (four poly houses for off season vegetable production) for demonstration purpose and Govt. scheme will be introduced
- Exposure visits for improving Agriculture & Horticulture activities and conducting Kissan Ghosties through experts
- Technical demonstration for improved Agriculture practices
- Facilitation for linkages with the Govt. schemes
- Providing bio pesticides for pest and disease management
- Interactive forums for crop insurance banking and line department services (Market linkage with Govt. schemes)

- **Agriculture Development & Livelihood Project under Rural Development at Tehri Baandh Visthapit Area, Pathri, Haridwar**

The Project Affected Families residing in Pathri Rehab Colony have got the small/marginal holdings, the potential for CHC which will cater to the farm machinery requirement of such a vast area is quite huge. Subsidy schemes are also being formulated by Govt of India to encourage entrepreneurs and agri graduates to set up Custom Hiring Centres(CHC). Therefore, keeping in view the emphasis of

agricultural farm machinery and the need for taking the farm machinery within the reach of small/marginal farmers a joint effort was made in association with the Krishi Vibhaag, GOUK, Haridwar, SEWA-THDC, Rishikesh and the farmers self help group Adarsh Kisan Club, Bhaag 3 & 4, Pathri (registered with NABARD) to share the amount in the ratio 40:40:20 respectively. Under CHC total beneficiaries are 20 farmers involved in 02 self-help groups and over 50 other project affected farmers of this area whereas; in dairy farm ten (10) female members of SHG are involved. All the beneficiaries are from displaced village Chham in Pathri Bhaag 3 & 4, Haridwar. The farmers benefited are having land within the range of 1 to 3 Km.

### Empowerment Initiatives (THDC Samarth)

- Six months training programmes on tailoring have been organized at Tehri & Rishikesh. Total 06 no. training centres opened for six months training program at various locations during the year. Through these programmes over 250 families of poor and weaker section of the society including minorities benefited.
- Six months beautician training programme has been organized at Rishikesh. Total 51 families of poor and weaker section have got benefited.
- Six months paper carry bag & makeram training program have been organized at Rishikesh.

### Livelihood Generation and Skill Development Initiatives (THDC Daksh)

- THDCIL & IL&FS Skills partnered together to deliver placement linked Skill Development programs for the youth of the Project Affected Areas and IL&IF submitted a proposal for demand-driven short terms skills training and placement programs, to alleviate poverty in rural areas of project affected area. Under this project, different industrial based training programs i.e. Hotel Management, BPO, Hospitality etc were provided to over 100 educated youth of project affected area. At present approx. 75% youth have been placed on

job in different hotels and companies.

#### Environment protection Initiatives (THDC Prakriti)

- Total 15,000 saplings of different varieties of fruits and herbs planted in the rim area of Tehri reservoir and other project affected area/ rehab colonies through SEWA-THDC.
- Herbal plant nursery has been developed at THDCIL Campus, Rishikesh containing

Aloevera, Tulsi, Aonla etc. The plants are provided to needy farmers free of cost.

- Environment day was celebrated in Rishikesh to create awareness among children through plantation.

#### DETAILS & EXPENDITURE ON CSR ACTIVITIES OF F.Y. 2015-16

1	2	3	4	5	6	7
Sl. No.	CSR Project or activity	Sectors	Local Area & District	Approved Budget (₹ in Lac)	Amount spent (₹ in Lac)	Amount spent: Direct or through implementing agency
1	Health & Sanitation etc.	Health	Uttarakhand & Uttar Pradesh	1334.00	556.94	SEWA-THDC
2	Education & Employment Enhancing Vocational Skill etc.	Education	Project Affected Area		564.34	SEWA-THDC
3	Women Empowerment	Women Empowerment			17.95	SEWA-THDC
4	Environment Sustainability etc.	Environment			3.68	SEWA-THDC
5	Promotion of National Heritage Art Culture	Welfare			3.50	SEWA-THDC
6	Prime Minister's National Relief Fund /Calamity/ Disaster	Disaster Management			-	SEWA-THDC
7	Rural Development program	Social			165.39	SEWA-THDC
8	Office Expenses of executing agency (SEWA-THDC)/ Base line survey/ Expert visits etc.				23.20	SEWA-THDC
	<b>Total</b>					<b>1334.00</b>



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## BRIEF PROFILES OF OUR PRESENT DIRECTORS



Shri R.S.T. Sai, takes over as the Chairman & Managing Director of THDC India Ltd. (THDCIL) on 08.03.2007. Prior to this, he was holding the charge of Director (Finance) in THDCIL since May, 2005. An Electrical Engineering Graduate, Shri Sai is a fellow of Institution of Engineers. He has done Management Diploma from IIM, Bangalore and also holds Degree in Law from Delhi University. He has 36 years varied experience in Banking, Finance, Commercial, EPC Contracting and Contract Management. He has developed transparent tender documentation for evaluation of Suppliers' Credit and also introduced innovation of Bonus for early completion of Project in Delhi Metro. Before joining THDCIL as Director(Finance), Shri Sai has worked in SBI, NTPC, POWERGRID and Delhi Metro respectively in various capacities. Presently he is also Part-time Director in UJVNL and member of Governing Body of IIT, Roorkee.



Shri Deepak Singhal was appointed as Nominee Director of Govt. of UP in THDC India Ltd. w.e.f. 26 August, 2014. He is an IAS officer of 1982 Batch. He held the several important administrative positions in Uttar Pradesh viz. Managing Director, Garhwal Mandal Vikas Nigam, Administrator and Vice Chairman in Meerut Development Authority, Collector & District Magistrate, Special Secretary under Govt. of UP, Member of Board of Revenue, Allahabad and Commissioner under Bareilly Division from July, 1997 to August, 2000.

He also held office of Chairman & Managing Director of Uttar Pradesh Power Corporation Ltd. and U.P. Jal Vidyut Nigam from February, 2005 to September, 2005. He was the Joint Secretary of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. Presently, he is Principal Secretary (Irrigation) in Govt. of U.P.



Shri Suresh Kumar Sharma was appointed as Nominee Director of Govt. of U.P. in the Board of THDC India Limited w.e.f. 01 June, 2016. He held the several administrative positions in Uttar Pradesh Government. Presently, he is Special Secretary (Energy) in Govt. of U.P.



Smt. Anju Bhalla, was appointed as Nominee Director, Govt. of India in THDC India Ltd. w.e.f. 01 July, 2015. She is a Post Graduate from Delhi University. She joined the Central Secretariat Service, Government of India in 1990 and has worked in the Ministries of Commerce, Industry, Culture and Women & Child Development. She joined the Ministry of Power in May, 2013. As Director (Hydel-I), she was in-charge of coordination of power sector issues for the North-Eastern region, and administrative issues relating to THDC India Ltd. and NEEPCO. She also held the charge of Director(Transmission) and Director (Policy & Planning) in the Ministry. On July 14, 2015, she assumed charge as Joint Secretary in the Ministry of Power, Government of India.



Shri D. V. Singh joined office on 12.05.2010 as Director (Technical) of THDC India Ltd. Prior to this, he was working in the capacity of Chief Project Officer (CPO) of Koteshwar Hydro-Electric Project (4x100 MW) in THDC India Ltd. since March'2007 to bring the ailing and derailed project on track. Enormous volume of Civil/Elect./Mech. works were got executed with record progress in three years time and two units of the project started generation from April 2011. Project won many awards at national level for its fastest implementations and project management. Shri Singh did B.Sc. Engg. (Civil) with honours from NIT Rourkela in 1983. He attended the seminar at California (USA) on "Hydro Vision-2008" to enhance the vision in Hydro Sector and imparted with an exhaustive training in design of Dam and Power House Civil works by Hydro Project Institute (HPI) Moscow through Moscow University, Moscow, Russia. Shri Singh has 33 years of varied experience in Under Ground works, Power House works, Spillways, Contracts, Material Management, Rehabilitation and Heavy Civil Construction. He has been working in THDC India Ltd. in various capacities since last 24 years. He was the Engineer-in-Charge of Tehri Power House also and during this period, units of 250 MW of Tehri HPP (4x250 MW) were commissioned. Before joining THDC India Ltd., Shri Singh worked with Larsen & Toubro in Coal Handling Project, Fertiliser Project and High Rise Building Project at Delhi. Recognizing his overall feat in Civil Engineering & project management and contribution in implementation of Koteshwar Hydro-Electric Project, he was conferred with the award of "Eminent Engineer" at national convention of "Institutions of Engineers (India)" in 2012. He has also been conferred with "Chartered Engineer" by Institution of Engineers (India).



Shri S. K. Biswas has taken over the charge of Director (Personnel) of THDC India Limited (THDCIL) on 01.11.2012. He has vast experience of about 32 years in the field of Human Resource Management. Sh. Biswas had joined THDCIL as General Manager (Personnel & Administration) on 01-11-2007. Over these years he has rendered his valuable services in various other reputed Public Sector Undertakings (PSUs), i.e. Cement Corporation of India (CCI), Satluj Jal Vidyut Nigam Ltd (SJVNL) in various capacities. Sh. Biswas is a Graduate in Science Stream, Post Graduate with specialization in Personnel Management & Industrial Relations from XISS, LL.B. from Himachal University and Diploma in Training & Development from Indian Society for Training & Development.



Shri Sridhar Patra has taken over the charge of Director (Finance) of THDC India Ltd on 02.08.2013. He had vast experience of about 29 years covering various Public Sector Undertaking like Odisha Mining Corporation Ltd., Indian Rare Earths Ltd. and Mangalore Refinery & Petrochemicals Ltd. (A subsidiary of ONGC Ltd.) Shri Patra is a graduate in Commerce from Utkal University and a Member of Institute of Chartered Accountants of India. He has done MBA(HRD) from Vidya Sagar University. He has contributed as an academican apart from his professional employment in PSUs.





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Shri Bachi Singh Rawat has been appointed as an Independent Director in THDC India Ltd. He is Law Graduate from Lucknow University and has Master's degree in Economics from Agra University. He has been a member of Parliament four times from Almora constituency of Uttarakhand.

He was Union Minister of State, Department of Science and Technology, Ministry of Science and Technology (1999–2004).

He also held the position of Union Minister of State, Defence (Oct – Nov 1999)

He also represented various committees of Govt. of India such as Committee on Defence and its Sub-Committee, Committee on Absence of Members from the Sittings of the House and Member, Consultative Committee, Ministry of Information and Broadcasting etc.



Shri Mohan Singh Rawat has been appointed as an Independent Director in THDC India Ltd. He is Science graduate from Meerut University. He started a campaign for 'Gaon Basao' - Total Development of Villages in 1978. In 1996 he was elected as Vice President of BJP & then Departmental Secretary & National Council Member. For his enormous Social and Environmental deeds in the region he was honoured by D. Lit. Degree by Gurukul Kangri University, Haridwar in 2001.

He was elected as MLA in 1996 from Pauri Assembly and nominated as a Minister of Gram Panchayati Raj, Rural Engineering Services & also elected as Cabinet Minister of Jalagam Management

He conducted several workshops and campaigning for the solution of Weather Change, Disaster Management, Environmental issues & worked as an expert member of National Ganga Basin Authority, Govt. of India, in 2014.



Shri Maharaj K. Pandit has been appointed as an Independent Director in THDC India Ltd. He is a professor at the Department of Environmental Studies and the Director of the Centre for Inter-Disciplinary Studies of Mountain & Hill Environment at the University of Delhi.

He earned his BSc and PhD from the University of Delhi, where he became a professor after a decade of research at University of Delhi South Campus. He has been a fellow at the National University of Singapore, where he has also served as a visiting senior fellow in the University Scholars Programme and held an adjunct appointment in the Department of Geography. He was also elected to the National Academy of Sciences of India in 2014.

He is undertaking research for his book Life in the Himalaya, to be published by Harvard University Press. He has been a part of Environment Impact Assessment studies and environment management plan for biodiversity studies for JAYPEE Associates, SJVNL, NHPC reliance power etc.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### BACKGROUND:

Electricity is the driver of economic growth and social development. To meet the needs of growing population of India and facilitate Industrial development there is need to develop Power Sector using all the available energy resources. GOI has accorded highest priority to provide "24X7 Power for All" to provide un-interrupted power to all consumers by 2018-19. The target for capacity addition during XIIth Plan is 88537MW (Hydro- 10897MW). While growth is still behind the schedule, there is very slow progress in Hydro Power Sector due to opposition of the projects and cumbersome processes for environmental and forest clearance.

As a Mini Ratna CPSE, the Company is committed to play a major role in development of Power Projects with intent to facilitate achievement of Govt. objectives and contribute for the National Growth. The focus of the company is on Sustainable Development as reflected from its vision statement "A world class energy entity with commitment to environment and social values".

THDCIL has installed Capacity of 1450 MW, including 50 MW Wind power. The Company has 17 Projects with installed capacity of 6311 MW under various stages of development.

Although a lot of thrust is being given to renewable power, fossil fuel based power will still remain the dominant source in near future. In this direction the Company has initiated action as a Strategic Business Diversification Plan to commission a Super Thermal Power Plant of 1320 MW at Khurja, in the State of Uttar Pradesh and various Conventional / Non Conventional and Renewable Power Projects. The Company has Authorized Capital of ₹ 4000 Cr. and Paid Up Capital of

₹ 3558.88 Cr. as on 31.03.2016 with equity participation of Govt. of India and Govt. of U.P in the ratio of 3:1.

### SWOT ANALYSIS:

Opportunities and Threats have to be analysed against strength and weaknesses. The SWOT analysis of THDCIL is given below:

#### Strengths

- **Strong technical skill base:**

THDCIL acquired strong technical base in the implementation of technically challenging Tehri Hydro Power Complex (2400 MW) involving the highest Earth & Rockfill Dam (260.5m height) in the Asian Region and the 5<sup>th</sup> highest in the World.

- **Engineering and constructional skills in underground works in complex Himalayan Geology:**

The Tehri Project involved 27 tunnels having maximum dia. of 11 m totaling to length of about 18 km and 18 shafts having maximum dia. of 12 m and maximum height on 220 m, with total length of about 2.27 km.

- **Capable of handling complex issues relating to Environmental and R&R involved in the implementation of Hydro electric generation plant:**

Tehri Project involved successful R&R of around 15,000 families, Catchment Area Treatment from Tehri Dam upto Gangotri, apart from other measures towards ecological improvement.

- **Competent and committed workforce:**

The Company has a strong and capable Management Team and Team of Support Staff



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consisting of 826 Executives, 104 Supervisors and 1057 Workmen.

- **Sound financial position:**

The Company is a consistently earning profit since FY 2006-07 making organization with sound financial base. The company's reserves and surplus have already surpassed its paid up capital placing the company in a robust platform to leverage it for future capacity expansion.

### A) Weaknesses

- Predominantly State Specific – Major Projects mainly concentrated in only one State i.e. Uttarakhand.
- Procedural constraints associated with Public Sector ownership.

### b) Opportunities:

- **Untapped Hydro Power potential in India:**

There is huge potential in Hydro Power Sector. The deteriorating Hydro-Thermal Mix, increase in peak power shortages have forced policymakers to turn their attention towards water resources and on developing Hydro Power.

- **Hydro Power Potential in Neighboring Countries:**

There is potential for growth of the business outside of India particularly in the region where Government of India provides bilateral support such as Nepal and Bhutan.

- **Other conventional / nonconventional energy resources provide potential for diversification such as :**

- **Solar Energy**

There is huge potential for growth of Solar Energy in the Country. GOI has set a target of 100 GW of solar capacity by 2022. Due to

intense competition capital cost of solar generating equipments have gone down tremendously in recent past throwing up big opportunity for operators. To take advantage of the opportunity, THDCIL has signed MoU with Solar Energy Corporation of India (SECI) in Feb., 2015 for setting up grid connected Solar Power Projects up to 250 MW capacity, of which it is proposed to initially take up 50 MW.

- **Wind Energy**

The Company has also diversified in the field of renewable energy by entering into Wind Energy sector to fulfill GOI target of 75 GW capacity by 2022.

With the commissioning of 50 MW Wind Power Project at Patan wind farm, Gujarat on 29<sup>th</sup> June, 2016, THDC has added 50 MW renewable energy to the grid.

- **Consultancy:**

- The Company could also use its expertise and experience to provide consultancy / project implementation services to other CPSUs / States / Private Sector in the implementation of their hydropower projects.

### Challenges:-

- **Time in Clearances**

Stringent norms and cumbersome procedures for getting environmental and forest clearances and clearances from the National Board for Wild Life (where ever applicable) leads to delays in obtaining clearances for projects, which may affect the capacity addition programmes.

Opposition of Hydro Power Projects on environmental and religious grounds by NGO's and other agencies delays the Project clearances and implementation.

- **Land Acquisition**

The process of land acquisition for infrastructure work as well as for a project's components including submergence is quite cumbersome and time consuming.

- **Geological uncertainties**

Geological surprises especially in the young Himalayan region result in time and cost over-runs.

- **Natural Calamities**

As most of the hydro projects are located in hilly terrains, natural calamities like landslides, hill slope collapses and road blocks, floods and cloud bursts cause severe setbacks in construction schedules leading to time & cost overruns.

- **Regulatory Risks**

Possibility that the Regulatory Authority may switch from cost based tariff to competitive tariff in future can not be ruled out not consider the total cost of the Project for tariff. Further, changes in tariff regulations may affect cash flows operational results. Tariff Policy with effect from 2015 permits the distribution entities to procure Power on a competitive basis. Thus, the Company will be deprived of the protection given under the present tariff regulation.

An important benefit of hydropower and pumped storage projects is their ability to provide peaking power and ancillary services to the system; these benefits are not well recognized in the current pricing regime particularly since distributors have little incentive to provide service quality.

## **FUTURE OUTLOOK:**

### **Capacity Addition**

The future of human prosperity depends on how successfully we tackle the energy challenges facing us today. The future outlook of the Company is on the Sustainable Development focused on :

- Generation of Green, Renewable Power to protect the environment and safeguard the future;
- Energy Efficiency to reduce demand; and
- Innovation to promote the emergence of efficient, environmentally friendly technologies.

Considering the various stages of development of Projects the likely contribution of the Company would be 24 MW (24 MW Dhukwan SHP) in XIIth Plan.

The Company would endeavour to leverage its core competencies in development of Hydro Resources in various States / Countries, on its own or through Joint Ventures with the State Govts. / other PSUs and Organizations in India and Abroad.

The Company further intends to harness other sources of energy like Thermal and Renewable viz. Solar and Wind power. The Company also intends to offer consultancy to other Govt. Departments / PSU's/Developers in various aspects of Hydropower development, viz., survey and investigation, planning and development, project management, and operation and maintenance.



## ANNEXURE-IV to the Directors' Report

### A. ENERGY CONSERVATION MEASURES

Your Company has taken measures for efficient use of electricity as a way to reduce demand. The Company has engaged the National Productivity Council, New Delhi for conducting energy conservation studies in the plant area. Energy Audit of Residential and office complex was got conducted through M/s Petroleum Conservation Research Association. Following measures have been taken to conserve energy :

- Solar Water Heaters have been installed in all Hostels and Guest Houses.
- Approximately 231 nos. old ACs have been changed with new Star Rated ACs to increase energy efficiency.
- Conventional Street Lights are being replaced with Energy Efficient Light Luminaries to save energy.
- Old Ceiling Fans are being replaced with Five Star Rated Ceiling Fans in the first stage.
- In new infrastructure, provisions of LED Luminaries have been made. Also, Florescent Tubes are being replaced with LED Tubes in phased manner.
- A 100 KW Solar Stand alone Power Plant is being installed to cater the street lighting requirement in the Rishikesh Complex.
- Organic waste are used to produce Gas to save LPG Gas.
- Sewage Treatment Plants of capacity 500KLD have been planned for Township, Rishikesh which is capable of treating the sewage water to be used for gardening purpose.

### B. ADVANCED TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- **Condition Monitoring of EM equipment of Tehri and Koteshwar HEP**

To improve availability, reliability and life of

machines, condition monitoring and Diagnosis of Electro-mechanical equipment of Tehri and Koteshwar HEP was carried out by M/s Central Power Research Institute, Bangalore in year 2015-16. Condition monitoring is the process to assess the condition of machinery while in operation with the objective to indicate the early signs of deterioration or malfunction, and wear & tear trend in the structure, plant and machinery through surveillance, testing and analysis. The findings of M/s CPRI have also been implemented.

- **Development of Web Based System software "Gunvatta" for the Quality assurance and inspection related activities**

"Gunvatta" software has been developed for the online management of QA&I related activities. It is a tool for executing the quality processes between vendor and customer through online interfacing. Following are the salient features:

- Register the contract and close the contract once the work is completed.
- Sub contractor approval process can be done online.
- Approved documents can be accessed online worldwide.
- Checks on inspected quantity, MDCC issued quantity.

All the modules are concatenated viz: Without approval of sub-vendor main contractor will not be able to submit quality plans, without approval of design/drawings/datasheet quality plan cannot be approved, without approval of design/drawing/datasheet and quality plan inspection call cannot be raised, Total inspected item and MDCC recommended item cannot be more than the LoA quantity as per contract.

- **Installation of Bus Reactor at Koteshwar**

Transmission system in Tehri area was frequently experiencing over voltages caused breakdown of units of Tehri and Koteshwar. In order to mitigate the overvoltage problem it was agreed to provide 125 MVAR Bus Reactor at Koteshwar switchyard due to space constraints at Koteshwar Pooling station (KPS-PGCIL).

Bus Reactor has been installed by the Power grid at the Koteshwar Switchyard. System will serve the purpose to overcome the over voltage problem and ensure the reliable operation of the units as well as grid stability.

- **Transmission of Generation data of Power Stations through OPGW (Optical Ground Wire) Network**

Data transmission from Koteshwar HEP to NRLDC through PLCC equipment installed by Powergrid at Koteshwar was quite intermittent. In compliance of the grid code and Hon'ble CERC orders, Power grid has laid the OPGW network at Tehri and Koteshwar Projects and interfaced our equipment. The broadband optic fibrenetwork has been developed based on electricity network topology. Telecom Network over Transmission system ensures very high availability for Telecom Network for reliable data transmission.

- **Installation of On-Line dry out units for the Generator Transformer at Tehri.**

During the service life of Generator Transformers, they are subjected to various atmospheric conditions like higher humidity, which allows the oil paper insulation to get moisture from external environment. In last few years, it was observed that BDV of GT No.01 had dropped to 45Kv when the machine was under shut down for 24 days during its annual maintenance, which was later improved through continuous oil filtration for 3 days before the transformer put into service. By using On-Line dry out unit the

moisture content of GT oil has reduced significantly and based on the need and performance of the equipment, similar system has been installed in all the units of Tehri HPP. It is also planned to install similar system at Koteshwar.

- **Flood Forecasting Network for Tehri HPP**

This system will enable advance decision making for the controlled release of water from the reservoir so that sufficient cushion could be created in the reservoir to absorb incoming flood and advance warning to the downstream population could be issued.

- **Advance early Warning System**

This system consists of no of sirens/speakers in the downstream of dam which can be activated from the control room so the information /warning about to release of water could be timely and effectively disseminated among the downstream population.

### **Tehri PSP: VSI Excitation System- A Technology Ahead**

The State of the art "Voltage Source Inverter Technology" (VSI) has been employed for the excitation system of Motor-Generator of Tehri Pump Storage Plant. The VSI design has proven to be more efficient, have higher reliability and faster dynamic response. The Voltage Source Inverter (VSI) in megawatt range has been developed with Insulated Gate Bipolar Transistor (IGBT) semiconductor switches. This inverter technology enables low-loss recovery of the slip power generated by asynchronous machine feeding the medium-voltage grid.

### **Rockfall Protection Barriers**

Rockfall protection barriers have been designed by THDC India Ltd. and thereafter successfully installed for Shri Mata Vaishno Devi Shrine Board along the track of Holy Shrine of Shri Mata Vaishno Devi, Katra. The system has been performing satisfactorily and is the first of its kind in the



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Himalayas. Flexible Rockfall protection barriers ideally absorb the impact energy from a freely falling rock by virtue of their energy absorption characteristics and thereby successfully preventing the rocks from further sliding.

The design, layout and anchoring of a Rockfall barrier ensure easy installation, taking into account that such installations mostly have to be realised in difficult, steep and remote terrain.

### C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Amount in lac ₹

Particulars	2015-16	2014-15
<b>A Expenditure in Foreign Currency (on cash basis)</b>		
Travelling	27	27
Consultancy & Professional Expenditures	249	253
Management/Commitment fee	308	257
Repayment of loan & Interest	0	0
Import of goods	8781	17319
Others (Advance)	0	4
Nomination for Conference		
Purchase of Software		
Others	3746	1271
<b>TOTAL</b>	<b>13111</b>	<b>19131</b>
<b>B Earnings in Foreign Currency (on cash Basis)</b>	<b>0</b>	<b>0</b>
<b>C Value of Imports calculated on CIF basis</b>		
i) Capital Goods	8809	17336
ii) Spare parts		
<b>Total</b>	<b>8809</b>	<b>17336</b>
<b>D Value of Components, Stores &amp; Spare parts Consumed</b>		
i) Imported (in lac Rupees)	50	60
(%)	6	11
ii) Indigenous (in lac Rupees)	749	568
(%)	94	89
<b>E Value of Export</b>	<b>0.00</b>	<b>0.00</b>

## BUSINESS RESPONSIBILITY REPORT- 2015-16

### Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company : U45203UR1988GOI009822
2. Name of the Company : THDC India Limited
3. Registered address : THDC India Limited,  
Bhagirathi Bhawan, Bhagirathipuram,  
Top Terrace, Tehri Garhwal
4. Website : www.thdc.co.in
5. E-mail id : cmd@thdc.co.in
6. Financial Year reported : 2015-16

#### 7. Sector(s) that the Company is engaged in (industrial activity code-wise): Power

*Group	Class	Sub-Class	Description
351	3510	35101	Electric power generation by Hydroelectric Power Plants.

\*As per classification under National Industrial Classification, Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India, New Delhi.

#### 8. List three key products/services that the Company manufactures/provides (as in Balance Sheet)

- i. Hydro Electricity
- ii. Wind Power
- iii. Engineering Consultancy

#### 9. Total number of locations where business activity is undertaken by the Company

i. Number of International Locations-1 (Bunakha HEP (180 MW), Bhutan).

ii. Number of National Locations – 19

S.N.	Name of Office/ Location	District	State	Projects undertaken / activity
1 .	Corporate Office, Rishikesh	Dehradun	Uttarakhand	All projects of THDC India Limited.
2 .	NCR Office, Kaushambi	Ghaziabad	Uttar Pradesh	Khurja STPP (1320 MW) and Liaison with Ministry of Power.





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S.N.	Name of Office/ Location	District	State	Projects undertaken / activity
3.	Registered Office, Bhagirathipuram	Tehri Garhwal	Uttarakhand	Tehri HPP (1000 MW), Tehri PSP (1000 MW) and Koteshwar HEP (400 MW)
4.	Project Office, Koteshwarpuram	Tehri Garhwal	Uttarakhand	Koteshwar HEP (400 MW)
5.	New Projects Office, New Tehri Town (NTT)	Tehri Garhwal	Uttarakhand	New Projects- Jhelam Tamak HEP (108 MW), Malari Jhelam HEP (65 MW), Karmoli HEP (140 MW), Jadganga HEP (50 MW), Bokang Bailing HEP (330 MW) and Gohana Tal HEP (50 MW)
6.	Project Office, Alaknanda Puram	Chamoli	Uttarakhand	Vishnugad Pipalkoti HEP (444 MW)
7.	Liaison Office, Dehradun	Dehradun	Uttarakhand	Liaison With State Government and R&R related work
8.	Project Office, Khurja	Bulandshah	Uttar Pradesh	Khurja STPP (1320 MW)
9.	Project Office, Joshimath	Chamoli	Uttarakhand	Malari Jhelam HEP (65 MW) and Jhelam Tamak HEP (108 MW)
10.	Project Office, Dharchula	Pithoragarh	Uttarakhand	Bokang Bailing HEP (330 MW)
11.	Liaison Office, Panchkula	Panchkula	Haryana	Liaison with Chandigarh, Punjab and Haryana
12.	Project Office, Pune	Pune	Maharashtra	Malshej Ghat PSS (700 MW) and Humbarli PSS (400 MW)

S.N.	Name of Office/ Location	District	State	Projects undertaken / activity
13.	Project Office, Navi Mumbai	Navi Mumbai	Maharashtra	Malshej Ghat PSS (700 MW) and Humbarli PSS (400 MW)
14.	Liaison Office, Nainital	Nainital	Uttarakhand	Judicial issues at Hon'ble High Court, Uttarakhand
15.	Liaison Office, Lucknow	Lucknow	Uttar Pradesh	Dhukwan SHP (24 MW) and Liaison with GoUP
16.	Project Office, Babina	Jhansi	Uttar Pradesh	Dhukwan SHP (24 MW)
17.	Project Office, Radhanpur	Patan	Gujarat	Wind Power Project (50 MW)
18.	Transit Camp, NBCC Tower	New Delhi	New Delhi	Liaison with Ministry and Patan Wind Power Project (50 MW)
19.	Consultancy Office, Katra	Reasi	J&K	Consultancy for Slope Stabilization between Katra and Vaishno Devi.

#### 10. Markets served by the Company:

THDCIL provides Electricity to following beneficiary States / UT:

- i) Uttarakhand
- ii) Uttar Pradesh
- iii) Haryana
- iv) Punjab
- v) Himachal Pradesh
- vi) Jammu and Kashmir
- vii) Rajasthan
- viii) Delhi
- ix) Chandigarh
- x) Gujarat



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### Section B: Financial Details of the Company

1. **Paid up Capital** : ₹ 3558.88 Cr.
2. **Total Turnover (Gross Income)** : ₹ 2479.65 Cr.
3. **Total Profit After Taxes (PAT)** : ₹ 809.02 Cr.
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit After Tax (%) :**

As per Companies Act, 2013, 2% of average net profit of immediately preceding three years is taken as CSR budget for implementation of various CSR activities of the company. Accordingly, the CSR budget for the year 2015-16 comes to ₹ 13.34 Cr. The actual expenditure incurred on CSR during 2015-16 is ₹ 13.35 Cr.

5. **List of activities in which expenditure in 4 above has been incurred:**

The company has broadly incurred CSR expenditure during the FY 2015-16 on the following major heads, which is in line with the schedule-VII of the companies Act, 2013.

- Health & Sanitation
- Education & Employment Enhancing Vocational Skills
- Women Empowerment
- Environment Sustainability
- Promotion of National Heritage Art Culture
- Rural Development program
- Office Expenses of executing agency (SEWA-THDC)/ Base line survey/ Expert visits etc.

### Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**  
No
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**  
NA
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**  
No

### Section D: BR Information

1. **Details of Director/Directors responsible for BR**

- a) **Details of the Director/Director responsible for implementation of the BR policy/policies:**

- **DIN Number** - 00171920
- **Name** - Shri R.S.T. Sai
- **Designation** - Chairman & Managing Director

### Details of BR head

#### 1. Individual Director(s) responsible for implementation of the BR policy/policies

Principle No.	Description	Policy / Policies	Director(s) Responsible
Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	<ul style="list-style-type: none"> <li>• Conduct Discipline and Appeal Rules</li> <li>• Standing orders for workmen</li> <li>• Corporate Ethics Policy</li> <li>• Code of Business Conduct and Ethics</li> <li>• Whistle Blower Policy</li> <li>• Integrity Pact</li> </ul>	Director (Technical) Director (Personnel) Director (Finance)
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Safety Policy CSR & Sustainability Policy OHSAS 18001:2007	Director (Technical)
Principle 3 (P3)	Businesses should promote the well being of all employees	HR Policies	Director (Personnel)
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	R & R Policy Vision & Mission	Director (Technical)
Principle 5 (P5)	Businesses should respect and promote human rights	Vision, Mission & Values	Director (Personnel)
Principle 6 (P6)	Business should respect, protect, and make efforts to restore the environment	Environment Policy ISO 14001:2004 (EMS)	Director (Technical)



Principle No.	Description	Policy / Policies	Director(s) Responsible
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Core Value	Director (Technical) Director (Personnel) Director (Finance)
Principle 8 (P8)	Businesses should support inclusive growth and equitable development	CSR & Sustainability Policy CSR Communication Strategy	Director (Technical)
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner	Customer Feedback Mechanism	Director (Technical) Director (Personnel) Director (Finance)

**Principle-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for.....	Y	Y	Y	Y	Y	Y	Y	Y	No
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	No
3.	Does the policy conform to any national /international standards? if yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	No
4.	i. Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	No
	ii. If yes, has it been signed by MD/Owner/CEO/ Appropriate Board Director?	No	No			No				No

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	No
6.	Indicate the link for the policy to be viewed online?*	*	*	Not on web	*	Not on web	*	Not on web	*	
7.	Has the policy been formally communicated to all relevant internal and external stakeholders	Y	Y	Y	Y	Y	Y	Y	Y	
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievance related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y		Y	Y	Y	

**\* Environment Policy is available on:**

[http://thdc.co.in/English/Scripts/Environment\\_Policy.aspx](http://thdc.co.in/English/Scripts/Environment_Policy.aspx)

**\*R&R Policy is available on:**

[http://thdc.co.in/writereaddata/English/PDF/NEW\\_R&R\\_%20POLICY\\_OF\\_%20THDC.pdf](http://thdc.co.in/writereaddata/English/PDF/NEW_R&R_%20POLICY_OF_%20THDC.pdf)

**\* CSR & Sustainability Policy is available on:**

<http://thdc.co.in/writereaddata/english/pdf/CSR-CD-policy28.05.13.pdf>

**\* CSR Communication strategy of THDCIL is available on:**

[http://thdc.co.in/writereaddata/english/pdf/CSR\\_CommStrategy.pdf](http://thdc.co.in/writereaddata/english/pdf/CSR_CommStrategy.pdf)



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**\* Corporate Ethics Policy is available on:**

<http://thdc.co.in/writereaddata/english/pdf/corporteETHICSPolicy.pdf>

**\* Whistle Blower Policy is available on:**

The Stakeholders of the Whistle Blower Policy are only Employees of the Company. Therefore, the Whistle Blower Policy is available on Intranet i.e. on Employees Login only.

**\* Code of Business Conduct and Ethics is available on:**

<http://thdc.co.in/writereaddata/english/pdf/BusinessConductandEthics.pdf>

**\* R&D Policy is available on:**

[http://thdc.co.in/writereaddata/english/pdf/R&D\\_Policy-Publish.pdf](http://thdc.co.in/writereaddata/english/pdf/R&D_Policy-Publish.pdf)

**\* Safety Policy is available on:**

<http://thdc.co.in/writereaddata/english/pdf/safetymanual.pdf>

**2. If answer to S. No. 1 against any principle, is 'No', please explain why (Tick up to 2 options)**

**Principle 9:** All the core elements identified under Principle-9 are duly followed by THDCIL through its commercial procedures. However, THDCIL feels that a separate policy on Principle 9 is not required because:

- THDCIL supplies electricity to the bulk customers, Majority of which are owned by respective State Government.
- Allocation of Power is made by Ministry of Power based on certain policies and guidelines.
- Power Tariff is determined by Central Electricity Regulatory Commission (CERC) engaging all stakeholders.
- Issues, if any, are discussed and resolved in common forums like Northern Regional Power Committee (NRPC), where customer organisations and generators are members.
- Separate feedback is obtained from Customers (beneficiaries) to understand their needs and expectations.

**3. Governance related to BR**

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company - Half Yearly
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

THDCIL is publishing Sustainability Reports annually since 2008-09. The Sustainability Reports of THDCIL are available at <http://thdc.co.in>.

**Section E: Principle-wise performance**

**Principle 1**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Corporate Governance involves a set of rules and practices by which the Corporation ensures accountability, fairness and transparency in the

relationship with its all stakeholders. THDCIL's philosophy on Corporate Governance is established upon a affluent legacy of fair, ethical and transparent governance practices.

THDCIL has endeavoured to adopt best practices of Corporate Governance required under Companies Act/DPE guidelines. Governance calls on the accountability of all the company's personnel and is based on the company policies approved by the Board of Directors. The principles stated in these policies are defined through guidelines and codes of conduct.

Ethics Policy, Whistle Blower Policy, Conduct, Discipline and Appeal rules for the executives and supervisors and Standing Orders for the workmen are already in vogue which are aimed at mitigating the risks associated with the corruption.

Construction of large power projects include contracts of substantial value considering the nature of the activities. Integrity Pact is mandatorily signed for all major work contracts (estimated value more than ₹ 1000.0 Million) and for supply and services contracts (estimated value more than ₹ 500.0 Million) awarded by THDCIL. MoU has been signed with Transparency International, India with a view to promote and strengthen transparency in procurement and contract management.

Thus the policy extends to the contractors also.

- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

There is no opening outstanding complaint from previous year. No complaint was received during the period 01.04.2015 to 31.03.2016 under Whistle Blower Policy.

### Principle 2

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

All electricity generation methods have environmental impacts. Being in Hydro Power Sector and Wind Power Sector the impact is least as it is an environment friendly energy source. The company practices careful environmental management to limit the impacts of its operations on the environment.

As a responsible corporate citizen, the company strives to control the environmental impact of its activities. Reduction of atmospheric emissions (especially greenhouse gases), measures for soil and water conservation, biodiversity protection, integration of facilities with their surroundings, reduction at source, reuse, recycling are the efforts extended to all aspects of mitigating adverse impact on environment.

Environment impact studies are conducted for construction projects that are likely to affect the biophysical and human environments. Mitigation, compensation and follow-up measures are also developed. To ensure that its actions are effective, THDCIL counts on sound environmental management systems. ISO 14001:2004 (EMS) has been acquired for four projects namely Tehri HPP, Koteshwar HEP, Tehri PSP and Vishnugad Pipalkoti HEP. Third party monitoring is also invoked for effective implementation of the Environment Management Plan.

- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**





- i. **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**
- ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

THDCIL is generating electricity through hydro and wind power. Hydro projects generate electricity by non-consumptive use of water and the said water is released for drinking and irrigation purpose. The Wind Power is generated only by using speed of wind and again no consumption / reduction of resource.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

- i. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

River water as used for generation of Hydro Electricity and Speed of Wind Power as used for generation of Wind Power, both come from natural sources and their quantity and quality are not affected in the process of generation of electricity.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

All Procurements of goods/works/services are being carried out through e-tendering process. For wide publicity NIT is also being published in News Papers. All tenders are open for all vendors including local vendors.

To encourage local & small vendors/ contractors participation, following steps have been taken:

- Local/small vendors are being sensitized to participate in e-tendering. Vendors are assisted through “SuvidhaKendras” opened by THDCIL for registration and uploading of tender through electronic mode.
  - Tenders valued upto ₹ 2.0 Crore are published only in local/regional news papers. The tenders valued more than ₹ 2.0 Crore in addition to leading national dailies are also published in local news papers so as to enable maximum participation from local and small producers.
  - Small works related to infrastructural / maintenance works in townships are awarded to local contractors.
  - Services like hiring of vehicle for the Projects / Business Installations, cleaning of office complex, horticulture works are also got done through local vendors/agencies.
  - The main works contractors engaged in specialised works are also encouraged to hire services of local contractors/vendors.
  - In order to encourage procurements from micro, small and medium enterprises concessions such as waving of tender cost and payment of EMD are also being given.
  - A separate MSME Corner has been provided in the THDCIL Website wherein details of the procurement to be made for any financial year are being uploaded. This has been done for effective implementation of Public Procurement Policy for MSME.
- 5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Our Product viz. Electricity gets completely consumed and hence there is no scope of its recycling. e-waste is disposed off through Government approved parties.

THDCIL has also established Bio-Gas Plant at Rishikesh Township for productive use of Solid Waste of Township, Canteens and Horticulture Waste. The plant capacity is 500 kg/day. The biogas generated from the plant is utilized for thermal application in the kitchen at canteens / guesthouses while the manure is used for in-house horticultural activities. For treatment of sewage from THDCIL's Rishikesh Township, Work of establishment of Sewage Treatment Plant is under progress.

### Principle 3

**1. Please indicate the Total number of employees:**

1990 (as on 31.03.2016)

**2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.**

The company does not hire employees on temporary/contractual/casual basis. Business Module of the company provides for outsourcing of various activities viz. Construction, Erection, Specialized Consultancy Services, which generates huge indirect employment opportunities. Only 02 Doctors have been engaged on contractual basis.

**3. Please indicate the Number of permanent women employees.**

121 (as on 31.03.2016)

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S.No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/ involuntary labour	Nil	NA
2.	Sexual harassment	Nil	NA
3.	Discriminatory employment	Nil	NA

**4. Please indicate the Number of permanent employees with disabilities**

32 (as on 31.03.2016)

**5. Do you have an employee association that is recognized by management.**

There are following Associations/ Unions in THDCIL:

- THDC Officers Association
- THDC Diploma Engineer Association
- THDC Supervisor Association
- THDC Chalak/ Helper Karmachari Union
- THDC Kamgar Union
- THDC Shramik Sangh
- THDC Workers Union
- THDC ITI Takniki Karmachari Sangh
- Tehri Jal Vikas Nigam Limited Karmachari Sangh
- THDC Employees Union

**6. What percentage of your permanent employees is members of this recognized employee association?**

At present, 1736 (87.23%) Permanent Employees are member of these Associations / Unions.



**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (2015-16).**

	No. of Employees trained		Percentage of Employees trained	
	Safety Training	Skill Upgradation	Safety Training	Skill Upgradation
Permanent Employees (Total No. 1990)	244	111	12.26%	5.58%
Permanent Women Employees (Total No. 121)	28	8	23.14%	6.61%
Casual/Temporary/Contractual Employees (Total No. 02 Doctors)	-	-	-	-
Employees with Disabilities (Total No. 32)	6	1	18.75%	3.13%

**Principle 4**

**1. Has the company mapped its internal and external stakeholders?**

Yes

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Yes

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The Company is concerned for upliftment of disadvantaged, vulnerable and marginalized stakeholders. Their lifestyle and livelihood has improved due to continuous support and assistance provided by way of education, vocational training, formation of self help groups and providing revolving funds. Health awareness and health checkup camps have been organised for them.

**Principle 5**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors / NGOs/Others?**

All Personnel Policies of THDCIL are applicable to all its employees posted in Units, Offices & Projects. Contracts awarded by the Company include provisions related to Human Rights and strict compliance of various labour laws and laws of the land.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No Complaint on human rights including sexual harassment has been received during the year.

**Principle 6**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/Suppliers/ Contractors/**

**NGOs/others.**

THDCIL has its Environment Policy that extends to all its employees. There are environment protection related clauses in the contract so that our contractors, sub-contractors, suppliers and consultants follow due diligence in mitigating the impacts of their activities on environment.

Periodic training programmes on sustainable development awareness are conducted for employees.

- 2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, The web link of THDCIL Environment Policy is [http://thdc.co.in/English/Scripts/Environment\\_Policy.aspx](http://thdc.co.in/English/Scripts/Environment_Policy.aspx)

- 3. Does the company identify and assess potential environmental risks? Y/N**

Yes. Detailed Environment Impact assessment is done at Project Preparation Stage. Environment Management Plan is prepared and implemented. For under construction Vishnugad Pipalkoti HE Project (444 MW) in Uttarakhand, International Panel of Expert has been constituted to review the efforts and apply best practices. Learnings are applied in other projects also.

- 4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Currently the company does not have any project registered with Clean Development Mechanism Executive Board.

- 5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The company is involved in Hydro Electric generation which itself is a clean and renewable energy. However, the company has taken initiatives to enter into other renewable sources of energy viz. Small Hydro Power, Wind Power and Solar Power. Small Hydro Project of 24 MW is scheduled to be commissioned in Feb'2018 in Dhukwan, UP. Wind Power project of 50 MW capacity has been commissioned at Patan in Gujarat in June-2016. The process for installation of 50 MW Solar Power project in Kerala in collaboration with SECI Ltd. has been started. The process for installation of 300 KW roof top Solar Power project in THDCIL premises has been started through Central Electronics Corporation, Faridabad, a nodal agency of MOP for such projects. THDC is also planning to establish a 6.5 MW Solar Power project over Head Race and Tail Race Channels of its Dhukwan Small Hydro Project in UP.

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

**Principle 7**

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

- a. All India Management Association (AIMA)
- b. Standing Conference of Public Enterprises (SCOPE)



**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

THDCIL, being a responsible CPSE is committed to comply the Law of the Land, Rules, Regulations and Public Policies. The company considers policies and guidelines, and statutory directions issued by the Government of India from time to time in formation of its own policies.

Whenever need for review of the existing Policies and guidelines are felt, views/ suggestions are submitted to the Administrative Ministry, i.e., Ministry of Power, Govt. of India for consideration. It is also ensured that the views/suggestions are not based on the consideration of gain to the Company or a particular section of society but for the overall benefit of the larger public and nation as a whole.

**Principle 8**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Since, beginning i.e. the year 2009, THDCIL focus of CSR program has been on holistic development of the targeted communities, which itself is a larger perspective of inclusive growth as well as equitable development. Accordingly, 03 major long term projects have been devised and being implemented in Tehri project affected areas. They are as under:

- a) Empowerment and Enhancement of Livelihood of 30 Rim Area Villages of Tehri Dam Reservoir in Pratapnagar Block by Integrated Development Approach through HNB Gharwal University, Srinagar.
- b) Ecological Restoration and Socio-economic

Empowerment of Rural Communities for Sustainable Livelihood and Resource Management in 10 villages of Upari Ramoli, Pratapnagar Block of Tehri Garhwal through Kirorimal College, Delhi University.

- c) Livelihood security programme in 20 villages through farming system approach by Project Directorate for Farming System Research (PDFSR), Modipuram, which is now being continued through College of Forestry, Ranichauri under Veer Chandra Singh Garhwali Horticulture & Forestry University in 20 different villages in Koteshwar area and Bhilangana Block of district Tehri Garhwal from 2015-16.

**2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?**

Almost all the CSR Programmes/ projects are being undertaken through the company sponsored NGOs, "SEWA-THDC" and "THDC Educational Society (TES)".

**3. Have you done any impact assessment of your initiative?**

The independent audits / impact assessment to measure CSR projects is done through reputed Organizations like Tata Institute of Social Sciences (TISS) Mumbai, Universities, Registered organizations with Indian Institute of Corporate Affairs (IICA) etc. The audit of the completed projects costing more than ₹ 5.00 lac upto FY 2014-15 is completed and audit of the completed projects during FY 2015-16 is in progress. The Audit reports are also uploaded on THDCIL website [www.thdc.co.in](http://www.thdc.co.in) under CSR link.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

THDCIL implements almost all of its CSR projects through its company sponsored

NGOs, SEWA-THDC and TES. THDCIL has effective participation in projects implementation & monitoring of CSR projects by appointing its officers as Nodal Officers for individual CSR projects. In addition to this, our authorities also visit community development project sites

from time to time and get direct feedback from the stakeholders, which help value addition in the project. Periodical monitoring of all CSR projects is done by Nodal Officer/GM (S&E, Below Board Level Committee and Board Level Committee.

**Head-wise details of CSR Works undertaken by THDCIL is as under:**

S. No.	CSR Project or Activity	Sector	Local Area & District	Approved Budget (₹ in Lac)	Amount Spent (₹ in Lac)	Amount Spent: Direct or through Implementing Agency.
1	Health & Sanitation etc.	Health	Uttarakhand & Uttar Pradesh	1334.00	556.94	SEWA-THDC
2	Education & Employment Enhancing Vocational Skill etc.	Education	Project Affected Area		564.34	SEWA-THDC and TES
3	Women Empowerment	Women Empowerment			17.95	SEWA-THDC
4	Environment Sustainability etc.	Environment			3.68	SEWA-THDC
5	Promotion of National Heritage Art Culture	Welfare			3.50	SEWA-THDC
6	Rural Development program	Rural Development			165.39	SEWA-THDC
7	Office Expenses of executing agency (SEWA-THDC)/ Base line survey/ Expert visits etc.	Admin Expenses			23.20	SEWA-THDC
	<b>Total</b>			<b>1334.00</b>	<b>1335.00</b>	



**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, THDCIL's focus remains on implementation of projects with effective participation of the targeted beneficiaries so that they should also have sense of ownership and they can also multiply the activity levels even after the project is over. This is also indicated in Evaluation/ Impact Assessment Reports of last years. Every year, the projects are framed as per the needs of the stakeholders following communication strategy. Some of the socio-economic activities are implemented through Farmer Self Help Groups (FSHGs) by helping them with initial seed money which is revolved on need basis to other FSHGs. It has been observed that some of the FSHGs have developed the habit of savings and doing well.

Another example of community participation is that small/marginal farmers of Pathri Rehab area in Haridwar district have been motivated to create a 'Adarsh Kissan Club' for pooling farm equipments amounting to ₹ 17.5 Lac. The club was supported for 40% cost by Uttarakhand State Agricultural Deptt., 40% by THDCIL and rest by farmers. Equipment pooling is running successfully and reasonable amount is charged for hiring the equipment for O&M purposes. The success of the project is inspiring other farmers to replicate the same.

**Principle 9**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

No customer complaint has been received.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

End product being electricity. product labelling is not applicable. Precautionary Measures being taken during plant operation of Tehri HPP and Koteshwar HEP are as below:

**Alarm System:** Alarms to warn downstream habitants have been installed at both Tehri and Koteshwar Projects which are blown before starting machines of power plant or operating the spillways for releasing water during floods.

**During Operation of machines at Tehri:** 15 minutes before starting any turbine, intimation is given to CISF control room established at Dam top as well as outlet of the main access tunnel of the Power plant for blowing sirens to warn people. When more than one turbine is to be started, each consecutive machine is started after a gap of 15 minutes.

**During Operation of machines at Koteshwar:** If the first unit, out of the four units, is started the siren is blown 15 minutes before starting the unit and thereafter, its operation is repeated twice in 5 minutes interval each.

If any unit is already in operation and next unit is started, then the siren is blown once, 5 minute before its start. When more than one machine is to be started, each consecutive machine is started after a gap of 15 minutes.

**During operation of Spillways at Tehri:** Before operating Spillways, siren is blown for giving warning to the people in the downstream of dam in the proximity of the river. For public awareness and warning in the downstream of Dam, announcement is also made whenever water is required to be released through Spillways.

**During operation of Spillways at Koteshwar HEP:** It is ensured before operation of Spillway Radial gates that the siren is blown continuously for one minute and repeated thrice at an interval of 5 minutes each. For public awareness and

warning in the downstream of Dam, announcement is also made whenever water is required to be released through Spillways. While opening of the spillways, every precaution is taken in releasing water. Spillway gates are opened gradually one after the other and at a time, only one gate is opened for about 100mm to avoid any untoward situation in the downstream

**Real Time Inflow Forecasting System for Tehri dam reservoir:** Real time inflow forecasting system comprises of eleven (11) numbers automatic weather stations, four number G&D stations installed in the catchment area of Tehri reservoir and one central earth station at Tehri Project. The system will be capable to observe real time meteorological and hydrological data and transmitting the same to earth station established at Tehri for further processing of data for forecasting the inflow for Tehri reservoir. The system has been established in June-2016 and it is expected that after validation of mathematical model it would enable THDC to forecast inflow with 15-16 hour lead time at about 90% accuracy.

**Advance Early Warning System in the downstream of Tehri / Koteshwar dam:** In order to disseminate information to the d/s population up to Rishikesh about water releases from Tehri and Koteshwar dams, an advance warning system is being established through

Disaster Mitigation and Management Centre (DMMC), GoUK, Dehradun. The system is comprises of installation of sirens and speakers at eight stations between Koteshwar dam and Triveni Ghat, Rishikesh and establishment of two control rooms, one at Koteshwar Project and another at DMMC, Dehradun. The work for establishment of the system has been awarded in June-2016.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No case filed.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

Since, Electricity is sold to be the Discoms they are the consumers as well as customers for THDCIL.

Customer Surveys are carried out and the feedback is received from the customers on a 5 point scale. Feedback, as received, are analysed to meet the expectations of the Customers. All the beneficiaries have given 'Excellent' rating in their feedback for the services rendered by THDC. India Ltd for the period 2015-16.





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THDC INDIA LIMITED

ANNEXURE - VI to the Directors' Report

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2016**

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

To,  
The Members,  
THDC India Limited  
Tehri Garwal,  
**Tehri - 249 001**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THDC India Limited (the "company")** CIN No. U45203UR1988GOI009822. THDC India Limited is an unlisted Government of India. Enterprise with equity participation from Government of India and Government of Uttar Pradesh. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/satutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by THDC India Limited for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ;
- (iii) Other applicable Laws, namely,
  - 1. Indian Electricity Act, 2003
  - 2. Environmental (Protection) Act, 1986
  - 3. Forest (Conservation) Act, 1981
  - 4. Income Tax Act, 1961
  - 5. Service Tax Act, 1994
  - 6. Right to Information Act, 2005
  - 7. The Industrial and Labour Laws consisting of
    - a) Contract Labour (Regulation and Abolition ) Act, 1970
    - b) The Minimum Wages Act, 1948
    - c) Payment of Wages Act, 1936
    - d) Maternity Benefit Act, 1961
    - e) Sexual Harassment of women at work places (prevention, Prohibition and Redressal) Act, 2013
    - f) Employees Provident Fund and Misc. Provo. Act, 1952
    - g) Payment of Gratuity Act, 1972

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review and based on the assurances, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. The composition of the Board till December 2015, was without the required number of Independent Directors, as per provisions of Companies Act 2013;**
- 2. As a result, there was only one Audit Committee Meeting during the year 2015-16;**



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THDC INDIA LIMITED

**I further report that**

The Board of Directors of the Company, at the end of the financial year, stands constituted with Executive Directors, Non-Executive Directors comprising independent directors and other directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company decided to borrow ₹ 2500 Cr. through issue of Secured Corporate Bonds on private placement basis. This Borrowing is within the limit of borrowing powers of the Board.

**(P.S.R. Murthy)**

**ACS-5880**

**C P No-13090**

**Place:** New Delhi

**Date:** 02<sup>nd</sup> Sept 2016

**This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.**

**P.S.R. MURTHY**  
**PRACTICING COMPANY SECRETARY**  
**C.P. 13090**

**Annexure - A**

The Members

THDC India Limited

**Tehri Garhwal- 249 001**

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion .
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**(P.S.R. Murthy)**

**ACS-5880**

**C P No-13090**

**Place:** New Delhi

**Date:** 02<sup>nd</sup> Sept 2016



## Form No. MGT - 9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2015

[Pursuant to section 92(3) of the Companies Act 2013, and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

- i. CIN : U45203UR1988GOI009822
- ii. Registration Date : 12<sup>th</sup> July, 1988
- iii. Name of the Company : THDC INDIA LIMITED
- iv. Category / Sub category of the Company : Government Company
- v. Address of the Registered office : Bhagirath Bhawan, Top Terrace,  
Bhagrathipuram, Tehri Garhwal,  
Uttarakhand (249001)
- vi. Contact Details : Company Secretary  
THDC INDIA LIMITED  
Bye Pass Road,  
Pragatipuram  
Ganga Bhawan  
Rishikesh- 249201  
Ph: - 0135-2439309
- vii. Whether listed company : No

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY ;

All the business contributing 10% or more of the total turnover of the company shall be stated :

S. No.	Name and Description of Main products/Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Generation of Electricity	4001	100%

III.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year		
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares
<b>A. PROMOTERS</b>						
<b>(1) Indian</b>						
a) Individual	10	10		10	10	
b) Central Govt.	25939417	25939417	73.5	26239417	26239417	73.73
c) State Govt(s)	9349400	9349400	26.49	9349400	9349400	26.27
<b>Sub-Total (A)(1) :-</b>	<b>35288817</b>	<b>35288817</b>	<b>100%</b>	<b>35588817</b>	<b>35588817</b>	<b>100%</b>
<b>(2) Foreign</b>	Nil	Nil	Nil	Nil	Nil	Nil
a) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks /FI						
e) Any other						
<b>Sub-Total (A)(2) :-</b>	<b>35288817</b>	<b>35288817</b>	<b>100%</b>	<b>35588817</b>	<b>35588817</b>	<b>100%</b>
<b>Total Shareholding of Promoter</b>						
<b>(A) = (A)(1) + (A)(2)</b>						



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THDC INDIA LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year		
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares
<b>B. PUBLIC SHAREHOLDING</b>						
<b>(1) Institutions</b>						
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil
a) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil
b) FII's	Nil	Nil	Nil	Nil	Nil	Nil
c) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil
d) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (B)(1) :-</b>	Nil	Nil	Nil	Nil	Nil	Nil
<b>(2) Non-Institutions</b>						
a) Bodies Corp.						
i) Indian	Nil	Nil	Nil	Nil	Nil	
ii) Overseas						
b) Individuals						

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year		
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares
i) Individual Shareholders holding Nominal share Capital upto ₹ 1lakh	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual Shareholders holding Nominal share Capital in excess of ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	
<b>Sub-total (B)(2) :- Total Public Shareholding</b>						
<b>(B) = (B)(1) + (B)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRs</b>	<b>Nil</b>			<b>Nil</b>		
<b>GRAND TOTAL (A+B+C)</b>	<b>35288817</b>			<b>35588817</b>		





**टीएचडीसी इंडिया लिमिटेड**  
**THDC INDIA LIMITED**

**(ii) Shareholding of Promoters**

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	% change in shareholding during the year
1	President of India	25939417	73.51	Nil	26239417	73.73	Nil	%
2	Governor of U.P	9349400	26.49	Nil	9349400	26.27	Nil	-
	Total	35288817	100	-	35588817	100	-	

**(iii) Change in Promoter's Shareholding**

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>President of India</b>				
A	At the beginning of the year	25939417	73.51%	25939417	
B	Allotment of Shares on 23 <sup>rd</sup> May 2015	50000		25989417	
	Allotment of Shares on 22 <sup>nd</sup> July 2015	168235		26157652	
	Allotment of Shares on 18 <sup>th</sup> September 2015	81765		26239417	
C	At the End of the year (A+B) = C	26239417	73.73%	26239417	
2)	<b>Governor of U.P.</b>				
A	At the beginning of the year	9349400	26.92%		
B	No allotment/ transfer	Nil			
C	At the End of the year (A+B) = C	9349400	26.27%		

**(iv) Shareholding Pattern of top ten Shareholders  
(other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No	Particulars of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>President of India</b>				
A	At the beginning of the year	25939417		25939417	
B	Allotment of Shares on 23 <sup>rd</sup> May 2015	50000		25989417	
	Allotment of Shares on 22 <sup>nd</sup> July 2015	168235		26157652	
	Allotment of Shares on 18 <sup>th</sup> September 2015	81765		26239417	

S. No	Particulars of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>President of India</b>				
C	At the End of the year (A+B) = C	26239417	73.73%	26239417	73.73%
2)	<b>Governor of U.P.</b>				
A	At the beginning of the year	9349400	26.92%	9349400	26.92%
B	No allotment/ transfer (No change)	Nil	00.00%	Nil	00.00%
C	At the End of the year (A+B) = C	9349400	26.27%	9349400	26.27%

**(v) Shareholding of Directors and Key Managerial Personnel**

S. No.	Particulars of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.					
1.	Shri R.S.T. Sai	1	Nil	1	Nil
2.	Shri Raj Pal	2	Nil	2	Nil
3.	Shri Deepak Singhal	2	Nil	2	Nil
4.	Shri D.V. Singh	1	Nil	1	Nil
5.	Shri Sanjay Agarwal	2	Nil	2	Nil
6.	Shri Sridhar Patra	1	Nil	1	Nil
7.	Shri Bachi Singh Rawat	0	Nil	0	Nil
8.	Shri Mohan Singh Rawat	0	Nil	0	Nil
9.	Prof. Maharaj K. Pandit	0	Nil	0	Nil
10.	Shri S.K.Biswas	1	Nil	1	Nil
11.	Smt. Anju Bhalla	0	Nil	0	Nil

**IV. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount*	39838414964	1625157568	0	41463572532
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	482824618	4182831	0	487007449
<b>Total ( i + ii + iii )</b>	<b>40321239582</b>	<b>1629340399</b>	<b>0</b>	<b>41950579981</b>



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**THDC INDIA LIMITED**

Particulars of the Top 10 Shareholders	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Change in Indebtedness during the Financial year				
• Addition	4263300000	1802383471	0	6065683471
• Reduction	8339194947	0	0	8339194947
<b>Net Change</b>	-4075894947	1802383471	0	-2273511476
Indebtedness at the end of the financial year				
i) Principal Amount*	35762520017	3427541039	0	39190061056
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	460712857	13709748		474422605
<b>Total (i+ii+iii)</b>	36223232874	3441250787	0	39664483661

**Note- Principal Amount under secured Loans excluding deposits includes Overdraft balance from PNB**

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (Amt in Lac [ ₹ ])
		Sh. R.S.T. Sai	Sh. D.V.Singh	Sh. S.K. Biswas	Sh. Sridhar Patra	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the income –tax Act, 1961	47.07	34.27	35.06	41.91	158.31
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0	0	0	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	33.19	18.66	17.69	9.00	78.54
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission					
	- As % of profit	Nil	Nil	Nil	Nil	Nil
	- Others, specify....	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (A)</b>					
	Ceiling as per the Act	NA	NA	NA	NA	NA

B. Remuneration to other Directors :

S. No.	Particulars of Remuneration	Name of the Directors				Total Amount (Amt in Lacs [ ` ])
		Shri Bachi Singh Rawat	Shri Mohan Singh Rawat	Prof. Maharaj K. Pandit		
1.	Independent Directors					
	• Fee for attending board committee meetings	100000	80000	Nil		180000
	• Commission	Nil	Nil	Nil		Nil
	• Others, please specify	Nil	Nil	Nil		Nil
	<b>Total(1)</b>	<b>100000</b>	<b>80000</b>	<b>Nil</b>		<b>180000</b>
		Shri. Raj Pal	Shri. Deepak Singhal	Shri. Sanjay Agarwal		
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	Nil	Nil	Nil		1
	• Commission	Nil	Nil	Nil		1
	• Others, please specify	Nil	Nil	Nil		1
	<b>Total(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>		<b>-</b>
	<b>Total (B)= (1+2)</b>	<b>100000</b>	<b>80000</b>			<b>180000</b>
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	100000	100000	100000	100000	100000

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the income –tax Act, 1961	47.07	26.89	41.91	
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0	0	0	
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act,1961	33.19	6.51	9.00	
2.	Stock Option	Nil	Nil	Nil	
3.	Sweat Equity	Nil	Nil	Nil	
4.	Commision - As % of profit - Others, specify....	Nil	Nil	Nil	
5.	Others, please specify	Nil	Nil	Nil	
	<b>Total</b>	<b>80.26</b>	<b>33.4</b>	<b>50.91</b>	<b>0</b>



## VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT	Appeal made, if any (Give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil



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**ANNUAL REPORT**  
2015-16

# **ANNUAL ACCOUNTS**

## **2015-16**





## Significant Accounting Policies 2015-16

### 1. General

The accompanying Financial Statements have been prepared on the historical cost basis in conformity with the statutory provisions of the Companies Act, 2013, provisions of Electricity Act 2003, applicable CERC Regulations and the Statements, Standards and Guidance Notes issued by the Institute of Chartered Accountants of India from time to time.

### 2. Use of Estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions. Such differences are recognized in the year in which the actual results are crystallized.

### 3. Grants-In-Aid

Grants-in-Aid received from the Central/State Government or other authorities towards capital expenditure as well as Contribution received from the Consumer i.e Government of Uttar Pradesh towards irrigation component of the project cost of Tehri H.E.P stage-I is treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of such contribution/grants-in-aid.

### 4. Fixed Assets.

- i. Fixed Assets including intangible assets are stated at their cost of acquisition/construction. Assets and systems common to more than one generating Unit are capitalized on the basis of engineering estimates/assessments. However, Fixed assets acquired/constructed especially

for construction purposes which would get merged with the main fixed assets or cease to be of use after construction period, are carried as part of Capital Work-in-Progress of the main item of Fixed Asset to be capitalized therewith.

- ii. Fixed assets created on land not belonging to the Company, but under the control and possession of the Company, are included in Fixed Assets.
- iii. In respect of land acquired through Special Land Acquisition Officer (SLAO)/ on lease, those portions of land are capitalized which are utilized / intended to be utilized for construction of buildings and infrastructural facilities of the Company. Cost of land acquired through SLAO is capitalized on the basis of compensation paid through SLAO or directly by the Company. Expenditure on rehabilitation of the oustees of such land is not considered in arriving at the cost. Leasehold land is capitalized on the basis of lease amount paid.
- iv. In case where the final settlement of bills with contractors is yet to be effected, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

### 5. Capital Work-in-Progress.

- i. Cost incurred towards lease amount and rent on lease hold land and compensation for land and properties etc. used for submergence and other purposes (such as re-settlement of oustees, construction of new Township, afforestation, expenses on maintenance and other facilities in the re-settlement colonies until takeover of the same by the local authorities etc) and where construction of such alternative facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, is carried forward in the Capital Work in Progress of Rehabilitation. On the commercial

operation of the project the same shall be capitalized as Land-unclassified.

- ii. Deposit works are accounted for on the basis of statements of account received from the Agencies concerned.
- iii. In respect of supply-cum-erection contracts, the value of supplies received at site is treated as Capital-Work-in-Progress.
- iv. Claims for price variation in case of contracts are accounted for on acceptance.
- v. Administration and General overhead expenses of Corporate office / Service centers attributable to Construction of Fixed assets are identified and allocated on a systematic basis to Construction projects.

Expenditure during Construction (EDC) (net) including attributable administration and General overhead expenses of Corporate Office / Service centers for the year, is apportioned to Capital Work-in-Progress on the basis of accretions thereto and included in the cost of related assets till they are ready for their intended use.

- vi. Expenditure during Construction (EDC), relating to rehabilitation Works of Projects is carried forward and is to be dealt in line with Policy No.5(i)

## 6. Borrowing Costs

- i. Borrowing costs directly relatable to acquisition and construction of specific qualifying assets are capitalized as a part of the cost of such asset upto the date when such asset is ready for its intended use.
- ii. Borrowing costs in respect of funds borrowed generally and used for the purpose of obtaining a qualifying asset but not directly relatable to specific Fixed Assets during their construction are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as expenses in the period

in which they are incurred.

## 7. Foreign Currency Transactions

- i. Transactions dealt with in foreign currency are recorded at the rates at which transacted.
- ii. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
- iii. Exchange differences in respect of loans / deposits / liabilities relating to fixed assets/ capital work-in-progress arising out of transaction entered into prior to 01/04/2004 is adjusted to the carrying cost of respective fixed asset/capital work-in-progress. However, Exchange differences arising out of transaction contracted on or after 01/04/2004 are accounted for in accordance with AS – 11 (Revised 2003) 'The Effects of Changes in Foreign Exchange Rates'.
- iv. Other exchange differences are recognized as income & expenses in the period in which they arise.

## 8. Depreciation

- i. Depreciation is charged on straight-line method following the rates notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff. In respect of assets, where rate has not been notified by CERC, depreciation is provided on straight line method as per rates prescribed under the Companies Act in force.

In case of change in cost of asset due to increase/ decrease in long-term liability on account of exchange fluctuations, award of Courts, etc, revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset.

- ii. Low value items costing up to Rs.1500/-, which are in the nature of assets are not capitalized and charged to revenue.





## टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

- iii. In respect of Assets costing up to Rs 5000/- but more than Rs.1500/-(excluding immovable assets) 100% depreciation is provided in the year of purchase.
- iv. Depreciation is charged from the date the asset becomes 'ready for use'.
- v. Cost of Leasehold Land is amortized over the lease period.
- vi. Cost of computer Software is recognized as intangible asset and amortised on straight line method over a period of legal right to use or 5 years, whichever is earlier.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the residual useful life of the related plant and machinery.

### 9. Stores & Spares.

- i. Stores and spares are valued at cost determined on weighted average basis or net realizable value whichever is lower.
- ii. Diminution in value of obsolete and unserviceable stores and spares is ascertained on review and provided for.

### 10. Income & Expenditure

#### Income Recognition

- i. Sale of energy is accounted for as per final tariff notified by Central Electricity Regulatory Commission (CERC). In case of Power Station where final tariff is not notified, recognition of revenue is based on the parameters and method provided in the applicable Regulations framed by the appropriate authority i.e CERC. The recognition of Revenue would be independent of the Provisional Rate adopted for the purpose of collection pending notification of 'Annual Fixed Charges' by CERC. Recovery / refund towards foreign currency variation in respect of foreign currency loans are accounted for on year to year basis.

- ii. Incentive / disincentives are accounted for based on the applicable norms notified / approved by the Central Electricity Regulatory Commission or agreements with the beneficiaries. In case of Power Stations where the same have not been notified/ approved/agreed with beneficiaries, incentives/ disincentives are accounted for on provisional basis.
- iii. Surcharge recoverable from sundry debtors for sale of energy and liquidated damages/ warranty claims are not treated as accrued due to uncertainty of its realization/acceptance, and are therefore, accounted for on the basis of receipt.
- iv. Income from consultancy work is accounted for on the basis of actual progress/ technical assessment of work executed or cost reimbursable in line with terms of respective consultancy contracts.
- v. Interest earned on advances to contractors as per the terms of contract, are reduced from the cost incurred on construction of the respective asset by credit to related Capital Work-in-Progress Account.
- vi. Value of scrap is accounted for at the time of sale.
- vii. Insurance claims are Accounted for in the year of receipt /acceptance by the insurer /certainty of realization.

#### Expenditure

- viii. Cost of stores and spares used on repairs and maintenance are charged to the Repairs and Maintenance Account.
- ix. Prepaid expenses and prior period expenses/ income of items of ₹ 10,000/- or below in each case, are charged off to the natural heads of accounts.
- x. Net income/expenditure prior to Commercial operation is adjusted directly in the cost of related assets and systems.

- xi. Preliminary expenses on account of new projects incurred prior to approval of feasibility report are charged to revenue.
- xii. Amount at appropriate % of Profit after Tax (PAT) of previous year as prescribed under DPE guideline is set aside as non lapsable fund for Research & Development.
- xiii. Expenditure on CSR activities shall be made as per the provisions of Section 135 of the Companies Act 2013. Any unspent amount shall be set aside as non-lapsable fund as per DPE guidelines.
- xiv. Provision for doubtful debts/ advances/ claims outstanding over three years (except Government dues) is made unless the amount is considered recoverable as per management estimate. However, Debts/ advances/ claims shall be written off on case to case basis when unrealisability is finally established.

#### **11. Employees' Benefits.**

- i. Liability for retirement benefits to employees in respect of gratuity, leave encashment and post retirement medical benefits, baggage allowance, memento to retiring employees, financial package for dependent of deceased employees and funeral expenses etc. as defined in AS-15 is accounted for on accrual basis based on actuarial valuation determined as at the year end.
- ii. The company has established a separate Trust for administration of Provident Fund and the

company's contribution to the Fund is charged to expenditure every year. The liability of the company in respect of shortfall (if any) in interest on investments is ascertained and provided annually on actuarial valuation at the year end.

#### **12. Miscellaneous Expenditure**

Deferred revenue expenditure is being fully charged in the year of expenditure.

#### **13. Taxes on income**

Taxes on income for the current period is determined on the basis of taxable income under the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Recovery Adjustment Account is credited/debited to the extent tax expense is chargeable from the Beneficiaries in future years on actual payment basis.

#### **14. Cash Flow Statement**

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statement'.



**BALANCE SHEET AS AT 31-March-2016**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	1	3,55,888		3,52,888	
(b) Reserves and Surplus	2	4,85,798	8,41,686	4,30,943	7,83,831
<b>Non-Current Liabilities</b>					
(a) Long Term Borrowings	3	3,49,792		3,27,566	
(b) Other Long Term Liabilities	4	22,384		23,094	
(c) Long Term Provisions	5	32,733	4,04,909	32,246	3,82,906
<b>Current Liabilities</b>					
(a) Short Term Borrowings	6	3,678		43,634	
(b) Trade Payables	7	49		72	
(c) Other Current Liabilities	8	64,511		60,187	
(d) Short Term Provisions	9	40,081	1,08,319	37,047	1,40,940
<b>TOTAL</b>			<b>13,54,914</b>		<b>13,07,677</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>(a) Fixed Assets</b>					
(i) Tangible Assets	10	7,50,858		7,95,592	
(ii) Intangible Assets	10	62		80	
(iii) Capital Work in Progress	11	2,39,066		1,67,420	
(iv) Intangible Assets Under Development	11	33	9,90,019	33	9,63,125
(b) Deferred Tax Assets (Net)	12		62,168		45,794
(c) Long Term Loans and Advances	13		69,401		41,181
(d) Other Non-Current Assets	14		142		143

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Current Assets</b>					
(a) Inventories	15	4,997		5,094	
(b) Trade Receivables	16	2,07,197		2,38,719	
(c) Cash and Cash Equivalents	17	7,595		4,135	
(d) Short Term Loans and Advances	18	11,261		7,711	
(e) Other Current Assets	19	2,134	2,33,184	1,775	2,57,434
<b>Total</b>			<b>13,54,914</b>		<b>13,07,677</b>

Significant Accounting Policies and the accompanying Notes form an integral part of these Financial Statements.

**For and on Behalf of Board of Directors**

**(S.Q. Ahmad)**

Company Secretary  
Membership No. F6445

**(Sridhar Patra)**

Director (Finance)  
DIN: 06500954

**(R.S.T. Sai)**

Chairman & Managing Director  
DIN: 00171920

As per our Report of Even Date Attached  
For **P.D. AGRAWAL & CO.**  
Chartered Accountants  
FRN 001049C of ICAI

**(Tarun Gupta)**

Partner  
Membership No. :- 077468

**Date** : 27.08.2016

**Place**: Rishikesh



**STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31-March-2016**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2016		For The Year Ended 31-Mar-2015	
<b>INCOME</b>					
Revenue from Operations	20		2,46,649		2,39,716
Other Income	21		1,316		1,077
<b>Total Revenue</b>			<b>2,47,965</b>		<b>2,40,793</b>
<b>EXPENSES</b>					
Employee Benefits Expense	22		23,020		22,438
Finance Costs	23		32,887		43,878
Depreciation & Amortisation	10		49,277		48,386
Generation Administration and Other Expenses	24		18,096		17,855
Provision for Bad & Doubtful Debts and Stores & Spares	25		9		12,638
Bad Debts Written Off			0		7,801
<b>Total Expenses</b>			<b>1,23,289</b>		<b>1,52,996</b>
<b>Profit Before Prior Period Items, Extraordinary items and Tax</b>			<b>1,24,676</b>		<b>87,797</b>
Prior Period Expenditure / (Income) -Net	26		1,066		13,992
Extraordinary Items- (Income)/ Expenses- Net			34,829		0
<b>Profit Before Tax</b>			<b>88,781</b>		<b>73,805</b>
<b>Tax Expenses</b>	27				
<b>Current Tax</b>					
Income Tax			24,253		18,323
Wealth Tax			0		53
Deferred Tax- Asset			(16,374)		(13,686)
<b>Profit For The Year</b>			<b>80,902</b>		<b>69,115</b>



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Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2016		For The Year Ended 31-Mar-2015	
<b>Earning per Equity Share</b>					
Basic (₹)			228.26		197.60
Diluted (₹)			228.26		197.60

Significant Accounting Policies and the accompanying Notes form an integral part of these Financial Statements.

### For and on Behalf of Board of Directors

**(S.Q. Ahmad)**  
Company Secretary  
Membership No. F6445

**(Sridhar Patra)**  
Director (Finance)  
DIN: 06500954

**(R.S.T. Sai)**  
Chairman & Managing Director  
DIN: 00171920

As per our Report of Even Date Attached  
For **P.D. AGRAWAL & CO.**  
Chartered Accountants  
FRN 001049C of ICAI

**(Tarun Gupta)**  
Partner  
Membership No. :- 077468

**Date** : 27.08.2016

**Place**: Rishikesh



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31-March-2016

Amount in lac ₹

(Figures In Parenthesis Represent Deduction)

Particulars	For the Period Ended 31-Mar-2016		For the Period Ended 31-Mar-2015	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before tax, Prior Period adjustments and Extraordinary items</b>		<b>1,24,676</b>		<b>87,797</b>
<b>Adjustments for:-</b>				
Depreciation (including Prior Period Depreciation)	50,335		48,037	
Provisions	9		12,638	
Bad Debts Written Off	-		7,801	
Interest on loans	32,887		43,878	
Prior Period Adjustments	(1,066)		(13,992)	
Extraordinary Items	(34,829)	47,336	-	98,362
<b>Operating profit Before Working Capital Changes</b>		<b>1,72,012</b>		<b>1,86,159</b>
<b>Adjustment For :-</b>				
Inventories	94		(1,775)	
Trade Receivables	31,522		(66,303)	
Other Assets	(358)		(604)	
Loans and Advances ( Current + Non Current)	(2,309)		(17,474)	
Trade Payable and Liabilities	8,596		(846)	
Provisions (Current + Non Current)	3,521	41,066	30,780	(56,222)
<b>Cash Generated From Operations</b>		<b>2,13,078</b>		<b>1,29,937</b>
Corporate Tax		(24,253)		(18,376)
<b>Net Cash From Operations (A)</b>		<b>1,88,825</b>		<b>1,11,561</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>Change in:-</b>				
Fixed Assets and CWIP	(83,778)		(62,625)	
Construction Stores	-		19	
Capital Advances	(29,467)		11,344	
<b>Net Cash Flow From Investing Activities (B)</b>		<b>(1,13,245)</b>		<b>(51,262)</b>

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	For the Period Ended 31-Mar-2016		For the Period Ended 31-Mar-2015	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Share Capital (Including Pending Allotment)	3,000		5,579	
Other Capital Reserve	0		(472)	
Borrowings	(22,735)		(8,285)	
Interest on loans	(32,887)		(43,878)	
Dividend & Tax on Dividend	(19,498)		(16,850)	
<b>Net Cash Flow From Financing Activities (C)</b>		<b>(72,120)</b>		<b>(63,906)</b>
<b>D. NET CASH FLOW DURING THE YEAR (A+B+C)</b>		<b>3,460</b>		<b>(3,607)</b>
<b>E. OPENING CASH &amp; CASH EQUIVALENTS</b>		<b>4,135</b>		<b>7,742</b>
<b>F. CLOSING CASH &amp; CASH EQUIVALENTS (D+E)</b>		<b>7,595</b>		<b>4,135</b>

**Note:**

1. Cash and Cash Equivalents includes Balance with Banks of ₹ 37Lac ( Previous year ₹ 37 Lac )which is not available for use by the Corporation.
2. Previous year's figures have been Regrouped / Rearranged / Recast wherever necessary.

**For and on Behalf of Board of Directors**

**(S.Q. Ahmad)**  
Company Secretary  
Membership No. F6445

**(Sridhar Patra)**  
Director (Finance)  
DIN: 06500954

**(R.S.T. Sai)**  
Chairman & Managing Director  
DIN: 00171920

As per our Report of Even Date Attached  
For **P.D. AGRAWAL & CO.**  
Chartered Accountants  
FRN 001049C of ICAI

**(Tarun Gupta)**  
Partner  
Membership No. :- 077468

**Date :** 27.08.2016

**Place:** Rishikesh





## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

**Note:-1**

**SHARE CAPITAL**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
		Number of Shares	Amount	Number of Shares	Amount
<b>Authorised</b>					
Equity Shares of ₹ 1,000 /= each		4,00,00,000	4,00,000.00	4,00,00,000	4,00,000.00
<b>Issued Subscribed &amp; Paid-up</b>		3,55,88,817	3,55,888	3,52,88,817	3,52,888
Equity Shares of ₹ 1,000 /= each Fully Paid up					
<b>TOTAL</b>		<b>3,55,88,817</b>	<b>3,55,888</b>	<b>3,52,88,817</b>	<b>3,52,888</b>

**Note:-1.1**

**RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING**

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
		Number of Shares	Amount	Number of Shares	Amount
Opening		3,52,88,817	3,52,888	3,47,30,917	3,47,309
Issued		3,00,000	3,000	5,57,900	5,579
Reduction		0	0	0	0
<b>Closing</b>		<b>3,55,88,817</b>	<b>3,55,888</b>	<b>3,52,88,817</b>	<b>3,52,888</b>

**Note:-1.2**

**DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY**

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
		Number of Shares	%	Number of Shares	%
<b>Share holding more than 5 %</b>					
I. GOI		2,62,39,417	73.73	2,59,39,417	73.51
II. GOUP		93,49,400	26.27	93,49,400	26.49
<b>TOTAL</b>		<b>3,55,88,817</b>	<b>100.00</b>	<b>3,52,88,817</b>	<b>100.00</b>

**Note:-2**  
**RESERVES & SURPLUS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Capital Reserve</b>					
Contribution Received From Government of Uttar Pradesh Towards Irrigation Sector		1,44,118		1,44,118	
<b>LESS:-</b>					
Adjustment Towards Depreciation		54,129	89,989	47,580	96,538
<b>Other Capital Reserve</b>					
<b>PHRD Grant from World Bank (For VPHEP Projects)</b>					
Opening Balance		0		472	
Received during the year		0		0	
Utilised/adjusted during the year		0	0	(472)	0
<b>Sub Total- "A"</b>			<b>89,989</b>		<b>96,538</b>
<b>Surplus In Profit &amp; Loss Account</b>					
Opening		3,34,405		2,82,140	
Add:- Profit for the year as per P&L Statement		80,902		69,115	
<b>TOTAL PROFIT FOR APPROPRIATION</b>			<b>4,15,307</b>		<b>3,51,255</b>
<b>DIVIDEND</b>					
Interim Dividend		0		0	
Proposed Dividend		16,200	16,200	14,000	14,000
<b>TAX ON DIVIDEND</b>					
Dividend Distribution Tax-Interim		0		0	
Dividend Distribution Tax-Proposed		3,298	3,298	2,850	2,850
<b>Sub Total- "B"</b>			<b>3,95,809</b>		<b>3,34,405</b>
<b>TOTAL (A+B)</b>			<b>4,85,798</b>		<b>4,30,943</b>

2.1 PHRD Grant has been adjusted during the previous year with CWIP relating to Survey & Investigation expenditure of VPHEP



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Note:-3

**LONG TERM BORROWINGS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>A.SECURED</b>					
<b>POWER FINANCE CORPORATION Ltd. (PFC)-78302003 For Tehri HPP) *</b> (Repayable within 15 years on Quarterly instalment from 15th October 2008 to 15th July 2023, presently carrying floating interest rate @12.50%)			58,681		67,708
<b>POWER FINANCE CORPORATION Ltd. (PFC) -78302002 (For KHEP) #</b> (Repayable within 10 years on Quarterly instalment from 15th January 2012 to 15th October 2021, presently carrying floating interest rate @12.50 % p.a.)			55,575		67,275
<b>Rural Electrification Corporation Ltd. (REC) (For KHEP) # (UA-GE-PSU-033-2010-3754)</b> (Repayable within 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate ranging from @10.75 to @ 12.5% p.a.)			36,789		43,796
<b>Rural Electrification Corporation Ltd. (REC)-330001-(For Tehri HPP)*</b> (Repayable within 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate ranging from @ 11.5% to @12.5% p.a.)			47,840		58,536
<b>State Bank of India (SBI)-32677052247 (For Tehri PSP) ##</b> State Bank of India (Repayable within 10 years on Quarterly Installments from August 2016 to May 2026 Prsently carrying Floating Interest rate @ Base rate +1.2% p.a. i.e. 10.5 % )			1,16,632		73,999
<b>TOTAL (A)</b>			<b>3,15,517</b>		<b>3,11,314</b>

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>B. UNSECURED</b>					
<b>Foreign currency Loans</b>					
<b>(Guaranteed by Govt. of India )</b>					
<b>World Bank Loan-8078-IN (For VPHEP)\$</b>					
(repayable within 23 years on half yearly instalment from 15th Nov. 2017 to 15th May 2040, carrying interest rate @LIBOR + variable spread.p.a. i.e. 1.15%)		34,275			16,252
<b>TOTAL (B)</b>		<b>34,275</b>			<b>16,252</b>
<b>TOTAL (A+B)</b>		<b>3,49,792</b>			<b>3,27,566</b>

- \* Long Term Loan Secured by first Charge on Pari Passu basis on Assets of Tehri Stage-I i.e. Dam, Power House Civil Construction, Power House Electrical & Mechanical equipments not covered under other borrowings and Project township of Tehri Dam and HPP together with all rights and interest appertaining there to.
- # Long Term Loan secured by first charge on Pari Passu basis on assets of Koteshwar HEP.
- ## Long Term Loan secured by first charge on Pari Passu basis on assets of Tehri PSP also refer Note No. 29.7.
- \$ With negative lien on the equipments financed under the respective loan ranking pari-passu. There has been no default in repayment of any of the Loans or interest thereon during the year.



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Note:- 4

OTHER LONG TERM LIABILITIES

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Deferred Revenue On Account of Advance Against Depreciation</b>					
As Per Last Balance Sheet		21,271		21,271	
Add:-Revenue Deferred During The year		0		0	
Less:- Adjusted During The Year		0	21,271	0	21,271
<b>Liabilities</b>					
For Expenditure		0		0	
For Micro And Small Enterprises.					
For Others		38	38	203	203
Deposits, Retention Money From Contractor etc.		1,075		1,620	
Other Liabilities		0	1,075	0	1,620
<b>TOTAL</b>			<b>22,384</b>		<b>23,094</b>

4.1 Amount shown under Advance Against Depreciation (AAD) has been collected during the tariff period 2004-09. The provision for AAD has been withdrawn in CERC Tariff Regulation 2009-14. Suitable adjustment for the amount of AAD shall be made in subsequent years accordingly.

**Note:-5  
LONG TERM PROVISIONS**

Amount in lac ₹  
(Figures in Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2015	For the Year Ended 31-Mar-2016		As at 31-Mar-2016	
			Addition	Adjustment		Utilisation
I. Employee Related		31,998	8,820	(5,712)	(2,861)	32,245
II. Others		248	240	0	0	488
<b>TOTAL</b>		<b>32,246</b>	<b>9,060</b>	<b>(5,712)</b>	<b>(2,861)</b>	<b>32,733</b>
<b>Figure for Previous Year</b>		<b>22,338</b>	<b>11,840</b>	<b>(347)</b>	<b>(1,585)</b>	<b>32,246</b>

Disclosure required by AS-15 on employee benefit has been made in Note No 29.14



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**Note:-6**

**SHORT TERM BORROWINGS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Short term Loan From Banks and Financial Institutions</b>					
<b>A. Secured loans:</b>					
<b>Over Draft (OD) From Banks</b>					
Punjab National Bank ( Carrying Floating Interest Rate @ base rate i.e.9.6%)			3,678		43,634
<b>TOTAL</b>			<b>3,678</b>		<b>43,634</b>

\* O.D. amounting to ₹ 3677 Lac is secured by way of 2nd Charge on Block of Assets of Tehri Stage-1 and Koteshwar HEP including machinery spares, tools & accessories, fuel stock, spares & material at project site.

**Note:-7**

**TRADE PAYABLE**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
Trade Payable -MSMED			0		0
Trade Payable -Other than MSMED			49		72
<b>TOTAL</b>			<b>49</b>		<b>72</b>

**Note:-8**

**OTHER CURRENT LIABILITIES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Current maturity of Long Term Debt</b>					
A.SECURED * (Indian Currency Loan)			38,431		43,436
<b>TOTAL</b>			<b>38,431</b>		<b>43,436</b>
<b>Liabilities</b>					
<b>For Expenditure</b>					
For Micro And Small Enterprises.		36		0	
For Others		14,195	14,231	5,970	5,970
Deposits, Retention Money From Contractors etc.		3,444		2,539	
Other Liabilities		3,661	7,105	3,372	5,911
<b>Interest Accrued But Not Due</b>					
Financial Institutions		4,744		4,870	
Other Liabilities		0	4,744	0	4,870
<b>TOTAL</b>			<b>26,080</b>		<b>16,751</b>
<b>TOTAL LIABILITIES</b>			<b>64,511</b>		<b>60,187</b>

\* Detail in respect of Rate of Interest and Terms of repayment of Current Maturity of Secured and unsecured Long Term Debt indicated above are disclosed in Note-3.





Amount in lac ₹

(Figures in Parenthesis Represent Deduction)

**Note:-9  
SHORT TERM PROVISIONS**

Particulars	Note No.	As at 01-Apr-2015	For the Year Ended 31-Mar-2016			As at 31-Mar-2016
			Addition	Adjustment	Utilisation	
I. Works		800	177	(450)	(38)	489
II. Employee Related		15,853	5,726	(3,075)	(10,162)	8,342
III. Dividend (Interim and Final)		14,000	16,200	0	(14,000)	16,200
IV. Dividend Distribution Tax (Interim and Final)		2,850	3,298	0	(2,850)	3,298
III. Others		3,544	35,032	(5,393)	(21,431)	11,752
<b>TOTAL</b>		<b>37,047</b>	<b>60,433</b>	<b>(8,918)</b>	<b>(48,481)</b>	<b>40,081</b>
<b>Figure for Previous Year</b>		<b>16,175</b>	<b>36,024</b>	<b>(1,139)</b>	<b>(14,013)</b>	<b>37,047</b>

Disclosure required by AS-15 on Employee Benefits has been made in Note No 29.14





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**Note:-11**

**CAPITAL WORK IN PROGRESS**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2016				As at 31-Mar-2016
		As at 01-Apr-2015	Addition During The Year 01-Apr-2015 To 31-Mar-2016	Adjustment During the Year 01-Apr-2015 To 31-Mar-2016	Capitalisation During the year 01-Apr-2015 To 31-Mar-2016	
<b>Construction Work In Progress</b>						
Building & Other Civil Works		4,316	2,704	-	(1,767)	5,253
Roads, Bridges & Culverts		1,014	194	(8)	(210)	990
Water Supply, Sewerage & Drainage		11	35	-	-	46
Generation Plant And Machinery		60,519	27,025	(10,432)	(608)	76,504
Hydraulic Works, Dam, Spillway, Water Channels, Weirs, Service Gate & Other Hydraulic Works		83,638	46,176	10,407	(5,371)	1,34,850
Afforestation Catchment Area		428	473	-	-	901
Electrical Installation & Sub-Station Equipments		2,606	114	-	(9)	2,711
Others		24	3,058	-	(24)	3,058
<b>Expenditure Pending Allocation</b>						
Survey & Development Expenses		9,764	30	-	-	9,794
Expenditure During Construction	11.1	2,105	855	(2,105)	-	855
<b>Rehabilitation</b>						
Rehabilitation Expenses (Net Of Recoveries Towards Token Cost And Rent)		2,995	1,210	(3)	(98)	4,104
<b>Total</b>		<b>1,67,420</b>	<b>81,874</b>	<b>(2,141)</b>	<b>(8,087)</b>	<b>2,39,066</b>
<b>Previous Year Figure</b>		<b>1,11,712</b>	<b>65,784</b>	<b>(3,327)</b>	<b>(6,749)</b>	<b>1,67,420</b>
InTangible-Capital work In Progress Intangible asset Under Development		33	0	0	0	33
<b>Sub Total</b>		<b>33</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33</b>
<b>Previous Year Figure</b>		<b>0</b>	<b>47</b>	<b>0</b>	<b>(14)</b>	<b>33</b>

Note:-11.1

EXPENDITURE DURING CONSTRUCTION

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2016		For The Year Ended 31-Mar-2015	
<b>EXPENDITURE</b>					
<b>EMPLOYEE BENEFITS EXPENSES</b>	22				
Salaries, Wages, Allowances & Benefits		8,827		13,954	
Contribution to Provident & Other Funds		557		878	
Pension Fund		435		645	
Gratuity		188		1,420	
Welfare		93	10,100	167	17,064
<b>OTHER EXPENSES</b>	24				
<b>Rent</b>					
Rent for office		78		107	
Rent for Employee Residence		236	314	383	490
Rate and taxes			2		27
Power & Fuel			601		540
Insurance			8		9
Communication			120		140
<b>Repair &amp; Maintenance</b>					
Plant & Machinery		2		2	
Consumption of Stores & Spare Parts		0		1	
Buildings		300		289	
Others		314	616	401	693
Travelling & Conveyance			297		425
Vehicle Hire & Running			364		267
Security			228		199
Publicity & Public relation			33		90
Other General Expenses			672		924
Loss on sale of assets			2		40
<b>DEPRECIATION</b>	10		712		772
<b>TOTAL EXPENDITURE (A)</b>			<b>14,069</b>		<b>21,680</b>
<b>RECEIPTS</b>					
<b>OTHER INCOME</b>					
<b>Interest</b>	21				
From Bank Deposit		1		10	
From Employees		102		145	
From Others		9	112	5	160



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Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2016		For The Year Ended 31-Mar-2015	
Machine Hire Charges			11		2
Rent Receipts			58		69
Sundry Receipts			291		88
Excess Provision Written Back			74		91
Profit on Sale of Assets			0		7
<b>TOTAL RECEIPTS (B)</b>			<b>546</b>		<b>417</b>
PRIOR PERIOD ADJUSTMENTS	26		1		38
<b>NET EXPENDITURE BEFORE TAXATION</b>			<b>13,524</b>		<b>21,301</b>
PROVISION FOR TAXATION	27				
Wealth Tax		0	0	27	27
<b>NET EXPENDITURE INCLUDING TAXATION</b>			<b>13,524</b>		<b>21,328</b>
Balance Brought Forward From Last Year			2,105		1,633
<b>TOTAL EDC</b>			<b>15,629</b>		<b>22,961</b>
<b>Less:-</b>					
EDC Allocated To CWIP / Asset		14,045		20,264	
EDC Of Projects Under Approval Charged To Profit & Loss Account		729	14,774	592	20,856
<b>Balance Carried Forward To CWIP</b>			<b>855</b>		<b>2,105</b>

**Note:-12**

**DEFERRED TAX ASSET**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
Deferred Tax Liability		(2,975)		(2,975)	
Deferred Tax Asset		71,456	68,481	55,082	52,107
Deferred Tax Adjustment			(6,313)		(6,313)
<b>Total</b>			<b>62,168</b>		<b>45,794</b>

**Note:-13**

**LONG TERM LOANS AND ADVANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Capital Advances</b>					
Unsecured					
i) Against Bank Guarantee		28,842		17,871	
ii) Rehabilitation & Resettlement (Govt. of Uttarakhand / SLAO)		18,947		6,626	
iii) Others		26,281		20,215	
iv) Accrued Interest On Advances		67	74,137	179	44,891
Less: Provision for Doubtful Advances			12,355		12,576
<b>SUB TOTAL - CAPITAL ADVANCES</b>			<b>61,782</b>		<b>32,315</b>
<b>Loans To Employees</b>					
Secured		2,754		2,803	
Unsecured		1,393	4,147	1,452	4,255
<b>Interest Accrued On Loans To Employees</b>					
Secured		2,354		2,238	
Un secured		248	2,602	183	2,421
<b>Loans To Directors</b>					
Secured		0		1	
Unsecured		0	0	0	1
<b>Interest Accrued On Loans To Directors</b>					
Secured		2		3	
Unsecured		0	2	0	3
<b>Other Advances ( Un Secured)</b> (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		132		184	
To Directors		0		0	
For Purchases		0		0	
To Others		25	157	1,423	1,607
<b>Deposits</b>					
Security Deposit		170		189	
Deposit with Govt/Court		540		389	
Other Deposit		1	711	1	579
<b>SUB-TOTAL</b>			<b>7,619</b>		<b>8,866</b>
LESS:- Provision For Bad & Doubtful Advances			0		0
<b>SUB TOTAL - ADVANCES</b>			<b>7,619</b>		<b>8,866</b>
<b>TOTAL LOANS AND ADVANCES</b>			<b>69,401</b>		<b>41,181</b>
<b>Note :- Due From Directors</b>					
Principal			0		1
Interest			2		3
<b>TOTAL</b>			<b>2</b>		<b>4</b>
<b>Note :- Due From Officers</b>					
Principal			3		4
Interest			5		5
<b>TOTAL</b>			<b>8</b>		<b>9</b>



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**Note:-14**

**OTHER NON CURRENT ASSETS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
Prepaid Expenses		142		143	
Interest Accrued but not due		0	142	0	143
<b>TOTAL</b>			<b>142</b>		<b>143</b>

**Note:-15**

**INVENTORIES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Inventories</b> (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Material		388		722	
Mechanical and Electrical Stores & Spares		4,386		4,384	
Others (including Stores & Spares)		229		299	
Material Under Inspection (Valued At Cost)		39	5,042	0	5,405
Less: Provision For other stores			45		311
<b>Total</b>			<b>4,997</b>		<b>5,094</b>

**Note:-16**

**TRADE RECEIVABLES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>(i) Debts Outstanding Over Six Months (Net)</b>					
Unsecured, Considered Good		1,25,192		26,493	
Considered Doubtful		20,774	1,45,966	0	26,493
Less:- Provision For Bad And Doubtful Debts			20,774		0
<b>(ii) Other Debts (Net)</b>					
Unsecured, Considered Good		70,335		2,09,082	
Considered Doubtful		1,882	72,217	0	2,09,082
Less:- Provision For Bad And Doubtful Debts			1,882		0
<b>(iii) Regulatory Asset Debtors (Net)</b>					
Unsecured, Considered Good		11,670		3,144	
Considered Doubtful		2,201	13,871	0	3,144
Less:- Provision For Bad And Doubtful Debts			2,201		0
<b>TOTAL</b>			<b>2,07,197</b>		<b>2,38,719</b>

16.1 Trade Receivable includes Net Regulatory Asset Debtors of ₹ 13871 Lacs (Regulatory Assets ₹ 46125 Lacs and Regulatory Liabilities ₹ 32254 Lacs) [P.Y. ₹ 3144 Lacs (Regulatory Assets ₹ 32666 Lacs and Regulatory Liabilities ₹ 29522 Lacs)].

**Note:-17**

**CASH AND BANK BALANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Cash &amp; Cash Equivalents</b>					
Balances With Banks (Including Auto sweep, Flexi Deposit with Banks)			7,553		4,095
Cheques, Drafts, Stamps on hand			1		0
Cash on Hand			4		3
<b>Other Bank Balances</b>					
Others ( Balance with Bank under Lien not available for use by the company)			37		37
<b>TOTAL</b>			<b>7,595</b>		<b>4,135</b>

**Note:-18**

**SHORT TERM LOANS AND ADVANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
<b>Loans To Employees</b>					
Secured		766		742	
Unsecured		182	948	145	887
<b>Interest Accrued On Loans To Employees</b>					
Secured		199		155	
Un secured		1	200	3	158
<b>Loans To Directors</b>					
Secured		1		3	
Unsecured		0	1	0	3
<b>Interest Accrued On Loans To Directors</b>					
Secured		1		1	
Unsecured		0	1	0	1
<b>Others</b>					
Unsecured, considered good		2	2	0	0
<b>Other Advances (Un Secured)</b> (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		403		419	
For Purchases		1,443		1,177	
To Others		1,890	3,736	357	1,953
<b>Deposits</b>					
Security Deposit		196		167	
Tax Deposit		4,039		2,446	
Deposit with Govt/Court		2,145		2,104	
Other Deposit		1	6,381	0	4,717
<b>SUB-TOTAL</b>			<b>11,269</b>		<b>7,719</b>
LESS:- Provision For Bad & Doubtful Advances			8		8
<b>TOTAL ADVANCES</b>			<b>11,261</b>		<b>7,711</b>
<b>TOTAL LOANS AND ADVANCES</b>			<b>11,261</b>		<b>7,711</b>
<b>Note :- Due From Directors</b>					
Principal			1		3
Interest			2		1
<b>TOTAL</b>			<b>3</b>		<b>4</b>
<b>Note :- Due From Officers</b>					
Principal			1		2
Interest			1		1
<b>TOTAL</b>			<b>2</b>		<b>3</b>





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**Note:-19**

**OTHER CURRENT ASSETS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2016		As at 31-Mar-2015	
Prepaid Expenses			2,107		1,760
Interest Accrued			27		15
<b>TOTAL</b>			<b>2,134</b>		<b>1,775</b>

**Note:-20**

**REVENUE FROM OPERATIONS**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
Income from Beneficiaries against Sale of Power		2,45,083		2,37,567	
Less : Advance Against Depreciation- Deferred		0	2,45,083	0	2,37,567
Deviation Settlement/ Congestion Charges			1,481		1,578
Consultancy Income			85		571
<b>TOTAL</b>			<b>2,46,649</b>		<b>2,39,716</b>

20.1 Hon'ble CERC has issued 2009-14 order for Tehri HEP vide order dated 27.01.2015 allowing interest within six month on arrear billing to be recovered in six monthly installment of `9011 lac, commencing from date of order. Regulatory Interest as recovered in the current period has been recongised as sales as it forms an integral part of the tariff.

Company has filed tariff petition before the Hon'ble CERC for the tariff period 2014 -19. Pending receipt of final order, sales has been recognized based on AFC claimed as per prevailing tariff regulation in accordance with Significant Accounting Policy No.10(i) .

**Note:-21  
OTHER INCOME**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
<b>Interest</b>					
On Bank Deposits (Includes TDS ₹ 2,57,327.00 Previous year ₹ 91934.00 )		55		43	
From Employees		412		397	
Others		32	499	20	460
Machine Hire Charges			13		15
Rent Receipts			141		129
Sundry Receipts			698		514
Excess Provision Written Back			469		319
Profit on Sale of Assets			42		57
<b>TOTAL</b>			<b>1,862</b>		<b>1,494</b>
Less :					
Transferred To EDC	11.1		546		417
<b>TOTAL</b>			<b>1,316</b>		<b>1,077</b>

**Note:-22  
EMPLOYEE BENEFITS EXPENSES**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
Salaries, Wages, Allowances & Benefits			27,866		32,083
Contribution to Provident & Other Funds			1,682		1,982
Pension Fund			1,460		1,486
Gratuity			1,572		3,388
Welfare Expense			540		563
<b>TOTAL</b>			<b>33,120</b>		<b>39,502</b>
Less :					
Transferred To EDC	11.1		10,100		17,064
<b>TOTAL</b>			<b>23,020</b>		<b>22,438</b>

**Note:-23  
FINANCE COSTS**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
<b>Finance Costs</b>					
Interest On Loans			45,003		49,325
<b>TOTAL</b>			<b>45,003</b>		<b>49,325</b>
LESS:-					
Transferred And Capitalised With CWIP Account			12,116		5,447
<b>TOTAL</b>			<b>32,887</b>		<b>43,878</b>



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**Note:-24**

**GENERATION ADMINISTRATION AND OTHER EXPENSES**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
<b>Rent</b>					
Rent for office		163		154	
Rent for Employees Residence		699	862	718	872
Rate and taxes			141		132
Power & Fuel			1,573		1,458
Insurance			2,240		1,833
Communication			369		342
<b>Repair &amp; Maintenance</b>					
Plant & Machinery		1,659		2,304	
Consumption of Stores & Spare Parts		800		628	
Buildings		1,096		1,112	
Others		2,422	5,977	2,290	6,334
Travelling & Conveyance			999		913
Vehicle Hire & Running			1,025		953
Security			2,824		2,227
Publicity & Public relation			298		322
Other General Expenses			2,240		2,376
Loss on sale of assets			25		68
Survey And Investigation Expenses			729		593
Research & Development			345		154
Expenses on Consultancy Project/ Contract			30		22
Expenditure On CSR & S.D. Activities			1,335		2,909
Rebate to Customers			341		191
<b>TOTAL</b>			<b>21,353</b>		<b>21,699</b>
LESS:-					
Transferred To EDC	11.1		3,257		3,844
<b>TOTAL</b>			<b>18,096</b>		<b>17,855</b>

**Note:-25**

**PROVISIONS**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
Provisions For Doubtful Debts, Loans & Advances			6		12,576
Provisions For Stores & Spares			3		62
<b>TOTAL</b>			<b>9</b>		<b>12,638</b>
LESS:-					
Transferred To EDC	11.1		0		0
<b>TOTAL</b>			<b>9</b>		<b>12,638</b>

**Note:-26**

**PRIOR PERIOD INCOME/EXPENDITURE (NET)**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
<b>INCOME</b>					
Misc Receipt		6	6	27	27
<b>EXPENDITURE</b>					
Employee Benefits Expenses		0		1	
Repair and Maintenance		13		18	
Other General Expenses		0		13	
Depreciation		1,058		(305)	
Rent Rate & Taxes		2		0	
Regulatory Adjustment		0		14,330	
Misc- Others		0	1,073	0	14,057
<b>Sub Total</b>			<b>1,067</b>		<b>14,030</b>
LESS:-					
Transferred To EDC	11.1		1		38
<b>TOTAL</b>			<b>1,066</b>		<b>13,992</b>

**Note:-27**

**PROVISION FOR TAXATION**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2016		For the Year Ended 31-Mar-2015	
<b>INCOME TAX</b>					
Current Year			24,253		18,323
<b>Sub Total</b>			<b>24,253</b>		<b>18,323</b>
<b>TOTAL</b>			<b>24,253</b>		<b>18,323</b>
<b>WEALTH TAX</b>					
Current Year			0		80
<b>Sub Total</b>			<b>0</b>		<b>80</b>
LESS:-					
Transferred To EDC	11.1		0		27
<b>TOTAL</b>			<b>0</b>		<b>53</b>



28. The Accounting Standards issued by ICAI have been complied with as under:

A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 1	DISCLOSURE OF ACCOUNTING POLICIES.	<ul style="list-style-type: none"><li>Significant Accounting Policies adopted in the preparation and presentation of financial statements has been disclosed in the Financial Statements.</li></ul>
AS 2	VALUATION OF INVENTORIES.	<ul style="list-style-type: none"><li>The company is engaged in generation of Hydro Electric Power, thus does not possess raw materials/WIP, construction stores, spare parts and consumables held for Construction activity / supply and consumption in course of generation process is valued at cost determined on weighted average basis or net realizable value whichever is lower.</li></ul>
AS 3	CASH FLOW STATEMENTS.	<ul style="list-style-type: none"><li>Cash Flow statement is being prepared as a part of Financial Statements using indirect method as per para 18 (b) of AS-3 as disclosed in Significant Accounting Policy No. 14.</li></ul>
AS 4	CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE	<ul style="list-style-type: none"><li>There is no such major reportable events occurring after balance sheet date.</li></ul>
AS 5	NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGE IN ACCOUNTING POLICIES.	<ul style="list-style-type: none"><li>Extra ordinary income / expenditure and Prior period items (income / expenditure) have been disclosed in related notes.</li></ul>
AS 6	DEPRECIATION ACCOUNTING.	<ul style="list-style-type: none"><li>Depreciation has been provided as per CERC Regulations as stated in accounting policy no. 8. Necessary disclosures such as Historical Cost, Depreciation for the year, accumulated depreciation etc. as required under AS 6 have been disclosed in Note No. 10 – Fixed Assets.</li></ul>
AS 7	ACCOUNTING FOR CONSTRUCTION CONTRACTS.	<ul style="list-style-type: none"><li>The company has not undertaken any construction contracts during the reporting period. Thus not applicable.</li></ul>
AS 8	ACCOUNTING FOR RESEARCH AND DEVELOPMENT.	This AS stands withdrawn.

A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 9	REVENUE RECOGNITION.	<ul style="list-style-type: none"> <li>The Company has been recognising sales revenue on the basis of final tariff allowed by CERC and AFC (Annual Fixed Cost) determined based on tariff regulation pending final tariff order to be issued by CERC. Significant Accounting Policy no. 10(i) to 10(iv) and Note No. 20.1 explains sales revenue mechanism followed by Company.</li> </ul>
AS 10	ACCOUNTING FOR FIXED ASSETS.	<ul style="list-style-type: none"> <li>Cost of Fixed Assets, purchased/ self constructed have been accounted for in accordance with AS-10.</li> <li>Necessary disclosure in respect of Gross/ Net Book Value of Assets at the beginning and at the end of accounting period showing details of additions made, assets discarded/ sold have been disclosed in Financial Statements.</li> </ul>
AS 11	ACCOUNTING FOR THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES.	<ul style="list-style-type: none"> <li>Accounting Policies relating to Foreign Transactions has been disclosed vide Significant Accounting Policies No. 7(i) to 7(iv).</li> </ul>
AS 12	ACCOUNTING FOR GOVERNMENT GRANTS.	<ul style="list-style-type: none"> <li>Amount as received from the GoUP towards Irrigation Component has been recognised in the books in accordance with AS 12. Details has been disclosed vide Significant Accounting Policy No. 3.</li> </ul>
AS 13	ACCOUNTING FOR INVESTMENTS.	<ul style="list-style-type: none"> <li>The Company has not made any investment hence this AS is not applicable .</li> </ul>
AS 14	ACCOUNTING FOR AMALGAMATIONS	<ul style="list-style-type: none"> <li>Not Applicable.</li> </ul>
AS 15	EMPLOYEE BENEFITS	<ul style="list-style-type: none"> <li>The company has various employees welfare schemes both under Defined Benefit Plan and Defined Contribution Schemes.</li> <li><u>Defined Contribution Plan</u> <ol style="list-style-type: none"> <li>CPF</li> <li>Superannuation Pension Fund</li> </ol> </li> <li><u>Defined Benefit Plans</u> <ol style="list-style-type: none"> <li>Gratuity</li> <li>Earned Leave, Half Pay Leave</li> <li>Post Retirement Medical Benefit</li> <li>Post Retirement Baggage Allowance.</li> </ol> </li> </ul>



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A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 16	<b>BORROWING COSTS.</b>	<ul style="list-style-type: none"><li>Company has recognised ₹ 12116 lac as borrowing cost for CWIP during the year. Recognition of borrowing cost has been explained in accounting policy no. 6 (i) &amp; 6(ii).</li></ul>
AS 17	<b>SEGMENT REPORTING.</b>	<ul style="list-style-type: none"><li>At present the Company is engaged in Generation of hydro power from Tehri &amp; Koteshwar HEP located in district Tehri Garhwal in the state of Uttarakhand. Hence, segment reporting is not applicable.</li></ul>
AS 18	<b>RELATED PARTY DISCLOSURES.</b>	<ul style="list-style-type: none"><li>Except CSR payment to SEWA-THDC, no related party transaction has been carried out during the year. However details of Remuneration of Key Managerial Personnel has been disclosed vide note no. 29.9.</li></ul>
AS 19	<b>LEASES.</b>	<ul style="list-style-type: none"><li>Company has not entered into any financial lease during the year. Operating lease transactions have been disclosed vide Note No. 29.13.</li></ul>
AS 20	<b>EARNINGS PER SHARE.</b>	<ul style="list-style-type: none"><li>Company has not issued any potential Equity Share, hence both Basic and Diluted EPS remains same and has been disclosed in Statement of Profit &amp; Loss.</li></ul>
AS 21	<b>CONSOLIDATED FINANCIAL STATEMENTS.</b>	<ul style="list-style-type: none"><li>There is no subsidiary / holding company of THDCIL, therefore AS21 is not applicable.</li></ul>
AS 22	<b>ACCOUNTING FOR TAXES ON INCOME.</b>	<ul style="list-style-type: none"><li>During the year 2015-16 Deferred Tax Asset amounting to ₹ 16374 lacs has been accounted for.</li></ul>
AS 23	<b>ACCOUNTING FOR INVESTMENTS IN ASSOCIATES IN CONSOLIDATED FINANCIAL STATEMENTS.</b>	<ul style="list-style-type: none"><li>Company does not have any associates; therefore, this AS is not applicable.</li></ul>
AS 24	<b>DISCONTINUING OPERATIONS .</b>	<ul style="list-style-type: none"><li>No operation/activities have been discontinued during the year, thus no disclosure is required.</li></ul>
AS 25	<b>INTERIM FINANCIAL REPORTING.</b>	<ul style="list-style-type: none"><li>Although AS-25 is not applicable to the company, the company has been preparing interim Financial Statements as a good governance practice.</li></ul>
AS 26	<b>INTANGIBLE ASSETS.</b>	<ul style="list-style-type: none"><li>Company has been recognising the cost of computer application software as intangible asset and cost is being amortised over a period as explained in Significant Accounting Policy no. 8(vi).</li></ul>

A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 27	FINANCIAL REPORTING OF INTERESTS IN JOINT VENTURES	<ul style="list-style-type: none"> <li>Company has no joint venture project. Hence this AS is not applicable.</li> </ul>
AS 28	IMPAIRMENT OF ASSETS .	<ul style="list-style-type: none"> <li>No impairment of assets has been carried out during the year.</li> </ul>
AS 29	PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.	<ul style="list-style-type: none"> <li>The Company makes best assesment taking into different factors such as possibility / certainty of financial obligation on Company and probability of cash outflow and provides liability accordingly. Other cases are considered as Contingent Liability.</li> </ul>
AS 30	FINANCIAL INSTRUMENTS: RECOGNITION & MEASUREMENT	<ul style="list-style-type: none"> <li>Concerned Standards are in relation to Measurement, Presentation and disclosure of Financial Instruments. Hence these AS are not applicable to the company.</li> </ul>
AS 31	FINANCIAL INSTRUMENTS : PRESENTATION	
AS 32	FINANCIAL INSTRUMENTS: DISCLOSURES	

**NOTE NO. 29 OTHER EXPLANATORY NOTES ON ACCOUNTS:**

1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 289750 lac [Previous year (P.Y. ₹ 336836 lac).-

**2. CONTINGENT LIABILITIES-**

(₹ Lac)

2015-16    2014-15

(i) Claims against the Company, not

Acknowledged as debts:

Arbitration /Court cases

**Principal**

Govt./CPSE

28701            2421

Others

103551        104423

(A)            132252        106844

**Interest**

Govt./CPSE

11990            218.

Others

147716        96070

(B)            159706        96288

Grand Total:

(A+B)        291958        203132

Above Arbitration/Court case includes:-

(a) Bank Guarantee ₹ 371 Lac (P.Y. ₹ 371 lac)

Given by company





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- (b) Decreed against the Company in different Arbitration/ Labour court /District Court Cases and deposited by The Company but Disputed in appeals. ₹ 351 Lac (P.Y. ₹ 351 lac)
- |  |     |     |
|--|-----|-----|
| (ii) Disputed Income Tax, Trade Tax, Commercial Tax, Entry tax etc. includes ₹ 323 lac (P.Y. ₹ 173 lac) Deposited by Company but disputed in appeal- | 571 | 186 |
| (iii) Others -<br>(Contractors claims etc.)  | 411 | 232 |
3. Company has been receiving FDRs/ CDRs with right to present before bank / financial institutions for claiming face value only against EMD/ SD. The company has FDRs/ CDRs amounting to ₹ 69 lac and ₹ 1184. (P.Y. ₹ 36 lac and ₹ 1203 ) towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 4519 lac (P.Y. ₹ 4159 lac) as disclosed in Note 4 & Note 8.
4. The amount of borrowing cost capitalized during the year is ₹ 12116 lac (P.Y. ₹ 5447 lac) after adjustment of an amount of ₹ 4 Lac (P.Y. ₹ Nil) towards interest earned on short term deposit of surplus borrowed funds during the year.
5. (i) Pursuant to the Government of India, MOE&F, New Delhi's order no.F.No.8-3/89-FC dated 17/23<sup>rd</sup> Oct., 2002- the Government of Uttarakhand vide its office order no. GI-186/7-1-2002-300(459)/88 dated 30 Oct., 2002 has issued order for diversion of 338.932 hectare Civil Soyam and Forest land at Koteshwar. Out of 338.932 hectare, lease deed for 337.057 hectare land has been executed and for balance 1.875 hectare forest land is pending for completion of legal formalities.
- (ii) Initially land was acquired by the then UP Irrigation Dept. and land records were in the name of Tehri Dam. Subsequent to formation of the Tehri Hydro Development Corporation of India Ltd., land was acquired in the name of the company. Consequent upon change in the name of the company as THDC India Ltd, process of converting all the land records in the present name of the company is under process. Out of total land of 2497.54 Hac. (P.Y. 2497.53 Hac.) acquired by the company, title has been changed in the present name of the company for 1882.30 Hac. Change of title for the balance land of 615.24 Hac is under process.
- (iii) Construction of Tehri Hydro Complex was commenced by the Irrigation Dept. of the then Uttarpradesh State Govt in mid seventies. As the project area is inclusive of forest area, clearance for diversion of forest land for non forest use was sought from the MoEF, Govt. of India. The MoEF, Gol has conveyed clearance for diversion of 2582.9 ha of forest land (2311.4 ha Civil Soyam Land and 271.50 ha reserve forest land) vide their letter No. 8-32/06-FC dated 09<sup>th</sup> June 1987 addressed to Secretary Forest, Govt of Uttarpradesh for construction of Tehri Dam. The said order was partially modified vide letter No. 8-32/86-FC, dated 24/25<sup>th</sup> June 2004 of MoEF, Govt of India with directives to the Principal Secretary of Forest, Govt. of Uttaranchal for declaring the non forest land cleared for submergence as Reserve Forest / Protected Forest U/s.4 or Sec 29 of the Indian Forest Act, 1927 or the State Forest Act. In view of the above facts the aforesaid land cannot be mutated in the name of the company. The said land remains the property of the State Govt. as Reserved Forest / Protected Forest. Relying upon

clearance of the MoEF, dam reservoir water has been allowed to submerge the said area which has been declared as Reserved Forest.

44.429 ha of Civil Soyam land subject to Forest Conservation Act on which stores, workshop, staff quarters and other utilities etc. were constructed by the Irrigation Dept. of the then UP Govt as basic requirement forming integral part of the Tehri Hydro Project. Relying upon office order vide No. 585/Tehri Dam Project/23-C -4/T-18 dated 29.05.1989 issued by the Irrigation Dept of the then UP Govt. (issued for transferring assets of Irrigation Dept in favour of THDC India Ltd) the company has taken possession of the said assets.

6. 28 Flats (P.Y. 30 Flats) on the land acquired by the company are in unauthorized occupation of various persons. Freehold land includes 0.458 Hectares located at Sautiyal village encroached by unauthorized occupants.
7. THDCIL has executed loan agreement with SBI led consortium to avail long term loan of ₹ 1,50,000 lacs for funding its ongoing Tehri PSP. The project was scheduled for commissioning by February 2016. Completion of the project has been rescheduled and efforts made to expedite completion at the earliest possible time. As per terms of the original loan agreement entire loan amount was scheduled to be drawn by February 2016 and repayment was scheduled to commence from August 2016. As the entire sanctioned amount has not been drawn and commissioning period has also been rescheduled, THDCIL has requested to the lending institutions seeking formal confirmation for extending the disbursement period upto February 2018 and accordingly repayment schedule. Considering request of THDCIL funds have also been released by the lender. Pending receipt of formal communication entire loan drawl amount has been recognized as long term borrowings as no repayment has become due.

#### 8. Related Parties Disclosures :

'Related Party Disclosures' as required by AS-18 is given as under:

##### a) List of Related Parties:

##### i) Key Managerial Personnel:

1. Shri R. S. T. Sai	Chairman & Managing Director
2. Shri D.V. Singh	Director (Technical)
3. Shri S.K. Biswas	Director (Personnel)
4. Shri. Sridhar Patra	Director (Finance)
5. Shri S.Q. Ahmed	Company Secretary

##### ii) Others

SEWA-THDC, a Company Sponsored Not for Profit Society, registered under Societies Act, to undertake THDCIL's CSR obligation U/s 135 of Companies Act 2013.

- b) Summary of transactions with related parties (other than for contractual obligations) – ₹ 1335 Lac disbursed to SEWA-THDC for CSR activities
- c) Remuneration and allowances, other benefits and expenses to Key Managerial Personnel including Independent director's fees & expenses are ₹ 273 Lac (PY ₹ 152 Lac).
- d) Joint Venture companies - Nil.



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9. Earnings per share (EPS) – Basic & Diluted

The elements considered for calculation of earnings per share (Basic & Diluted) are as under:

	2015-16	2014-15
Net profit after tax used as numerator (₹ In lac)	₹ 80901.00	₹ 69115.00
Weighted average no. of equity shares used as denominator	Basic : 35442531.17 Diluted : 35442531.17	Basic : 34978077 Diluted : 34978077
Earning per share ₹		
Basic	₹ 228.26	₹ 197.60
Diluted	₹ 228.26	₹ 197.60
Face Value per share ₹	₹ 1000	₹ 1000

10. In compliance to the Accounting Standard 22 on “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, The net increase in the deferred tax assets of ₹ 16374 lac (P.Y. ₹ 13686 Lac) has been booked to Statement of Profit & Loss. The deferred tax assets pertaining to the period up to 31st March 2009 is refundable to the beneficiaries, thereafter, it is a part of the current tax as per CERC Regulations 2009-2014 and not refundable. The item-wise detail of cumulative Deferred Tax Liability/Assets is as under:

₹ in Lac

Sl.No		31.03.2016	31.03.2015
	<b>Deferred Tax Assets (A)</b>		
i)	Difference of Book Depreciation and Tax Depreciation	44693	37216
ii)	"Advance against Depreciation to be considered as income in tax computation"	6837	6837
iii)	Provision for Doubtful Debts & Stores	13064	4460
iv)	Provision for employee benefit schemes	6862	6569
	<b>Total Deferred Tax Assets (A)</b>	<b>71456</b>	<b>55082</b>
	<b>Deferred Tax Liability (B)</b>		
i)	Difference of Book Depreciation and Tax Depreciation	3572	3572
ii)	Advance against Depreciation to be considered as income in tax computation	-472	-472
iii)	Provision for Doubtful Debts & Stores	-1	-1
iv)	Provision for employee benefit schemes	-124	-124
	<b>Total Deferred Tax Liability(B)</b>	<b>2975</b>	<b>2975</b>
	<b>Net Deferred Tax (Liability)/Assets(A)-(B)</b>	<b>68481</b>	<b>52107</b>

11.(i) Disclosure related to Corporate Social Responsibility (CSR)

- a. The breakup of CSR expenditure incurred through SEWA-THDC, a Company Sponsored Not for Profit Society, registered under Societies Act 1860, to undertake THDCIL's CSR obligation U/s 135 of Companies Act 2013.

Sl.No.	Heads of Expenses constituting CSR expenses	Amount in lac
01	Sanitation, Health Care & Drinking Water	557
02	Education & Skill Development	564
03	Social Welfare	18
04	Forest & Environment, animal welfare etc.	4
05	Art & Culture, Public libraries	3
06	Rural Development Projects	189
	<b>Total ₹ in lacs</b>	<b>1335</b>

- b. The company has incurred an amount of ₹ 1335 lac (PY ₹ 2909 Lac) towards CSR expenditure during the current financial year 2015-16 as against stipulated amount of ₹ 1335 Lac (PY ₹ 1377 lac) equivalent to 2% of average net profit of preceding three Financial years in terms of Section 135 of the Companies Act 2013.
- c. Details of expenditure during FY 2015-16 in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue) is as under:

(₹ in lac)

		In cash	Yet to be paid	Total
(i)	Const./Acquisition of any assets	636	0.00	636
(ii)	On purpose other than (i) through SEWA-THDC as per (a)	699	0.00	699

(ii) Disclosure related to Research & Development Expenditure

The Company has incurred an amount of ₹ 346 lac (PY ₹ 390 lac) towards Research & Development expenditure during the current financial year 2015-16 as per the R&D plan approved by the Board for the FY 2015-16.

12. Principal amount remaining unpaid to suppliers/service providers registered under MSMED Act 2006 ₹ 36 lac (P.Y. ₹ Nil).
13. The Company has taken on lease / rent premises for employees / offices / Guest Houses/Transit camps & Vehicles. These lease arrangements are usually renewable on mutually agreed terms. Rent/Lease include ₹ 879 lac (P.Y. ₹ 829 lac) towards lease payment (net off recoveries)
14. i) Company has been paying Employer's Share of Provident Fund inclusive of Family Pension at fixed % as declared by EPFO from time to time under Defined Contribution Scheme. Based on actuarial valuation ₹ 13 Lac (P.Y. ₹ 363 Lac) has been provided in the books.
- ii) Disclosure under the provisions of AS-15 on "Employees Benefits".



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Provision for employee benefits has been made for the current period using the Actuarial Valuation done as at 31.03.2016. Accordingly, disclosure under the provision of Accounting Standard 15 on “Employee Benefits” for the Financial Year ended 31.03.2016 is given below:

**Table -1: Key Actuarial assumption for Actuarial Valuation as at:**

Particular	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Mortality Table	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	LIC (1994-96) Duly modified	LIC (1994-96) Duly modified
Discount Rate	7.75%	8.00%	8.50%	8.00%	8.50%
Future Salary Increase	8.00%	8.00%	6.50%	6.00%	6.00%

**Table – 2: Change in Present Value of Obligations (PVO)**

₹ in Lac

(Figures in Parenthesis Represent in Negative Balance)

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
PVO at Beginning of year	13741 {11049}	5875 {4909}	3692 {2326}	9382 {4664}	735 {632}
Interest cost	1099 {939}	470 {417}	295 {198}	751 {396}	59 {53}
<b>Past service cost</b>					
Current service cost	703 {675}	216 {328}	135 {117}	492 {462}	47 {43}
Benefit paid	701 {1188}	3683 {1910}	(141) {(67)}	(293) {(429)}	(48) {(58)}
Actuarial (Gain)/loss	(205) {2266}	835 {2132}	616 {1118}	(1) {4288}	12 {64}
PVO at end of year	14638 {13741}	3714 {5875}	4598 {3692}	10330 {9382}	805 {735}

**Table – 3: Amount Recognised in Balance Sheet**

₹ in Lac

(Figures in Parenthesis Represent in Negative Balance)

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
PVO at end of year	14638 {13741}	3714 {5875}	4598 {3692}	10330 {9382}	805 {735}
Fair Value of Plan Assets at the end of year					
Funded Status	(14638) {(13741)}	(3714) {(5875)}	(4598) {(3692)}	(10330) {(9382)}	(805) {(735)}
Unrecognised actuarial gain/loss					
Net liability recognized in Balance Sheet	(14638) {(13741)}	(3714) {(5875)}	(4598) {(3692)}	(10330) {(9382)}	(805) {(735)}

**Table – 4: Amount recognized in Statement of Profit & Loss/EDC Account.**

₹ in Lac

(Figures in Parenthesis Represent in Negative Balance)

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
Current Service Cost	703 {675}	216 {328}	135 {117}	492 {462}	47 {43}
Interest Cost	1099 {939}	470 {417}	295 {198}	751 {396}	59 {53}
Net Actuarial (gain)/ loss recognized for the year	(205) {2266}	835 {2131}	616 {1118}	1 {4288}	12 {64}
Expense recognized in Statement of Profit & Loss/EDC for the year.	1597 {3880}	1521 {2876}	1047 {1433}	1242 {5142}	161 {118}



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Other disclosure:

<b>Gratuity</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Present value of obligation at end of the year	14638	13741	11049	9611	8319
Actuarial (Gain)/loss	(205)	2266	593	598	743
Expense recognized in Statement of Profit & Loss/ EDC for the year	1597	3880	1917	1765	1788

<b>PRMB</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Present value of obligation at end of the year	4598	3692	2326	2027	1759
Actuarial (Gain)/loss	616	1118	118	89	58
Expense recognized in Statement of Profit & Loss/EDC for the year	1047	1433	357	300	254

<b>LEAVE</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Present value of obligation at end of the year	3714	5875	4909	4266	3985
Actuarial (Gain)/loss	835	2131	938	740	820
Expense recognized in Statement of Profit & Loss/EDC for the year	1521	2876	1562	1308	1325

<b>SICK LEAVE</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Present value of obligation at end of the year	10330	9382	4664	4594	3936
Actuarial (Gain)/loss	(1)	4288	(467)	176	189
Expense recognized in Statement of Profit & Loss/EDC for the year	1242	5147	146	736	691

<b>Baggage Allowance / Retirement Award/FBS</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Present value of obligation at end of the year	805	735	632	654	497
Actuarial (Gain)/loss	12	64	(86)	125	(25)
Expense recognized in Statement of Profit & Loss/EDC for the year	161	118	5	211	50

15. Change in Accounting Policy:

Sl.No.	Policy	Impact
1.	Policy No. 10 (xii) modified by replacing the words " appropriate % of Profit" by "appropriate % of Profit after Tax (PAT)"	No Impact

16. Extra Ordinary Item

16.1. Despite repeated follow up and close persuasion realization from BYPL (BSES Yamuna Power Limited) could not improve. Consequently efforts made to discontinue power supply from both Tehri & Koteshwar HEP. The Hon'ble DERC (Delhi Electricity Regulatory Commission ) vide their order 509 dated 14.03.2016 directed to discontinue the supply to M/s. BYPL and reallocation was made in favour of M/s. BRPL (BSES Rajdhani Power Limited).

As per Significant Accounting Policy of the company, Provision is to be made against outstanding debtors exceeding three years considered doubtful. In the instant case provision of ₹ 23984 Lac has been made against outstanding receivable of M/s. BYPL even though amount not exceeded three years and non invocation of LC worth ₹ 480 Lac, as an extra ordinary situation consequent upon discontinuance of power supply based on order of the Hon'ble DERC.

16.2. Debtors include Regulatory Assets of ₹ 46125 Lac of which an amount of ₹ 3822 Lac is pertaining to private DISCOMs namely M/s. BRPL & Tata Power. Experiencing the above, provision of ₹ 868 Lacs has also been made in the books against outstanding debtors (Regulatory Assets) exceeding three years as extra ordinary case.

16.3. Notification vide no. 2883/II-2015/01(50)/2011 dated 07.11.2015 and 342/XXXVI(3)/ 2015/79(1)/ 2014 dated 03.01.2015 has been issued by the GoUK wherein hydro generating stations have been advised to register with the designated authority and pay Water Tax on non consumptive use and Green Energy Cess. The same is recoverable from beneficiary subject to approval from CERC. THDCIL has filed writ petition protesting the aforesaid levy of the GoUK. Matter is subjudice. As it is a new levy and considering conservative approach an amount of ₹ 9977 Lac has been provided in the books towards the aforesaid levy as extra ordinary situation emerging from the notification.

17. Payment to Auditors (including service tax)

(₹ in lac)

		2015-16	2014-15
I.	Statutory Audit Fees	10*	10
II.	For Taxation matter (Tax Audit)	2	2
III.	For Company Law matter	-	-
IV.	For Management services	-	-
V.	For other Services(Certification)	6	5
VI.	For Reimbursement of expenditure	2	2

\*Subject to approval in Annual General Meeting.





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18. Additional information required as per Schedule III of the Companies Act 2013 is as under

(₹ in lac)

	PARTICULARS	2015-16	2014-15
<b>A</b>	<b>Expenditure in Foreign Currency (on cash basis)</b>		
	Travelling	27	27
	Consultancy & Professional Expenditures	249	253
	Management/Commitment fee	308	257
	Repayment of loan & Interest	0	0
	Import of goods	8781	17319
	Others (Advance)	0	4
	Nomination for Conference	0	0
	Purchase of Software	0	0
	Others	3746	1271
	<b>TOTAL</b>	<b>13111</b>	<b>19131</b>
<b>B</b>	<b>Earnings in Foreign Currency (on cash Basis)</b>	<b>0</b>	<b>0</b>
<b>C</b>	<b>Value of Imports calculated on CIF basis</b>		
	i) Capital Goods	8809	17336
	ii) Spare parts		
	<b>Total</b>	<b>8809</b>	<b>17336</b>
<b>D</b>	<b>Value of Components, Stores &amp; Spare parts Consumed</b>		
	i) Imported (in lacs Rupees)	50	60
	(%)	6	11
	ii) Indigenous (in lacs Rupees)	749	568
	(%)	94	89
<b>E</b>	<b>Value of Export</b>	<b>0</b>	<b>0</b>

19. Licensed and Installed Capacities:

Sl. No	Particulars	2015-2016	2014-2015
(i)	Licensed Capacity (M.W)	Not Applicable**	Not Applicable**
(ii)	Installed Capacity (M.W)	1400MW	1400MW
(iii)	Approved Capacity(M.W)- Based on investment approval by CCEA)	2844 MW	2844 MW
(iv)	Quantitative information in respect of Generation and sale of Electricity (In Million Units)		
	Generation	4348.29007	4214.18286
	Sales (net of free power to home state, auxiliary consumption and transformation losses)	3812.82617	3690.17112

\*\* As per Section 7 of Electricity Act 2003 any generating company may establish, operate and maintain a generating station without obtaining license under this act. Therefore, licensed capacity is not applicable.

20. Previous year figures have been regrouped/ reclassified wherever necessary to make the figures comparable with the figures of the current year.

**For and on Behalf of Board of Directors**

**(S.Q. Ahmad)**  
Company Secretary  
Membership No. F6445

**(Sridhar Patra)**  
Director (Finance)  
DIN: 06500954

**(R.S.T. Sai)**  
Chairman & Managing Director  
DIN: 00171920

As per our Report of Even Date Attached  
For **P.D. AGRAWAL & CO.**  
Chartered Accountants  
FRN 001049C of ICAI

**(Tarun Gupta)**  
Partner  
Membership No. :- 077468

**Date** : 27.08.2016

**Place**: RISHIKESH



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THDC INDIA LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**THDC INDIA LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of THDC India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

- a) Para 16.1 of Note No. 29 of Financial Statements about the provision for bad & doubtful debts of ₹ 23984 Lakhs has been made against outstanding receivable of M/s BYPL even though not exceeding three years.
- b) Para 16.3 of Note No. 29 of Financial Statements about the water tax on non-consumptive use and green energy cess of ₹ 9791 Lakhs, levied by GoUK, has been provided in the books. However the Company has filed writ petition protesting the aforesaid levy by the GoUK. The matter is sub judice. On reaching finality, matter may be taken up with CERC the regulatory authority for inclusion in the tariff if required.
- c) Accounting Policy No. 10 (i) on Revenue Recognition read with Note No. 20.1 of Financial Statement in respect of accounting on sales. Sales has been recognized based on provisionally approved tariff for 2014-19 period.

d) Para 2 of Notes No. 29 of the Financial Statement regarding contingent liability which describes the uncertainty related to outcome of the claims/arbitration proceedings and cases filed in courts by/against the company on/by contractors and others.

e) Note No. 11 of the Financial Statements ₹ 867.85 lacs included in capital work in progress related to the Malari Jhelam and Jhelam Tamak Hydro Power projects located in the State of Uttarakhand, the fate of which is pending adjudication before the Hon 'ble Supreme Court Of India.

Our opinion is not modified in respect of these matters.

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller & Auditor-General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act 2013, the compliance of which is set out in "**Annexure B**".
3. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



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- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) In terms of Notification No. G.S.R. 463E dated 05<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Act regarding disqualification of directors, are not applicable to the Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C"; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 29.2 to the financial statements:
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P.D. Agrawal & Co.  
**Chartered Accountants**  
Firm Reg. No. 001049C

**(Tarun Gupta)**  
M. No.: 077468

**Place:** Rishikesh  
**Dated:** 27<sup>th</sup> August, 2016

## FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(Annexure-A referred to in paragraph I under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

We report that:-

- i. (a) The Company has maintained records of Fixed Assets, showing full particulars including quantitative details and situation of Fixed Assets. The records for movement of the assets have been properly maintained.
- (b) The assets have been physically verified by Independent Firms of Chartered Accountants during the year and discrepancies, though not material, noticed on such verification, have been dealt properly in the books of account. In our opinion, frequency of verification is reasonable having regard to the size of the Company and the nature of its business.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, Freehold land and Lease hold land acquired prior to change in name of company as THDC India Ltd. are either in the name of Tehri Dam Project or Tehri Hydro Development Corporation. Action has been initiated for changing old name to new name in title deeds w.r.t. Freehold land measuring 615.24 Hac. and Leasehold land 1.875 Hac. as disclosed vide note no. 29.5(i) & (ii)
- ii. Physical Verification of Inventory has been conducted by Independent Firms of Chartered Accountants. In our opinion frequency of physical verification is reasonable. No material discrepancies were noticed during physical verification of Inventories.
- iii. The company has, not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause (iii) (a), (b) and (c) of paragraph 3 of the Order is not applicable.
- iv. In our opinion and according to information and explanation given to us the company has in respect of loans, investments, guarantees and security, complied with the provision of section 185 and 186 of the Companies Act, 2013.
- v. Since the Company has not accepted any deposits from the public, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of Companies Act 2013, and rules framed there under, does not arise.
- vi. The Central Government has prescribed maintenance of Cost Records under Section 148(1) of the Companies Act, 2013. The company is maintaining the required Cost Records. Cost Audit for the F.Y. 2015-16 is under process.
- vii.(a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, other statutory dues applicable to the company and that there are no undisputed statutory dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable. As informed,



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the provisions of the Employees State Insurance Act are not applicable to the Company.

(b) According to the information and explanation given to us, following disputed trade tax dues have not been deposited.

Financial Year	Amount (₹ in Lac)	Nature of Dues	Present Status
2012-13 to 2014-15	13.37	Service Tax	THDCIL has filed appeal against the demand to Tribunal.

viii. On the basis of audit procedures adopted by us and according to the records and as per the information and explanation given to us by the management, the company has not defaulted in repayment of loans and borrowings to any financial institution, bank.

ix. In our opinion and as per the information and explanation given to us by the management, the Company has applied the money raised during the year by way of term loans for the purposes for which they were raised.

x. During the course of our examination of books and records of the company for the year, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud by the company or on the company by its officers or employees, nor any such cases have been noticed or reported by the management during the year.

xi. In view of exemption given vide in terms of notification No. G.S.R. 463(E) dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, the provisions of section 197 read with schedule V of the Act regarding managerial remuneration, are not applicable to the company.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

xiii. In our opinion and as per the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the

details of such transactions have been disclosed in the Notes to the Financial Statements as required by the applicable accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.

xv. In our opinion and as per the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For P.D. Agrawal & Co.  
**Chartered Accountants**  
Firm Reg. No. 001049C

(Tarun Gupta)  
M. No.: 077468

**Place:** Rishikesh  
**Dated:** 27<sup>th</sup> August, 2016

"ANNEXURE-B"

## FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(Annexure-B referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Sl.	Directions	Auditor's comments	Action taken by management	Impact on Financial Statements
1	Whether the company has clear title/lease deeds for freehold and lease hold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available	Freehold land and Lease hold land acquired prior to change in name of company as THDC India Ltd. are either in the name of Tehri Dam Project or Tehri Hydro Development Corporation. Action has been initiated for changing old name to new name in title deeds w.r.t. Freehold land measuring 615.24 Hac. and Leasehold land 1.875 Hac. as disclosed vide note No. 29.5 (i) & (ii)	Matter has been taken up with revenue authorities for change of old name to new name.	Nil
2	Whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reasons thereof and amount involved.	According to the information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.	N.A.	Nil
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift / grant(s) from the Government or other authorities	As per information and explanations given to us, the company is maintaining proper records for inventories lying with third parties. As informed, the company has not received any assets as gift/grant(s) from government or other authorities.	Proper records are maintained.	Nil

For P.D. Agrawal & Co.

**Chartered Accountants**  
Firm Reg. No. 001049C

(Tarun Gupta)  
M. No.: 077468

**Place:** Rishikesh  
**Dated:** 27<sup>th</sup> August, 2016





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"ANNEXURE-C"

## FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(Annexure-C referred to in paragraph 3(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

### Report on the Internal Financial Controls under Clause(i) of sub section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of THDC INDIA LTD. ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the

Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Controls over Financial Reporting

Because of the inherent limitations financial controls over financial reporting including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not to be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the ICAI.

For P.D. Agrawal & Co.  
**Chartered Accountants**  
Firm Reg. No. 001049C

**(Tarun Gupta)**  
M. No.: 077468

**Place:** Rishikesh  
**Dated:** 27th August, 2016



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THDC INDIA LIMITED

गोपनीय

No. MAB-III/Rep/A/cs-THDC/01-79/2016-17/943



सत्यमेव जयते

भारतीय लेखापरीक्षा और लेखा विभाग  
कार्यालय  
प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा  
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड-III  
नई दिल्ली

**Indian Audit & Accounts Department**  
OFFICE OF THE  
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT  
& EX-OFFICIO MEMBER, AUDIT BOARD-III  
NEW DELHI

दिनांक / Dated 16 सितम्बर, 2016

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,  
टीएचडीसी इंडिया लिमिटेड,  
ऋषिकेश।

**विषय: 31 मार्च 2016 को समाप्त वर्ष के लिए टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखा परीक्षक की टिप्पणियाँ।**

महोदय,

मैं टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के 31 मार्च 2016 को समाप्त वर्ष के लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्नक : यथोपरि

भवदीया,  
ह. / -  
(रितिका भाटिया)  
प्रधान निदेशक

छठा एवं सातवाँ तल, एनेक्सी बिल्डिंग, 10, बहादुरशाह ज़फर मार्ग, नई दिल्ली-110002  
6<sup>th</sup> & 7<sup>th</sup> Floor, Annexe Building, 10, Bahadurshah Zafar Marg, New Delhi -110 002  
Tel.: 011-23239227, Fax: 011-23239211; E-mail: mabnewdelhi3@cag.gov.in

## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THDC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2016**

The preparation of financial statements of THDC India Limited for the year ended 31 March, 2016 in accordance with the financial reporting frame work prescribed under the Companies Act, 2013 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 27 August, 2016.

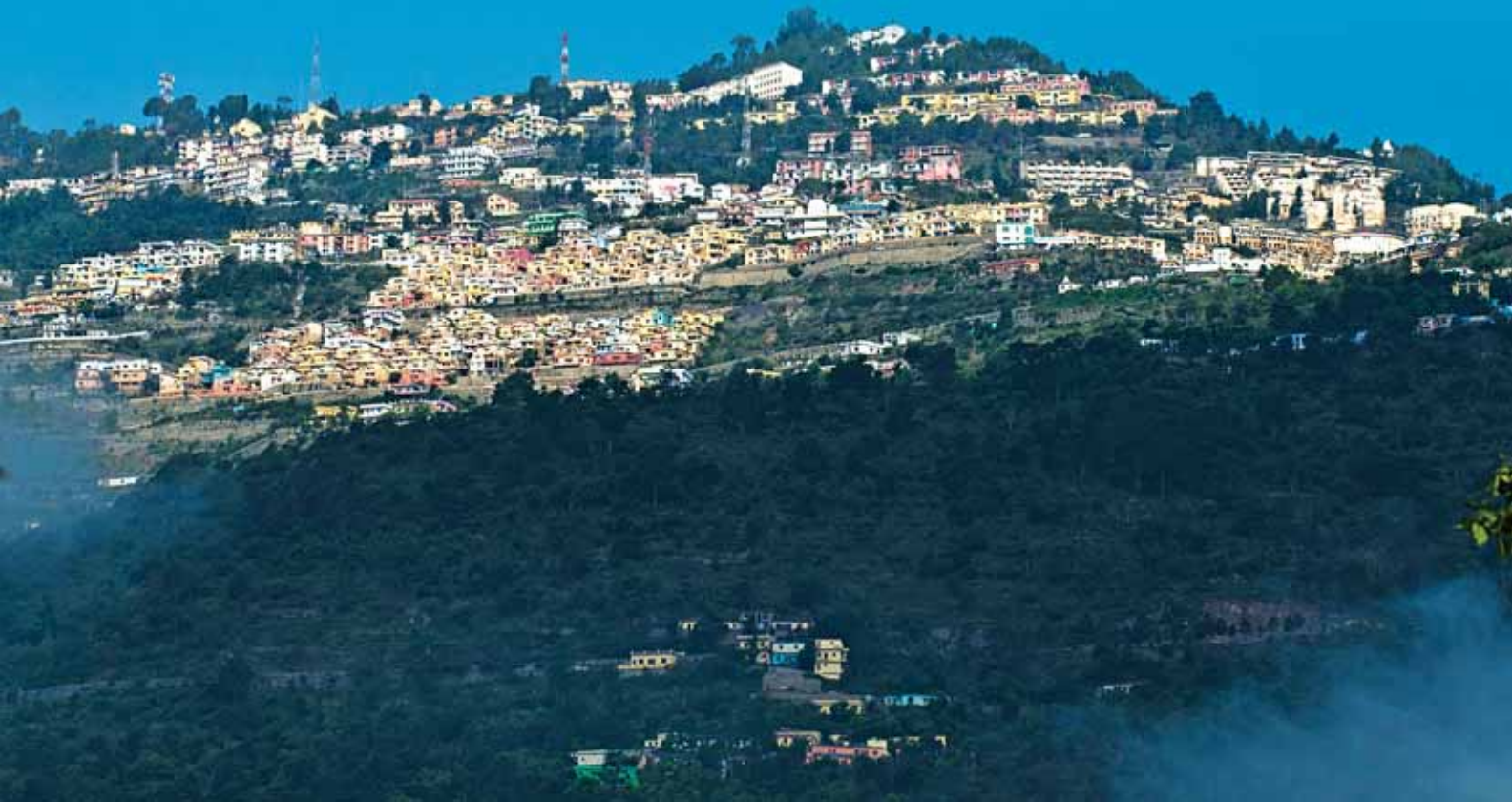
I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act of the financial statements of THDC India Limited for the year ended 31 March, 2016. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

Sd/-  
**( Ritika Bhatia )**  
Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-III  
New Delhi

**Place** : New Delhi  
**Dated** : 16 September, 2016

नई टिहरी टाउन का विहंगम दृश्य  
A panoramic view of New Tehri Town





## टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

(भारत सरकार व उत्तर प्रदेश सरकार का संयुक्त उपक्रम)  
(A Joint Venture of Govt. of India & Govt. of U.P.)

गंगा भवन, प्रगतिपुरम, बाईपास रोड, ऋषिकेश-249201-(उत्तराखंड)

Ganga Bhawan, Pragatipuram, Bye-Pass Road,  
Rishikesh - 249201 (Uttarakhand)

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