

30th ANNUAL REPORT

2017-18

*Enriching Nation with
Power and Water Security*



टीएचडीसी इंडिया लिमिटेड
THDC INDIA LIMITED

(भारत सरकार एवं उ.प्र. सरकार का संयुक्त उपक्रम)
(A joint venture of Govt. of India & Govt. of U.P.)



VISION

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

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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Corporate Overview

- Board of Directors
- Reference Information
- Key Financial Performance Highlights
- Chairman's Speech
- Directors' Brief Profile



BOARD OF DIRECTORS

As on 28th September, 2018



Shri D.V. Singh
Chairman & Managing Director



Shri Raj Pal
Economic Adviser, MoP, Govt. Nominee Director



Shri T. Venkatesh
Principal Secretary
(Irrigation & Water Resources), GoUP
Govt. Nominee Director



Shri H.L. Arora
Director (Technical)



Shri Vijay Goel
Director (Personnel)



Shri Bachi Singh Rawat
Independent Director



Shri Mohan Singh Rawat
Independent Director



Prof. Maharaj K. Pandit
Independent Director

REFERENCE INFORMATION

Registered Office

THDC India Limited

(A Joint Venture of Government of India & Government of U.P.)
CIN:U45203UR1988GOI009822
Bhagirathi Bhawan (Top Terrace)
Bhagirathipuram, Tehri Garhwal – 249001
Contact No. (0135) 2473403,2439309
Fax: (0135) 2439442 & 2436761
Website: www.thdc.co.in

Company Secretary & Compliance Officer

Mrs. Rashmi Sharma

Ganga Bhawan, Pragatipuram,
By-Pass Road, Rishikesh-249201
Contact No. (0135) 2435842, 2439309 & 2437646
Fax: (0135) 2439442 & 2436761
Email: rashmi.thdc@gmail.com

Corporate Office

THDC India Limited

Ganga Bhawan, Pragatipuram, By-Pass Road
Rishikesh-249201.
Uttarakhand

Registrar & Share Transfer Agent

Karvy Computershare Private Limited

Karvy Selenium Tower – B, Plot 31-32, Gachibowli
Financial District, Nanakramguda,
Hyderabad-500032
Tel: +91-40-33211000,
Email: rakesh.jamwal@karvy.com

Statutory Auditors

M/s P.D. Agrawal & Co.

364 A, Govindpuri, Haridwar-249403

Cost Auditors

M/s S.C. Mohanty & Associates, New Delhi
M/s K.G. Goyal & Associates, New Delhi
M/s K.B. Saxena & Associates, New Delhi

Debenture Trustee

VISTRA ITCL INDIA LIMITED

A-268, 1ST Floor, Bhisma Pitamah Marg,
Defence Colony, New Delhi-110024.

Bonds Listed at

National Stock Exchange of India Limited
Bombay Stock Exchange

Depositories

Central Depository Service(India) Limited

Regd. Office: 17th Floor, P J Towers,
Dalal Street, Fort, Mumbai-400001.

National Securities Depository Limited

Trade World, A wing, 4th Floor, Kamala Mills Compound,
Lower Parel, Mumbai - 400013

Bankers/Financial Institutions

- 1.Punjab National Bank
- 2.State Bank of India
- 3.World Bank
- 4.Jammu and Kashmir Bank
5. Power Finance Corporation of India Limited
6. Rural Electrification Corporation of India Limited

Credit Rating Agency

CARE (Credit Analysis & Research Ltd)
India Ratings

Secretarial Auditor

M/s P.S.R. Murthy
178 RPS Flats, Sheik Sarai Phase-1,
New Delhi-110017.



KEY FINANCIAL PERFORMANCE HIGHLIGHTS

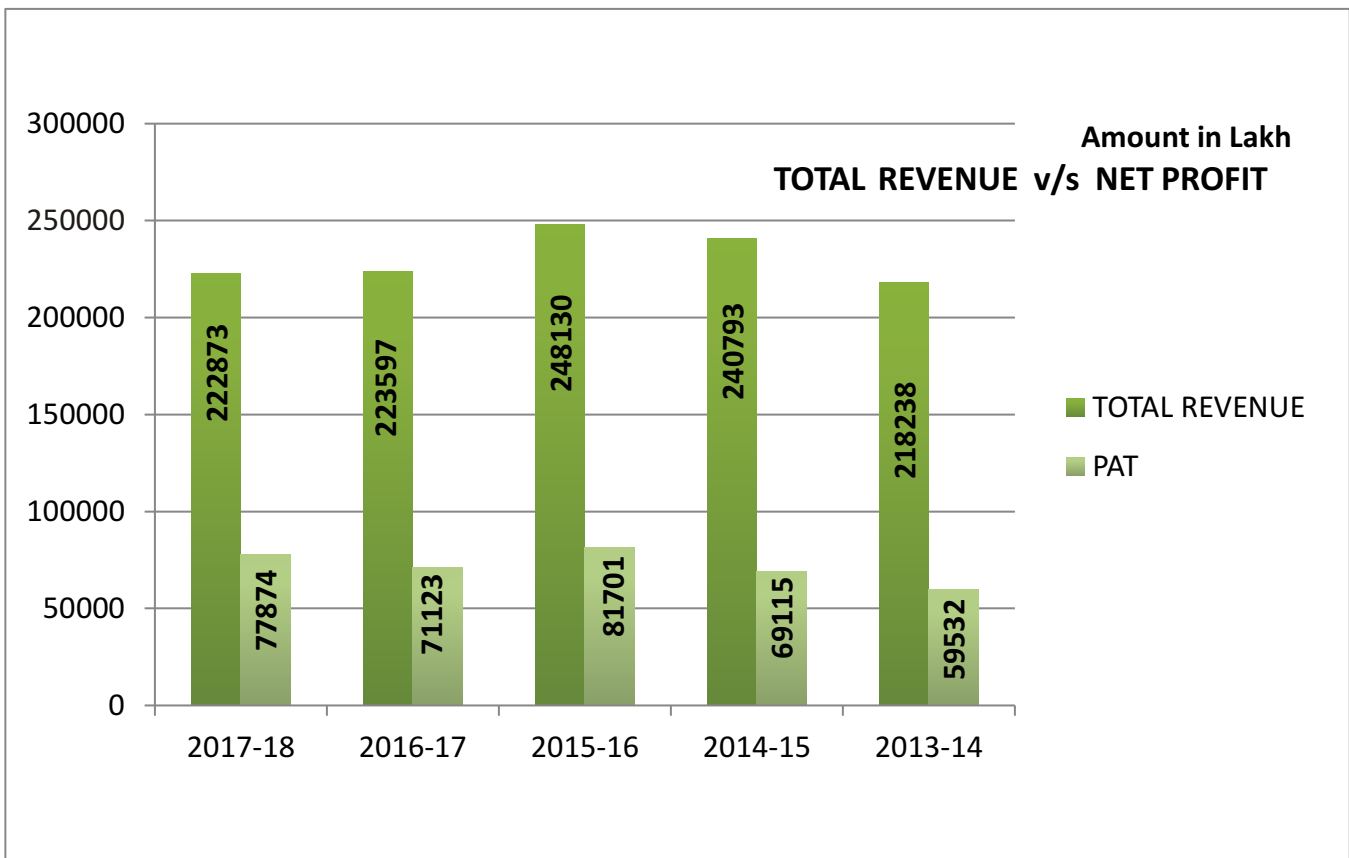
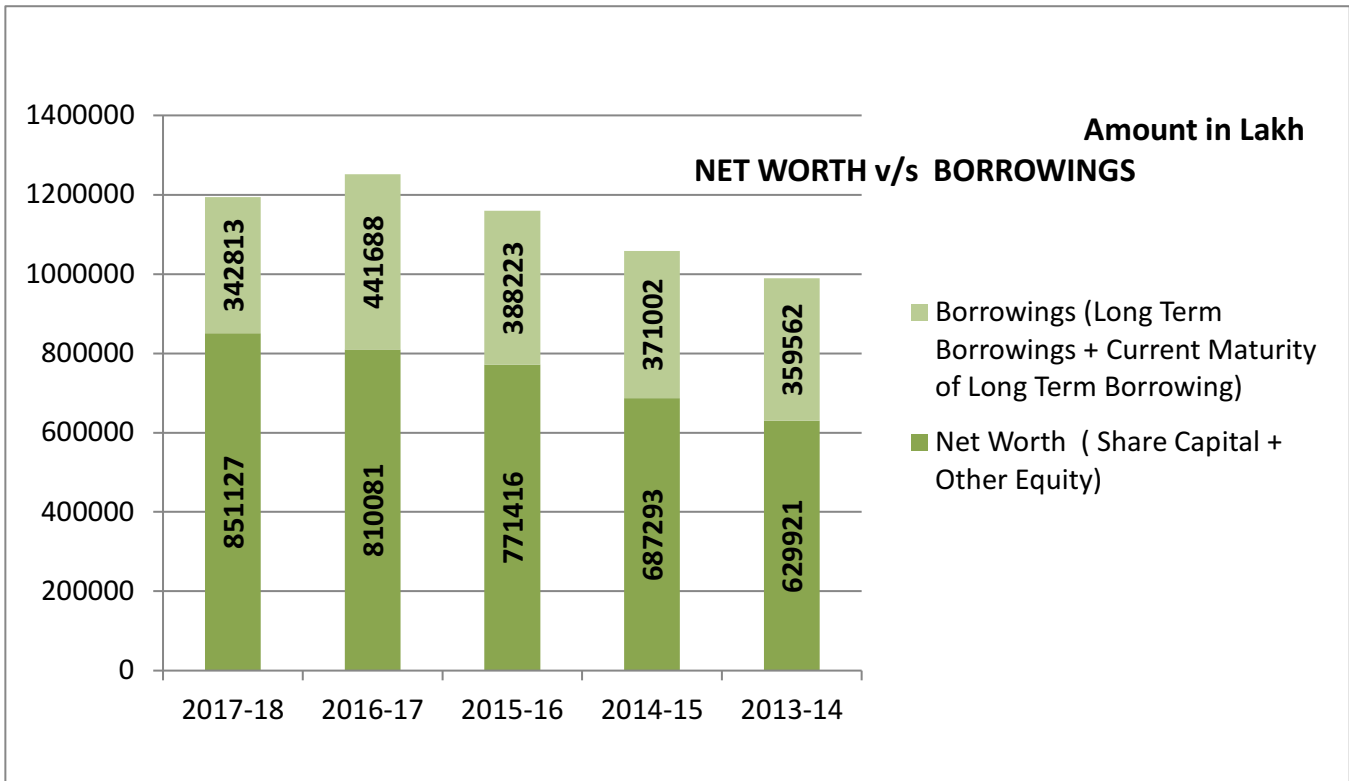
(Amount in ₹ lac)

		2017-18	2016-17	2015-16	2014-15*	2013-14*
A.	Revenue					
1	Revenue from Operations	219064	209474	246649	239716	217376
2	Other Income	3809	14123	1481	1077	862
3	Deferred Revenue on account of Irrigation Component	6822				
4	Less: Depreciation on Irrigation Component	6822				
5	TOTAL REVENUE	222873	223597	248130	240793	218238
B.	Expenses					
6	Employees Benefits Expense	30649	25425	22857	22438	18854
7	Generation, Administration & Other Expenses	20342	19513	18003	17855	15370
8	Tariff Adjustment (Regulatory Liability)	0	0	0	0	15192
9	Provisions	0	445	9	12638	0
10	Bad Debts written off	0	0	0	7801	0
11	Prior Period				13992	1076
12	Extraordinary items	554	16146	34830		
13	TOTAL EXPENDITURE	51545	61529	75699	74724	50492
14	GROSS MARGIN(PBDIT) (5-13)	171328	162068	172431	166069	167746
15	Depreciation & Amortization	57452	52557	49663	48386	48122
16	GROSS PROFIT(PBIT) (14-15)	113876	109511	122768	117683	119624
17	Finance Cost	22787	29106	32887	43878	53027
18	Profit Before Tax (16-17)	91089	80405	89881	73805	66597
19	Income Tax	19056	17154	24252	18376	13985
20	Deferred Tax Asset	-5083	-8142	-16269	-13686	-6920
21	Profit for the period from continuing operations (18-19-20)	77116	71393	81898	69115	59532
22	Other Comprehensive income	563	-414	-301		
23	Income Tax on OCI- Deferred Tax Assets	195	144	104		
24	Profit After Tax (21+22+23)	77874	71123	81701	69115	59532
C.	Assets					
25	Tangible and Intangible Assets (Net Block)	732801	780687	752460	795672	843490
26	Capital Work In Progress	395027	303529	239099	167453	111712
27	Long term Loans and Advances	4483	4694	4702	41181	57702
28	Deferred Tax Assets (Net)	76219	70941	62655	45794	32108
29	Other Non- Current Assets	71547	93795	63999	143	162
30	Current Assets	159640	227149	232220	257434	190147
31	Total Assets	1439717	1480795	1355135	1307677	1235321
D.	Liabilities					
32	Equity Share Capital	362743	359888	355888	352888	347309

	Other Equity					
33	Reserves and Surplus	488384	450193	415528	334405	282612
34	Contribution towards Irrigation Component	0	83458	89989	96538	103203
35	Total Other Equity	488384	533651	505517	430943	385815
36	Long Term Borrowings	241530	404185	349792	327566	307082
37	Other Long Term Liabilities and Provisions	135478	61395	54666	55340	45640
38	Short term Borrowings	64663	38724	3677	43634	63359
39	Current Maturity of Long Term Debts	101283	37503	38431	43436	52480
40	Other Current Liabilities	45636	45449	47164	53870	33636
41	Total Liabilities	1439717	1480795	1355135	1307677	1235321
		-	-	-	-	-
42	Net Worth (32+33)	851127	810081	771416	687293	629921
43	Capital Employed (42+36-26)	697630	910737	882109	847406	825291
44	Dividend For the year	25610	22100	16200	14000	0
E	Ratios					
	Earning per share (Par value of ₹ 1000/- share)	215.24	198.85	230.52	197.60	172.88
	Current Ratio [30 / (38+39+40)]	0.75	1.87	2.60	1.83	1.27
	Debt to Equity (36+39 / 42)	0.40	0.55	0.50	0.54	0.57
	Return On capital Employed (PBIT/ Capital Employed) (16 / 43)	16.32%	12.02%	13.92%	13.89%	14.49%
	Return on Net Worth (24/42)	9.15%	8.78%	10.59%	10.06%	9.45%
	Net Profit to Revenue from Operation (24/1)	35.55%	33.95%	33.12%	28.83%	27.39%
	Dividend Per Share(In ₹)(Share of ₹ 1000 each)	70.60	61.41	45.52	39.67	0.00

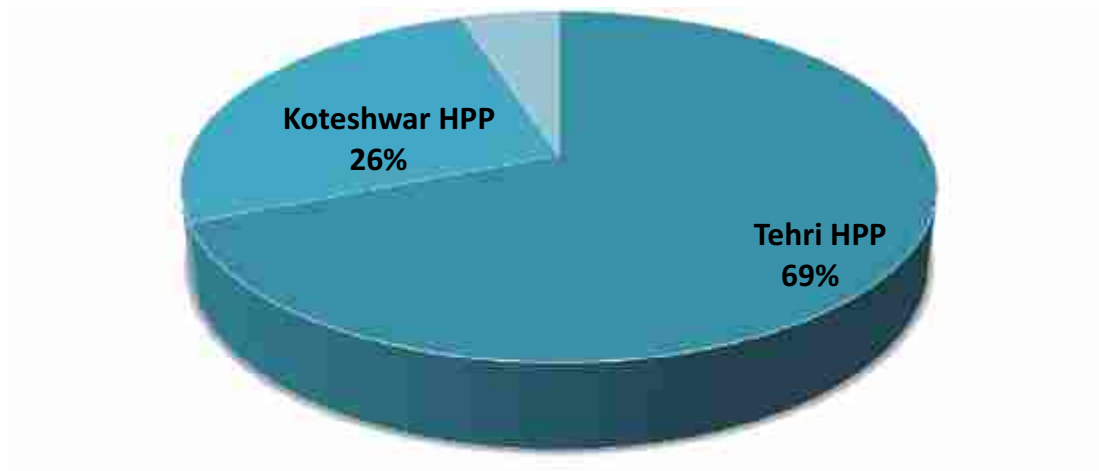
Note:1 * As per Previous GAAP

KEY FINANCIAL PERFORMANCE CHARTS

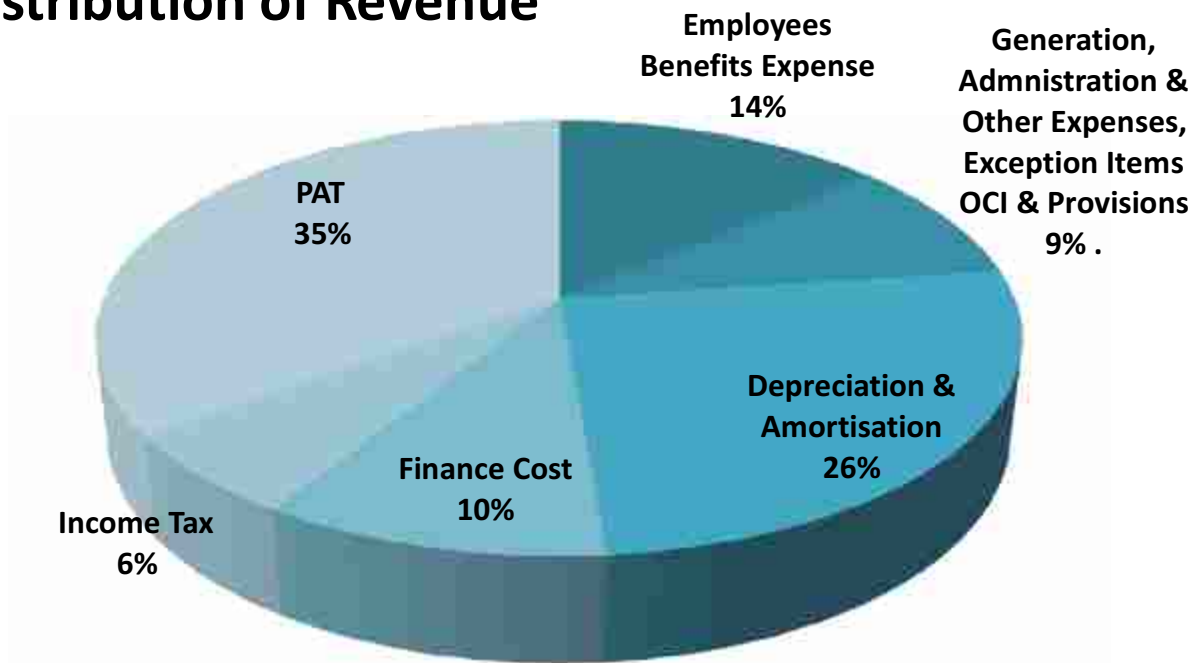


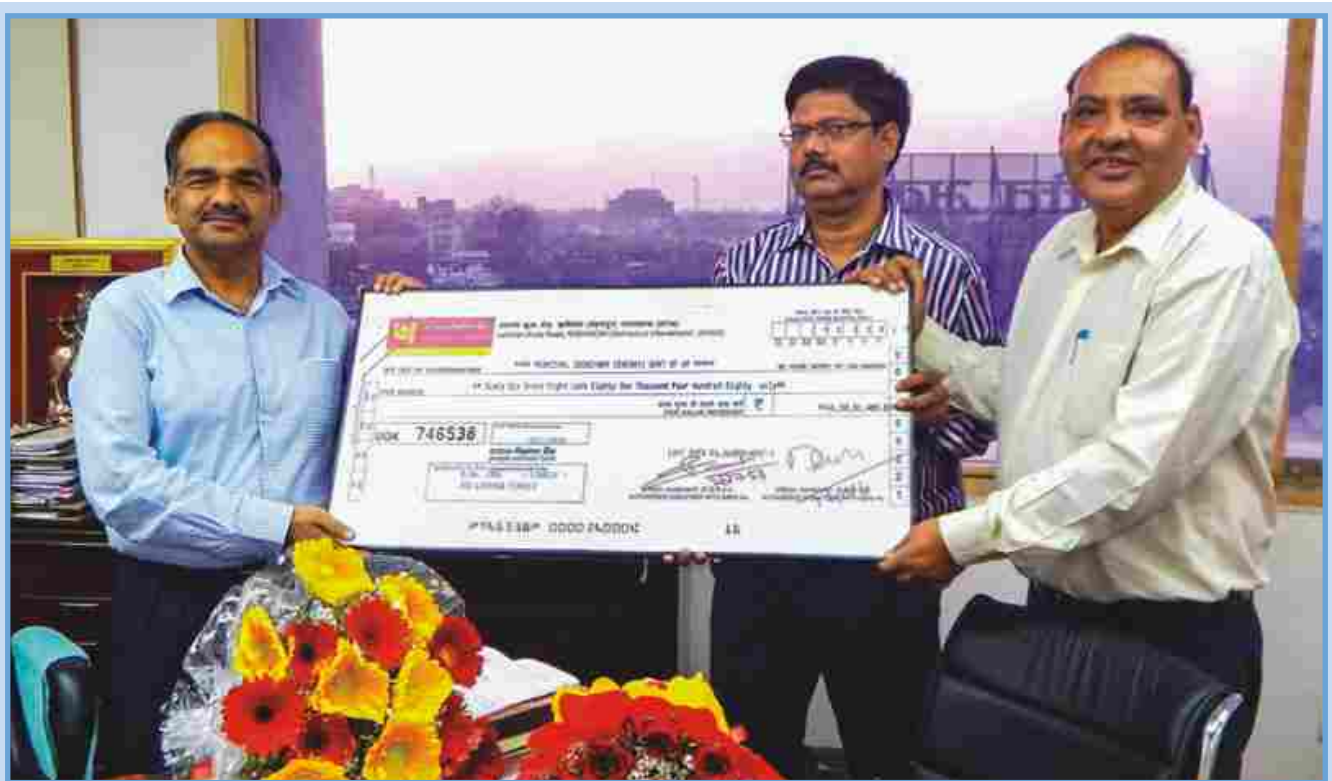
Wind Power &
Consultancy
5%

Break up of Revenue

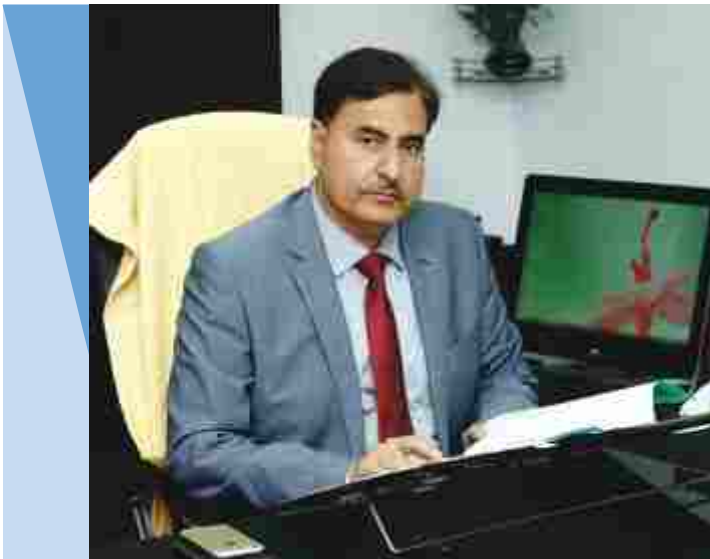


Distribution of Revenue





Shri A.K. Porwal, General Manager, THDCIL handing over Interim Dividend Cheque to Shri Alok Kumar, Principal Secretary (Energy), GoUP (Left) at Lucknow



CHAIRMAN'S SPEECH

Dear Members,

I feel privileged to welcome you to the 30th Annual General Meeting of your Company and to present Report of the Auditor's & Directors' Report for the year 2017-18 along with the Annual Audited Accounts. I would seek your permission to take them as read.

Your company, being a responsible organization, has a vision and commitment for capacity addition in Power Sector besides providing affordable and sustainable quality power with commitment to environmental & social values.

Your Company has taken up its maiden 1320 MW Super Thermal Power Project at Khurja on the fast track mode. Draft PIB proposal for Investment Approval of Khurja STPP and Amelia Coal Mine was submitted in MoP on 31.08.17. The cost of the Project (Khurja STPP) is estimated as ₹ 11089.42 Cr. Whereas the estimated expenditure proposed to be incurred by THDCIL in developing Amelia coal Mine through MDO is ₹ 1587.16 Cr. PIB meeting was held on 17th July 2018 and we expect the investment approval soon.

Due to skewed Development in Power Sector between various sources of energy, the share of Hydro sector has gone down to 13.19%. National Electricity Plan issued in January 2018 also highlights this skewed Development and emphasized for incentivizing hydro sector specially Pump storage plants as they balance the Grid for Demand-Driven and generation-Driven fluctuations. In view of infusion of high RES, pump

storage Development has to be treated as separate category. Separate policy Instrument is required to incentivize PSPs. The Plan Rightly terms PSP as best friend of electricity Grid and should be suitably compensated for its role in the Grid stability by charging the beneficiaries.

In view of above Your Company is fully committed to complete the ongoing Tehri PSP and VPHEP Projects at the earliest. Also after adding 113 MW Wind energy to the portfolio we are exploring to add Capacity in solar Energy Generation.

Past Year Review

I feel delighted to apprise that during 2017-18, THDCIL's all four operational plants i.e. 1000 MW Tehri HPP, 400 MW Koteshwar HEP, 50 MW Patan Wind Power Plant and 63 MW Devbhumi Dwarka Wind Power Plant, continued to perform well. The plants generated 4540 MU against the target of 4450 MU. There is approx. 8% increase over the combined design energy, which is 4206 MU. Operational efficiency of 79.325 % and 68.305% was achieved for Tehri HPP and Koteshwar HEP respectively, which is well above the normative figures of 77% and 67% respectively for these projects.

On the other hand, operational efficiency of 20.60% and 27.08% was achieved against capacity utilization factor (CUF) of 25.22% and 26.04% for Patan and Dwarka Wind Power Plants respectively.

Gross sales during the year 2017-18 stood at ₹ 2190.64 Cr. against ₹ 2094.74 Cr. during the previous year 2016-17. The net Profit has

increased by 9.5 % from ₹ 711.23 Cr. during previous year to ₹ 778.74 Cr. this year.

Projects

The progress on works of two on-going projects, namely; 444 MW Vishnugad Pipalkoti HEP and 1000 MW Tehri PSP got impacted mainly due to cash crunch with the contractor M/s HCC Ltd. and intermittent hindrances by locals. Efforts are fully on to resolve this issue. Proposal for strategic Intervention to bring the project back on track is submitted to Ministry of Power and is under their active consideration.

In Tehri PSP excavation of Power House is almost complete and all Overhead Cranes (EoTs) are already commissioned. Therefore, with a slight push to the project works, erection of Electro-Mechanical equipment can be started in Machine Hall within 2-3 months. Similarly, in VPHEP most of the consignments of TBM have already reached site and TBM assembly work is in progress. Therefore, with a slight push the most crucial work of excavation of HRT through TBM can be started. Thus both the construction project works can pick up momentum. However, your company is facing the impact of slow work due to civil works contractor's cash flow problem.

Another on-going project, 24 MW Dhukwan SHP in Distt Jhansi, Uttar Pradesh, is in advance stage of commissioning. Civil works and Hydro-Mechanical works have been completed to the tune of 92% & 80% respectively, while Electro-Mech works are completed around 26% of contract value. We are all set to commission the project by March'2019.

For Company's maiden 1320 MW Super Thermal Power Project at Khurja work is taken up on the fast track mode. Consultancy for pre-award activities, detailed engineering, review engineering and PMC has been awarded to NTPC Ltd., Noida on 21st Nov-17. Physical possession of total 1200.843 Acre land including Gram Sabha land has been obtained. A sum of ₹ 310.36 Cr. has been released to UPSIDC, SLAO and ex-gratia to farmers. The DPR of Coal Transportation and Railway Siding, prepared through M/s RITES, has been approved by North Central Railway, Allahabad on 11th October-2017. Land acquisition for rail corridor is under process. Detailed Project Report for re-routing of National Highway (NH-91), passing

through Project land has been prepared by NHAI in Dec' 2017. An amount of ₹ 100 Crore to start land acquisition process has been released to NHAI on 05 July, 2018. Gazette Notification has been published on 07.07.18 for Re-routing of NH-91.

For providing 53 Cusec water from Upper Ganga Canal, scheme of makeup water in pumping mode by laying pipe in Mundakhera distributory has been finalized and being implemented through UPID.

Pursuant to signing of MoU with SECI for setting up 250 MW Solar PV Project in phase manner in India, your company had planned to commission 50 MW during FY 2017-18 to increase installed capacity to 1563 MW. But despite of "in-principle approval" by KSEB for Power Sale Agreement (PSA) at tariff of ₹ 3.55 per unit, KSEB did not come forward to sign PSA, even after rigorous pursuance from all possible fronts. However, your company is making all out efforts to commission it in 2019.

Corporate Social Responsibility & Sustainability

Like previous years, your company has continued CSR activities through SEWA (Society for Empowerment & Welfare Activities) in the operational areas of the Company's business. As per Companies Act, 2013, against 2% of average Net Profit of previous three years for CSR activities, this year your Company has spent ₹ 16.20 Crore w.r.t. target amount of ₹ 16.17 Crore. The sectors covered are Health & Sanitation, Women Empowerment, Rural Development program, Education & Employment, Enhancing Vocational Skill, Environment and Sustainability etc. On the health front, your company has attained a remarkable achievement by organizing 112 multi specialty health camps, wherein more than 27000 patients have been treated including 1925 eye surgeries.

By taking up low consumption Energy Efficiency Project, your company has completed work of installation & maintenance of LED based project for Solar Street Lights (SSL) and Solar High Mast Light (HML) Systems in Unnao District, Lucknow Cantt. in UP and Sitar Ganj, Distt Udham Singh Nagar in Uttarakhand. In view of the historical & Cultural importance of mighty river Ganga and millions of National & International pilgrims visiting Rishikesh every year, a LED based lighting project has been implemented in Ganga Ghat areas



A Group Photograph of 30th Annual General Meeting

highlighting prominent structures like Ram Jhoola, Laxman Jhoola and Triveni Ghat etc.

The 9th Sustainability Report has been published based on the guidelines issued by the Ministry of Corporate Affairs and is placed on website for transparency and feedback for improvement.

Corporate Governance

It is indeed a proud moment to inform that your company has continued achieving 'Excellent' rating for compliance with DPE guidelines on Corporate Governance. The Company has established framework of corporate governance, which emphasizes commitment towards ethical and efficient conduct of its affairs. It is our continuous endeavor to establish a positive organizational culture for implementation of good Corporate Governance.

To fulfill its commitment in a judicious, fair and transparent manner, your company is maintaining the highest standards of Corporate Governance for acquiring the trust and welfare of stakeholders. Besides adopting best practices, your company also includes public interest in its corporate priorities. In order to facilitate this, company has developed extensive social outreach programs.

Future Outlook

To meet out the increasing demand of electricity including peaking power, your company is exploring new avenues to harness the natural resources available, without compromising on environment front. On the hydro sector, we are aiming high and looking forward for execution of Sankosh Project in Bhutan.

The on-going projects which are presently delayed, best efforts are going on to revive them

and to put them on the fast track. Your company is poised to take up more renewable energy projects in the near future for economic growth of the company. Similarly, possibility is being explored for setting up Floating Solar Power Plant on THDCIL's Koteswar reservoir.

Acknowledgment

I fully appreciate our employees for their continuous hard work and untiring efforts throughout the year. Efforts have been made to reward them in recognition of their hard work by ensuring their growth in the company.

On behalf of the company, I would like to thank Govt. of India, Ministry of Power, other Ministries, Govt. of UP, Government of Uttarakhand, for their continued support and Guidance. I am also truly grateful to Board of Directors, investors and valued clients for their support.

I Convey my gratitude to CEA, CWC, CERC, DPE, SEBI, NSE and BSE and other regulatory authorities for the immense support and co-operation received during the year.

I would also like to take this opportunity to thank all our stakeholders for showing the trust in the company. I also thank Financial Institutions and Banks for extending their continued cooperation towards growth of your Company.

To put an end to your patient hearing, I again seek your encouragement and continued support for future.

With best wishes,

(D.V. Singh)

Chairman & Managing Director

DIN: 03107819

Place: New Delhi

Date : 28.09.2018

DIRECTORS' BRIEF PROFILE



Shri D.V. Singh
Chairman & Managing Director

Shri Dhirendra Veer Singh assumed charge as Chairman & Managing Director (CMD) of THDC India Ltd. on 01.12.2016. Shri Singh is a civil engineering graduate from NIT Rourkela (1983), and has more than three decades of exhaustive experience in underground works, powerhouse works, spillways, contracts, material management, rehabilitation and heavy civil construction. Before joining THDCIL, Sh. Singh worked with Larsen & Toubro.

Shri Singh played a key role in the construction of Tehri powerhouse and was in charge of its planning and construction. He was also actively involved in the construction and planning of the Spillway System of the Tehri Project as well as its associated jobs like contracts and material management, construction of building and roads etc. He was also deeply involved in the relocation and rehabilitation of people displaced by the Project.

Shri Singh is also credited for his leadership in helping turnaround of the Koteswar Hydro-Electric Project (4x100 MW) when it was almost derailed by delays. He introduced several innovations in implementation that helped THDCIL commission the project in a record period of four years. Shri. Singh was also honored with the 'Eminent Engineering Personality' award at national convention of 'Institutions of Engineers' (India) in 2012, at IIT Roorkee. He has also been conferred with "Chartered Engineer" by Institution of Engineers (India) for this project.



Shri Raj Pal
Economic Adviser, MoP, Govt. Nominee Director

Shri Raj Pal has been appointed as Nominee Director, Govt. of India in THDC India Limited w.e.f. 30 August, 2017. An Economic Adviser, Ministry of Power, Shri Raj Pal belongs to Indian Economic Service. He has done his Masters & M. Phil in Economics. He has also done Diploma in Development Studies from Institute of Developing Economics, Tokyo, Japan. As a Member of Indian Economic Service, Shri Raj Pal has experience of about 28 years working in different Ministries of Government of India like Ministry of Finance, Planning Commission, Ministry of Industry, Ministry of Labour etc. He has also worked as Adviser, Economic Regulation in Telephone Regulatory Authority of India prior to joining his current posting as Economic Adviser, Ministry of Power.



Shri T. Venkatesh
Principal Secretary
(Irrigation & Water Resources),
GoUP, Govt. Nominee Director

Shri T. Venkatesh, Principal Secretary (Irrigation & Water Resources), GoUP has been appointed as Nominee Director of Govt. of U.P. on the Board of THDC India Ltd. w.e.f. 14 May, 2018. He obtained his B.E. and M.E. in Mechanical Engineering with First Division. He belongs to the 1988 Batch of Indian Administrative Service. Shri T. Venkatesh began his career as Assistant Collector and later worked on many important positions in Uttar Pradesh including Project Director, Aligarh, CDO and Chief Officer in different District Administration, District Magistrate of Gonda, Almora and Bareilly, Special Secretary under Govt. of U.P. and Commissioner under Gorakhpur Division from January, 2005 to August, 2005. He went on deputation to Government of India from August 2005 to August, 2012 and from March, 2017 to November, 2017 and took over the responsibility of Joint Secretary, CVO etc. there.



Shri H.L. Arora
Director (Technical)

Shri H.L. Arora assumed charge as Director Technical of THDC India Ltd. on 22.12.2017. Shri Arora is a civil engineering graduate from Thaper Institute of Engineering & Technology and has an illustrative career spanning nearly 36 Years in the Power Sector. Out of his 36 Years of service, he spent 32 years in Himalayan Region of Uttarakhand in the execution and O&M of Hydro Projects and associated with various project activities of Hydro & Wind projects from their concept to commissioning. He has a strong background in planning, monitoring, rehabilitation, execution of large civil structures including underground works, O&M of Tehri HPP and Koteshwar HEP and has a rich experience of Quality Assurance & Dam Safety. Shri Arora has played a key role in diversification of business portfolio of THDC into renewable energy in implementation of Patan and Dwarka Devbhoomi project in record time. Prior to Joining, THDC, he has worked in National Projects Construction Corporation Ltd.(NPCC). He was instrumental in timely completion of cooling towers at Balco Captive Power Plant Korba. He has also undergone Advance Management Programme in Leading Strategic Change from ASCII Hyderabad in association with SDA Bacconi School of Management, Italy and Professional Upgradation programme in Design and Construction of Hydraulic Structures and Hydropower Constructions from State University of Moscow.



Shri Vijay Goel
Director (Personnel)

Shri Vijay Goel has taken over the charge of Director (Personnel) of THDC India Limited (THDCIL) on 26.03.2018. He has vast experience of more than 25 years in the field of Human Resource Management. Prior to this, Shri Goel was discharging the responsibility of General Manager (P&A) w.e.f. 01-06-2015 and was also n-Charge of Corporate Communications, Law & Arbitration functions. His key areas of interventions are Policy Formation, Manpower Planning, Establishment & Estate Functions, Employee Relations, Compliance of Labour Laws and overall formulation and implementation of Policies. He joined THDCIL in the year 1990 as Sr. Personnel Officer (SPO) from NHPC Limited. He played vital role in putting in place initial HR Systems immediately after the establishment of the Corporation in July, 1988. Sh. Goel is a Graduate in History (Hons.) from Hansraj College, University of Delhi and Masters in Business Administration (MBA) from University of Lucknow.



Shri Bachi Singh Rawat
Independent Director

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 Uttrakhand. 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
Independent Director

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 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 and Environmental issues & worked as an expert member of National Ganga Basin Authority, Govt. of India, in 2014.



Prof. Maharaj K. Pandit
Independent Director

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 has been a part of Environment Impact Assessment studies and environment management plan for biodiversity studies for JAYPEE Associates, SJVNL, NHPC reliance power etc.

Directors' Report 2017-18

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DIRECTORS' REPORT 2017-18

Dear Members,

Your Directors are pleased to present the 30th 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, 2018.

KEY PERFORMANCE HIGHLIGHTS

- Power generation increased from 4430 MU in 2016-17 to 4540 MU in 2017-18.
- Revenue realization from DISCOMs was 100% of the sales figure of the Year 2017-18. Company was awarded 'Very Good' MoU Rating for the Year 2016-17.
- Capital Expenditure (CAPEX) during the year 2017-18 was ₹ 698.57 Cr.
- Dhukwan SHP (24 MW) - on Betwa river in Distt Jhansi, Uttar Pradesh is under advance stage of construction and scheduled to be commissioned by March, 2019.
- Khurja STPP (1320 MW) –
 - Draft PIB proposal for Investment Approval of Khurja STPP and Amelia Coal Mine has been submitted in MoP on 31.08.2017. PIB Meeting was held on 17th July, 2018 and it is expected that investment approval shall be granted shortly.
 - For the connectivity of Railway Siding from Danwar Railway Station, the Detailed Project Report prepared through M/s

RITES has been approved by North Central Railway, Allahabad on 11th October, 2017.

- Engineering Scale Plan for Coal Transportation & Railway Siding has been submitted to North Central Railway on 15.11.2017.
- Consultancy for pre award activities, detailed engineering, review engineering and PMC awarded to NTPC Ltd. Noida on 21.11.2017.
- Detailed Project Report for re-routing of National Highway (NH-91), passing through Project land has been prepared by NHAI in December, 2017.
- Tendering for “Steam generator and associated packages including site levelling” for INR 3555.55 Cr. (Excluding taxes & Duties) which is the largest single package in the history of THDCIL and NIT for “Turbine generator and associated packages” for INR 1523.41 Cr. (Excluding taxes & Duties) through ICB are under process and both the packages are likely to be awarded matching with Investment approval.
- Credit Rating of the Company for the Year 2017-18 is AA+.

FINANCIAL RESULTS

The Financial Results of the operations during the year ending 31st March, 2018 are summarized as under:



A View of Underground Tehri HPP Power House

(₹ In Million)

PARTICULARS	2017-18 (Ind AS data)	2016-17 (Ind AS data)
Income		
Revenue from operations	21906	20948
Other Income	381	1412
Deferred Revenue on account of irrigation component	682	653
Less: Depreciation on Irrigation	682	653
Gross Income (a)	22287	22360
Expenditure		
Employee Benefit Expenses	3065	2542
Finance Costs	2279	2911
Depreciation	5745	5256
Generation, Administration & other expenses	2034	1951
Provisions for doubtful debt, receivable and write-off	0	45
Extraordinary items- (Income)/ Expenses- Net	55	1615
Total Expenditure (b)	13178	14320
Profit Before Tax(PBT) (c = a-b)	9109	8040
Tax	1397	901
Profit For the Period From Continuing Operations (I)	7712	7139
II Other Comprehensive Income		
Re-measurements of the Defined Benefit Plans	56	(41)
Income Tax relating to Items that will not be reclassified to profit or loss- Deferred tax assets	19	14
Other Comprehensive Income (II)	75	(27)
Total Comprehensive Income (I+II)	7787	7112

FINANCIAL PERFORMANCE

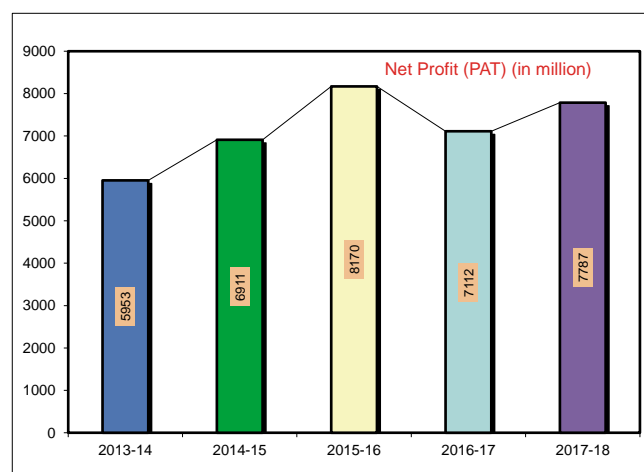
Gross Revenue & Profit

Your Company has registered an increase in Revenue from operations as compared to previous year. Reduction in other income has resulted in decline of Gross revenue @ 0.33% in comparison to previous financial year 2016-17. However current financial year's Profit After Tax (PAT) has increased about 9.50% over the previous year's PAT. Revenue from Operations, Gross Revenue, Profit After Tax(PAT) and % change in PAT to Gross Revenue are tabulated below:

(₹ In Million)

Particulars	2017-18	2016-17	Increase
Revenue from operations	21906	20948	958
Gross Revenue	22287	22360	(73)
PAT	7787	7112	675
PAT % to Gross Revenue	34.94%	31.81%	

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



DIVIDEND

Your Directors have paid total Dividend of ₹ 70.60 per Equity Share of par value ₹1000/- each, for the year 2017-18. The Dividend Pay Out for the year is ₹ 2561 million which represents 32.89% of Profit After Tax (PAT) and 7.06% of Paid Up Capital.

CAPITAL STRUCTURE AND NET WORTH

Share Capital:-

The Authorised Share Capital of the Company is ₹ 40000 million. During the Year Company has received equity contribution of ₹ 320 million from Govt. of India towards equity component of the VPHEP project. Out of this, equity shares worth ₹ 285.50 million has been allotted to Govt. of India during 2017-18 and for balance amount of ₹ 34.50 million Shares has been allotted during FY 2018-19 to Govt. of India. The paid up share capital and networth of the company as on 31.03.2018 is

₹ 36274.32 million and ₹ 85112.66 million respectively.

OPERATIONAL PERFORMANCE 2017-18

POWER GENERATION

During the year 2017-18, the total power generation from Hydro and Wind projects was 4540 Million Units (MUs) against MoU target of 4450 MUs. Further, it has also increased from last year generation of 4430 MU.

During the financial year 2017-18, total power generation from Hydro and Wind Project is as follows:

Name of the Plant	MoU Target (Very Good) (in MUs)	Total Generation in the F.Y. 2017-18-Achievement (in MUs)	Total Generation in the F.Y. 2016-17 (in MUs)
Hydro Project	4239	4300	4370
Wind Power Project	211	239.67	59.17
Total	4450	4539.67	4429.17

Generation from Tehri and Koteshwar Hydro Power Plants

During the financial year 2017-18, 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 (Very Good)	Achievement	MoU Target (Very Good)	Achievement
Tehri HPP (1000 MW)	3014	3080	82.114	79.325
Koteshwar HEP (400 MW)	1225	1220	71.238	68.305
Total	4239	4300	Weighted Average 79.00	76.172

The total weighted average of Plant Availability Factor (PAF) for Tehri HPP and KHEP was 76.172% against Weighted Average NAPAF 74.14%.

Generation from Wind Power Plants

During the financial year 2017-18, wind power generation is as follows :

Name of the Plant	MoU Target (Very Good) (in MUs)	Achievement (in MUs)
Patan Wind Power Project (50 MW)	107.5	90.22
Dwarka Wind Power Project (63 MW)	103.5	149.45
Total	211	239.67

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 is as under:

(₹ in Million)

Description	2017-18	2016-17
Revenue from Operations	21906	20948
Cash Realisation (%)	100	100

Hon'ble CERC has issued modified Tariff Order on 05.12.2017 for Tehri HPP for period 2009-14 & 2014-19. The effect of this Order has been considered in the Balance Sheet for FY 2017-18.

PROJECT FINANCING

1. Tehri PSP Project

The Company had made financial tie-up with SBI-led consortium in the year 2012 for availing ₹ 15000 million long term loan for funding Tehri PSP Project. As against above sanction amount ₹ 12276.50 million has been availed as on 31st March, 2018. The Company has repaid ₹ 6140 million on 29.03.2018 and balance amount in April and May 2018. The Company had made financial tie up with Societe Generale

for Euro 83.87 million for Tehri PSP project and is yet to draw the loan.

2. VPHEP Project

The Company had made financial tie-up of US\$ 648 million with World Bank for VPHEP project. Out of this, an amount of US\$ 1.78 million has been drawn during the year. Total drawl upto 31.03.2018 is US\$ 94.37 million. The company requested to the World Bank for extending the disbursement schedule upto December 2020 as against original schedule of December 2017 and realign the repayment schedule accordingly. The World Bank has extended the disbursement schedule upto June 2019. However, realigning of the repayment schedule is yet to be finalized. Pending finalisation, debt servicing has been made as per original contract terms and an amount of US\$ 2.03 million has been repaid during the year.

3. Corporate Bond Issue

Company had issued secured redeemable non-convertible bonds of ₹ 6000 million with 7.59% Coupon rate to meet out the capital expenditure requirement of upcoming / ongoing projects on private placement basis during 2016-17. Bonds shall be redeemed after 10 years and interest is payable on annual basis.

Summarised data on Project Financing for the Financial Year 2017-18 is as under:

Lender name	Loan Amount	Amount drawn during the Year 2017-18	Loan Repaid	Loan outstanding as on 31.03.2018
IBRD loan from World Bank	US \$ 648 million	₹ 134.32 million*	₹ 131.52 million	₹ 6006.69 million
SBI	₹ 15000 million	NIL	₹ 6140.00 million	₹ 6136.50 million
Societe Generale	Euro 83.87 million	NIL	NIL	NIL
Corporate Bonds	6000 million	NIL	NIL	6000 million

* Includes exchange rate variation.

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.

Subsequent 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, obstruction in dumping of muck at designated dumping area and cash crisis with civil works contractor M/s HCC Ltd, resulting inadequate resources deployment etc. This resulted in slow 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. Interest bearing working capital finance has been extended to the contractor to expedite works at all possible fronts simultaneously. THDCIL is taking all possible measures to expedite the progress of the project keeping the Ministry well-informed of all developments.

All access adits and drainage galleries to different structures are almost complete. Presently, excavation in both U/s Surge Shafts, Butterfly Valve Chamber (BVC), Penstock Assembly Chamber(PAC), Bus Bar Tunnels, D/s Surge Shafts and Tail Race Tunnels (TRTs) is in progress. Concreting in Control Room, Bus Bar Tunnels & TRTs is also under progress. Machine hall excavation is nearing completion and 73.16% Equipment / Material supply worth ₹ 347.54 Cr. Plus 66.27 million Euro have reached at Site. Erection of both EOT cranes at power house has been completed. All 04 nos Generator Step-up (GSU) Transformers have been placed inside Transformer Caverns. Works of GIS & GIB is nearing completion. Erection of Penstock Steel liner including backfill concrete is in progress.

In PSP slight push to the excavation work in Machine Hall will gear up the progress of EM and HM works.

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

(Amount in ₹ Cr.)

Project Cost		Completion Schedule	
Approved (RCE I approval Nov.'11)	Expenditure (up to Aug'18)	Approved (RCE approval Nov.'11)	Anticipated
2978.86 (Apr'10 PL)	2600.50 (87.30%)	Feb-16	May-21

REVISED COST ESTIMATE II: RCE of ₹ 4401.90 Cr. (incl. IDC & FC of ₹ 897.82 Cr. at Jan-17 PL has been vetted by CEA vide letter dated 09.02.18.

First meeting of revised cost estimate for RCE II was held at Ministry of Power, New Delhi on 07-09-2018.

• **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 Alaknanda. It will generate 1657.09MU design energy (with 95% machine availability).

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. River Alaknanda has been diverted through diversion tunnel on 02.04.18. Works are in progress at De-silting Chambers, Intake tunnels, Gate Operation Chamber (GOC) of HRT, excavation of HRT & TRT, adit to SFT & SFT-GOC etc. at the Dam Site. At Power House site excavation of Power House, Transformer Hall, Main Access Tunnel, adit to downstream surge shaft bottom, further excavation of downstream surge shaft (from top) are in progress. At TBM platform area,

development/extension of platform and excavation of TBM launching chamber and assembly of TBM are in progress. The work progress has suffered due to stoppage / hurdles created by the local residents, Geological Variations, cash flow problem with the civil contractor and inadequate resource deployment by the contractor. Local issues are being resolved by continuous dialogue with the local people and with the help of Distt. Administration. Financial support has been provided to the civil contractor to improve the cash flow position in order to expedite the progress of the works.

The Contract for Electro-mechanical works was signed with M/s 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. Documents of EOT crane for Power house and BFV, Turbine, Generators, Excitation system, IPBD, Power House Grounding system & auxiliary transformer have been finalized. Balance Design and Engineering is in progress. On dovetailing the Civil-HM Works and EM Works, the project completion was in Dec 2019. However, now the project is anticipated to be commissioned in Dec'21.

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

(Amount in ₹Million)

Project Cost		Completion Schedule	
Approved	Expenditure (up to Aug'18)	Approved	Anticipated
2491.58 (March'08 PL) (As per Investment Approval Aug'08)	1459.63 (58.58%)	June'2013 (As per Investment Approval Aug.'08)	Dec'21

Revised Cost Estimate: Investment approval to the project amounting to ₹ 2491.58 Cr. (March-08 PL) was accorded by CCEA in Aug' 2008. RCE at May'17 PL of ₹ 3789.61 Cr. (including IDC & FC of ₹ 235.59 Cr.) was submitted to MoP on 31.10.2017 for approval

- Revised Design Energy of the Project has been finalized as 1657.09 MU by CEA on 09.01.2018.
- On the basis of approved Memorandum of changes (MOC), THDCIL has reformulated the RCE at March'2018 PL incorporating approved MOC for ₹ 4105.30 Cr. including IDC and FC of ₹ 312.39 Cr. with completion by Dec-2021 and the same has been submitted to MoP on 30th July'2018.

Dhukwan Small Hydro Project (24 MW)

Dhukwan Small Hydro-Electric Project is being constructed at the toe of existing Dhukwan Masonry cum Earthen Dam across Betwa River in

District Jhansi, U.P. On completion, the project will generate 97.82 MU annually.

- Around 88% Civil works have already been completed. HRC lining (except transition) has been completed. After availability of EoT Crane in Unit area, Erection of Draft Tube (DT) Cone in Unit - 1 & 2 including concreting have been completed; further EM works are under progress. HRC Intake gates and Power Intake Gates have been commissioned. Erection of Penstock in all 03 units has been completed. Works for installation of draft tube gates are in progress. Work of erection of spiral casing of Unit-1 and 2 is in progress after erection of draft tube elbow liner and DT cone.
- Cross Drainage Works and bridge crossing HRC has been completed.
- Supply of Hydro-Mechanical is almost complete and Supply of Electro-Mechanical equipment at site is under progress.

- IInd stage clearance of the 1.39 Ha. forest land required for laying of transmission line expected to be granted by regional office of MoEF shortly and land for compensatory afforestation has also been made available.

Work of tower erection etc. for power evacuation is in progress by UPPCL.

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

(Amount in ₹ Cr.)

Project Cost		Completion Schedule	
Approved	Expenditure (up to Aug'18)	Approved	Anticipated
294.60 (July 2016 PL)	191.90 (65.13%)	Feb-14	March'19

Jhelum Tamak

- Hon.ble Supreme Court of India, vide its order dated August 13, 2013 has stayed the grant of environment clearance to 24 Hydro Electric Projects in Uttarakhand which include Jhelum Tamak Project of your Company.
- An Expert Body (EB) was constituted as per direction of Hon'ble Supreme Court in May-15 consisting member from 6 specific HEPs namely, LataTapovan (171 MW), Jhelum Tamak (108 MW), Kotlibhel 1A (195 MW), Alaknanda (300 MW), Khiro Ganga (4 MW), Bhyunder Ganga (24.3 MW).
- As per draft recommendation of Expert Body on environmental flows, CEA vide letter no. 207/22/2015/HPA-I/277 dated 06.04.18 directed to submit the revised chapter on Power Potential Studies considering Environmental Flows as per Draft Report from EB. The chapter on Power Potential Studies considering revised Environmental Flows has been sent to CEA on 17.05.18.
- In reference to NGT order Dtd. 09.08.2017 GoUK vide letter Dtd. 05.06.2018 fixed the E-flow as 15%, CEA has been requested through letter Dtd. 29.06.2018 to reconsider the need for revision of PPS chapter of Jhelum Tamak (108 MW).
- CEA forwarded comments on the PPS chapter and suggested for checking of economic viability of the project at the revised IC 90 MW. Same is being examined by our consultant SLEI.

- ₹ 15.29 Cr. has been incurred till March 31, 2018. This has been shown under CWIP (Capital Work In Progress).

DIVERSIFICATION INTO OTHER ENERGY AREAS

Your Company is diversifying its activities from hydropower to other sources of energy viz; wind, solar and thermal. The activities of the Company for establishment of such projects are as under:

• Wind Power projects :

A. 50 MW (25 x 2 MW) Patan Wind Farm, Distt. Patan, Gujarat

THDC India Limited has diversified itself in the renewable energy. The wind turbines are installed in the Patan district of Gujarat. In the F. Y. 2016-17 and FY 2017-18 the project has generated 59.041 MUs and 90.23 MUs respectively.

The project has been registered with IREDA for availing of Generation Based Incentive (GBI) @ ₹ 0.50 / kWh with a cap of ₹ 1 Crore per MW. The project will receive a total GBI of ₹ 500 million under this scheme of MNRE.

B. 63 MW (30x2.1 MW) Distt. Devbhumi Dwarka, Gujarat

THDCIL successfully commissioned its IInd Wind Power Project of 63 MW (30x2.1 MW) capacity at distt. Devbhumi Dwarka in Gujarat in a record period of 3 months i.e. 31.03.2017 after obtaining Developer Permission and Transfer Permission from Govt. of Gujarat in December 2016. It also



Sh. A.K. Bhalla, Secretary(Power), Govt. of India and Sh. D.V. Singh, CMD, THDCIL exchanging MoU documents for the Year 2018-19

resulted in THDC becoming eligible for grant of Generation Based Incentive (GBI) to the tune of ₹ 630 Million from Ministry of New & Renewable Energy (MNRE). In the F.Y. 2016-17 and F.Y. 2017-18 the project has generated 0.1387 MUs and 149.45 MUs respectively.

- **Solar Power Project:**

THDCIL & SECI have signed MoU on 13.02.2015 for setting up a total of 250 MW Grid connected Solar Power Projects in a phased manner. Tripartite Agreement was signed amongst SECI, KSEB & THDCIL for setting up of 50 MW Solar PV Project in Kerala.

THDCIL has followed the best industry practices to have an EPC Contractor through competitive bidding process through SECI in terms of the MoU & Tripartite agreement with KSEB.

Despite enormous efforts by THDCIL and intervention by Ministry of Power for the last two years with Govt. of Kerala and Kerala State Electricity Board for signing of Power Sale Agreement (PSA) @ ₹ 3.55/kwh for 50 MW Solar Project, the same could not be signed.

Further, since MNRE has communicated the cancellation of Viable Gap Funding (VGF) of ₹ 25 Cr. earlier sanctioned for 50 MW Solar Power project at Kasargod, Kerala and the Viable Gap Funding (VGF) may not be admissible for this

project now. Accordingly, SECI has been requested to cancel the already floated NIT for this project and initiate the process of re-tendering under "Open Category" on priority. However, in this context, cabinet approval from Govt. of Kerala regarding clearance of land is awaited, after which the work would be retendered by SECI.

- **Solar roof top power plant (500 KW)**

Operation and Maintenance of the 500 KW roof top solar power plant has been done successfully and energy amounting to ₹ 2.98 Lakh has been credited by UPCL towards export of supply to the grid for nine months besides own consumption.

- **Thermal Power Project- Khurja Super Thermal Power Plant-(1320 MW).**

The Khurja Super Thermal Power Plant(STPP)-1320 MW 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 of 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 ₹ 5858.2 Million towards Pre-Investment activities including



An overview of Tehri Dam & Reservoir

land acquisition was accorded by Gol on 20.11.15. The status of various activities is as under :

- Physical possession of 1200.843 Acres including Gram Sabha land obtained. Installation of Pillars including fencing for secured possession of the land is almost complete.
- Construction of Transit Camp / Guest House near Site Office has been completed and put to use.
- After Environmental Clearance to the project on 30.03.17, the NOC was to be obtained from concerned State Pollution Control Board (SPCB Bulandsahar). "Consent to Establish" has been granted by SPCB on 13.06.2018.
- Draft PIB proposal for Investment Approval of Khurja STPP and Amelia Coal Mine has been submitted in MoP on 31.08.17. The cost of the Project (Khurja STPP) is estimated as ₹ 11089.42 Cr. at Nov'17 PL. Whereas the estimated expenditure proposed to be incurred by THDCIL in developing Amelia Mine through MDO is ₹ 1587.16 Cr.
- PIB Meeting was held on 17th July 2018. It is expected that investment approval shall be accorded shortly.
- National Highway (NH-91), passing through the project land, is under re-routing by National

Highways Authority of India (NHAI). NHAI has requested to release an amount of ₹ 394.915 Cr. Out of which an amount of ₹ 100 Cr. has been released to facilitate land acquisition works. Land acquisition is under process.

- NIT for "Steam generator and associated packages" for ₹ 4225 Cr. has been published for ICB on CPP Portal on 25.06.2018. This is the single largest work package to be awarded in the history of the company.
- The main works of the project are scheduled to be awarded matching with Investment Approval.
- The COD of the first unit is envisaged as 48 months from the date of investment approval and second unit at an interval of 6 months thereafter (i.e. Ist Unit by October 2022 and the IInd Unit by April 2023).

Amelia Coal block:

In order to meet out fuel requirement of the Khurja STPP, Ministry of Coal, Govt. of India has allocated Amelia Coal Mine to THDCIL on 29.08.16. The Allotment Agreement between Ministry of Coal & THDC India Ltd has been signed on 15.12.16. The mine is to be developed within a period of 44 months from the date of allotment. i.e. Sep-2020. Bid documents

for selection of MDO for extraction of 277 million tonnes of coal, has been prepared through a JV of CMPDIL & SBI Capital Markets Ltd. NIT is expected shortly.

A total of 1846.72 Ha. for Amelia Coal Mine is under different stages of clearances.

In FAC meetings held on 30.08.2018 a committee was constituted, which will inspect the site & submit the report, so that same shall be put up in next FAC meeting.

Environmental Clearance was already issued in the name of prior allottee i.e. MPSMCL and the same shall be transferred in the name of THDCIL after 1st stage Forest Clearance, which is under progress.

PROJECTS UNDER SURVEY AND INVESTIGATION:

Development of projects in Bhutan

- **Sankosh HEP (2585 MW):**

The proposed project envisages construction of Roller Compacted Concrete Main Dam of 215 m height and two Power Houses (Left bank and Right bank) at the toe of Main Dam with installed capacity of 2500 MW (8X312.5 MW) with energy generation of 5949.05 MU and a Regulating dam on the downstream of Main Dam with installed capacity of 85 MW (3X28.33 MW) with energy generation of 416.34 MU. The total energy generation of Sankosh HEP, Bhutan is 6365.39 MU and cost of the project at April-2016 PL is ₹ 123820.32 Million.

The DPR for Sankosh HEP has been examined and cleared by CEA/CWC. CEA issued the appraisal letter of DPR of Sankosh HEP on 06.06.2017. As per MoU with RGoB, requisite number of sets of final updated DPR sent on 11.08.2017.

Inter-ministerial meeting was held at Ministry of External Affairs(MEA), New Delhi chaired by Foreign Secretary and attended by Secretary (MoP) and CMD, THDCIL on 21.06.18 to discuss issues related to the implementation modalities of Sankosh HEP. CMD THDCIL briefed in this meeting about the structure of THDC proposal as Project

Implementing Agency(PIA) for implementation of Sankosh Project.

THDCIL vide letter No. THDC/CMD dated 06.07.2018 has also submitted a broad perspective plan for implementation of Sankosh HEP, Bhutan to MoP, GoI.

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

The proposed project envisages construction of a Storage Dam and Toe Power House with installation of 180 MW (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 GoI and RGoB in April' 2014.

The Project was not economically feasible as standalone. CEA/CWC determined funding pattern based on a formula for sharing of cost of Dam by downstream projects. All the stake holders have signed the finalized cost sharing mechanism agreed for Bunakha. Cost estimate as originally prepared at 2013 PL has been revised to ₹ 16228.5 Million at April 2015 PL and vetted by CEA. Formation of JV with Bhutanese PSU for implementation of Bhunakha HEP, Bhutan is under discussion with MoP, GoI and RGoB.

DAM SAFETY AND FLOOD MITIGATION MEASURES IN THDCIL

The Dam safety programme of Tehri HPP and Koteshwar HEP is quite exhaustive. A comprehensive scheme of instrumentation has been provided in the dam body and its appurtenant structures for assessment & monitoring the Dam behavior. Inspection galleries provided in the dam body are part of the Dam safety programme and are inspected periodically. Dynamic behavior of Dam, during earthquake and Reservoir induced Seismicity is also assessed through strong motion and micro-seismic networks respectively.

To ensure safe functioning of Dams, pre & post monsoon dam safety inspections are mandatorily performed as per the guidelines of Central Water

Commission (CWC) and prevailing practices in other organization. Apart from this, inspection through Central Water Commission (CWC) and other internationally renowned agencies is also carried out from time to time.

Reservoir Operation & Flood Mitigation

Tehri reservoir filling, commencing from 21st June every year, is done as per reservoir rule curve. During filling of the reservoir, rule curve helps in filling the reservoir at predetermined rate and keeping reasonable storage space for incoming floods during active monsoon period so that the regulated / controlled discharge is passed downstream of the dam. The real time inflow forecasting system for Tehri reservoir having its control room at Tehri dam is operational since 2016. The forecasting system is helping in better management of the reservoir. An early warning system (EWS) consisting of speakers/sirens at eight locations in the downstream from Koteshwar dam to Rishikesh has also been established in Dec' 2017 which is operated from control rooms at Koteshwar dam and State Emergency Operation Centre, Dehradun. EWS helps to alert / warn downstream population along the river through voice messages and sirens.

FLOOD CONTROL BY TEHRI DAM – RIGHT PERSPECTIVE

Tehri Dam being a storage project, also plays an important role in protection of downstream areas from the devastation of floods during monsoon periods. During flood of the year 2010, out of the peak discharge of the order of 3500 cuses, 2200 cuses was stored which was later on released in a regulated manner after Alaknada flood tapered off. In the year 2013 when Uttarkhand experienced worst flood in the month of June, fortunately Tehri reservoir was at its lowest level and almost entire flood discharge of river Bhagirathi having a peak of about 7500 cuses was stored in Tehri reservoir which otherwise would have caused a rise in about 2.5 m in water level of Ganga at Haridwar. Had a storage dam project been constructed on Alaknada river, the impact of these floods would have been mitigated manifold.

REHABILITATION & RESETTLEMENT

Your company has always been committed to take up the Rehabilitation & Resettlement (R&R) of affected families with humane face. Rehabilitation & Resettlement is being taken up in such a manner that after a reasonable transition period, the affected families improve or at least regain their previous standard of living, earning capacity and production levels. THDCIL is building harmonious relationship with Project Affected Families (PAF) through mutual cooperation and regular consultations.

Compensation against acquisition of assets and R&R benefits being extended are at par with the applicable norms / guidelines. As VPHEP is World Bank financed project, World Bank's Social Safe Guard Policies are also in practice in that project.

Besides compensation towards loss of assets, emphasis is also being given for economic upliftment of project affected families by way of various initiatives such as skill development programs, income generation activities etc.

THDCIL is taking precautions to prevent any damage to public and private property due to construction activities. In VPHEP all the structures falling @ 500 m wide corridor above tunnel alignment have been video graphed and insured.

ENGINEERING CONSULTANCY

Your Company has established an Engineering Consultancy Department equipped with latest software and design experts. Following is the status of different assignments:

- Under Consultancy Services of Slope stabilization of vulnerable zones provided to Shri Mata Vaishno Devi Shrine Board (J & K), total 33 prone locations were identified. Five out of thirty-three locations have been treated by the Shrine Board and award of work for other locations are under process. For the protection/treatment work in 2nd phase, letter of award has been issued by the Shrine Board and the protection/treatment activities are under progress.
- Under Consultancy Services for Protection/

treatment of Raj Bhawan Landslides Zone at Nainital, DPR and tender documents for Phase-I has been provided to UKPWD. Further, DPR for Phase-II comprehensive scheme has already been submitted to UKPWD, Nainital.

- Consultancy for development of Underground Parking at Mussoorie has been kept on hold for further directions from GoUK.
- THDCIL has signed an MoU with Public Works (R & B), Jammu & Kashmir on behalf of Shri Amarnathji Shrine Board to provide consultancy services for stabilization of landslides prone area locations near cave after finalizing the modalities. DPR including engineering measures, BOQ, cost estimate, tender documents & drawings has been submitted to Public Works(R & B), Jammu & Kashmir.
- Technical Vetting of DPRs and tender documents for all (05) Five locations of Slope Stabilization work to be prepared by M/S WAPCOS for Govt. of Uttarakhand have been critically examined and vetted by THDCIL and submitted to PIU(Power Interface Unit).
- Design scheme for long term stability measures, tender drawings, Technical specifications, Bill of Quantities and Cost estimate for Tambakhani Chute treatment have already been submitted to DMMC, GoUK. Tender for this work has been floated by PWD, Uttarkhashi and work is likely to start.

RESEARCH AND DEVELOPMENT

Research & Development Centre in THDCIL has been established at Rishikesh. R&D activities are undertaken keeping in view the business needs of THDCIL i.e. the existing problems as well as future needs of power sectors. R&D Activities are undertaken through collaboration with specialized agencies like Academic Institutions, IITs etc. Alternatively, R&D activities have also been undertaken individually as in-house activities.

The ongoing R&D in THDCIL during the Year 2017-18 are as under:

- Earthquake monitoring stations established around Tehri Region.

- Expansion & updation of Micro Seismic Network around Tehri region.
- Vibration Data Analysis of Rotary Machines and auxiliaries for Tehri and Koteshwar.
- Comprehensive solutions for slope stability of road between Zero bridge to Koteshwar.
- Setting up of satellite based real time inflow forecasting system for catchment area of Tehri Reservoir .

In addition to these ongoing projects, the following R&D projects have been completed during the financial year 2017-18:

- Analysis of Dynamic performance of variable speed hydro-electric plants under grid disturbance.
- Early warning system (EWS) installed in downstream of Tehri/Koteshwar dam disseminates an accurate warning well in time to save public in downstream of Tehri and Koteshwar dam by giving lead time for response.
- Development of Self compacting concrete (SCC) shall be very useful at locations where compaction through conventional methods is not possible due to unapproachable sites or heavy & dense reinforcement such as in multi storied buildings, machine foundations and in backfill concrete etc.
- Condition monitoring of EM- equipment's of Tehri & KHEP project, is a proactive preventive measures were taken which resulted to improved reliability/ efficiency and safety of Tehri & Koteshwar Power Plants.

Various technical research papers have also been published/presented in different technical journals/conferences during the year. Based on in-house R&D activities, 03 technical papers have been published & presented in national and international level conference and 07 technical papers have also been published in various Journals and Conferences on the outcome of R&D projects being executed in collaboration with the expert agencies during the year. During the year (2017-18) an expenditure of ₹ 48.20 Million was incurred on various R&D projects which is 0.67 %



River Alaknanda diverted through Diversion Tunnel on 02.04.2018 at Vishnugad Pipalkoti HEP (444 MW)

against the minimum 0.5% of the PAT of the year 2016-17.

QUALITY ASSURANCE

Your company has an established full-fledged centralized Quality Assurance and Inspection (QA&I) wing for achieving a better performance of plant equipment. In this regard, a Model Quality Management System is in force to carry out quality assurance and inspection activities of hydro power projects under implementation for ensuring the quality of each and every equipment in regard to all the generating units and its auxiliaries including plant auxiliaries being supplied at site of the ongoing projects (Tehri PSP, VPHEP & Dhukwan HEP) in accordance with the Model Quality Management System. The quality management system has its role at every stage of equipment i.e. Preparation of QA&I requirement for tender document, Bid evaluation for QA&I aspect, Finalization of Quality co-ordination procedure, Sub-vendor approvals, Approval of Quality assurance plans, Conducting stage and final Inspections, Recommendation of Material dispatch clearance certificate (MDCC).

Further, QA&I wing also ensures the quality of the work being carried out during the installation of equipment at site by regular/periodical inspections at different stages of erection and commissioning

of the plants.

Your Company has obtained following management system certifications till the financial year 2017-18:

- Corporate Office, Rishikesh, Tehri HPP, PSP, KHEP Koteshwar, VPHEP Pipalkoti & Dhukwan Small Hydro Electric Project has acquired certification of ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management System).
- Corporate IT Department, Rishikesh has acquired the certification of ISMS (Information Security Management System) ISO 27001:2013 in October 2015 for three years through STQC(Standardization, Testing and Quality Certification), New Delhi.

ENVIRONMENT MANAGEMENT

Your Company has always adopted the appropriate Environment safeguard measures to avoid, minimize and mitigate the negative impacts on Environment due to its activities at various offices and project fronts.

Your Company is committed to conserve the natural resources, to protect and conserve the flora and fauna and to implement best practices at all of its workplaces. Your Company aims in proper

implementation of the Environment Management Plan for each of its projects. Various measures taken in this regard are as follows:

- A five-member Environment and Social Panel of internationally recognized experts has been engaged for monitoring and appraisal of Environment and Social issues involved in the development of 444 MW Vishnugad Pipalkoti Hydro Electric Project (VPHEP). The third visit of the E&S panel was conducted in April 2017.
- M/s WAPCOS Ltd., Gurgaon and Indian Council of Forestry Research and Education (ICFRE), Dehradun have been engaged for independent Third party monitoring of implementation of Environment Management Plan (EMP) and Catchment Area Treatment (CAT) Plan of VPHEP respectively.
- Directorate of Coldwater Fisheries Research (DCFR), Bhimtal has been engaged for the development and implementation of Fishery Management Plan at VPHEP.
- For Wildlife Protection at VPHEP, Camera Traps have been provided to the Forest Department for installation and monitoring at appropriate forest locations nearby the project sites.
- Herbal Garden is being developed in the VPHEP colony over an area of 1800 sq.m. approx., under the consultancy of HRDI, Mandal Gopeshwar.
- The development of Green Belt at VPHEP is being undertaken under the supervision of noted Environmentalist Sh. Jagat Singh Chaudhary alias "Junglee". A total of 5000 plants have been planted in the project area till now.

Your Company has been provided with three (03) years extension in the validity of the Environmental Clearance of VPHEP, i.e. upto August 2020, by MoEF&CC, Government of India.

Your Company is implementing the 1320 MW Khurja Super Thermal Power Plant, wherein various Environment Management and Protection activities envisaged under the EIA-EMP report are to be executed pari-passu with the construction activity.

In order to sensitize people, World Environment Day (WED) is celebrated on June, 5th of every year at corporate office as well as at all project locations.

IMPLEMENTATION OF RISK MANAGEMENT

Your Company being a Power Project Developer is subject to significant sector specific and geographical location specific risks in implementation of Projects. The Company has adopted Risk Management Manual duly approved by the Board. The Risk Management Manual intends to establish a structured and disciplined approach to Risk Management.

Your Company has constituted a Risk Management Committee comprising of officers from Project Site (as Risk Officer), Project Finance and Corporate Design (Civil & HM) Deptt. for each project. The Committee is responsible for finalization of the Risk Management Plan for individual Project. Implementation of the Risk Management Plan has resulted in increased focus on Corporate Governance and better management of Risks during construction and operation of the Projects.

Detailed information on the Implementation of Risk Management is given separately in the Corporate Governance Report (**Annexure-I**). Major elements of risk are given in the Management Discussion and Analysis Report at **Annexure-III** of this Report.

INFORMATION TECHNOLOGY AND COMMUNICATION

In THDCIL information technology is used as strategic tool 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. THDCIL has latest Information Technology and Communication infrastructure.

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



Sh. H.L. Arora, Director (Technical) & other Officials of THDCIL with Sh. Anirudh Kumar, JS(Hydro), GoI on his visit to Tehri HPP

based and are being accessed over internet from all locations viz. Corporate Office, Regional offices, Projects, and Power stations. All locations have dual internet lease lines for uninterrupted access of software applications. Further for the transparency of payments, we have also implemented web based Bill Tracking Software to track the status of bills submitted by vendors/ contractors. Grievance Tracking System is for the public to register their complaint and get the status of their grievances.

During the year, the following value additions were achieved;

- 1) New Website has been developed in open source technology & deployed on cloud environment in NIC, New Delhi. It has many improved features such as dynamic look, performance reports of power stations, project wise status reports, success stories of projects, CSR portal etc .
- 2) The FMS application Software was made Indian Accounting Standard (IndAS) compliant.
- 3) Migration of database of all application softwares to latest version of Oracle.
- 4) Development of application software for online submittal of “ Quarterly Vigilance clearance reports of E8 and above”.

- 5) Implementation of Online PMS for executives upto E7 level.
- 6) Development & implementation of online PMS for the executives at E8 & E9 level.
- 7) Development of application & Implementation of online recruitment of Engineer Trainees through Gate 2018.

In order to move gradually towards paperless office for improving the efficiency, consistency and effectiveness in the responses from individual / section / department in handling the letters, notes and files, THDCIL is in the process of implementation of **E-OFFICE (DEVELOPED BY NIC)**. It will reduce the turnaround time / processing delays and shall establish transparency and accountability.

THDCIL has Implemented Cyber Security Policy at Corporate Office Rishikesh from Dec,2015. Company has successfully reduced paper consumption, achieved standardization of data and accuracy of information to a large extent with well-planned Information Technology facilities. To maintain the cyber hygiene, all the software applications and IT infrastructure are being audited regularly by CERT-In empanelled Security Auditors and also cyber security awareness workshops are conducted regularly to sensitize

employees about cyber security. As per Government of India directives, e-procurement (Electronic Tender) System has also been successfully implemented.

AWARDS AND RECOGNITIONS

Your Company has been recognized and appreciated by the Govt. of India and other prestigious organisations & institutions in the form of various awards/accolades in various categories from time to time.

Your Company has been rated 'Very Good' for its performance for year 2016-17 as per MoU with the Ministry of Power. THDCIL endeavors for an all-round growth and the same is reflected in the list of past awards and achievements. Recently, Company has received Exceed HR Award 2018 on 21.07.2018 at Dehradun. Sh. Vijay Goel, Director (Personnel) received the award on behalf of Corporation from Hon'ble Cabinet Minister, Govt. of Uttarakhand, Dr. Harak Singh Rawat.

HUMAN RESOURCE DEVELOPMENT

As the World become more Competitive & Resource scarce it is the inner strength of the organization, which will lead them to success. The Human Capital, which plays a vital role in enabling smooth implementation of key strategic issues, needs to be enriched with Knowledge, Skill and Attitude (KSA Model). Our Company firmly believes that Capacity Building initiatives through Training & Developmental activities are an imperative to ensure Survival & growth. Organizational Excellence can be attained when Human Resources are self driven and work in an environment that foster culture of learning and sharing.

Your Company has a Human Capital of 1922 as on 31/03/2018 comprising of 822 Executives 115 Supervisors and 985 Workmen. Company takes pride in its highly motivated and Competent Human Resource. HRD Vision is to **create work ethos of growth through professionalism and achieving excellence.**

In our endeavor to continuously update and upgrade the knowledge, skill and attitude of the employees through strategic HRD interventions a total of 49 nos. In-house Training programs were



Sh. Vijay Goel, Director(Personnel), THDCIL receiving 'HR Exceed Award' from Hon'ble Cabinet Minister, Govt. of Uttarakhand, Dr. Harak Singh Rawat

conducted during 2017-18, besides external floated nomination(s) spanning a total of 6380 Training Man days, against the target of 4000 Training Man days, which is 57% more than the target.

It would be pertinent to place on record that MoU Target (2017-18) pertaining to HRM template on Talent Management and Career Progression by imparting at least one week Training in Centre of Excellence e.g. IITs, IIMs, ICAI etc. has been accomplished under Excellent rating by imparting training to 82 Executives in various Centre of Excellence.

The Significant Programs organized during the year 2017-18 are as under:-

- Mentoring & Coaching;
- Cyber Security;
- Advanced Refresher Course for Certified Trainers;
- Vibration Analysis & Monitoring;
- CSR, Sustainability and THDCIL Communication strategy;
- Financial Frauds;
- 13 weeks O&M Training;
- Superannuation Planning;
- Discipline Management & Contract Labor Management program;
- Training program on Global Positioning system (GPS) and Electronic Total Station (ETS);

In addition to this officers have been sponsored for external floated nominations for Technical/ Managerial programs in various reputed Institutes viz. IIMs, IITs, IICA, ASCI, etc. in India and abroad. Your company achieved Excellent rating for achieving the MoU Target (2017-18) pertaining to HRM template on Talent Management and Career Progression.

Training needs of Board Members have also been addressed by nominating them to the programs organized by ASCI, Hyderabad, DPE and SCOPE, New Delhi in India and abroad.

With a view to improve the work culture & bring enthusiasm and positivity amongst the employees, a number of Motivational programs have also been organized through renowned Motivational Speakers at various locations of THDCIL.

Your company has recruited 47 JETs and 10 ETs in various disciplines. A robust roadmap for new inductees have been devised for smooth on-boarding in the company, so that they become productive member, of the organization.

M/s CRISIL has carried out a consultancy assignment on capacity Building and Institutional strengthening. The outcome of the report would be way forward in conceptualizing and designing future HRD interventions.

Your Company is investing in the Skill Development of its employees as well as various vocational Training initiatives under CSR for the youths from the nearby areas to the operation of the company.

EMPLOYEE RELATIONS AND WELFARE

Cordial Employee Relation is the driving force behind sustained stellar performance of the company. The Employee Relation in your Company is founded on mutual trust and respect and both employees and management complemented each others' efforts in furthering the interest of the Company as well as its stakeholders, signifying and highlighting over-all harmony and cordial employee relations prevalent in the Company.

Employee relations were cordial and harmonious at all THDCIL projects/stations/ units during the year. There have been continuous interactions



Sh. D.V. Singh, CMD, THDCIL inaugurating 'Apana Bazaar' building in Rishikesh Office Complex in the presence of Sh. H.L. Arora, Director(Technical) and Sh. Vijay Goel, Director(Personnel)

between the management and the apex fora of workmen and executives. Structured meeting were organized during the year wherein issues relating to performance and productivity were extensively discussed. Representatives of workmen were allowed to participate in joint management council where equal number of employees and Management representatives participated in objective and constructive discussion. The Quality Circle team from THDCIL presented models on Quality concepts which were appreciated and bagged Gold medal in the Regional Quality Circle meet and won Excellence awards thus proving its mettle in commitment of continuous improvement and content-oriented approach.

Your Company is continuously working on formulating new welfare policies aiming at increasing the Happiness and Wellness quotient of its employees. Your company organized several welfare activities during the year ranging from organizing summer sports, winter sports, inter CPSU sports etc. and emerged as winner in several sports events organized under the aegis of ICPSU. A number of other cultural activities were organized to de- stress the employees, as well as to create better relationship among each other by respective clubs. Cultural Programmes are regularly conducted for promoting healthy community living. Various festivals like Diwali, Holi, Durga Puja, New Year, Raising Day etc. are celebrated collectively by organising cultural activities etc. Celebration of Yoga Day, arrangement of workshops on several health

related issues, Medical Check-up camps at different Units and blood donation camps etc. were also additional features throughout the year.

Initiatives for SC/ST and Physically challenged persons:

Your Company endeavors to comply with the guidelines issued by Govt. of India from time to time in 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 through Special recruitment drives. Your Company recruited 11 nos. of candidates from SC category, 01 no. of candidate from ST category and 02 nos. of candidates from specially-abled persons through open advertisements.

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 making all efforts towards creation of barrier-free environment for specially abled by following the guidelines laid down under Sugam Bharat Abhiyan. Your Company has been nominating employees belonging to Physically Handicapped category to attend special training programmes.

IMPLEMENTATION OF OFFICIAL LANGUAGE

Your Company has made sustained efforts to enhance the progressive use of Hindi in day to day official working. Your Company believes that Hindi language has the power to create bonding and national spirit therefore, your Company 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 Office 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. The Contents are also being displayed in the official website bilingually. Important advertisements and house journals were

released in bilingual form- in Hindi and in English. The Corporate Office was conferred IInd Rajbhasha Vajiyanti Award by Town Official Language Implementation Committee(TOLIC), Haridwar established under the aegis of Ministry of Home Affairs, Govt. of India.

During the year 21 numbers of workshops were organized by Rajbhasha wing where 496 numbers of employees were imparted training. 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. Attractive incentive schemes for employees working in Hindi have been implemented as per the government guidelines. Also, various awards and reward schemes have been introduced to encourage employees to actively participate in promotion of Hindi, by contributing to articles/write-ups for in-house magazines, participating in events organized throughout the year including Hindi Pakhwada. Hindi "Hasya Kavi Sammelan" was organized during the year 2017. Hindi house journal "PAHAL" is being published in every four months.

Your Company has established one of the best Hindi libraries at Corporate Centre alongwith other Hindi Libraries at various establishments of the Company, where popular/literary Magazines and Newspapers have been made available for the employees.

Your Company is also discharging the responsibility of chairmanship of TOLIC(Town Official Language Implementation Committee) Haridwar & Tehri. Various activities / programs of Town Official Language Implementation Committee were organized at regular intervals during the year such as half yearly meetings. All activities and programs have been uploaded on the website of Town Official Language Implementation Committee, prepared by the Department of Official Language.

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.



Celebration of Republic Day-2018

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.

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 2017-18, total 128 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 11 appeals have been received by First Appellate Authority, all the appeals have been disposed off by the Appellate Authority. 06 Appeals were filed at Central Information Commission (CIC), New Delhi.

WOMEN EMPLOYEE WELFARE

The company provides equal growth opportunities for women employees in line with Govt of India Philosophy. Women have adequate representations at different hierarchical levels in the Company. Several training programmes, health and wellness

and workshops were organized for women employees. Your Company has also constituted WIPS (Women in Public Sector) Committee.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed for the prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. Complaint Committee have been constituted as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to deal with sexual harassment complaints, if any, and conduct enquiries. There was no complaint on sexual harassment till date.

PR INITIATIVES AND CORPORATE COMMUNICATION

Your Company firmly believes in constructive communication and follows innovative and diversified means for engagement of various stakeholders. The key areas of productive interventions during F.Y. 2017-18 are described as under:

New/Social Media: Company has developed active and diverse Social Media Assets viz.

Verified Facebook Page, You Tube Channel, Twitter Handle and these social media tools have been linked with Ministry of Power, PMO, & My Gov.(Citizen Engagement Platform) of Govt. of India. Your company also has developed Electronic Magazine(THDCIL Communication Charter) for interesting, informative content sharing together and Bulk Messaging Service for speedy real-time communication with employees. Your Company has also started a new initiative of VOICE CALL SERVICE as well.

Your company also played an active role in wider publicity of major flagship programmes of Govt. of India such as Demonetisation and Cashless Transactions for larger public interest by way of organizing Digital Payment Workshops and outdoor publicity through banners. Your Company has installed Hoardings (500 nos) all over Uttarakhand for creating awareness on **Saubhagya Scheme** (Pradhanmantri Sahaj Har Ghar Bijli Yojna). Your company convened a Media Round-Table conference wherein the achievements of the Corporation were shared with Media Personnel.

Media Consultancy: For Capacity Building & Institutional Strengthening (CBIS), your Corporation has engaged M/s Perfect Relations Private Limited, Delhi for Consultancy Services as Media Consultant for Development & Implementation of Communication Strategy. Phase-02 of the Contract is effective from 03.05.2017 in which the approved Communication Strategy is under implementation in collaboration with Media Consultancy Firm for a period of 18 months.

Community Outreach: Your Company has developed a corporate film named 'THDCIL- A journey towards excellence' which sketches 25 years of glorious past of the Company. A Corporate Video on THDCIL based on the theme **Sabka Saath Sabka Vikas** was made in collaboration with National Film Development Corporation (NFDC Limited). Your company also made small films/videos on Swachh Bharat Abhiyan, School Level Painting Competition on Energy Conservation.

Capacity Building Initiatives: Under Capacity Building and Institutional Strengthening (CBIS) various workshops were conducted viz. Media Workshop for CMD and Directors as well as key Executives of the Corporation, CSR and Community Outreach Workshop for CSR & PR Personnel, Photography and Composition Workshop at Tehri for identified cross functional employees having interest in photography.

Publications: Team Corporate Communication brought out following publications during the year :

- Four Quarterly issues of House Journal 'Gangavataranam';
- MoU between MoP & THDCIL 2017-18;
- THDC Hydro-Tech.;
- Bilingual THDC Profile and Brochures;

VIGILANCE ACTIVITIES

The objective of Vigilance administration is to enhance the level of managerial efficiency & effectiveness. The aim is to encourage a culture of integrity and probity. The main thrust of the vigilance function is of preventive vigilance. Preventive vigilance is a package of measures to improve systems/procedures aimed at eliminating the scope for corruption and to aid the management to achieve optimum results. Identifying complex rules/procedures and simplifying the same, curtailing discretions, ensuring accountability, sensitizing the officials, facilitating a culture of honesty and promoting ethical practices etc. are some of the measures. Regular Checks/Surprise Inspection have been conducted & systems are being streamlined in consultation with respective department to bring transparency.

As part of Preventive Vigilance, CTE Type/ Surprise inspections are conducted. The time-schedule laid down by the Central Vigilance Commission for conducting enquiries and investigation are being adhered to. List in consultation with CMD, and Head of Branch, CBI, Dehra Dun, for the year 2018 has been reviewed and finalized. List of officers of Doubtful Integrity for the Year- 2018 has also been finalized.



Celebration of 31st Foundation Day

- ❑ **E-governance** :- Vigilance department in its end eavour to eradicate/mitigate corruption has utilized leveraging technology as effective tool in Vigilance administration through Online Complaint Handling System, Online Property returns etc. With the introduction of various measures such as e-tendering, e-payments, e-procurement, bill tracking system, vendor registration, uploading of contract documents as well as award details, the concept of Transparency and Accountability has been inculcated well in the Organisation. Besides these, rules and regulations of the Company are also uploaded and updated on the website.
- ❑ Training Programmes/Workshops/Seminars are being carried out by Vigilance deptt. in consultation with HRD deptt, THDCIL to create awareness amongst the employees regarding vigilance related matter.
- ❑ **Systemic Improvement** :- During the course of inquiry/investigation certain issues come to notice. These issues could have been avoided, had the concerned executive taken a more careful/transparent decision. Such issues/matter are brought to the notice of all concerned as a Systemic Improvement, so that mistakes

are not repeated in future. It is a continuous process.

- ❑ **Vigilance Awareness Week, 2017:-** Vigilance Awareness Week- 2017 was observed by THDC India Limited from 30.10.2017 to 04.11.2017 with the theme specified by CVC “My Vision-Corruption Free India”. On the occasion, the Vigilance department published a Booklet on “CVC guidelines on PIDPI, Preventive Vigilance & Common irregularities in public procurement”. Posters / Banners on Anti - Corruption, Resolution of Govt. of India on PIDPI guidelines relating to whistle blower mechanism and Integrity Pledge etc. were published & distributed to all the offices of THDCIL for display. Integrity clubs were formed in schools at Rishikesh, Tehri & Pipalkoti and various programs were conducted amongst the Integrity club members during the Vigilance Awareness Week.

PROCUREMENT FROM MICRO & SMALL ENTERPRISES

During the financial year 2017-18 THDCIL has procured goods and services from MSEs constituting 25.64 % of total annual procurement

value after excluding the value of items/equipments/ services which are either Original Equipment Manufacturers (OEMs) proprietary equipments and/or not manufactured/provided by MSEs.

The details of the procurements made Micro and Small Enterprises (MSEs) during the FY 2017-18 as required to be disclosed under Micro, Small and Medium Enterprises Development Act,2006 is as under:

Sl. No.	Particulars	Figures (₹ in Cr.) year 2017-18
I	Total Annual procurement (in value)*	24.84
II	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs).	6.37
III	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs.	0.02
IV	% of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement	25.64%
V	% of procurement from MSEs owned by SC/ST entrepreneurs out of total procurement	0.08%
VII	Whether Annual Procurement Plan for purchases from Micro & Small Enterprises are uploaded on the official website.	Yes

*This includes procurement of goods and services only.

Special vendor development program in coordination with Ministry of Micro, Small and Medium Enterprises has also been organized. Annual procurement plan including items to be procured from Micro & Small Enterprises (MSEs) have been uploaded on THDC Website for benefit of MSMEs. Nodal officer on behalf of THDCIL for co-ordination & implementation of procurement policy has been nominated and conveyed to Ministry of Micro, Small and Medium Enterprises & Ministry of Power.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2017-18, the Company has not entered into any material transaction with any of its related party in terms of Section 188 of Companies Act, 2013.

Disclosures of particulars of contracts/arrangements referred to in sub-section (1) of section 188 of the Companies Act, 2013 Pursuant

to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules,2014 are as under :

Particulars	Details
Details of contracts or arrangements or transactions not at arm's length basis.	Nil
Details of material contracts or arrangement or transactions at arm's length basis.	Nil

CORPORATE GOVERNANCE

Your Company has, endeavored to adopt Good Corporate Governance Practices. The Corporate Governance mechanism in your Company is based on parameters like Transparency and Fairness, Timely and Balanced Disclosures, Integrity in Financial Reporting, Promote Ethical and Responsible Decision Making Obligations

towards Environment and protection of Rights and Interests of Stakeholders.

In compliance to Securities and Exchange Board of India (LODR) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, 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**.

A certificate from practicing company secretary regarding compliance of conditions of corporate governance according to DPE guidelines is also obtained from PCS and is enclosed.

CORPORATE SOCIAL RESPONSIBILITY (CSR) & SUSTAINABLE DEVELOPMENT (SD)

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 the Board Level CSR Committee (BLC). Before implementation of CSR Projects Baseline Survey is done to priorities the activities.

During the Financial year 2017-18 total expenditure on CSR activities is ₹ 16.20 Cr. which is more than 2% of net average profit of last three years.

Detailed Report on CSR is attached as **Annexure- II**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with DPE Guidelines on Corporate Governance a separate Report on Management Discussion and Analysis is attached as **Annexure-III** to the Directors' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are attached as **Annexure-IV**.

BUSINESS RESPONSIBILITY REPORT

As part of Good Corporate Governance Practice Business Responsibility Report, regarding the disclosures of initiatives taken by the Company on environmental, social and governance issues is attached at **Annexure-V**.

EXTRACT OF ANNUAL RETURN

Extract of annual return of the Company in accordance to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached at **Annexure- VI**.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm the following:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (c) the Directors have 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;

- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER DISCLOSURES

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Statutory Auditor of the Company i.e. M/s P.D. Agrawal & Co. Chartered Accountants have in their report stated that the Company has, in all material respects, an adequate internal financial control system with reference to financial reporting and Company has adequate policies in place for prevention and detection of Frauds.

PARTICULARS OF LOANS & GUARANTEES GIVEN, INVESTMENTS MADE AND SECURITIES PROVIDED

Further, Section 186 of the Companies Act, 2013 (except sub-section 1) regarding loans made, guarantees given or securities provided is not applicable to the Companies engaged in the business of providing infrastructure facilities.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and Company's operations during the FY 2017-18.

MAINTENANCE OF COST RECORDS

Your Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the year 2017-18.

Declaration by Independent Directors

All the Independent Directors have met the requirements specified under Section 149(6) of the Companies Act, 2013 regarding holding the position of 'Independent Director' and necessary declaration from each Independent Director under Section 149(7) has been received.

Performance Evaluation of Directors

The Independent Directors in their separate meeting has reviewed the work assigned to them under Schedule IV of the Companies Act, 2013, including performance evaluation of Board as a whole.

AUDITORS AND AUDITORS' REPORT

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, TEHRIH (I) /158 Dated 20/07/2017 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 Auditor is being placed in the ensuing Annual General Meeting (AGM) for consideration.

The report of the Statutory Auditors 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 2017-18. Hence comments of the Company is "NIL".

Review of Accounts by Comptroller & Auditor General of India. Comments of the C & AG

The Comments of Comptroller & Auditor General of India as supplement to the Statutory Auditors' Report under Section 143(6) of the Companies Act, 2013 on the Accounts of the Company for the year ended March 31, 2018 are attached with Financial Statements.

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

Cost Auditors and Cost Auditors' Report

M/s S.C. Mohanty & Associates, Cost & Management Accountants, New Delhi, M/s K G Goel & Associates, Cost & Management Accountants, New Delhi and M/s K B Saxena & Associates, Cost & Management Accountants, New Delhi have been appointed by the company as Cost Auditors at a remuneration of ₹ 50,000 each to conduct the Audit of Cost Accounting Records for Tehri Unit, Koteshwar Unit and wind power projects respectively for the Financial Year 2017-18 under Section 148 of the Companies Act, 2013. Out of the above appointed Cost Auditors M/s S.C. Mohanty & Associates, Cost & Management Accountants is lead Cost Auditor.

The Cost Auditor has not given any reservations or Qualifications in his Report for the F.Y. 2017-18.

Secretarial Audit

Secretarial Audit for the FY 2017-18 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 VII**.

DEBENTURE TRUSTEES

The details of Debenture Trustees appointed for the Corporate Bonds issued by your company are as under:

Name & Address of Trustee
Vistra ITCL (India) Ltd. (Formerly IL&FS Trust Company Limited) The IL&FS Financial Centre, Plot C-22 , G-Block, Bandra Kurla Complex, Bandra East, Mumbai-400051

ACKNOWLEDGEMENT

The Board of Directors of your Company are highly thankful for the enormous support and guidance extended by the Ministry of Power, Govt. of India, Central Electricity Regulatory Commission, State Governments and their Ministries, Departments/Boards, Bankers, Financial Institutions, Lenders and Investors. The Board places its special appreciation to our valued customers, State Electricity Boards & discoms and other valuable clients of our consultancy assignments.

Your Directors thank all stakeholders, business partners and all members of the THDC Family for their faith, trust and confidence reposed in the Board.

Your Directors acknowledge the constructive suggestions received from Statutory Auditors and Comptroller & Auditor General of India and are grateful for their continued support and cooperation. Your Directors wish to extend their sincere appreciation for the dedicated efforts and enthusiasm put in by the THDCians at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of Board of Directors.

(D.V. Singh)

Chairman & Managing Director

DIN: 03107819

Date : 28.09.2018

Place : New Delhi

REPORT ON CORPORATE GOVERNANCE

To

The Members

Corporate Governance is about promoting Fairness, Transparency and accountability in best interest of various stake holders of the company. The Company believes that Corporate Governance is respect for the inalienable rights of the shareholders as the true owners of the Company.

Your Directors are pleased to present the Company's Report on Corporate Governance for the Financial year 2017-18. The Company is a Joint Venture promoted by Government of India and Government of Uttar Pradesh. Our Company is set to comply with the changes brought in the area of Corporate Governance by the Companies Act, 2013 and SEBI Corporate Governance Norms.

Besides adhering to provisions of the SEBI (LODR) Regulations, 2015, we also follow Guidelines on Corporate Governance of CPSEs issued by Department of Public Enterprises (DPE), Government of India. 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 got 'Excellent' rating by DPE for Compliance with Guidelines on Corporate Governance for the year 2016-17. Based on the grading reports submitted to DPE the Company expects the same, for the year 2017-18 also.

Brief statement on Company's philosophy on Corporate Governance

Our Corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. The Company's corporate governance principles conforms and adheres to all the relevant and applicable law, rules and regulations. We believe that sound corporate governance is critical to enhance and retain stakeholders' trust. We always strive to ensure that

we attain our professional goals with integrity. The basic purpose of Company's corporate governance policy is to continue and maintain the corporate culture of conscience and consciousness towards shareholders and other stakeholders.

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;

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company. The Board of Directors function in accordance with the powers delegated under the Companies Act 2013, AoA, DPE and other guidelines issued by the Government of India from time to time as may be applicable on the Company. The Board of Director of THDCIL comprises of Chairman and Managing Director, Functional Directors, Govt. Nominee Directors and Non Official Part Time Directors (Independent Directors). The Powers delegated by Board of Directors to CMD are further Sub-Delegated to various executives with the concept, intent and purpose that it will effectively contribute to the smooth, expeditious and efficient implementation of company's laid down goals and targets within set policy framework. THDCIL has also prepared and implemented standard Policies and Procedures for procurement of Goods and services with a view to make procedures more systematic, transparent and easy to administer

with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility.

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.

The compliance of the Company with the conditions of the Corporate Governance and the disclosure requirements for the Year 2017-18 are given below :

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 THE BOARD

The Board of Directors has an ideal combination of executive and non-executive Directors and is in conformity with the provisions of Companies Act, 2013 which inter-alia stipulates that the Board should have an optimum combination of Executive and non-executive Directors with at least one Woman Director. Presently, the Board comprises of the Chairman and Managing Director, Functional Directors, Government Nominee Directors and Independent Directors. THDCIL Board comprises of four Functional Directors including Chairman, One Government of India Nominee Director, one GoUP Nominee Director and three 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.

Changes in Directorships in THDCIL during the Reporting Period

S.No.	Name of Director	Event	Date
1.	Shri H.L. Arora, Director (Technical)	Appointment	22.12.2017
2.	Shri S.K. Biswas, Director (Personnel)	Cessation	31.01.2018
3.	Shri Vijay Goel, Director (Personnel)	Appointment	26.03.2018
4.	Smt. Anju Bhalla, GoI Nominee Director	Cessation	16.08.2017
5.	Shri Raj Pal, GoI Nominee Director	Appointment	30.08.2017
6.	Shri Suresh Chandra, GoUP Nominee Director	Cessation	12.12.2017
7.	Ms Saumya Agarwal, GoUP Nominee Director	Appointment	17.10.2017
8.	Shri C.P. Tripathi, GoUP Nominee Director	Cessation	19.03.2018
9.	Ms Saumya Agarwal, GoUP Nominee Director	Cessation	14.05.2018
10.	Shri Sridhar Patra, Ex-Director (Finance)	Cessation	31.08.2018

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 will retire on ceasing to be an official of that Ministry/Administrative Department. Independent Directors are appointed by Government of India usually for a tenure of three years.

2.4 DETAILS OF FAMILIARISATION AND TRAINING PROGRAMMES OF DIRECTORS

At the time of induction of a new Director, a welcome letter is addressed to them along with details of duties and responsibilities

required to be performed as a director. In addition to the compliances required from them under the Companies Act, 2013, SEBI (LODR) Regulations 2015 and other applicable regulations, relevant Disclosures are taken from the Directors and the management of the Company.

The Company has framed a training policy for its Directors which aims at honing leadership qualities and providing a platform to share the knowledge, skills and experience gained by the Directors which consecutively familiarizes the new Director about the Company, its operations, various divisions of the Company and their role and responsibilities, the governance and internal control, processes and other relevant important information concerning the Company.

2.5 BOARD MEETINGS AND ATTENDANCE

Seven Board Meetings were held during the financial year 2017-18. 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 2017-18

Sr.No.	Date of Board Meetings	Strength of Board	No. of Directors Present
1.	June 15,2017	9	7
2.	August 30,2017	9	6
3.	September 20,2017	8	7
4.	November 13,2017	9	7
5.	January 2,2018	10	8
6.	January 29,2018	10	8
7.	March 26,2018	9	6

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 2017-18 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 Meeting held during the tenure	Number of Board meetings attended	Attendance at last AGM	Other Directorships held	Other Positions	
						Chairman	Member
FUNCTIONAL DIRECTORS							
1.	Shri D.V. Singh (Chairman & Managing Director with Additional charge of Director (Technical) till 22.12.2017)	7	7	Attended	-	-	1
2.	Shri S.K. Biswas Director (Personnel) (Upto 31.01.2018)	6	6	Attended	-	-	-
3.	Shri Sridhar Patra Director (Finance) (Up to 31.08.2018)	7	7	Attended	-	-	-
4.	Shri H.L. Arora Director (Technical) (w.e.f. 22.12.2017)	3	3	Not Director During AGM	-	-	-
5.	Shri Vijay Goel Director (Personnel) (w.e.f. 26.03.2018)	Nil	Nil	Not Director During AGM	-	-	-
GOVERNMENT NOMINEE DIRECTORS							
6.	Shri Raj Pal (w.e.f 30.08.2017)	6	6	Attended	2	-	-
7.	Smt. Anju Bhalla JS, MoP (From 01.07.2015 to 16.08.2017)	1	1	Not Director During AGM	1	-	-
8.	Shri Suresh Chandra (from 28.09.2016 to 12.12.2017)	4	Nil	Not Attended	2	-	-
9.	Ms Saumya Agarwal, Principal Secretary (Energy), Govt. of UP (from 17.10.2017 to 14.05.2018)	4	Nil	Not Attended	-	-	-
10.	Shri Chander Prakash Tripathi (from 12.12.2017 to 19.03.2018)	2	Nil	Attended (as GoUP Nominee)	-	-	-
INDEPENDENT DIRECTORS							
11.	Shri Bachi Singh Rawat	7	7	Attended	-	-	-
12.	Shri Mohan Singh Rawat	7	5	Attended	-	-	-
13.	Prof. Maharaj K. Pandit	7	7	Attended	-	-	1

2.6 DIRECTORS' COMPENSATION & DISCLOSURES:

Your Company, being a Government Company under the administrative control of Ministry of Power, Govt. of India, thus 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 (sitting fee is 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 2017-18 are given in **Table 3:**

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

Name of Independent Directors	Sitting Fees (in ₹)				Total (in ₹)
	Board Meeting and AGM	Audit Committee Meetings	Remuneration Committee Meeting	CSR & Sustainability Development Committee Meeting	
Shri Bachi Singh Rawat	1,40,000	1,00,000	20,000	40,000	3,00,000
Shri Mohan Singh Rawat	1,00,000	60,000	NIL	40,000	2,00,000
Prof. Maharaj K. Pandit	1,40,000	1,00,000	20,000	NIL	2,60,000

Table 4: Remuneration of Whole-time Directors and Company Secretary

Details of remuneration of Whole-time Functional Directors and Company Secretary of the company paid for F.Y. 2017-18 are given below:

(Amount in ₹)

Directors	Designation	Salary & Allowances	Bonus/ Commission*	Performance Related Pay (PRP)	Gross Total
Sh. D.V. Singh	Chairman & Managing Director with Additional Charge of Director (Technical)	3165260	-	933935	4099195
Sh. S.K. Biswas	Ex- Director(Personnel)	3627835	-	891892	4519727
Sh. Vijay Goel	Director(Personnel)	3740199	-	300959	4041158
Sh. H.L. Arora	Director(Technical)	3686074	-	307902	3993976
Sh. Sridhar Patra (Upto 31.08.2018)	Director(Finance)	2755922	-	874620	3630542
Ms. Rashmi Sharma	Company Secretary	1000768	-	50749	1051517

2.7 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 whole-time Key Managerial Personnel (KMP). THDCIL has designated following key managerial personnel in the year 2017-18.

1. Shri D.V. Singh, Chairman & Managing Director;
2. Shri Sridhar Patra, Chief Financial Officer;
3. Ms. Rashmi Sharma, Company Secretary.

2.8 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.
- 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.

iii) Recording of minutes of the Board/ Committee meetings:

The draft Minutes of the proceedings of each Board/Committee Meeting are duly circulated to all members for their comments within fifteen days of the conclusion of the Meeting. The Directors communicate their comments on the draft Minutes within seven days from the date of circulation thereof. A comparative sheet of all comments received from Directors are placed before the Chairman & Managing Director/Chairman of Board/respective Committees for consideration and approval thereof. The approved minutes of proceedings of each Board/Committee Meeting are duly recorded in the Minutes book.

iv) Follow-up mechanism :

Directions issued by the Board are regularly communicated to concerned Departments and an action-taken statement on the decisions of the Board is regularly placed before the Board which helps in effective reporting on follow-up and review of decisions.

v) Compliance :

It is our endeavor to ensure compliance of all applicable provisions of law, rules and guidelines. The company ensures compliance of all applicable provisions of the Companies Act, 2013 (to the extent these are applicable), SEBI Regulations & Guidelines, Listing Agreement and other statutory requirements under different laws. The Board of Directors review the legal compliance report placed before it from time to time.

vi) Information to be placed before Board of Directors :

- Annual operating plans, budgets and related updates.

- Capital budgets and related updates.
- Quarterly/Annual Financial results of the Company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Major investments, formation of subsidiaries, joint ventures and strategic alliances.
- Quarterly information with respect to purchases/works/contracts awarded on nomination basis.
- Status of Progress report of projects
- Quarterly report on compliance of various laws
- Disclosure of interest by Directors about their directorships.
- Significant capital investment proposals or award of large contracts.
- Status of arbitration cases. Changes in significant accounting policies and practices alongwith reasons thereof.
- Any other information required to be presented to the Board either for information or approval as per the requirement of applicable laws.

3. COMMITTEES OF BOARD OF DIRECTORS:

Presently, the company has three Board Level Committees which are as under:

- i) Audit Committee;

- ii) Remuneration Committee;
- iii) CSR & Sustainability Committee;

The Company Secretary serves as the Secretary to Board Level Committees.

3.1 AUDIT COMMITTEE

The Company has constituted Audit Committee as per Section 177 of the Companies 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 in accordance with 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 31.03.2018 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 H.L. Arora (w.e.f. 29.01.2018)	Director (Technical) - Member
5.	Shri S.K. Biswas (w.e.f. 02.01.2017 to 28.01.2018)	Director (Personnel) - 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 statements are correct, sufficient and credible.
- Recommendation for 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 :
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment 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.
 - 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.
 - 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 thereon.
- 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.
- To look into the reasons for substantial defaults in the payment.
- To review the functioning of the Whistle Blower Mechanism.
- To review the follow up action on the audit observations of the C&AG audit.
- Review and pre-approve all related party transactions in the company.
- Review with the independent Auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
- Consider and review the following with the independent Auditors 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 auditors and the independent auditors :
 - 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;

3.1.3 MEETINGS AND ATTENDANCE

Five Meetings of Audit Committee were held in the year 2017-18. Details of Meeting held are given in **Table 6:**

Table 6: Details of Audit Committee meetings held during the year 2017-18

S.No.	Date of Audit Committee Meetings	Members Strength	No. of Members Present
1.	June 15, 2017	4	4
2.	August 30, 2017	4	3
3.	September 20, 2017	4	4
4.	November 13, 2017	4	4
5.	March 26, 2018	4	3

The details of the meetings of Audit-Committee attended by the Members for the year 2017-18 are given in **Table 7.**

Table 7: Details of Audit Committee meetings 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	5	5
2.	Shri Mohan Singh Rawat	5	3
3.	Prof. Maharaj K. Pandit	5	5
4.	Shri S.K. Biswas (ceased to be Member of the committee from 28.01.2018)	4	4
5.	Shri H.L. Arora (Member of Audit Committee w.e.f. 29.01.2018)	1	1

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

3.2 REMUNERATION COMMITTEE

As per the DPE Guidelines on Corporate Governance, Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Remuneration Committee was constituted to

decide the annual bonus/variable pay pool and policy for its distribution across the executives and non-unionized Supervisors and workers 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 Members
1.	Shri Bachi Singh Rawat	Independent Director-Chairman
2.	Prof. Maharaj K. Pandit	Independent Director-Member
3.	Shri Raj Pal	Nominee Director, Gol-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 2017-18 on

January 02, 2018. 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 K. Pandit	Member	1	1
3.	Shri Raj Pal	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-2015 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 during the F/Y 2017-18 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 D.V. Singh (ceased to be Member of Committee w.e.f. 28.01.2018)	Functional Director- Member
3.	Shri Bachi Singh Rawat	Independent Director- Member
4.	Shri Sridhar Patra (upto 31.08.2018)	Functional Director- Member
5.	Shri H.L. Arora (w.e.f. 29.01.2018)	Functional Director- Member

Executive Director (S&E), being the Nodal Officer is the permanent Special Invitee to the Committee.

3.3.2 MEETINGS AND ATTENDANCE

Two meetings of the CSR & Sustainability Committee were held in FY 2017-18. Details of Meetings held are given in **Table 11**:

Table 11: Meetings of CSR & Sustainability Committee and attendance:

Sr. No.	Date of CSR & Sustainability Committee meetings	Members Strength	No. of Members Present
1.	June 15, 2017	4	4
2.	March 14, 2018	4	4

Table 12: Details of CSR & Sustainability Committee meetings attended by the Members:

S.No.	Name of Members of Committee	No. of Meetings held during his tenure	No. of Meetings attended
1.	Shri Mohan Singh Rawat	2	2
2.	Shri Bachi Singh Rawat	2	2
3.	Shri Sridhar Patra	2	2
4.	Shri D.V. Singh (Member upto 28.01.2018)	1	1
5.	Shri H.L. Arora (Member w.e.f . 29.01.2018)	1	1

Functions of CSR & Sustainability Committee

The Board Level CSR & Sustainability Committee steers the Implementation and Monitoring of the CSR-SD Programs/ 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 tasks 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	29 th Annual General Meeting held on 20 th September, 2017	28 th Annual General Meeting held on 26 th September, 2016	27 th Annual General Meeting held on 22 nd September, 2015
Time	12:45 PM	12:30 PM	05:00 pm
Venue	THDC INDIA LIMITED, 1 st Floor, East Tower, NBCC Place, Bishma Pitamah Marg, New Delhi	THDC INDIA LIMITED, Rishikesh	THDC INDIA LIMITED, 1 st Floor, East Tower, NBCC Place, Bishma Pitamah Marg, New Delhi
Special Business	<ul style="list-style-type: none"> • To fix Remuneration of Cost Auditors for the F.Y. 2017-18. 	<ul style="list-style-type: none"> • To fix Remuneration of Cost Auditors for the F.Y. 2016-17. • Issue of Secured Non-Convertible Non-Cumulative Bonds on Private Placement Basis. 	<ul style="list-style-type: none"> • To fix Remuneration of Cost Auditors for the F.Y. 2015-16. • To Borrow ₹ 2500 Cr. through issue of Corporate Bonds.

5. DISCLOSURES

5.1 VIGIL MECHANISM

The Company has separate Vigilance Department which deals with fraud or suspected fraud involving employees/representatives of suppliers, contractors, consultants, service providers or any other party doing business with THDCIL.

The Company has a defined and established whistle blower policy (vigil mechanism) for reporting instances of unethical/improper conduct and for taking suitable steps to investigate and correct the same. The whistle blower policy is available on the Company's website at www.thdc.co.in. The provisions of this policy are in line with the provisions of section 177(9) of the Companies Act, 2013.

During the year 2017-18, no complaint has been reported under whistle blower policy. Further, no personnel had been denied access to the Audit Committee of THDCIL.

5.2 SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND DPE GUIDELINES ON CORPORATE GOVERNANCE:

The company has complied with the requirements of the Listing Agreement with Stock Exchange & Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises. There were no penalties or strictures imposed on the company by any statutory authorities for non-compliance during the year.

5.3 ACCOUNTING TREATMENT: In view of the management, all applicable Indian accounting standards (Ind AS) are being followed for preparation of Financial Statements.

5.4 SEPARATE MEETINGS OF INDEPENDENT DIRECTORS:

THDCIL Board has three Independent Directors as on date. During the Financial Year 2017-18 one meeting of Independent Directors was held on March 26, 2018. In which two Independent Directors were present.

5.5 INFORMATION FOR INVESTORS

5.5.1 LISTING ON STOCK EXCHANGES

THDC INDIA LIMITED Corporate Bonds are listed on the following stock exchanges:

BSE Limited	National Stock Exchange of India Limited
Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 ISIN: INE812V07013	Address: Exchange Plaza, Plot No. C/1, G Block, Bandra (East), Mumbai - 400051 ISIN: INE812V07013

The annual listing fee for the Financial Year 2017-18 has been paid to both Stock Exchanges before 31st July 2017.

5.5.2 REGISTRAR AND TRANSFER AGENTS

Karvy Computershare Private Limited
 Karvy Selenium Tower B, Plot 31-32
 Gachibowli, Financial District,
 Nanakramguda, Hyderabad-500 032

5.5.3 DEBENTURE TRUSTEE

VISTRA ITCL (INDIA) LIMITED
 A-268, 1st Floor, Bishma Pitamah Marg
 New Delhi-110014.
 Mobile: +919619105439
 E-Mail- Sanjay.Dodti@vistra.com

5.5.4 INVESTOR GRIEVANCES :

During the Financial year ending 31st March 2018, the company has not received any investors' grievances.

5.5.5 CENTRALIZED WEB BASED REDRESSAL SYSTEM-SCORES

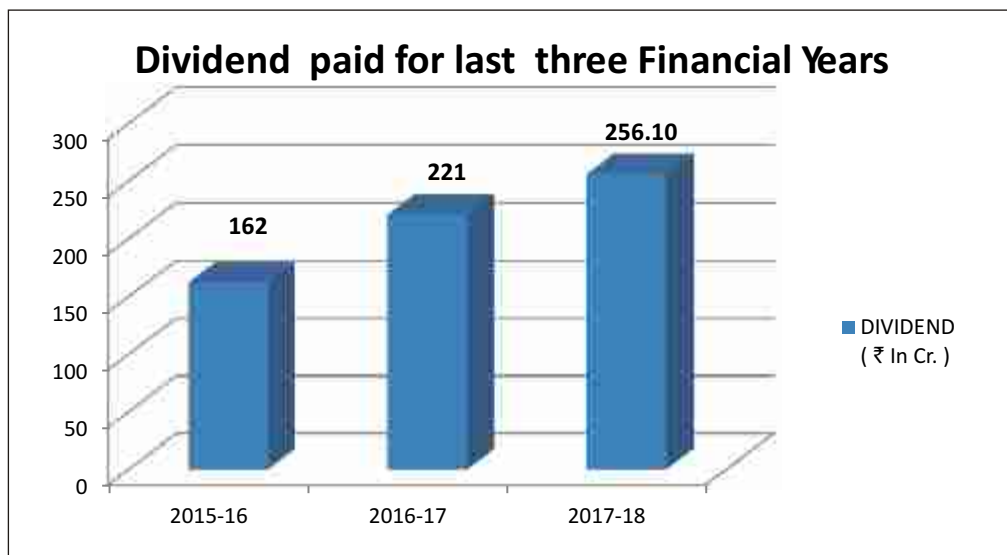
The centralized web based Complaint Redressal System of SEBI i.e. SCORES is used in the company. Through SCORES, Bondholders can register their complaints against the Company for redressal. Status of every complaint lodged can also be viewed online .SEBI disposes off the complaints if it is satisfied that the complaints have been redressed adequately.

5.5.6 NAME AND DESIGNATION OF COMPLIANCE OFFICER

Ms. Rashmi Sharma, Company Secretary, is the Compliance Officer in terms of Clause 6 of the Listing Agreement.

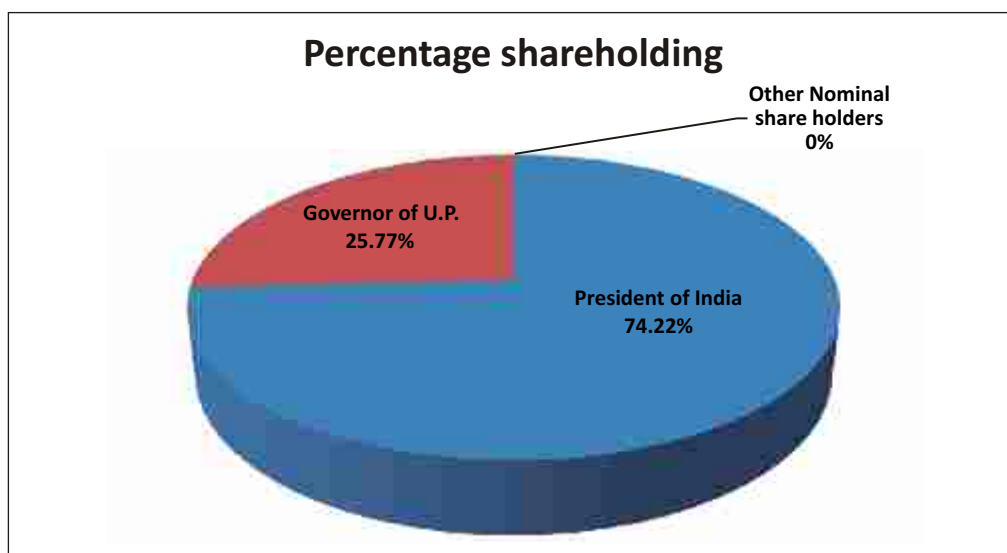
6. PAYMENT OF DIVIDEND :

Year	Total Amount of Dividend Paid for the Financial Year (in Crore)	Date of AGM in which dividend was declared
2015-16	162	26 th September, 2016
2016-17	221	20 th September 2017
2017-18	256.10	Paid during Financial Year as Interim Dividend will be placed in upcoming AGM on or before 30 th September, 2018



SHAREHOLDING PATTERN :

S.No.	Category	Total Shares	% To Equity
1	President of India	26924917	74.22584
2	Governor of U.P.	9349400	25.77415
3	Other Nominal share holders	10	0



7. WHISTLE BLOWER POLICY

The Company has a Board approved 'Whistle Blower Policy' for Directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. It also provides safeguards against victimization of employees, who avail the mechanism and for direct access to the Chairman of the Audit Committee. No personnel has been denied access to the Audit Committee. The mechanism for prevention of frauds is also included in the policy.

- 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.
- To ensure transparency in the Company.

8. GRIEVANCE REDRESSAL MECHANISM

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

9. RISK MANAGEMENT:

The Company has adopted 'Risk Management Manual' in June, 2012. The Manual intends to maintain a uniform & structured Risk Management System in the Corporation at various Power Projects at different stages of implementation. As per the Manual, the Risk Management Committee comprising of Members from Project Finance, Planning, Design 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 is being implemented. Each Project has opened a Risk Register and nominated their

Nodal Risk Officer for coordinating activities as mentioned in Risk Management Plan & 'Risk Management Manual'. In case of occurrence of any risk the same is being recorded in 'Risk Experience Register' and action is being taken to mitigate it for future. The Risk Management of the company is being reviewed periodically by the management. Board also reviews the Risk Management on a regular basis.

10. RECORD MANAGEMENT SYSTEM

THDC has adopted Record Management Manual in line with guidelines of National Archives of India. Chief Record Officer has 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.

11. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meeting, Newspapers and disclosure through website. Periodical financial results of the company are announced within the time specified in Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These results are published in the national and local dailies. 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 (www.thdc.co.in). Information, latest updates and announcements regarding the company can be accessed at company's website through www.thdc.co.in including the following-

- Annual Financial Results
- Shareholding pattern
- Corporate Governance Report
- Corporate disclosures made from time to time to the Stock Exchange.

The Company's official news releases, other press coverage, presentations made to investors or to the analysts are also hosted on the website.

12. COMPTROLLER AND AUDITOR GENERAL OF INDIA:

Your Company being a 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 are placed before both the Houses of Parliament within a prescribed time limit.

13. 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.

14. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Company is committed towards conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Company has in place Code of Conduct for Directors and senior Management Personnel (Code) with a view to

enhance ethical and transparent process in managing the affairs of the Board Members including Govt. Nominee(s) & Independent Directors and Senior Management Personnel of the Company. 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 Company upto the level of AGM. All Members of the Board and Senior Management i.e. 'Key Executives' have confirmed compliance with the Code of Conduct for the year under review. A declaration signed by Chairman & Managing Director is given below

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, 2018.'

(D.V. Singh)
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

The Certificate on Corporate Governance has been obtained from practicing Company Secretary as per DPE Guidelines.

15. 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:

Company Secretary	Ms. Rashmi Sharma
Office Contact Nos.	0135-2439309, Fax- 0135-2439442
E-Mail	rashmi.thdc@gmail.com
For Public Grievances	Sh. R.N. Singh, GM(SP)/ Director of Public Grievances
Contact	0120-2776490, Fax No.0120-2776433
E-Mail	rnsingh@thdc.co.in

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

CORPORATE GOVERNANCE CERTIFICATE FOR F.Y. 2017-18

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 for the Financial Year 2017-18. THDC India Limited is listed for debt securities and is a 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. As regards composition of Board, the appointment of Women Director is pending with the Administrative Ministry.
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.

Sd/-
(P.S.R. Murthy)
Practicing Company Secretary

Place: New Delhi

Dated: 12th September 2018

CORPORATE SOCIAL RESPONSIBILITY REPORT



A word cloud centered on the page, featuring various terms related to Corporate Social Responsibility. The most prominent words are 'CORPORATE', 'SOCIAL', 'RESPONSIBILITY', and 'CSR'. Other visible words include 'BUSINESS', 'COMPANIES', 'REPORTING', 'ETHICAL', 'ACTIVITIES', 'ENVIRONMENTAL', 'ECONOMIC', 'SOCIETY', 'PUBLIC', 'GOVERNMENT', 'LOOK', 'CUSTOMER', 'POWER', 'LOYALTY', 'REPORT', 'ACCOUNTING', 'ETHICAL', 'STRATEGY', 'PLAN', 'SOCIETY', 'CONSCIENCE', 'PEOPLE', 'RESPONSIBLE', 'SOCIAL', 'BUSINESS', 'ACTIVITIES', 'SOCIALLY', 'COMPANIES', 'CONSCIENCE', 'REPORTING', 'CUSTOMER', 'POWER', 'ETHICAL', 'LOYALTY', 'REPORT', 'ACCOUNTING', 'ETHICAL', 'STRATEGY', 'PLAN', 'SOCIETY'.



Initiative for Swachchh Bharat Abhiyan



CORPORATE SOCIAL RESPONSIBILITY REPORT

Brief outline of the Company's CSR Policy

The Company has its own Board approved CSR policy-2015 in place as per Companies Act-2013, new CSR rules and guidelines issued by Ministry of Corporate Affairs/DPE. The CSR vision of your Company is "Socially responsible corporate, continuously enhancing value creation in society and community and promoting sustainable development." THDCIL's approach to CSR is based on long-term sustainable development. The CSR activities are planned to ensure that the benefits should reach up to the smallest unit i.e. village, panchayat, block or district depending upon the operation location and resource capabilities of the THDCIL.

CSR works are being implemented through Company sponsored NGOs namely "SEWA-THDC" & "THDC Educational Society".

SEWA-THDC

THDC INDIA LTD has formed a Company sponsored Non-Government Organization, "SEWA-THDC" under Society Registration Act, 1860 for the implementation of the CSR & Sustainable activities of the Company. SEWA-

THDC has started working since 2009-10. Aims and objectives of the society are charitable and non-profitable. The Managing Committee has 07 members designated employees of THDCIL & nominated by THDCIL. CMD THDCIL is the ex-officio Patron of the society.

THDC EDUCATION SOCIETY (TES)

TES is formed to impart education to the children of Project affected population as well as marginalized and under privileged society in the backward district of Tehri and Rishikesh. At present, the society is running two schools under the auspices of TES-one at Bhagirathipuram, Tehri, offering education from 6th to 12th standards and another school at Pragatipuram, Rishikesh, offering education from 1st to 10th standards.

1.1 Institutional Mechanism

Board Level CSR Committee

THDCIL have constituted a four member CSR Committee of the Board. An Independent Director is Chairman to the Committee. Company Secretary is the Secretary to the CSR Committee.

The CSR Committee acts as per the roles &



Computer Center for the Youth at Indiranagar, Rishikesh

responsibilities defined in the company's act/ new guidelines issued by GoI and meets regularly to review the progress of CSR works & to discuss the related issues.

Below Board Level Committee

An officer, of the level of General Manager/ED, heading the CSR and Sustainability functions is the designated Nodal Officer & is head of the Below Board Level Committee (BBLC). The other members of the BBLC are from various functional Departments. Independent Experts in the field of CSR and Sustainable development, from outside the organization are also nominated in the BBLC.

The Nodal Officer is permanent Special Invitee to the Board Level CSR Committee.

1.2 Planning

1.2.1 Resources

At least 2% of the average net profit of the Company made during the three immediate preceding financial years is spent in pursuance of its CSR & Sustainability Policy. The unspent amount would not lapse and will be carried forward to the next financial year.

The Budget and Annual CSR and Sustainability Plan is approved by the Board on the recommendation of the CSR Committee.

1.2.2 Selection of CSR Programmes

Selection of CSR programmes is related to the activities as specified in Schedule VII of the Companies Act, 2013. THDCIL CSR initiatives are titled 'THDC Sahridaya' (Corporate with a Human heart). Focus areas where THDCIL undertakes CSR programmes is titled by the objective they seek to achieve as under:

- THDC Niramaya (Health) - Nutrition, Health and Sanitation and Drinking Water projects
- THDC Jagriti (Initiatives for a Bright future) – Education initiatives
- THDC Daksh (Skill) - Livelihood Generation and Skill development initiatives
- THDC Utthan (Progress)- Rural Development
- THDC Samarth (Empowerment)- Empowerment initiatives

- THDC Saksham (Capable) - Care of the aged and differently abled
- THDC Prakriti (Environment) - Environment protection initiatives

1.2.3 Selection of location and beneficiaries

Preference of CSR and Sustainability projects is given to the local area i.e. (i) the periphery of the Company's plant / project / business activities and (ii) the Broad Geographical Area directly impacted by the Company's business operations directly impacted by Company's operations and activities.

1.3 Implementation

The CSR and Sustainability programs are mainly implemented through SEWA-THDC and THDC Education Society (TES), the two Company sponsored / established registered Societies. CSR programs are also undertaken by the Projects / Units of THDCIL directly.

1.4 Monitoring

To ensure transparency and effective implementation of the CSR programs undertaken, a robust monitoring mechanism is instituted by the Company using the following indicative medium:

- i. Monthly Progress Report
- ii. Quarterly Progress Report
- iii. Video Conferencing
- iv. Site Visits
- v. Documentary evidence including photographs, films and videos
- vi. In-house monitoring mechanisms, as determined by the CSR Committee
- vii. Third Party is also engaged for monitoring

1.5 Reporting

Quarterly progress report on CSR and Sustainability is placed before the Board after consideration by the Board Level CSR Committee.

The Annual Report also includes report on CSR & Sustainability containing particulars as specified in the Act/ Policy and the same is displayed on the THDCIL's website. A brief narrative on the action taken for implementation of DPE guidelines on sustainability initiatives is also included in the

Board's Report on CSR.

Annual Sustainability Report is also published and displayed on Company's website as per the 'THDCIL's CSR Communication Strategy'.

1.6 Impact Assessment

Impact assessment of all completed CSR & Sustainability programs above ₹ 5.00 lakh is done through specialized external agencies and the report containing the success/failure is also submitted to Board Level CSR Committee.

THDCIL's CSR Communication Strategy

THDCIL's CSR Communication Strategy' approved by the Board envisages ongoing communication with the key stake holders to ascertain their views and suggestions regarding the CSR and sustainability initiatives undertaken or to be undertaken by the Company. However, the final decision in selection and implementation of CSR activities is taken by Board level CSR Committee.

As far as possible, CSR programmes are undertaken in Project mode following 'THDCIL's CSR Communication Strategy'.

CSR Budget

As per the Companies Act, 2013 the company shall spend two percent of its average net profit of last three years. Accordingly CSR Budget for the year 2017-18 comes out to be ₹ 16.17 Cr. THDC sponsored societies SEWA-THDC and THDC Education Society have been entrusted with the task of implementation of the CSR projects. CSR budget has been utilized mostly in the vicinity of THDCIL's Operating stations and at various project locations/business area as per the CSR & Sustainability policy 2015 of THDCIL. CSR and Sustainability Programmes of the Company are steered through Below Board Level (BBLC) & Board Level (BLC) CSR Committees.

AUDIT FOR 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.

Detailed CSR Activities are given at **Appendix-I**

1. Overview of the CSR Projects undertaken during FY 2017-18

THDCIL integrates its CSR and Sustainability planning with its business plans and strategies. The activities are planned well in advance, targets are fixed at different milestones, with pre-estimation of quantum of resources required within the allocated budget and having a definite time span for achieving desired outcomes. For easy implementation, long-term CSR and Sustainability plans are categorized into medium-term and short-term. The Company accords priority for CSR & SD Projects to those stakeholders who are directly impacted by its operations. CSR activities are planned in accordance with the CSR Policy of THDCIL.

To bring positive sustainable changes, THDCIL focuses on holistic development of the targeted communities rather than addressing sporadic needs in piecemeal which result in less or no impact in long run. The areas addressed in holistic development are women empowerment to reduce women drudgery, income generation through intervention in agriculture and horticulture activities, income generation through revolving fund among SHGs, revival/promotion of traditional ecological knowledge by construction/rejuvenation of Chal-Khals (ponds); promotion of water harvesting structures; modernizing traditional water mills for enhanced efficiency, plantation of fuel, fodder & medicinal plants; health services; providing safe drinking water; sanitation facilities; promoting education (among economically weaker section; SC/ST and OBC); skill training in computer & tailoring and generation of employment including assistance to local ITI's; ensuring environmental sustainability; ecological balance, etc.

2. The composition of Board Level CSR Committee is as follows:

- Shri Mohan Singh Rawat, Independent Director : Chairman

- Shri Bachi Singh Rawat, Independent Director : Member
 - Shri Sridhar Patra, Director(Finance) (up to 31.08.2018) : Member
 - Shri H.L. Arora, Director (Technical) : Member
- Company Secretary is Secretary to the CSR Committee.

3. Average Net Profit of the Company during the last three financial years : ₹ 808.59 Cr.

4. Prescribed CSR Expenditure (2% of Average Net Profit) : ₹ 16.17 Cr.

5. Details of CSR amount spent during the financial year:

- a. Total amount spent during the financial year : ₹ 16.20 Cr.

b. Amount unspent, if any : Nil

c. Manner in which the amount spent during the financial year : As per **Appendix-I**

6. 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 two percent of the average net profit of the last three financial years on CSR activities hence no justification is required.

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)
----------------------------------------	----------------------------------

VARIOUS CSR ACTIVITIES DURING F.Y. 2017-18

THDC JAGRITI- EDUCATIONAL DEVELOPMENT

Considering education and skill development as an important aspect of employment generation, various steps taken up are as follows:

Education through Schools at Rishikesh & Tehri being run by THDC Education Society:

As a responsible corporate THDCIL strives to contribute and promote education among needy external stakeholders by running two schools, one at Bhagirathipuram, Tehri offering education from 6th to 12th standards and another school at Pragatipuram, Rishikesh offering education from 1st to 10th standards under THDC Education Society (TES) for economically weaker sections including backward and SC/ST. Free of cost dress, books & stationery, bus service etc. are being provided to students including Mid-Day Meal under “Naivedyam” scheme.

Jr. High School Koteshwarpuram

In addition to above, one English Medium Jr. High School is also being run at Koteshwar, Distt-Tehri with grant provided by SEWA-THDC to an NGO

i.e.; Omkaranand Saraswati Public School Education Society to provide quality education to children of project affected families of KHEP. Approx. 190 no. students are getting education from this school.

- During the FY 2017-18, total 2349 sets of School furniture was provided to 156 Govt. schools of Tehri & Dehradun district to facilitate 7047 students at a cost of ₹ 1.00 Cr. In addition to this, 13 schools of district Tehri and Dehradun were also provided with 14 no. water filters cum coolers.
- Computer training was provided through 20 centres to educate youth of minorities and weaker sections in project affected areas in district Dehradun, Tehri, Uttarkashi & Bulandshahar (UP). More than 400 beneficiaries were imparted training through this programme. The main objective of this program was to upgrade their computer skills to make them digitally aware and employable.
- Job oriented skill development trainings in various trades viz. ITI, hotel management were provided through expert agencies/



Sh. D.V. Singh, CMD, THDCIL alongwith other Directors of THDCIL during flagging off Mobile Health Van to VPHEP



Promotion of Beekeeping by SEWA-THDC at Deengaon, Tehri Garhwal

Institutions. More than 30 youths got benefitted through these programmes.

- Various trainings/workshops have been organized for inside and outside stakeholder on "Sensitization on CSR & Sustainability and THDCIL's CSR Communication Strategy".

THDC Institute of Hydropower Engineering and Technology

An Engineering College in Bhagirathipuram, Tehri has been established by THDCIL under CSR initiative. 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. Well furnished infrastructure has been provided for students 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.

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. For benefit of the Project Affected Families, 5% seats are reserved in the Institute for their wards. Presence of THDC-

IHET has increased the income level of the local community.

THDC NIRAMAYA- HEALTH & SANITATION

Promoting health care including preventive health care and sanitation, drinking water etc is included in this initiative.

- An Allopathic Dispensary with a team of MBBS Doctor, Pharmacist, Nurse and Medical Assisstant has been established at Deen Gaon, a very remote area in Tehri and in operation since the year 2014-15. Average yearly OPD is more than 12000 with surrounding approx. 20 beneficiary villages. The dispensary is equipped with minor OT and basic diagnostic facilities i.e. Pathology Lab, X-ray, ECG etc. and also has on-call ambulance facility. Medicines are provided free of cost.
- Total 27 Multispeciality Medical Health Camps were organised through Nirmal Eye Institute, Rishikesh and THDCIL's own Doctors in the project affected villages in Tehri District and rehabilitaion colonies in Dehradun district attending to over 6900 patients with more than 270 cataract operations with no cost to patients even for surgeries.
- At present five Homoeopathic dispensaries are running at Galiyakhet, Dhontri and Koteswar in district Tehri and two in slum

area of Rishikesh through Swami Narayan Mission Society, Rishikesh with free of cost medicine facility. These dispensaries collectively have more than 60,000 OPDs per annum.

- An ambulance has been provided to VPHEP Project for organizing medical camps and awareness on AIDS for project affected people.
- Medical Equipment, Dental Treatment Chair and Lab Equipment have been provided to Govt. CHC Lambgaon for proper treatment of villages.
- Under Swatchh Bharat Abhiyan, massive public awareness campaign is being carried out within THDCIL offices and Colonies at various locations, Schools, Hospitals, work place, streets, roads, markets, railway stations, Bus Stations, Bank area of holy River Ganga, parks and other public places. As per requirement, cleaning was done in local areas and dustbins were provided at different locations under consultation with Nagar Palika Rishikesh, Muni ki reti & New Tehri.
- 41 shopkeepers of Indira Nagar Market were provided dustbin of 25 ltrs. & 800 families of Indira Nagar and Nehrupuram were provided with 2 dustbins of 12 liters each (Total-1600 dustbins) to effectively segregate bio and non-bio degradable waste.
- Provided 8 no. dustbins each of the capacity of 120 liter and 2 no. hand trolleys of the capacity of 200 liters including 4 no. cloth mops to Railway Station, Rishikesh.
- 04 Government schools have been adopted for cleaning and maintenance.
- A Generic Medicine shop is opened near Govt. Hospital New Tehri to provide medicines at cheaper rates to public.

THDC PRAKRITI- ENVIRONMENT MANAGEMENT

To achieve Environmental Sustainability and Ecological Balance, following activities have been taken up:

- More than 12000 plants of different fruit, fodder,



Promotion of Women Empowerment-Mashroom Production Training at Bapugram, Rishikesh

fuel and medicinal species have been planted at various locations in project affected villages.

- Environment day has been celebrated on 5th June, 2017 at Rishikesh. Independent Director, THDCIL officials, Forest department and rehabilitees participated in the programme. Various competitions programs are organised among school children in presence of leading achievers of environment field.
- 375 Solar Street Lights and 170 High mast Lights have been installed in various villages of District Unnao (UP), Lucknow (UP) and Sitarganj (Uttarakhand). The activity has been implemented for Energy saving and environment protection.

THDC UTTHAN (RURAL DEVELOPMENT)

The Company in association with HNB Garhwal University, Shaheed Bhagat Singh College of Delhi University, Project Directorate for Farming System Research, Modipuram and Veer Chandra Singh Garhwali Uttarakhand University of Horticulture & Forestry through Ranichauri Campus is working for holistic development of around 60 remote project affected villages on long term basis since 2009.

The main activities carried out are creation of Farmer SHGs, helping these SHGs with seed money to initiate small activities of their own, establishment of computer & stitching centres, vocational trainings, plantation of fruit, fodder & medicinal species, health & hygiene activities, farmer centric agriculture interventions which

include technical know-how to the farmers through experts by organizing kisan ghosthies, exposure visits to agriculture Universities/ institutes, demonstration of farm plots, promotion of off seasonal vegetables, promotion of organic farming by constructing vermin compost pits, construction of poly houses and livestock management etc .

Training of mushroom cultivation has been given to villagers to improve their livelihood.

Benefits through these projects:

- Through agriculture programmes, the confidence among the farmers has increased to take up agriculture as a source of sustainable livelihood.
- The level of income and standard of living has increased over the past years.
- The level of participation of rural community has increased.
- Due to these agriculture development programmes, the capacity of farmers has increased considerably.
- The program is able to merge advance technological innovations along with local wisdom.
- Therefore, these programmes have helped in checking out migration, resource management and surrounding environment.
- Mitigation from affects of flood during rainy season and protected earth from erosion.
- It can also be viewed that the national objectives of rural development and farming community are met in totality.

THDC SAMARTH-WOMEN EMPOWERMENT

- Various Tailoring & Knitting, beautician and production centers were established for women, especially from weaker sections, in order to strengthen their livelihood and also provide empowerment to the women to act as a strong channel of growth and development. The centers are run free of cost. Approximately, 560 women have been benefitted from these centres.

- A Women Cooperative Credit Society has been formed & registered under society Act. A financial grant of ₹ 10 Lac has been provided to the society. Members of society have also contributed their contribution. Around 70 women farmer members have joined the society. Loan of around 8 lakh has been disbursed and recovery has also been started. The loan is being recovered along with some workable interest rate decided by the society itself, which will further add to the pool. The members of the society have been empowered through various livelihood training and awareness programs conducted by SEWA-THDC.

Protection of natural heritage, art and culture

In view of the historical & cultural importance of mighty river Ganga and millions of National & International pilgrims/visitors in Rishikesh, a LED based lighting project has been implemented in Ganga Ghat areas of Laxman Jhula, Swargashram-Rishikesh through Energy Efficiency Services Ltd. (EESL). The project includes strengthening of existing lighting system, installation of new LED high mast lights to improve the overall lighting conditions & aesthetics, replacement of existing conventional lighting units with energy efficient LEDs, highlighting prominent structures such as Ram Jhula, Laxam Jhula, Parmarth Niketan and Triveni Ghat etc. with facade (decorative) lights.

Comments of IIT Roorkee & SR Asia after evaluation & impact assessment of major CSR Projects:

- The performance of THDC in implementation of projects related to education in schools is excellent.
- The programme were planned for long term benefits and it will make positive impact & bring about positive change in the life of peoples.
- The record and dossiers are properly maintained by the SEWA-THDC.
- The programme were highly desirable and relevant in the given situation.

DETAILS & EXPENDITURE ON CSR ACTIVITIES FOR F.Y. 2017-18

1	2	3	4	5	6	7
Sl. No.	CSR projects or activities identified	Sector in which the project is covered	Local area or other	Amount of Budget outlay (₹ in lac)	Amount spent (₹ in lac)	Amount spent: Direct or through implementing agency
1	Construction of toilets under "Swachh Vidhyalaya Abhiyan", Individual toilets for under-privileged people, various works under Swachh Bharat Abhiyan, Running of four homoeopathic & one allopathic dispensaries, Multi Specialty medical camps, Water supply schemes & distribution of water purifiers etc.	Item Number (i) of Schedule VII of the Companies Act, 2013 i.e. Eradicating Hunger, Poverty & Malnutrition, Promoting Health care including preventive health Care & Sanitation and making available Safe Drinking Water.	All the Project are undertaken in affected areas	Total Budget Outlay is ₹1959.48 lac	191.14	SEWA-THDC
2	Running of three schools at Tehri, Koteshwar & Rishikesh, Construction of THDC-Institute of Hydro Engineering & Technology, Providing infrastructure to schools, Computer Training programs, Hotel Management & IT training etc.	Item Number (ii) of Schedule VII of the Companies Act, 2013 Promoting Education, including Special Education and Employment Enhancing vocation Skills etc.			749.67	SEWA-THDC & THDC Education Society
3	Setting up of Tailoring & Stitching centres for women Empowerment	Item Number (iii) of Schedule VII of the Companies Act, 2013 Promoting Gender Equality, Empowering women etc.			26.05	SEWA-THDC

1	2	3	4	5	6	7
Sl. No.	CSR projects or activities identified	Sector in which the project is covered	Local area or other	Amount of Budget outlay (₹ in lac)	Amount spent (₹ in lac)	Amount spent: Direct or through implementing agency
4	Plantation & Nursery Development & installation of Solar Lights	Item Number (iv) of Schedule VII of the Companies Act, 2013 Ensuring Environmental Sustainability, Ecological balance, Protection of Flora & Fauna, Animal Welfare, Agro forestry, Conservation of Natural Resources and Maintaining Quality of Soil, Air & Water.			144.62	SEWA-THDC
5	Promotion and development of traditional Art & Culture	Item Number (v) of Schedule VII of the Companies Act, 2013 Protection of National Heritage, Art & Culture etc.			195.22	SEWA-THDC
6	Promotion of sports	Item Number (vii) of Schedule VII of the Companies Act, 2013 Training to promote rural sports, nationally recognized sports, and Olympic sports.			19.79	SEWA-THDC

1	2	3	4	5	6	7
Sl. No.	CSR projects or activities identified	Sector in which the project is covered	Local area or other	Amount of Budget outlay (₹ in lac)	Amount spent (₹ in lac)	Amount spent: Direct or through implementing agency
7	Emergency needs for taking up permitted CSR programmes during natural calamities / disasters (5% of the annual CSR Budget)	Item Number (viii) of Schedule VII of the Companies Act, 2013 Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government etc.				SEWA-THDC
8	Construction of Shamshan Ghats, Pathways, Yatri Sheds, Village Community Centres, Livelihood development programs in Project affected area, works, Establishment of custom hiring centre etc.	Item Number (x) of Schedule VII of the Companies Act, 2013 I e ; R u r a l Development Projects			245.02	SEWA-THDC
9	Administrative overheads, capacity building, base line / need assessment survey, impact assessment etc. (should not be more than 5% of yearly budget)				48.50	SEWA-THDC
	Total				1959.48	1620.01

Note : Budget for CSR Activities during the F. Y. 2017-18 was ₹ 19.59 Cr. However 2% of Average Net Profit for past three years was ₹ 16.17 Cr. The Company has spent 16.20 Cr. on CSR Activities which is more than 2% of Average Net Profit as required.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BACKGROUND :

Electricity is the basic need & prime mover and is vital to the sustenance of a modern economy. The growth of Indian economy depends largely on the robust infrastructure which in turn depends on ultimate growth & performance of Power sector.

Accelerated development of Power sector in the Country is need of the hour. While India is home to 18% of World's population, it's total energy consumption is only 6% of the World. Per Capita energy consumption in India is lowest among the BRICS nations. Govt. of India has ambitious target of 24 X 7 power for all by 2019, also to achieve installed capacity of 175 GW by 2022 from renewable sources.

Govt. of India has introduced various reforms and policies with the objective to encourage growth of Power sector in a competitive environment. In view of the stringent targets of capacity addition planned in the Renewable energy, there is need to increase Hydro Power and Pump Storage Plants to meet the challenges in the Grid stability. Further, Storage type Hydro Power Project development is also essential to meet the water scarcity.

In the present scenario, growth of the economy and its global competitiveness hinges on the availability of reliable and quality power at competitive rates. THDCIL being the major player in Power generation, is committed to play a major role to facilitate achievement of Govt. objectives.

The Company has Authorized Capital of ₹ 4000 Cr. and Paid up Capital of ₹ 3627.43 Cr. as on 31.03.2018 with equity participation of Govt. of India and Govt. of UP in the ratio of 3:1. Under the Strategic Business Diversification Plan, THDCIL is committed to commission a Super Thermal Power Plant of 1320 MW at Khurja, in the State of Uttar Pradesh in 2023 and looking forward / exploring for all possible Conventional / Non Conventional and Renewable Power Projects in different parts of the country.

SWOT ANALYSIS :

Analytical study of Opportunities and Threats Vs Strength and Weaknesses of THDCIL is as hereunder:

A) Strengths

- **Strong technical skill base:** Through enormous challenges faced during implementation phase and solutions evolved to resolve them in implementation of Tehri Hydro Power Complex (2400 MW), having 260.5 M high highest Earth & Rockfill Dam in the Asian Region and the 5th highest in the World, THDCIL has acquired exceedingly strong technical base.
- **Exceptional Engineering and Constructional skills in Underground works in complex Himalayan Geology:** Tehri Project involved 27 tunnels (maximum dia. - 11 M, total length approx. 18 Km), 18 shafts (maximum dia.-12 M, maximum height - 220 M, total length approx. 2.27 Km). All structures completed in complex Himalayan Geology.
- **Capability to handle 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. Apart from other measures towards ecological improvement, implemented Catchment Area Treatment from Tehri Dam upto Gangotri,.
- **Efficient Operation and Maintenance :** Since commissioning of Tehri HPP, THDC has developed enough expertise and in-house experience in operation and maintenance of Hydro power projects . This has resulted in unhindered power generation and achievement of Plant availability beyond Norm for both Tehri and Koteswar projects.
- **Automated Plant Monitoring :** Monitoring of

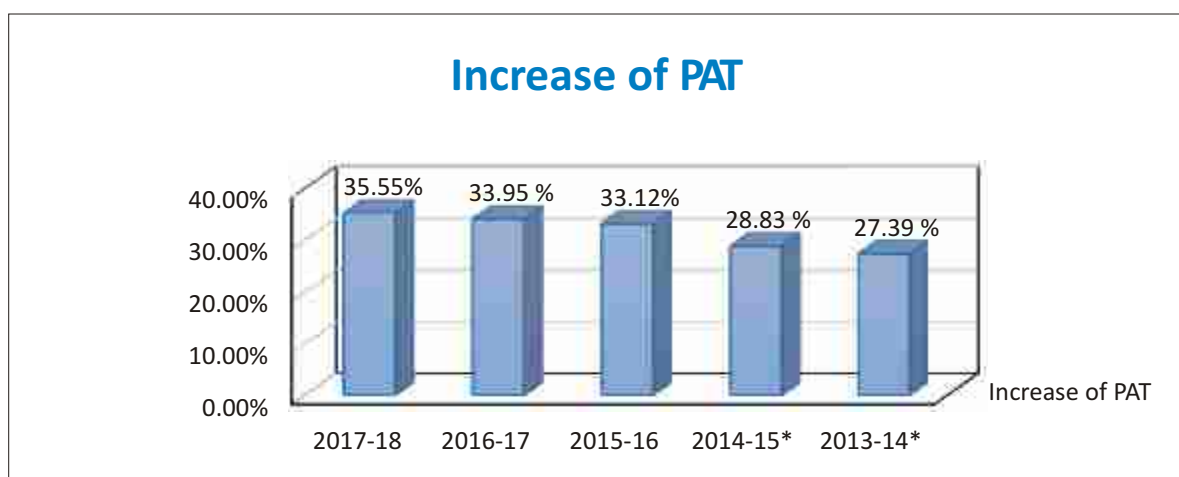
the plants is done through SCADA (Supervisory Control and Data Acquisition) system the automated supervisory system which uses computers, network data communication supported by graphical user interface which enables the company to perform high-level supervisory management of the plant.

- **Competent and committed workforce :** The Company has an excellent Management Team and Team of Support Staff consisting of

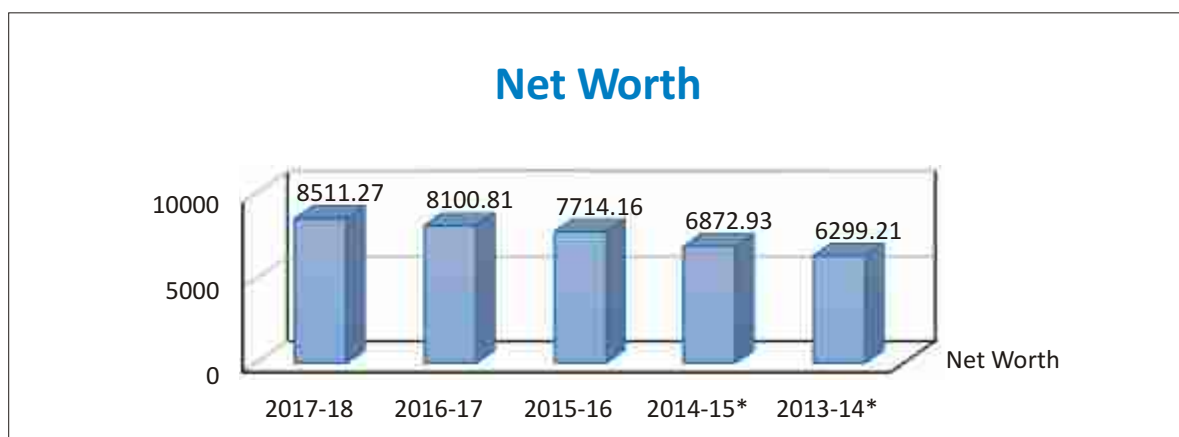
1922 employees.

- **Strong financial Management :** The Company is earning profit consistently since FY 2006-07, thus having sound financial base. With Reserves and Surplus more than Paid up Capital, company has robust platform to leverage its resources for future expansion / capacity addition program.
- **High employee retention rate :** The Company is having exceedingly high retention rate of highly skilled & experienced staff.

5 years Trend in % PAT to Revenue from operations



Trend of last 5 years Net Worth



B) Weaknesses

- State Specific – Hydro projects mainly concentrated in one State, i.e; Uttarakhand.
- Geological surprises encountered in execution of Hydro projects, result in delays leading to time and cost overruns and increase in tariff.
- Very high gestation period in Hydro Power development.
- Procedural constraints associated with Public Sector ownership.

C) Opportunities:

- **Enormous untapped Hydro Power potential and Rising share of infirm renewable injection** : India has huge potential in Hydro Power Sector, which remains untapped. The deteriorating Hydro-Thermal Mix, enhancement of wind power projects which cannot generate throughout the day, peak power shortages requires major push on Hydro Power especially Pump Storage Plants for peaking power.
- **Hydro Power Potential in Neighboring Countries** : There is potential for growth of the business outside India, particularly in countries where Government of India provides bi-lateral support, such as Nepal and Bhutan. The company is looking forward and exploring business in these countries.
- **Renewable Energy Sources** : The GoI has set an installed capacity target of 175 GW from renewable energy sources by 2022. This includes 100 GW from solar; 60 GW from wind; 10 GW from biomass; and 5 GW from small hydro power.

The government has also imposed renewable purchase obligation (RPO) on the Discoms to either buy electricity generated by specified renewable sources, or buy renewable energy certificates (RECs) from the market.
- **Infrastructure for storage facilities** : Upcoming storage technology especially for electric vehicles will require infrastructure.
- i) **Strategic diversification** : Company has expanded its objective for development of power through conventional and non-conventional sources in India and abroad.
- **Thermal Power** : Khurja Super Thermal Power Plant of 1320 MW in Bulandshahar District of Uttar Pradesh having annual generation of 9828 MU would be ready by 2023.
- i. **Solar Energy** : THDCIL is in MoU with Solar Energy Corporation of India (SECI) for setting up grid connected Solar Power Projects up to 250 MW in phase manner. Accordingly,

Tripartite Agreement signed by SECI, KSEB & THDCIL for setting up of 50 MW Solar PV Project in Kerala.

- ii. **Wind Energy**: The Company has already diversified in the renewable energy sector by setting up 50 MW Wind Power Project at Patan wind farm and 63 MW Wind Power Project at Dwarika, Gujrat.
- iii. **Consultancy**: Through its enormous expertise and experience, Company is rendering its consultancy services to other CPSUs/ States/ Private Sector.

D) Threats:

1. **Cumbersome Procedures & Delay in Clearances** : Stringent norms and cumbersome procedures for getting environmental & forest clearances and clearances from the National Board for Wild Life (wherever applicable) leads to enormous delays in obtaining clearances for projects, which badly affects the capacity addition programme. On the other hand, opposition of Hydro Power Projects on environmental and religious grounds by NGO's and other agencies delays the Project clearances and implementation, this risk may sometimes lead to abandoning the project.
- **Cumbersome Land acquisition Process** : 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 and increase in tariff.
- **Increasing Natural Calamities** : Hydro projects are mainly located in hilly terrains. Natural calamities like landslides, hill slope failures, frequent road blockades, cloud bursts in monsoon causes severe setback in construction schedules leading to time & cost overruns.
- **Changing Market Scenario** : Availability of Power in short term market at cheaper price.

- **Deteriorating Financial Health of State Discoms:** Inability for realization for power procurement, especially costly tied-up power.
- **Poor financial position of the Civil Contractors of Hydro Sector :** The experienced Contractors of Hydro Sector in India is in very poor financial position.
- **Regulatory Risks :** Regulatory Authority may not consider the total cost of the Project for tariff. Further, time to time changes in tariff regulations, may also affect cash flows & operational results.
- **Setting up Stringent Targets for Generation & PAF for Hydro Sector :** Performance of Hydro projects depends mainly on availability of monsoon inflow and Snow cover to some extent. Setting up stringent MoU targets based on higher than best of last 5 years, dilutes performance of Hydro CPSUs.

FUTURE OUTLOOK :

The future of human Civilization depends on technological advancement and economic condition, which in turn depend on how efficiently we expect and adopt energy challenges of modern

times. Further demand may pick up due to 'SAUBHAGYA' scheme as Government of India is proposing to connect each & every household of country with Electricity. The future outlook of the Company is towards Sustainable development focused on:

- Tapping Green & Renewable Power Sources to protect the environment and safeguard future generation.
- Explore possibilities to enter other states in India as well as African & South East Asian Market in the every resource of Power Generation.
- Explore possibilities to establish Charging Stations for Electric Vehicles throughout India. To start with, prepare a feasibility report for such stations in NCR and Dehradun.
- Nepal and Bhutan has huge hydro potential. For Hydro Power development in Bhutan, THDCIL is in the process to sign Implementation Agreement between Govt. of India and Govt. of Bhutan.
- Energy Efficiency to reduce demand. Innovation to promote the emergence of efficient, environment friendly technologies.

ENERGY CONSERVATION MEASURES, TECHNOLOGY ADAPTATION, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. ENERGY CONSERVATION MEASURES

Energy conservation and demand side management measures can reduce peak and average demand of energy. Conserve energy is important because it helps safe-guard the environment and its resources. Investment in energy conservation at the margin provides a better return than investment in energy supply.

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

The following actions have been taken towards conservation of energy in last year:-

- (i) Work of replacement of Old bulbs including street light has been completed in all THDCIL project units of THDCIL, however 70% work completed in our Tehri and Koteshwar project being located in remote and hilly terrain area.
- (ii) Work of replacement of non energy efficient light fixtures in all office building complex of THDCIL, Rishikesh has been completed except in Sarasawati Bhawan and IT Deptt.
- (iii) Work of replacement of non energy efficient 40 W fluorescent tube rod with 20 W LED tube light fixture has been completed in the Residential part of THDCIL Complex, Rishikesh.
- (iv) Operation and Maintenance of the 500KW roof-top solar power plant has been done successfully and energy amounting to ₹ 2.98 Lakh has been credited by UPCL towards export of supply to the grid for nine months besides own consumption.
- (v) All new non-residential complex have provision of LED Lights.
- (vi) Maintenance/renovation work of electrical distribution system for non-residential buildings have been taken up with LED lights.

(vii) Ceiling fans in nonresidential as well as residential building are provided with five star ratings.

(viii) Non-residential building have been provided with star rated Air-conditioners and air conditioners were changed from non-star rated to five star rated.

Approximately 396 AC's are running in the office complex and guest houses out of which 308 nos. AC's has been changed with the star rated AC's to increase the energy efficiency. Balance AC's are also planned to be replaced with star rated AC's with in phased manner as per guidelines from MoP.

Park area lighting and fencing of office and residential area has been done through Solar system. All the new buildings are equipped with day light provision to use day light properly. Automatic Power factor controller has been installed to improve Power supply system and to reduce the losses. The company is using and promoting use of LED Lamps and efficient use of energy in all its business Installations.

Conservation of energy including promoting alternate sources in terms of solar energy has consentingly been an integral part of Corporate Social Responsibility (CSR) & Sustainability programs of your company apart from various other initiatives towards upgradation of the environment. Your Company has completed following two projects for energy conservation in the FY 2017-18:

1. Solar light project in district Unnao & Lucknow Cantt in Uttar Pradesh and district Udham Singh Nagar in Uttarakhand.

The project was implemented with the objectives to support outdoor community activities, increase commerce, improve safety conditions, especially for women, and increase in regional aesthetics through promotion of green and energy efficient

technologies. Under this project, Solar High Mast Lights (HML) and Solar Street Lights (SSL) have been installed through the Energy Efficiency Services Ltd. (EESL), a Joint Venture of NTPC, PFC, REC and PGCIL at a cost of ₹ 2.47 Cr.

2. Construction of 200 KW Solar Rooftop Grid Connected Plant at Gaidikhata in district Haridwar

Under this project, Shri Krishnayan Desi Gauraksha Evam Goloak Dham Samity, a registered charitable society, running a Gaushala for more than 2000 abandoned cows at Haridwar was supported with ₹ 30.90 lac as gap funding against the total cost of the plant i.e. ₹ 110 lac. Balance ₹ 79.10 lac was approved as subsidy by Solar Energy Corporation of India (SECI). Apart from meeting power needs of the Gaushala, the plant was also intended to use for revenue generation for meeting operational cost of the Gaushala. THDCIL's objective behind supporting this activity was to contribute to National Solar Power Mission by facilitating 200 KW solar power to the grid and also to help & safeguard the abandoned cows.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

REAL TIME FLOOD FORECASTING SYSTEM:

Tehri Project has now been equipped with state of art "Real Time Flood Forecasting System". The six hour lead time forecast of reservoir level and inflow volumes are being issued. This forecasted information is available in public domain. One can access the website through URL 117.239.95.84.

In the 1st phase of this system, 11 nos. AWS (automatic weather stations) and 4 nos. automatic river level and discharge radar sensors have been installed in the Tehri catchment up to Gangotri. Meteorological data are being acquired through automatic sensors and stored in Data logger. Data is transmitted to earth station situated at Dam top through GPRS/GPS technology. These data are being accessed through website by modelling centres situated at IIT Roorkee and Design Deptt. of THDC at Rishikesh. After processing and modelling, forecast is being issued and

disseminated to Administrative and Engineering authorities. This type of system is being used for the first time in India. When the reservoir level is close to FRL, this lead time information provides the decision making time to the dam authorities.

In the IInd phase few more AWS, automatic river level and discharge sensors will be installed to increase the lead time from 6 hour to 12, 24 & 48 hours.

Digital Elevation Model

Digital elevation model is a numerical data file that contains the elevation of the topography over a specified area, usually at a fixed grid interval over the surface of the earth. DEM is used as a tool to represent the earth's surface in many applications such as hydrological modelling, railways, civil engineering, large-scale mapping & telecommunication.

In the Bokang Bailing H.P.P., the accessibility is limited. In this terrain the survey of the area has been done using the Digital Elevation Model with an accuracy of 15 cm.

CONDITION MONITORING OF EM EQUIPMENT OF TEHRI AND KOTESHWAR HEP

To improve availability, reliability, life of machines and performance of plant, condition monitoring and Diagnostic testing of Electro-mechanical equipment of Tehri and Koteshwar HEP is being carried out by M/s Central Power Research Institute, Bangalore since 2011-12. THDCIL has carried out the condition monitoring work in F.Y. 2017-18 for Tehri HPP and Koteshwar HEP.

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 completed. Many other spares of unit and other auxiliaries are in the process of development.

INSTALLATION OF MICRO SEISMIC AND STRONG MOTION ACCELEROGRAPH (SMAS)

The objective of the seismological network is to collect long term data of micro earthquake activity in the region around Tehri dam and to collect

earthquake data. Strong motion accelerograph (SMAs) are installed with an objective to collect strong ground motion records in the body of Tehri Dam and Koteshwar Dam and monitor their response during earthquakes.

C.) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lac)

	PARTICULARS	2017-18	2016-17
A	Expenditure in Foreign Currency (on cash basis)		
	Travelling	20	14
	Consultancy & Professional Expenditures	236	293
	Management/Commitment fee	0	125
	Repayment of loan & Interest	1315	0
	Import of goods	2571	12517
	TOTAL	4142	12949
B	Earnings in Foreign Currency (on cash Basis)	0	0
C	Value of Imports calculated on CIF basis		
i)	Capital Goods	2602	13087
ii)	Spare parts	0	0
	Total	2602	13087
D	Value of Components, Stores & Spare parts Consumed		
i)	Imported (in lac Rupees)	3	68
	(%)	0.32	14
ii)	Indigenous (in lac Rupees)	915	444
	(%)	99.68	86
E	Value of Export	0.00	0.00

BUSINESS RESPONSIBILITY REPORT-2017-18



BUSINESS RESPONSIBILITY REPORT- 2017-18

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, Tehri Garhwal
4. **Website** : www.thdc.co.in
5. **E-mail id** : cmd@thdc.co.in
6. **Financial Year reported** : 2017-18
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.

**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. No. of International Locations : Nil
 - ii. No. of National Locations : 19

SN	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	Thermal Design and Liaison with Ministry of Power.
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 (108MW) and Bokang Bailing HEP (330 MW)

SN	Name of Office/ Location	District	State	Projects undertaken/activity
6.	Project Office, Alaknanda Puram, Pipalkoti	Chamoli	Uttarakhand	Vishnugad Pipalkoti HEP (444 MW)
7.	Project Office, Khurja	Bulandshahar	Uttar Pradesh	Khurja STPP (1320 MW)
8.	Project Office, Babina	Jhansi	Uttar Pradesh	Dhukwan SHP (24 MW)
9.	Project Office, Radhanpur	Patan	Gujarat	Patan Wind Power Farm (50 MW)
10.	Project Office, Devbhumi Dwarika	Devbhumi Dwarika	Gujarat	Devbhumi Dwarika Wind Power Farm (63 MW)
11.	Project Office, Amelia Coal Mine	Singrauli	Madhya Pradesh	Amelia Coal Mine
12.	Project Office, Joshimath	Chamoli	Uttarakhand	Jhelam Tamak HEP (108 MW)
13.	Project Office, Dharchula	Pithoragarh	Uttarakhand	Bokang Bailing HEP (330 MW)
14.	Liaison Office, Dehradun	Dehradun	Uttarakhand	Liaison With GoUK and R&R related work
15.	Liaison Office, Panchkula	Panchkula	Haryana	Liaison with Chandigarh, Punjab, Himachal Pradesh and Haryana
16.	Liaison Office, Nainital	Nainital	Uttarakhand	Judicial issues at Hon'ble High Court, Uttarakhand
17.	Liaison Office, Lucknow	Lucknow	Uttar Pradesh	Dhukwan SHP (24 MW) and Liaison with GoUP
18.	Consultancy Office ,Katra	Reasi	J&K	Consultancy for slope stabilization between Katra and Vaishno Devi
19.	Transit Camp, NBCC Tower	New Delhi	New Delhi	Liaison with Ministry of Power and Renewable Energy Projects

10. Markets served by the Company:

THDCIL provides Electricity to following beneficiary States / UT:

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

Section B: Financial Details of the Company

1. **Paid up Capital** : ₹ 3627.43 Cr. (as on 31.03.2018)
2. **Total Turnover (Gross Income)** : ₹ 2228.73 Cr.
3. **Total Profit After Taxes (PAT)** : ₹ 778.74 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 comes out to ₹ 16.17 Cr. However, CSR works to the tune of ₹ 19.59 Cr. were planned/approved by the competent authority. The expenditure target, as per provision contained in the Companies Act, 2013, was successfully met by spending ₹ 16.20 Cr.

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

The Company has broadly incurred CSR expenditure during the FY 2017-18 on the following major heads, which is in line with the schedule-VII of the Companies Act, 2013.

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	Project affected area (Uttarakhand)	1959.48	191.14	SEWA-THDC
2	Education & Employment Enhancing Vocational Skill etc.	Education			749.67	SEWA-THDC
3	Women Empowerment	Women Empowerment			26.05	SEWA-THDC
4	Environment Sustainability etc.	Environment			144.62	SEWA-THDC
5	Promotion of National Heritage Art Culture	Welfare			195.22	SEWA-THDC
6	Promotion of Sports	Sport			19.79	SEWA-THDC
7	Rural Development program	Social			245.02	SEWA-THDC
8	Office Expenses of executing agency (SEWA-THDC)/ Base line survey/ Expert visits etc.				48.50	SEWA-THDC
	Total			1959.48	1620.01	

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/Directors responsible for implementation of the BR policy/policies:

- DIN Number - 03107819
- Name - Shri D.V. Singh
- 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"> • Conduct Discipline and Appeal Rules • Standing orders for workmen • Corporate Ethics Policy • Code of Business Conduct and Ethics • Whistle Blower Policy • Integrity Pact 	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 No	Description	Policy / Policies	Director(s) Responsible
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 14001:2015 (EMS)	Director (Technical)
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?	Y	Y	Y	Y	Y	Y	Y	Y	No
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	

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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	Y	

*** Environment Policy is available on:**

<http://www.thdc.co.in/content/environment-policy>

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

<http://www.thdc.co.in/content/rr-policy>

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

<http://thdc.co.in/sites/default/files/CSR-CD-policy28.05.13.pdf>

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

http://thdc.co.in/sites/default/files/CSR_CommStrategy.pdf

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

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

*** 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:**

The Stakeholders of Code of Business Conduct and Ethics are only Employees of the Company. Therefore, Code of Business Conduct and Ethics is available on Intranet i.e. on Employees Login only.

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

http://www.thdc.co.in/sites/default/files/R%26D_Policy_THDC.pdf

*** Safety Policy is available on:**

http://www.thdc.co.in/sites/default/files/Occupational_Health%26Safety.pdf

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

N.A.

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>.

Business Responsibility Report is integral part of THDCIL's Annual Report.

Section E: Principle-wise performance

Principle 1 (Businesses should conduct and govern themselves with Ethics, Transparency and Accountability)

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?

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, Conducts 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 activities. Integrity Pact is mandatorily signed for all major work contracts (estimated value more than ₹ 1000.00 Million) and for supply and services contracts (estimated value more than ₹ 500.00 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 stakeholders 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 01.04.2017 to 31.03.2018 under Whistle Blower Policy.

Principle 2 (Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle)

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

Hydro Power Generation and Wind Power Generation

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.

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

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?



b. 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 is used for generation of Hydro Electricity and Speed of Wind Power is used for generation of Wind Power. Both sources are 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 “Suvidha Kendras” 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.
- All micro & small enterprises and all Start-ups (whether MSME or otherwise) are given some relaxation from meeting the qualification criteria in respect of prior turnover & prior experience.

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, THDCIL has established Sewage Treatment Plant at its township.

Principle 3 (Businesses should promote the wellbeing of all employees)

1. Please indicate the Total number of employees: 1922 (as on 31.03.18)

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

The company does not hire employees on temporary or contractual 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 07 Doctors have been engaged on contractual basis.

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.

Sl. 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

3. Please indicate the Number of permanent women employees.

116

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

32

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 Shramik Sangh
- THDC Workers Union
- THDC ITI Takniki Karmachari Sangh
- Tehri Jal Vikas Nigam Limited Karmachari Sangh

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

At present 1656 (87.15%) Permanent employees are member of recognized employees association.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (2017-18)

	No. of Employees trained		Percentage of Employees trained	
	Safety Training	Skill Upgradation	Safety Training	Skill Upgradation
Permanent Employees (Total No. 1922)	85	103	4.47% (85/1922*100)	5.42% (103/1922*100)
Permanent Women Employees (total No. 116)	1	1	0.86% (1/116*100)	0.86% (1/116*100)
Casual/Temporary/ Contractual Employees	-	-	-	-
Employees with Disabilities (Total No. 32)	-	2	-	6.25% (2/32*100)

Principle 4 (Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized)

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 (Businesses should respect and promote human rights)

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 (Business should respect, protect, and make efforts to restore the environment)

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 weblink of THDCIL Environment Policy is <http://www.thdc.co.in/content/environment-policy>

- 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 webpage etc.**

The company is involved in Hydro Electric and Wind Power generation which itself is a clean and renewable energy. A 500 kW Solar Roof Top is also installed at corporate office Rishikesh. Small Hydro Project of 24 MW in Dhukwan, Jhansi, UP is under construction and is scheduled to be commissioned in

2018-19. Efforts for early signing of PSA and land agreement with Kerala State Electricity Board (KSEB) for development of 50 MW Solar Plant with Solar Energy Corporation of India (SECI) in Kasargod, Kerala is also under progress.

- 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.**

No show cause/legal notice was received from CPCB/ SPCB during the reporting period.

Principle 7 (Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner)

- 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:**

- All India Management Association (AIMA)
- 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 (Businesses should support inclusive growth and equitable development)

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Since, 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 20 villages of Upari Ramoli, Pratapnagar Block of Tehri Garhwal through Kirorimal College, Delhi University.
- c) Livelihood security programme in 20 villages through College of Forestry, Ranichauri under Veer Chandra Singh Garhwali Horticulture & Forestry University in Koteshwar area and Bhilangana Block of district Tehri Garhwal from 2015-16.

Main objectives of above programs are as under:

- Implementation of programs through Farmer Self Help Groups (around 150 nos. with average 10 women members in each group).
- Reduce Drudgery and stress among women farmers through reducing workload, fodder grass plantation, installation of vermin compost pits, technological interventions, installation of Poly house and helping farmers with hybrid seeds/ fruit plants.
- Promotion of agriculture with latest scientific interventions and improvement in traditional agriculture practices by characterizing prevailing cropping / farming system and constraints.
- Promotion of spices cultivation, garlic/ ginger production, vegetable cultivation, oregano or herbs cultivation and to develop value chain, access to local market.
- To improve the productivity of crops and other component of farming systems including agri-horticulture crops, livestock etc.
- To undertake capacity building of rural youth and farm women to create better linkage with market for sustainability.
- Awareness through camps & trainings and by developing demonstration plots for Horticulture (Fruits), Food Crops, Herbs, Medicinal Plants, Ginger, off -season vegetables etc.
- To explore mechanism for market linkage for quick disposal of produce.
- To promote improved method of cooking, clean drinking water, soil management.
- Natural resource management through Water Management, Forest Development, Wasteland Management, Water Harvesting, Fodder Development, Slope Management, Stream Ecology.
- Conservation of water and traditional wisdom in this regard.
- Livestock management for milk production,

fodder development to raise production/income.

Benefits through these projects

Some of the benefits are broadly mentioned as follows:

- Through agriculture programmes, the confidence among the farmers has increased to take up agriculture as a source of sustainable livelihood.
- The level of income and standard of living has increased over the past years.
- Due to rise in income, they are able to take up other small entrepreneurship out of agriculture.
- The level of participation of rural community has increased.
- Due to these agriculture development programmes, the capacity of farmers has increased considerably.
- The program is able to merge advance technological innovations along with local wisdom.
- Therefore, these programmes have helped in checking out migration, resource management and surrounding environment.
- It can also be viewed that the national objectives of rural development and farming community are met in totality.

Apart from above company has done various programme for community under different heads of DPE guideline and THDC CSR policy:-

EDUCATION AND HEALTH:

A. Education: Effective interventions have been made for providing education to deprived/under privileged communities, establishment of centre for higher & technical education, vocational education and infrastructural support. Prominent interventions are as under:

1. Running Schools for deprived/under privileged communities:

THDCIL is running three schools for deprived/under privileged communities at two

locations i.e. Tehri and Koteshwar in backward district Tehri Garhwal and one at Rishikesh with the help of 63 well qualified teachers/staff through its society, namely “THDC Education Society (TES)”. These schools have 870 students including 427 Girl students of nearby areas belonging to economically weaker sections including Backward and SC/ST. Token fee is being charged in these schools. Dress, Mid Day Meal and study material is provided free of cost. Yearly budget for running of these schools is around ₹ 5.40 Cr.

2. Establishment of Higher Technical Education Centre:

THDCIL has established the first Hydropower Development Institute & Engineering College “THDC Institute of Hydropower Engineering & Technology” in Tehri. The Institute aims to provide an unique experience to the students (Approx. 1440) with education and training in the operating power plants as well as in the projects under construction. The Institute has started functioning since 2011. The cost of the construction is ₹ 60 Cr. approx.

3. Infrastructural Support to schools:

During the FY 2017-18, total 2349 sets of School furniture was provided to 156 Govt. schools of Tehri & Dehradun district for 7047 students. In addition to this, 13 schools of district Tehri and Dehradun were also provided with 14 no. water filters-cum-coolers.

4. Vocational/Skill Development Education

- i. Computer education is being provided to deprived/under privileged communities through more than 20 centres shifted from time to time as per need and requirement. More than 800 students have taken benefits from these centres.
- ii. Weaker section youths have been sponsored for vocational training courses.

B. Health

Health services are being provided through establishing Allopathic Hospital, Homoeopathic

Dispensaries and by organizing multi-speciality health camps. Detail is as under:

1. **Allopathic Hospital:**

Establishment of Allopathic Hospital in remotest part i.e. Deen Gaon area of backward district Tehri Garhwal with MBBS doctor and well trained supporting staff i.e. pharmacist, nurse, Lab technician, attendant & ambulance with driver, basic pathological test, X-ray, ECG and Minor Operation Theatre facilities with free of cost distribution of medicines. It caters to around 15000 population of surrounding approx. 40 villages. During FY 2017-18 more than 19000 OPDs have been registered in the hospital.

2. **Homoeopathic Dispensaries:**

At present five homoeopathic dispensaries are running, four at Galiyakhet, Dhontri, Koteshwar and Sisham Jhari in district Tehri and one at village Indranagar, Rishikesh, district Dehradun through Swami Narayan Mission Society, Rishikesh with free of cost medicine facility. These dispensaries collectively have more than 50,000 OPDs per annum.

3. **Multi-speciality Medical Camps:**

THDCIL conducts Multi-specialty Medical Camps (around 10-15 per year) in remote areas around THDCIL projects and relocation sites mostly through reputed Nirmal Ashram Eye Institute, Rishikesh & THDC's Doctors. Different specialist doctors, such as gynaecologist, cardiologist, orthopaedics, dentist, ophthalmologist and general physician etc. along with well-trained support staff and basic pathological tests and free of cost medicines facilities remain available during the camp.

By now 112 such camps have been organized, wherein more than 27000 patients have been attended including 1925 Eye surgeries.

C. **Energy Efficiency Project**

Work of installation & maintenance of LED based project for 375 Solar Street Light (SSL)

and 170 Solar High Mast Light (HML) Systems (75 SSL & 70 HML in Unnao District, 150 SSL & 50 HML in Lucknow Cantt. in UP and 150 SSL & 50 HML in Sitar Ganj, district Udham Singh Nagar, Uttarakhand) has been completed through Energy Efficiency Services Ltd. (EESL).

D. **Protection of natural heritage, art and culture**

In view of the historical & cultural importance of mighty river Ganga and millions of National & International pilgrims/visitors in Rishikesh, a LED based lighting project has been implemented in Ganga Ghat areas of Swargashram-Rishikesh through Energy Efficiency Services Ltd. (EESL). The project includes strengthening of existing lighting system, installation of new LED high mast lights to improve the overall lighting conditions & aesthetics, replacement of existing conventional lighting units with energy efficient LEDs, highlighting prominent structures such as Ram Jhula, Laxman Jhula, Parmarth Niketan and Triveni Ghat etc. with facade (decorative) lights.

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?**

THDCIL gets evaluation/impact assessment of its CSR projects done through expert agencies empanelled by Indian Institute of Corporate Affairs, such as Tata Institute of Social Sciences (TISS) Mumbai, IIT Roorkee, SR Asia and Govt. Universities.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

Total expenditure of ₹ 16.20 Cr. was incurred for implantation of CSR activities during the FY 2017-18. The details of major projects in which expenditure has been incurred are covered in respective Sections above.

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 of their own 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 created 'Adarsh Kissan Club' for pooling farm equipments amounting to ₹ 10.00 lakh. The club was supported for 40% cost by UK 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. Inspiring from success of above project, THDCIL is planning to replicate similar model in 25 villages of district Tehri in the FY 2018-19. The success of the project is also inspiring other farmers to associate with such initiative.

A Women Cooperative Credit Society has been formed & registered under society Act. A financial grant of ₹ 10 Lac has been

provided to the society. Members of society have also contributed their contribution. Around 70 women farmer members have joined the society. Loan of around 8 lakh has been disbursed and recovery has also started. The loan is being recovered along with some workable interest rate decided by the society itself, which will further add to the pool. The members of the society have been empowered through various livelihood training and awareness programme.

Principle 9 (Businesses should engage with and provide value to their customers and consumers in a responsible manner)

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 for hydro power plants of THDCIL is determined by Central Electricity Regulatory Commission (CERC) engaging all stakeholders.
- Tariff for renewable energy projects is decided on the mutual agreement of THDCIL and Beneficiaries States.
- 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.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

Zero percentage as no customer complaint was 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 minutes 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 early warning system is 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 Triveni Ghat, Rishikesh and establishment of two control rooms, at Koteshwar Project and at DMMC, Dehradun. The sirens installed at

different locations are activated from these control rooms.

- 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.**

Nil

- 4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes, Customer Surveys are carried out and the feedback is received from the customers on a 5 point scale. The feedbacks are analysed to meet the expectations of the Customers. All the beneficiaries have been consistently expressing their satisfaction with 'Excellent' rating in the Annual Feedback Form.

Annexure –VI to the Directors' Report

**FORM NO. MGT -9
EXTRACT OF ANNUAL RETURN**For the financial year ended on 31st March 2018

[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 th July, 1988
lii	Name of the Company	THDC India Limited
lv	Category / Sub category of the Company	Government Company
v	Address of the Registered office	Bhagirathi Bhawan, Top Terrace Bhagrathipuram, Tehri Garhwal Uttarakhand (249001)
vi	Contact Details	Company Secretary, THDC INDIA LIMITED By Pass Road, Pragatipuram Ganga Bhawan, Rishikesh-249201. Ph: - 0135-2439309
Vii	Whether listed company	Yes - Debt Listed

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	35101	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
A. PROMOTERS						
(1) Indian						
a) Individual	10	10		10	10	
b) Central Govt.	26639417	26639417	74.02%	26924917	26924917	74.23%
c) State Govt(s)	9349400	9349400	25.98%	9349400	9349400	25.77%
Sub-Total A(1) :-	35988817	35988817	100%	36274317	36274317	100%
(2) Foreign						
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	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (2) :- Total Shareholding of Promoter	Nil	Nil	Nil	Nil	Nil	Nil
(A) = (A)(1) + (A)(2)	35988817	35988817	100%	36274317	36274317	100%

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. PUBLIC SHAREHOLDING						
(1) Institutions						
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
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B)(1) :-	Nil	Nil	Nil	Nil	Nil	Nil
(2) Non-Institutions						
a) Bodies Corp.						
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals						
i) Individual Shareholders holding Nominal share Capital upto ₹1 lakh	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	Nil
Sub-total (B)(2) :-	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)= (B)(1) + (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRs	Nil			Nil		
GRAND TOTAL (A+B+C)	35988817			36274317		

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding held 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	26639417	74.02	Nil	26924917	74.23%	Nil	0.21%
2	Governor of U.P.	9349400	25.98	Nil	9349400	25.77%	Nil	0.21%
	Total	35988817	100	-	36274317	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.	President of India				
A	At the beginning of the year	26639417	74.02	26639417	74.02
B	Allotment of Shares on 15 th June 2017 Allotment of Shares on 26 th March 2018	241300 44200			
C	At the End of the year (A+B) = C	26924917	74.23%	26924917	74.23%
2)	Governor of U.P.				
A	At the beginning of the year	9349400	25.98%	9349400	25.98%
B	No allotment/ transfer	Nil	00.00%	Nil	00.00%
C	At the End of the year (A+B) = C	9349400	25.77%	9349400	25.77%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors , Promoters and Holders of GDRs and ADRs) - NIL

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	Particulars of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shri D.V. Singh	1	Nil	1	Nil
2.	Shri Vijay Goel	0	Nil	1	Nil
3	Shri S.K. Biswas	1		0	
4	Shri Sridhar Patra	1	Nil	1	Nil
5	Shri H.L. Arora	0	Nil	1	Nil
6	Shri Raj Pal	2	Nil	2	Nil
7	Shri T. Venkatesh	0	Nil	2	Nil
8	Ms Saumya Agarwal	2	Nil	2	Nil
9	Shri Bachi Singh Rawat	0	Nil	0	Nil
10	Shri Mohan Singh Rawat	0	Nil	0	Nil
11.	Prof. Maharaj K. Pandit	0	Nil	0	Nil

IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Amount in ₹)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount*	42037405261	6003891009		48041296270
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	629241807	36804857		666046664
Total (i + ii + iii)	42666647068	6040695866		48707342934
Change in Indebtedness during the Financial year				
• Addition	2593885523	134323901		2728209424
• Reduction	9890328032	131525550		10021853582
Net Change	-7296442509	2798351		-7293644158
Indebtedness at the end of the financial year				
i) Principal Amount*	34740962752	6006689360		40747652112
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	501057934	52118042		553175976
Total (i+ii+iii)	35242020686	6058807402		41300828088

V REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(₹ in lakh)

S. No.	Particulars of Remuneration	Name of the Directors					Total
		Sh. D.V. Singh	Sh. S.K. Biswas	Sh. H.L. Arora	Sh. Vijay Goel	Sh. Sridhar Patra	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) Of the income –tax Act, 1961	31.66	36.28	36.86	37.41	27.56	169.77
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	9.33	8.91	3.07	3.00	8.74	33.05
2.	Stock Option	Nil	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil
4.	Commission						
	- As % of profit	Nil	Nil	Nil	Nil	Nil	Nil
	- Others, specify	Nil	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (A)	40.99	45.19	39.93	40.41	36.30	208.82
	Ceiling as per the Act (per sitting)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

B. Remuneration to other Directors :

(₹ in lakh)

S. No.	Particulars of Remuneration	Name of the Directors			Total
		Shri Bachi Singh Rawat	Shri Mohan Singh Rawat	Prof. Maharaj K. Pandit	
1.	Independent Directors				
	• Fee for attending Board and committee meetings	300000	200000	260000	760000
	• Commission	Nil	Nil	Nil	Nil
	• Others , please specify	Nil	Nil	Nil	Nil
	Total(1)	300000	200000	260000	760000
2.	Other Non-Executive Directors				
	• Fee for attending Board Committee meetings	Nil	Nil	Nil	-
	• Commission	Nil	Nil	Nil	-
	• Others, please specify	Nil	Nil	Nil	-
	Total(2)	Nil	Nil	Nil	-
	Total (B)= (1+2)	300000	200000	260000	760000
	Ceiling as per the Act (per sitting)	100000	100000	100000	

Note : Sitting fees in THDCIL is paid @ ₹20,000 per sitting

C. Remuneration to Key Managerial Personnel other than MD/Manager/WT :

(₹ in lakh)

S. No.	Particulars of Remuneration	Total Amount	
		Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the income –tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	10.00 - 0.51	10.00 - 0.51
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commision - As % of profit - Others, specify....	Nil	Nil
5.	Others , please specify	Nil	Nil
	Total	10.51	10.51

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)
A. COMPANY					
Penalty	Nil	Nil	Ni	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

[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 Garhwal,
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/statutory 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 31st March 2018 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 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008;
- (v) The Securities and Exchange Bank of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with the Client

- (vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015
- (vii) The Debenture Trust Deed dated 30th November, 2016 executed between the Company and Debenture Trustee M/s Vistra ITCL India Limited
- (viii) Other applicable law, namely
 - a) Income Tax Act, 1961
 - b) GST Act, 2007
 - c) Employment Provident Fund and Misc. Provisions Act, 1952

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 generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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 excepting women director on the Board for which the Company initiated proposal before the Ministry of Power for appointment. 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 seven days in advance excepting few meetings. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions in the Board are unanimous and there were no dissenting views in the Minutes of the Board Meeting during the period under Report.

I further report that based on the compliance mechanism followed by the Company and on the basis of compliance report placed before the Board periodically which has been taken on record by the Board, I am of the opinion that there are 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.

Sd/-

(P.S.R. Murthy)
ACS 5880
CP No.13090

Place: New Delhi

Date : 12th September 2018

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.

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

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, I 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: 12th September 2018



Assembly of Tunnel Boring Machine at Vishnugad
Pipalkoti HEP (444 MW) in Progress



Sh. D.V. Singh, CMD, THDCIL and Sh. R.K. Verma,
Chairperson, CEA exchanging MoU documents



Financial Statements 2017-18

- Significant Accounting Policies 2017-18
- Balance Sheet
- Statement of Profit & Loss
- Cash Flow Statement
- Notes on Accounts
- Independent Auditors' Report on the Financial Statements
- Comments of the C&AG of India



SIGNIFICANT ACCOUNTING POLICIES 2017-18

1 General

The accompanying financial statements have been prepared in conformity with the statutory provisions of the Companies Act, 2013, provisions of Electricity Act 2013, applicable CERC Regulations and the Statements, Standards and Guidance Notes issued by the Institute of Chartered Accountants of India from time to time. Financial Statements of THDCIL have been prepared in compliance with the Ind AS w.e.f. 01st April 2016.

2 Estimates & Assumptions

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 Property Plant & Equipment (PP&E)

- 3.1 Property, Plant and Equipment (PP&E) up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail exemption as granted by the Ind AS 101- First time adoption of Ind AS to regard these amounts as deemed cost at the date of the transition to Ind AS (i.e. as on April 1, 2015) for the purpose of fair value as prescribed in the Ind AS.
- 3.2 PP&E are initially measured at cost of acquisition / construction including decommissioning or restoration cost wherever required. Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/ assessments. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors

is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments, in the year of final settlement.

- 3.3 Spares parts procured along with the Plant & Machinery or subsequently meeting the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as “Stores & Spares” forming part of the inventory.
- 3.4 If the cost of the replaced part or earlier major inspection is not available, the estimated cost of similar new parts/major inspection is used as an indication to arrive at cost of the existing part/inspection component at the time it was acquired or inspection carried out.
- 3.5 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss for the year in which the asset is derecognized.
- 3.6 PP&E created on land not belonging to the Company, but under the control and possession of the Company, are included in PP&E.
- 3.7 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. Payments made/liabilities created provisionally towards compensation, rehabilitation of the outsees

and other expenses relating to land in possession are treated as cost of land.

4 Capital work in progress

- 4.1 Expenditure incurred on assets under construction (including a project) is carried at cost under Capital work in Progress. Such costs comprise purchase price of asset including import duties, non-refundable taxes (after deducting trade discounts and rebates) and costs that are directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- 4.2 Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is carried under Capital work in progress and subsequently allocated on systematic basis. Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.
- 4.3 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 there-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 (Rehabilitation). The said asset is capitalized as Land under submergence from the date of commercial operation.
- 4.4 Deposit works are accounted for on the basis of statements of account received from the Agencies concerned.
- 4.5 In respect of supply-cum-erection contracts, the value of supplies received at site is treated as Capital-Work-in-Progress.

- 4.6 Claims for price variation in case of contracts are accounted for on acceptance.
- 4.7 Cost directly attributable to projects under construction **include costs of employee benefits**, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, and other costs including administrative and general overhead costs if attributable to construction of projects. Such costs are allocated on systematic basis over Construction projects/Capital Work in Progress.

5 Intangible Assets

- 5.1 Upto March 31, 2015, Intangible assets were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted under Ind AS 101, "First time adoption of Ind ASs" to regard those amounts as deemed cost at the date of the transition to Ind AS (i.e. as on April 1, 2015).
- 5.2 Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- 5.3 Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses if any.
- 5.4 An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are recognised in the Statement of Profit and Loss of the year in when the asset is derecognised.

6 Foreign Currency Transactions

- 6.1 The Company has elected to avail the exemption available under Ind AS 101, First

time adoption of Ind AS with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities.

- 6.2 Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. 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.
- 6.3 Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in Statement of Profit & Loss for the operational power stations and added to the carrying amount of capital work in progress in case of projects under construction.

7 Fair Value Measurement

- 7.1 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.
- 7.2 However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- 7.3 All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the

lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

- 7.4 Financial assets and financial liabilities are recognised at fair value on a recurring basis. The Company reviews the fair value techniques as to be adopted at the end of each reporting period and determines the fair value accordingly applying any of the levels specified above deemed suitable.

8 Financial assets other than investment in subsidiaries and joint ventures.

- 8.1 A financial asset includes inter-alia any asset that is cash, contractual obligation to receive cash or another financial assets or to exchange financial asset or financial liability under condition that are potentially favourable to the Company. A financial asset is recognized under the circumstances when the Company becomes a party to the contractual provisions of the instrument.
- 8.2 Financial assets of the Company comprise cash and cash equivalents, Bank Balances, Advances to employees, security deposit, claims recoverable etc.
- 8.3 Based on existing business model of the company and contractual cash flow characteristics of the financial assets, classifications have been made as follows:
- 1.) Financial Assets at amortised cost,
 - 2.) Financial Assets at fair value through other comprehensive income, and
 - 3.) Financial Assets at fair value through Profit / Loss

- 8.4 Initial recognition and measurement:-**All financial assets except trade receivables are recognised initially at fair value including the transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in

Statement of Profit or Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement of Profit or Loss and in other cases spread over life of the financial instrument using EIR (Effective Interest Rate) method. EIR is calculated at the end of every reporting period.

- 8.5 The company measures the trade receivables at their transaction price as it do not contain a significant financing component.
- 8.6 **Subsequent measurement:-** After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.
- 8.7 **De-recognition:-** A financial asset is derecognized when all the cash flows associated with the said financial asset has been realized or such rights have expired.

9 Inventories

- 9.1 Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipments and are valued at costs or net realizable value (NRV) whichever is lower. The cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business, less the selling costs necessary to make the sale.
- 9.2 Carrying amount of inventory is assessed on each reporting date to reflect the same at NRV (Net Realisable Value). In case reduction of the carrying amount, suitable adjustment is made by reducing the carrying amount of the inventory to recognize at NRV and such amount reduced is also recognized as expenses in the Profit Loss Statement.

Subsequent to reduction in the inventory value in case the NRV increases (upto the original cost), value of inventory is enhanced to recognize at NRV and incremental amount is recognized as income in the Profit Loss Statement. All inventory losses occur in natural course of business is recognized as expenses in the Profit Loss Statement.

10 Financial liabilities

- 10.1 Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.
- 10.2 The Company's financial liabilities include loans & borrowings, trade and other payables.
- 10.3 Classification, initial recognition and measurement
- 10.3.1 Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities and subsequently measured at amortized cost. Difference arising if any, between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.
- 10.3.2 Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- 10.4 Subsequent measurement
- 10.4.1 After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. EIR is calculated at the end of every reporting period Gains and losses are recognised in Statement of Profit or Loss when the

liabilities are derecognised as well as through the EIR amortisation process.

10.4.2 Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

10.5 **De-recognition:** A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

11 Government Grants

11.1 Grants-in-Aid received from the Central/State Government/ other authorities towards capital expenditure inclusive of contribution received from the Uttar Pradesh Govt towards irrigation component of the project cost of Tehri H.E.P. stage-I is treated initially as non operating deferred income under non current liability 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.

12 Provisions, Contingent Liabilities and Contingent Assets

12.1 Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date.

12.2 Contingent liabilities are disclosed on the basis of judgment of management/ independent experts. These are reviewed at each balance sheet date and reflected in the financial statements using current estimates made by the management.

12.3 Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

13 Revenue Recognition and Other Income

13.1 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.

13.2 Amount realized from sale of power as generated from Wind Power Projects has been recognized as Revenue from operation in compliance with Ind AS 18 and Assets have been recognized as owned assets of the company in compliance with Ind AS 16.

13.3 Adjustments arising out of finalization of Regional Energy Account (REA), which may not be material, are effected in the year of respective finalisation.

13.4 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.

13.5 Advance against depreciation being considered as deferred income up to 31st March 2009 is recognised as sales on straight line basis over balance useful life of 23 years after completion of 12 years from the date of commercial operation of the project, considering the total useful life of the project as 35 years.

13.6 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.

13.7 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.

13.8 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.

13.9 Value of scrap is accounted for at the time of sale.

13.10 Compensation from third parties including from insurance companies for items of property, plant and equipment or for other items that were impaired, lost or given up and other claims is included in profit or loss on the basis of certainty of their realization. Impairments or losses of items, related claims for payments of compensation from third parties including insurance companies and any subsequent purchase or construction of assets/inventory are standalone economic events and are accounted for separately.

14 Expenditure

14.1 Cost of stores and spares used on repairs and maintenance are charged to the Repairs and Maintenance Account.

14.2 Prepaid expenses and prior period expenses/income of items of ₹ 5,00,000/- or below in each case, are accounted for in their natural heads of accounts.

14.3 Net income/expenditure prior to Commercial operation is adjusted directly in the cost of related assets and systems.

14.4 Preliminary expenses on account of new projects incurred prior to approval of feasibility report are charged to revenue.

14.5 Amount at appropriate % of profit of previous year as prescribed under DPE guideline is set aside as non-lapsable fund for Research & Development.

14.6 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.

14.7 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 unreliability is finally established.

15 Employee benefits

15.1 The company has established a separate Trust for administration of Provident Fund and employees defined contribution superannuation scheme for providing pension benefit. The company's contribution to the Funds is charged to expenditure. The liability of the company in respect of shortfall (if any) in interest on investments made by PF Trust is ascertained and provided annually on actuarial valuation at the year end.

15.2 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 Ind AS-19 is accounted for on accrual basis based on actuarial valuation determined as at the year end.

15.3 Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Re-measurements are not reclassified to

profit or loss in subsequent periods.

16 Borrowing Cost

- 16.1 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.
- 16.2 Borrowing costs in respect of funds borrowed generally and used for the purpose of obtaining a qualifying asset but not directly relatable to specific PP&E 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.

17 Depreciation & Amortisation

- 17.1 Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is ready for use / disposal.
- 17.2 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.
- 17.3 Laptops provided to employees under Laptop scheme for official purpose are being written off over a period of four year with nil salvage value. The Depreciation on these items is charged @25% pa on straight line basis.
- 17.4 Temporary erections are depreciated fully (100%) in the year of acquisition/ capitalization by retaining ₹ 1/- as WDV.
- 17.5 In respect of Assets costing up to ₹ 5000/- but

more than ₹ 1500/-(excluding immovable assets) 100% depreciation is provided in the year of purchase.

- 17.6 Low value items costing up to ₹ 1500/-, which are in the nature of assets are not capitalized and charged to revenue.
- 17.7 Cost of Leasehold Land is amortized over the lease period.
- 17.8 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.
- 17.9 Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.

18 Impairment of non-financial assets other than inventories

- 18.1 The asset is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impaired loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there is a change in the estimate of the recoverable amount.

19 Income taxes

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

- 19.1 Current income tax** The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or

expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences). The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in India where the Company operates and generates taxable income.

19.2 Deferred Tax

19.2.1 Deferred tax is recognised based upon balance sheet approach. Differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit are accounted for using the balance sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in the instances where the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

19.2.2 The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax

consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

19.2.3 Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax recovery adjustment account is credited/debited to the extent the deferred tax for the current period which forms part of current tax in the subsequent periods and affects the computation of return on equity (ROE), a component of tariff.

20 Statement of Cash Flows

20.1 Statement of cash flows is prepared in accordance with the indirect method prescribed in the Ind AS 7. Cash and cash equivalents for the purpose of cash flow statement is inclusive of cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

21 Current versus non-current classification- The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

21.1 An asset is considered as current when it is:

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

All other assets are classified as non-current.

21.2 A liability is considered as current when it is :

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- Having no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

21.3 Deferred tax assets and liabilities are classified as non-current assets and liabilities.

22 **Rate Regulated Activities -Regulatory deferral account balances**

22.1 Ind AS 114 specifies the accounting for regulatory deferral account balances that arise from rate regulated activities. This standard is available only to first-time adopters who recognised regulatory deferral account balances under their previous GAAP. Ind AS permits eligible first-time adopters to continue their previous GAAP rate regulated accounting policies, with limited changes, & required separate presentation of regulatory deferral account balances in the statement of financial position & statement of Profit or loss and other comprehensive income. Same has been adhered.

23 **Dividend Distribution**

23.1 Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

24 **Segment Reporting**

24.1 Electricity generation is the principal business activity of the company. Project Management and Consultancy works do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.

BALANCE SHEET AS AT 31-March-2018

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	1		7,32,768		7,80,642
(b) Capital work-in- progress	2		3,94,994		3,03,496
(c) Other Intangible Assets	1		33		45
(d) Intangible Assets Under Development	2		33		33
(e) Financial Assets					
(i) Long Term Loans and Advances	3	4,483		4,694	
(ii) Other Non- Current Financial Assets	4	1,582	6,065	1,881	6,575
(f) Deferred Tax Assets (Net)	5		76,219		70,941
(g) Other Non-Current Assets	6		69,965		91,914
Current Assets					
(a) Inventories	7		3,000		3,264
(b) Financial Assets					
(i) Trade Receivables	8	1,30,726		1,73,228	
(ii) Cash and Cash Equivalents	9	6,102		6,707	
(iii) Bank Balances other than (ii) above	10	37		25,037	
(iv) Short Term Loans and Advances	11	4,578		4,305	
(v) Other Current Financial Assets	12	167	1,41,610	179	2,09,456
(c) Current Tax Assets (Net)	13		9,047		8,107
(d) Other Current Assets	14		5,983		6,322
Total			14,39,717		14,80,795
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	15	3,62,743		3,59,888	
(b) Other Equity		4,88,384	8,51,127	4,50,193	8,10,081
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Long Term Borrowings	16	2,41,530		4,04,185	

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
(ii) Non current Financial Liabilities	17	2,200		934	
(iii) Other Non Current Financial Liabilities	18	284	2,44,014	220	4,05,339
(b) Other Non Current Liabilities	19		97,907		1,04,729
(c) Long Term Provisions	20		35,087		38,970
Current Liabilities					
(a) Financial Liabilities					
(i) Short Term Borrowings	21	64,663		38,724	
(ii) Trade Payables	22	53		41	
(iii) Other Current Financial Liabilities	23	1,21,422	1,86,138	68,815	1,07,580
(b) Other Current Liabilities	24		4,429		3,749
(c) Short Term Provisions	25		21,015		10,347
(d) Current Tax Liabilities (Net)	26		0		0
TOTAL			14,39,717		14,80,795

Significant Accounting Policies and the accompanying Notes form an integral part of these Financial Statements.

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(Sridhar Patra)
Director (Finance)
DIN: 06500954

(D.V. Singh)
Chairman & Managing Director
DIN:03107819

As Per Our Report Of Even Date Attached

FOR P.D. AGRAWAL & CO.
Chartered Accountants
FRN 001049C of ICAI

(Piyush Agrawal)
Partner
Membership No.:- 073695

Date: 11.08.2018
Place: Rishikesh

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-March-2018

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
INCOME					
Revenue from Continuing Operations	27		2,19,064		2,09,474
Other Income	28		3,809		14,123
Deferred Revenue on account of Irrigation Component		6,822		6,531	
Less: Depreciation on Irrigation Component	1	6,822	0	6,531	0
Total Revenue			2,22,873		2,23,597
EXPENSES					
Employee Benefits Expense	29		30,649		25,425
Finance Costs	30		22,787		29,106
Depreciation & Amortisation	1		57,452		52,557
Generation Administration and Other Expenses	31		20,342		19,513
Provision for Bad & Doubtful Debts and Stores & Spares	32		0		445
Total Expenses			1,31,230		1,27,046
Profit Before Exceptional items and Tax			91,643		96,551
Exceptional Items- (Income)/ Expenses- Net			554		16,146
Profit Before Tax			91,089		80,405
Tax Expenses	33				
Current Tax					
Income Tax			19,056		17,154
Deferred tax- Asset			(5,083)		(8,142)
I Profit For The Period from continuing operations			77,116		71,393
II OTHER COMPREHENSIVE INCOME					
(i) Items that will not be classified to Profit or Loss:					
Re-measurements of the Defined Benefit Plans	34		563		(414)
Deferred tax on Re-measurements of the Defined Benefit Plans- Deferred Tax Asset			195		144

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018	For the Period Ended 31-Mar-2017
Other Comprehensive Income		758	(270)
Total Comprehensive Income (I+II)		77,874	71,123
Earning per Equity Share			
(for continuing operations)			
Basic (₹)		215.24	198.86
Diluted (₹)		215.23	198.86

Significant Accounting Policies and the accompanying Notes form an integral part of these Financial Statements.

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(Sridhar Patra)
Director (Finance)
DIN: 06500954

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(Piyush Agrawal)
Partner
Membership No.:- 073695

Date: 11.08.2018

Place: Rishikesh

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-March-2018

Amount In lakh ₹
(Figures In Parenthesis Represent Deduction)

Particulars	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax, Prior Period adjustments and Extraordinary items		91,643		96,551
Adjustments for:-				
Depreciation (including Prior Period Depreciation)	57,452		52,574	
Depreciation- Irrigation Component	6,822		6,531	
Provisions	-	-	445	
Interest on loans	22,787		29,106	
Other Comprehensive Income (OCI)	563		(414)	
Prior Period Adjustments through SOCIE	317		117	
Exceptional Items	(554)	87,387	(16,146)	72,213
Operating profit Before Working Capital Changes		1,79,030		1,68,764
Adjustment For :-				
Inventories	264		(76)	
Trade Receivables	42,502		33,970	
Other Assets	655		(428)	
Loans and Advances (Current + Non Current)	(1,002)		(4,387)	
Trade Payable and Liabilities	(15,973)		2,482	
Provisions (Current + Non Current)	6,785	33,231	(3,999)	27,562
Cash Flow From Operative Activities Before Taxes		2,12,261		1,96,326
Corporate Tax		(19,056)		(17,154)
Net Cash From Operations (A)		1,93,205		1,79,172
B. CASH FLOW FROM INVESTING ACTIVITIES				
Change in:-				
Property, Plant & Equipment and CWIP	(1,07,886)		(1,51,762)	
Capital Advances	21,944		(30,092)	
Net Cash Flow From Investing Activities (B)		(85,942)		(1,81,854)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Share Capital (Including Pending Allotment)	3,200		4,000	
Borrowings	(98,875)		53,465	
Interest and Finance Charges	(22,787)		(29,106)	
Dividend & Tax on Dividend	(40,345)		(36,575)	
Net Cash Flow From Financing Activities (C)		(1,58,807)		(8,216)

Amount In lakh ₹
(Figures In Parenthesis Represent Deduction)

Particulars	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
D. NET CASH FLOW DURING THE YEAR (A+B+C)		(51,544)		(10,898)
E. OPENING CASH & CASH EQUIVALENTS		(6,980)		3,918
F. CLOSING CASH & CASH EQUIVALENTS (D+E)		(58,524)		(6,980)

Note:

- Cash and Cash Equivalents includes Balance with Banks of ₹37Lac (Previous year ₹25037 Lac) which is not available for use by the Corporation.
- Previous year's figures have been Regrouped / Rearranged / Recast wherever necessary.
- Reconciliation of Cash & cash Equivalents has been made in Note No 37.19 (a)

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(Sridhar Patra)
Director (Finance)
DIN: 06500954

(D.V. Singh)
Chairman & Managing Director
DIN:03107819

As Per Our Report Of Even Date Attached

FOR P.D. AGRAWAL & CO.
Chartered Accountants
FRN 001049C of ICAI

(Piyush Agrawal)
Partner
Membership No.:- 073695

Date: 11.08.2018
Place: Rishikesh

STATEMENT OF CHANGES IN EQUITY -

A. Equity Share Capital For The Year Ended 31-March-2018

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018
		Amount
Balance at the beginning of reporting period		3,59,888
Changes in equity share capital during the period		2,855
Closing Balance at the end of the reporting period		3,62,743

B. Other Equity For The Year Ended 31-March-2018

Amount In lakh ₹

Particulars	Note No.	Share Application Money Pending Allotment	Reserve & Surplus 01-Apr-2017 To 31 Mar-2018		Other Comprehensive Income	Total
			Retained Earnings	Debenture Redemption Reserve & Others	Actuarial Gain/(Loss)	
Opening Balance		0	4,49,160	1,500	(467)	4,50,193
Changes in accounting policy or prior period (income)/expenses	35		(317)			(317)
Restated Opening Balance (I)		0	4,49,477	1,500	(467)	4,50,510
Profit For The Year			77,116			77,116
Other Comprehensive Income					758	758
Total Comprehensive Income			77,116		758	77,874
Dividend			33,521			33,521
Tax On Dividend			6,824			6,824
Transfer to Retained Earnings (II)			36,771			37,529
Transferred to Debenture Redemption Reseve (III)			(1,500)			(1,500)
Debenture Redemption Reserve Addition/ (Utilised) during the year (IV)				1,500		1,500
Share Capital Pending Allotment Deposited/ Allotted during the Year (V)		345				345
Closing Balance (I+II+III-IV+V)		345	4,84,748	3,000	291	4,88,384

Significant Accounting Policies and the accompanying Notes form an integral part of these Financial Statements.

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(Sridhar Patra)
Director (Finance)
DIN: 06500954

(D.V. Singh)
Chairman & Managing Director
DIN:03107819

As Per Our Report Of Even Date Attached

FOR P.D. AGRAWAL & CO.
Chartered Accountants
FRN 001049C of ICAI

(Piyush Agrawal)
Partner
Membership No.:- 073695

Date: 11.08.2018

Place: Rishikesh

Note :-1
PROPERTY PLANT & EQUIPMENT & INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation			Amount In lakh ₹	
	As at 01-Apr-2017	Addition During the Period	Sales / Adjustment During the Period	As at 31-Mar-2018	For The Period 01-Apr-2017 To 31-Mar-2018	Sales/ Adjustment During the Period	As at 31-Mar-2018	As at 31-Mar-2017
A. Property Plant & Equipment								
Lease Hold Assets								
1. Land Lease Hold	3,905	-	-	3,905	196	186	3,523	3,709
Other Assets								
2. Land Free Hold	3,813	12	-	3,825	-	-	3,825	3,813
3. Land Under Submergence	1,60,625	4,444	-	1,65,069	48,165	7,386	1,09,518	1,12,460
4. Buildings	83,298	5,749	(2)	89,045	17,670	3,113	68,004	65,628
5. Building Temp. Structures	1,153	1,207	-	2,360	1,153	1,197	2,360	-
6. Road, Bridge & Culverts	13,908	2,126	-	16,034	2,749	520	12,756	11,159
7. Drainage, Sewerage & Water Supply	1,541	599	-	2,140	576	89	1,475	965
8. Construction Plant & Machinery	2,114	35	-	2,149	1,234	56	1,290	880
9. Generation Plant & Machinery	3,04,979	366	(434)	3,04,911	1,00,210	16,835	1,87,866	2,04,769
10. EDP Machines	1,412	48	(42)	1,418	950	188	1,104	462
11. Electrical Installations	4,166	404	-	4,570	428	242	3,900	3,738
12. Transmission Lines	2,436	25	-	2,461	915	127	1,419	1,521
13. Office & Other Equipment	5,293	397	(15)	5,675	2,252	320	2,561	3,041
14. Furniture & Fixtures	2,313	182	(5)	2,490	928	144	1,069	1,385
15. Vehicles	1,407	156	(17)	1,546	689	83	765	718
16. Railway Sidings	122	-	-	122	37	4	41	85
17. Hydraulic Works- Dam & Spillways	5,14,730	3,472	(12)	5,18,190	2,22,889	28,505	2,51,394	2,91,841
18. Hydraulic Works- Tunnel, Penstock, Canals etc	1,39,878	141	(39)	1,39,980	65,443	7,433	72,876	74,435
19. Unservisable/ Obsolete Assets at net book value or net realisable value whichever is lower.	33	-	(21)	12	-	-	12	33
Sub Total	12,47,126	19,363	(587)	12,65,902	4,66,484	66,428	5,33,134	7,32,768
Figures For Previous Year	11,59,549	88,335	(758)	12,47,126	4,07,151	59,817	4,66,484	7,80,642
B. Intangible Assets								
1. Intangible Assets-Software	395	2	-	397	350	14	364	45
Sub Total	395	2	-	397	350	14	364	45
Figures For Previous Year	393	2	-	395	331	19	350	62
Detail of Depreciation					Current Year	Previous Year		
Depreciation transferred to EDC					2,168	748		
Depreciation transferred to statement of P&L					57,452	52,557		
Depreciation transferred to statement of P&L -Irrigation Contribution from GOUP					6,822	6,531	59,836	
Fixed Assets Costing More Than ₹1500.00 But Less Than ₹ 5000.00 Procured and Depreciated Fully During The Year					10	19		

1.1 The Land measuring 14.37 acres transferred free of cost by Govt. of Uttarakhnad for construction of Koteshwar Hydro Electric Project (4x100 MW) to the Company has been accounted for at notional value of ₹1/-.

1.2 The Land under submergence has been amortised considering the rate of depreciation provided by the CERC in the tariff regulations and the fact that it will not have any economic value due to deposit of silt and other foreign materials.

Note :-2

CAPITAL WORK IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT

Amount In lakh ₹

Particulars	For the Period Ended 31 Mar-2018					As at 31-Mar-2018
	Note No.	As at 01-Apr-2017	Addition During The Period 01-Apr-2017 to 31-Mar-2018	Adjustment During the Period 01 Apr-2017 to 31-Mar-2018	Capitalisation During The Period 01-Apr-2017 to 31-Mar-2018	
A. Construction Work In Progress						
Building & Other Civil Works		6,366	6,321	324	(5,489)	7,522
Roads, Bridges & Culverts		1,061	1,588	14	(1,827)	836
Water Supply, Sewerage & Drainage		275	315	-	(590)	-
Generation Plant And Machinery		98,446	20,719	-	(233)	1,18,932
Hydraulic Works, Dam, Spillway, Water Channels, Weirs, Service Gate & Other Hydraulic Works		1,79,784	42,702	(143)	(4,243)	2,18,100
Afforestation Catchment Area		923	264	-	-	1,187
Electrical Installation & Sub-Station Equipments		37	72	-	(21)	88
Development of Coal Mine		0	3,761	0	0	3,761
Others		103	504	-	(482)	125
Expenditure Pending Allocation						
Survey & Development Expenses		9,772	16	-	-	9,788
Expenditure During Construction	26.1	2,370	4,024	(2,370)	-	4,024
Rehabilitation						
Rehabilitation Expenses		4,359	28,535	-	(2,263)	30,631
Less: Provision for CWIP		-	-	-	-	-
Total		3,03,496	1,08,821	(2,175)	(15,148)	3,94,994
Previous Year Figure		2,39,066	1,50,323	(2,493)	(83,400)	3,03,496
B. In Tangible Assets Under Development						
Intangible asset Under Development		33	0	0	0	33
Sub Total		33	0	0	0	33
Previous Year Figure		33	0	0	0	33

2.1 CWIP mainly constitutes value of ongoing projects under construction such as Tehri PSP, VPHEP & Dhukuwan etc. As the construction is under process, no impairment arises.

Note :-3
LONG TERM LOANS AND ADVANCES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Loans To Employees					
Secured		2,490		2,690	
Unsecured		717		1,072	
Interest Accrued On Loans To Employees					
Secured		2,674		2,580	
Un secured		183		232	
Total Loans to Employees		6,064		6,574	
Less: Fair valuation Adjustment		1,582	4,482	1,881	4,693
Loans To Directors					
Secured		0		0	
Unsecured		0		0	
Interest Accrued On Loans To Directors					
Secured		1		1	
Unsecured		0		0	
Total Loans to Directors		1		1	
Less: Fair valuation Adjustment		0	1	0	1
Other Advances (Un Secured)					
(Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		0		0	
To Others		0	0	0	0
Deposits					
Other Deposit		0	0	0	0
SUB-TOTAL			4,483		4,694
LESS:- Provision For Bad & Doubtful Advances			0		0
SUB TOTAL - ADVANCES			4,483		4,694
TOTAL LOANS AND ADVANCES			4,483		4,694
Note :- Due From Directors					
Principal		0		0	
Interest		1		1	
TOTAL		1		1	
Less: Fair Valuation Adjustment		0	1	0	1
Note :- Due From Officers					
Principal		2		5	
Interest		1		9	
TOTAL		3		14	
Less: Fair Valuation Adjustment		1	2	2	12

Note :-4

OTHER NON CURRENT FINANCIAL ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Others					
Deferred Employee Cost due to Fair Valuation			1,582		1,881
TOTAL			1,582		1,881

Note :-5

DEFERRED TAX ASSET

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Deferred Tax Liability		(2,975)		(2,975)	
Deferred Tax Asset		85,507	82,532	80,229	77,254
Deferred Tax Adjustment			(6,313)		(6,313)
Total			76,219		70,941

Note :-6

OTHER NON CURRENT ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Prepaid Expenses		35		40	
Interest Accrued but not due		0	35	0	40
Sub Total			35		40
Capital Advances					
Unsecured					
i) Against Bank Guarantee (Bank Guarantee of ₹ 62701 Lakh)		52,764		44,532	
ii) Rehabilitation & Resettlement (Govt. of Uttarakhand / SLAO)		3,012		29,981	
iii) Others		26,546		29,790	
iv) Accrued Interest On Advances		10	82,332	63	1,04,366
Less: Provision for Doubtful Advances			12,402		12,492
SUB TOTAL - CAPITAL ADVANCES			69,930		91,874
TOTAL			69,965		91,914

Note :-7

INVENTORIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Inventories (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Material		111		297	
Mechanical and Electrical Stores & Spares		2,697		2,772	
Others (including Stores & Spares)		213		217	
Material Under Inspection (Valued At Cost)		1	3,022	0	3,286
Less: Provision For other stores			22		22
TOTAL			3,000		3,264

Note :-8
TRADE RECEIVABLES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
(i) Debts Outstanding Over Six Months (Net)					
Unsecured, Considered Good		15,773		1,02,886	
Considered Doubtful		18,476	34,249	20,776	1,23,662
Less:- Provision For Bad And Doubtful Debts			18,476		20,776
(ii) Other Debts (Net)					
Unsecured, Considered Good		70,092		40,199	
Considered Doubtful		0	70,092	0	40,199
(iii) Regulatory Asset Debtors (Net)					
Unsecured, Considered Good		44,861		30,143	
Considered Doubtful		2,201	47,062	2,201	32,344
Less:- Provision For Bad And Doubtful Debts			2,201		2,201
TOTAL			1,30,726		1,73,228

8.1 Trade Receivable includes Net Regulatory Asset Debtors of ₹47062 Lakh (Regulatory Assets ₹76584 Lakh and Regulatory Liabilities ₹29522 Lakh) [P.Y. ₹32344 Lakh (Regulatory Assets ₹61866 Lakh and Regulatory Liabilities ₹29522 Lakh)].

8.2 Trade receivable is inclusive of unbilled revenue of ₹849 Lakh [P.Y. ₹Nil].

Note :-9
CASH AND CASH EQUIVALENTS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Cash & Cash Equivalents					
Balances With Banks (Including Auto-sweep, Flexi Deposit with Banks)			6,094		6,700
Cheques, Drafts, Stamps on hand			8		7
TOTAL			6,102		6,707

Note :-10
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Other Bank Balances					
Others (Balance with Bank under Lien not available for use by the company)			37		25,037
TOTAL			37		25,037

Note :-11

SHORT TERM LOANS AND ADVANCES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Loans To Employees					
Secured		799		774	
Unsecured		253		315	
Interest Accrued On Loans To Employees					
Secured		163		138	
Un secured		1		1	
Total loan to Employees		1,216		1,228	
Less: Fair valuation Adjustment		167	1,049	178	1,050
Loans To Directors					
Secured		0		0	
Unsecured		0		0	
Interest Accrued On Loans To Directors					
Secured		1		0	
Unsecured		0		0	
Total loan to Directors		1		0	
Less: Fair valuation Adjustment		0	1	0	0
Others					
Unsecured, considered good		0	0	2	2
Other Advances (Un Secured) (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		273		273	
To Others		35	308	35	308
Deposits					
Security Deposit		687		412	
Deposit with Govt/Court		2,534		2,534	
Other Deposit		7	3,228	7	2,953
SUB-TOTAL			4,586		4,313
LESS:- Provision For Bad & Doubtful Advances			8		8
TOTAL ADVANCES			4,578		4,305
TOTAL LOANS AND ADVANCES			4,578		4,305
Note :- Due From Directors					
Principal		0		0	
Interest		1		0	
TOTAL		1		0	
Less: fair Valuation Adjustment		0	1	0	0
Note :- Due From Officers					
Principal		1		1	
Interest		0		1	
TOTAL		1		2	
Less: fair Valuation Adjustment		0	1	0	2

Note :-12

OTHER CURRENT FINANCIAL ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Others					
Deferred Employee Cost due to Fair Valuation			167		179
TOTAL			167		179

Note :-13
CURRENT TAX ASSETS (NET)

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Tax Deposited			9,047		8,107
TOTAL			9,047		8,107

Note :-14
OTHER CURRENT ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Prepaid Expenses			3,119		3,027
Interest Accrued			28		22
SUB-TOTAL			3,147		3,049
Other Advances (Unsecured)					
To Employees			25		7
For Purchases			1,211		1,591
To Others			1,600		1,675
SUB TOTAL - OTHER ADVANCES			2,836		3,273
TOTAL			5,983		6,322

Note :-15
SHARE CAPITAL

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
		Number of Shares	Amount	Number of Shares	Amount
Authorised					
Equity Shares of ₹ 1000 /= each		4,00,00,000	4,00,000.00	4,00,00,000	4,00,000.00
Issued Subscribed & Paid-up		3,62,74,317	3,62,743	3,59,88,817	3,59,888
Equity Shares of ₹ 1000 /= each Fully Paid up					
TOTAL		3,62,74,317	3,62,743	3,59,88,817	3,59,888

15.1 The Company has paid interim Dividend of ₹25610 lakh during the year for the F.Y. 2017-18

Note :-15.1
DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
		Number of Shares	%	Number of Shares	%
Share holding more than 5 %					
I. GOI		2,69,24,917	74.23	2,66,39,417	74.02
II. GOUP		93,49,400	25.77	93,49,400	25.98
TOTAL		3,62,74,317	100.00	3,59,88,817	100.00

Note :-15.2

RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
		Number of Shares	Amount	Number of Shares	Amount
Opening		3,59,88,817	3,59,888	3,55,88,817	3,55,888
Issued		2,85,500	2,855	4,00,000	4,000
Closing		3,62,74,317	3,62,743	3,59,88,817	3,59,888

Note :-16

LONG TERM BORROWINGS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018	As at 31-Mar-2017
A. BONDS			
BOND ISSUE SERIES-I- SECURED* (7.59% p.a. 10 Years Secured Redeemable Non- Convertible Bonds of ₹1000000/- each). (Date of redemption 03.10.2026)		60,000	60,000
TOTAL (A)		60,000	60,000
B. SECURED			
POWER FINANCE CORPORATION Ltd. (PFC)-78302003 (For Tehri HPP) ** (Repayable within 15 years on Quarterly instalment from 15 th October 2008 to 15 th July 2023, presently carrying floating interest rate @9.50%)		40,625	49,653
POWER FINANCE CORPORATION Ltd. (PFC) -78302002 (For KHEP) # (Repayable within 10 years on Quarterly instalment from 15 th January 2012 to 15 th october 2021, presently carrying floating interest rate @9.50 % p.a.)		32,175	43,875
Rural Electrification Corporation Ltd. (REC) (For KHEP)# (UA-GE-PSU-033-2010-3754) (Repayable within 10 years on Quarterly instalment from 30 th September 2012 to 30 June 2022, carrying floating interest rate @ 9.35% p.a.)		22,774	29,781
Rural Electrification Corporation Ltd. (REC)-330001- (For Tehri HPP)* (Repayable within 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate @ 9.35% p.a.)		28,554	38,072
State Bank of India (SBI)-32677052247 (For Tehri PSP) ## State Bank of India (Repayable within 10 years on Quarterly Installments from August 2016 to May 2026 Presently carrying Floating Interest rate @ MCLR rate + 1.2% p.a. i.e. 9.20 %)		0	1,22,765
TOTAL (B)		1,24,128	2,84,146

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
C. UNSECURED					
Foreign currency Loans					
(Guaranteed by Govt. of India)					
World Bank Loan -8078-IN (For VPHEP)\$					
(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. 2.28%)			57,402		60,039
TOTAL (C)			57,402		60,039
TOTAL (A+B+C)			2,41,530		4,04,185
<p>** 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.</p> <p># Long Term Loan secured by first charge on Pari Passu basis on assets of Koteshwar HEP.</p> <p>## Long Term Loan secured by first charge on Pari Passu basis on assets of Tehri PSP.</p> <p>\$ With negative lien on the equipments financed under the respective loan ranking pari-passu.</p> <p>* The Bonds are secured by a first/ Pari Passu first charge on the existing assets of Tehri HPP Stage-I</p> <p>There has been no default in repayment of any of the Loans or interest thereon during the year.</p>					

Note :-17

NON CURRENT FINANCIAL LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Liabilities					
For Expenditure					
For Micro And Small Enterprises.		0		0	
For Others		0	0	0	0
Deposits, Retention Money From Contractor etc.		2,484		1,154	
Less: Fair Value Adjustment- Security Deposit/ Retention Money		284	2,200	220	934
TOTAL			2,200		934

Note :-18

OTHER NON CURRENT FINANCIAL LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Deferred Fair Valuation Gain- Security Deposit/ Retention Money			284		220
TOTAL			284		220

Note :-19

OTHER NON CURRENT LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Deferred Revenue On Account of Advance Against Depreciation					
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
Contribution Towards Irrigation Component					
Contribution Received From Government of Uttar Pradesh Towards Irrigation Sector		1,44,118		1,44,118	
LESS:-					
Adjustment Towards Depreciation		67,482	76,636	60,660	83,458
Other Liabilities			0		0
TOTAL			97,907		1,04,729

Note :-20

LONG TERM PROVISIONS

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2017	For the Period Ended 31-Mar-2018			As at 31-Mar-2018
			Addition	Adjustment	Utilisation	
I. Employee Related		38,655	4,026	(2,390)	(6,173)	34,118
II. Others		315	703	0	(49)	969
TOTAL		38,970	4,729	(2,390)	(6,222)	35,087
Figure for Previous Year		32,733	6,878	(494)	(147)	38,970

20.1 Disclosure required by AS-15 on employee benefit has been made in Note No 37.14

Note :-21

SHORT TERM BORROWINGS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Short term Loan From Banks and Financial Institutions					
A. Secured loans:					
Over Draft (OD) From Banks					
Punjab National Bank (Carrying Floating Interest Rate @ one year MCLR i.e.8.45%)			64,663		38,724
TOTAL			64,663		38,724

* O.D. amounting to ₹ 64663 Lakh 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 :-22

TRADE PAYABLE

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Trade Payable -MSMED			0		0
Trade Payable -Other than MSMED			53		41
TOTAL			53		41

Note :-23
OTHER CURRENT FINANCIAL LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Current maturity of Long Term Debt					
A.SECURED * (Indian Currency Loan)			98,618		37,503
TOTAL (A)			98,618		37,503
B.UNSECURED **			2,665		0
TOTAL (B)			2,665		0
TOTAL			1,01,283		37,503
Liabilities					
For Expenditure					
For Micro And Small Enterprises.		41		1	
For Others		7,401	7,442	19,419	19,420
Deposits, Retention Money From Contractors etc.		7,165		5,232	
Less: Fair Value Adjustment- Security Deposit/ Retention Money		0	7,165	0	5,232
Deferred Fair Valuation Gain- Security Deposit/ Retention Money			0		0
Interest Accrued But Not Due					
Financial Institutions		5,532		6,660	
Other Liabilities		0	5,532	0	6,660
TOTAL			20,139		31,312
TOTAL LIABILITIES			1,21,422		68,815

* 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-16.

Note :-24
OTHER CURRENT LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
Liabilities					
Other Liabilities			4,429		3,749
TOTAL			4,429		3,749

Note :-25
SHORT TERM PROVISIONS

Amount In lakh ₹

(Figures In Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2017	For the Period Ended 31-Mar-2018			As at 31-Mar-2018
			Addition	Adjustment	Utilisation	
I. Works		405	345	(3)	(112)	635
II. Employee Related		8,508	14,910	(817)	(3,740)	18,861
III. Others		1,434	602	(113)	(404)	1,519
TOTAL		10,347	15,857	(933)	(4,256)	21,015
Figure for Previous Year		20,583	10,032	(15,015)	(5,253)	10,347

25.1 Disclosure required by AS-15 on employee benefit has been made in Note No 37.14

Note :-26

CURRENT TAX LIABILITIES (NET)

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
INCOME TAX					
Opening Balance			0		0
Addition during the period			9,696		15,156
Adjustment during the period			(3,730)		(6,330)
Utilised during the period			(5,966)		(8,826)
Closing Balance			0		0

Note :-26.1

EXPENDITURE DURING CONSTRUCTION

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
EXPENDITURE					
EMPLOYEE BENEFITS EXPENSES	29				
Salaries, Wages, Allowances & Benefits		10,656		10,917	
Contribution to Provident & Other Funds		730		633	
Pension Fund		360		541	
Gratuity		380		1,659	
Welfare		205		134	
Amortisation Expenses of Deferred Employee Cost		36	12,367	44	13,928
OTHER EXPENSES	31				
Rent					
Rent for office		67		72	
Rent for Employee Residence		299	366	295	367
Rate and taxes			11		28
Power & Fuel			623		576
Insurance			33		35
Communication			168		80
Repair & Maintenance					
Plant & Machinery		5		3	
Consumption of Stores & Spare Parts		0		0	
Buildings		641		29	
Others		228	874	140	172
Travelling & Conveyance			178		241
Vehicle Hire & Running			528		358
Security			437		98
Publicity & Public relation			37		46
Other General Expenses			1,935		929
Loss on sale of assets			1		3
Survey And Investigation Expenses			99		0
Interest on Security deposit/ Retention money on account of Effective Interest Rate			149		89
DEPRECIATION	1		2,168		748
TOTAL EXPENDITURE (A)			19,974		17,698

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
RECEIPTS					
OTHER INCOME	28				
Interest					
From Bank Deposit		3		5	
From Employees		98		114	
Employee Loans & Advances- Adjustment on Account of Effective Interest		36		44	
From Others		4	141	3	166
Machine Hire Charges			0		15
Rent Receipts			70		49
Sundry Receipts			80		50
Excess Provision Written Back			219		22
Profit on Sale of Assets			0		1
Fair Value Gain- Security Deposit/ Retention Money			149		89
TOTAL RECEIPTS (B)			659		392
NET EXPENDITURE BEFORE TAXATION			19,315		17,306
PROVISION FOR TAXATION	33				
NET EXPENDITURE INCLUDING TAXATION			19,315		17,306
Change in Accounting policy and Prior Period Items	35		136		(73)
Actuarial Gain/ (Loss) through OCI	34		113		(131)
Balance Brought Forward From Last Year			2,370		854
TOTAL EDC			21,708		18,218
Less:-					
EDC Allocated To CWIP / Asset			17,292		15,358
EDC Of Projects Under Approval Charged To Profit & Loss Account			393	17,685	490
Balance Carried Forward To CWIP			4,023		2,370

Note :-27

REVENUE FROM CONTINUING OPERATIONS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
Income from Beneficiaries against Sale of Power		2,15,963		2,07,903	
Less :					
Advance Against Depreciation- Deferred		0	2,15,963	0	2,07,903
Deviation Settlement/ Congestion Charges			2,887		1,419
Consultancy Income			214		152
TOTAL			2,19,064		2,09,474

27.1 Hon'ble CERC has disposed off the tariff petition of Tehri HPP for the period 2009-14 and also granted tariff for 2014-19 on the similar lines vide it's orders dated 20.03.2017, 29.03.2017 and 05.12.2017.

Impact of said orders relating to previous years amounting to (-) ₹555 Lakh has been shown as extraordinary item. Revenue has been recognized for the current financial year 2017-18 based on the said order.

Note :-28

OTHER INCOME

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
Interest					
On Bank Deposits (Includes TDS ₹ 103081.00 Previous year ₹ 93266.00)		210		255	
From Employees		351		395	
Employee Loans & Advances- Adjustment on Account of Effective Interest		391		426	
Others		10	962	326	1,402
Machine Hire Charges			6		15
Rent Receipts			135		117
Sundry Receipts			324		569
Excess Provision Written Back			2,886		12,297
Profit on Sale of Assets			41		7
Fair Value Gain- Security Deposit/ Retention Money			114		108
TOTAL			4,468		14,515
Less :					
Transferred To EDC	26.1		659		392
TOTAL			3,809		14,123

Note :-29

EMPLOYEE BENEFITS EXPENSES

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
Salaries, Wages, Allowances & Benefits			35,770		31,506
Contribution to Provident & Other Funds			2,523		2,056
Pension Fund			1,343		1,770
Gratuity			2,003		3,100
Welfare Expense			986		495
Amortisation Expenses of Deferred Employee Cost			391		426
TOTAL			43,016		39,353
Less :					
Transferred To EDC	26.1		12,367		13,928
TOTAL			30,649		25,425

Note :-30

FINANCE COSTS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
Finance Costs					
Interest On Bond Issue Series-I			4,554		2,246
Interest On Loans			32,805		40,358
TOTAL			37,359		42,604
LESS:-					
Transferred And Capitalised With CWIP Account			14,572		13,498
TOTAL			22,787		29,106

Note :-31
GENERATION ADMINISTRATION AND OTHER EXPENSES

Amount In lakh ₹

Particulars	Note No.	For the Period Ended	
		31-Mar-2018	31-Mar-2017
Rent			
Rent for office		185	174
Rent for Employees Residence		699	884
Rate and taxes			183
Power & Fuel			1,756
Insurance			2,252
Communication			381
Repair & Maintenance			
Plant & Machinery		1,803	1,529
Consumption of Stores & Spare Parts		917	519
Buildings		1,350	1,105
Others		2,611	6,681
Travelling & Conveyance			637
Vehicle Hire & Running			1,378
Security			4,171
Publicity & Public Relations			296
Other General Expenses			4,282
Loss on sale of assets			17
Survey And Investigation Expenses			508
Research & Development			238
Expenses on Consultancy Project/ Contract			1
Expenditure On CSR & S.D. Activities			1,620
Rebate to Customers			382
Interest on Security deposit/ Retention money on account of Effective Interest Rate			114
TOTAL			25,781
LESS:-			
Transferred To EDC	26.1		5,439
TOTAL			20,342
			22,535
			19,513

Note :-32

PROVISIONS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
Provisions For Doubtful Debts and Loans & Advances			0		443
Provisions For Stores & Spares			0		2
TOTAL			0		445
LESS:-					
Transferred To EDC	26.1		0		0
TOTAL			0		445

Note :-33

PROVISION FOR TAXATION

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
INCOME TAX					
Current Year			19,056		17,154
Sub Total			19,056		17,154
TOTAL			19,056		17,154

Note :-34

RE- MEASUREMENTS OF THE DEFINED BENEFIT PLANS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2018		For the Period Ended 31-Mar-2017	
Actuarial Gain/ (Loss) through OCI			676		(545)
Sub Total			676		(545)
LESS:-					
Transferred To EDC	26.1		113		(131)
TOTAL			563		(414)

Note :-35
CHANGES IN ACCOUNTING POLICY AND PRIOR PERIOD ITEMS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended		For the Period Ended	
		31-Mar-2018		31-Mar-2017	
PRIOR PERIOD INCOME					
Misc Receipt		280	280	3	3
PRIOR PERIOD EXPENDITURE					
Repair and Maintenance		(141)		(215)	
Other General Expenses		9		0	
Depreciation		277		28	
Misc- Others		(46)	99	0	(187)
Sub Total			(181)		(190)
LESS:-					
Transferred To EDC	26.1		136		(73)
TOTAL			(317)		(117)

36.1 Disclosures on Financial Instruments and Risk Management:

Ind AS 107 is applicable on Financial instruments. The definition of Financial instruments is inclusive and cover financial assets and liabilities. Explained below are the nature and extent of risks arising from financial instruments to which THDCIL is exposed during the period and at the end of the reporting period, and also how THDCIL is managing these risks.

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans etc given to employees.

ii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk:

1. Currency rate risk,
2. Interest rate risk and
3. Other price risks, such as equity price risk and commodity risk.

Financial instruments affected by market risk include loans and borrowings, deposits and investments.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument

will fluctuate because of changes in market interest rates.

Financial environment:- The company operates in a regulated environment. Tariff of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components:

1. Return on Equity (RoE),
2. Depreciation,
3. Interest on Loans,
4. Operation & Maintenance Expenses and
5. Interest on Working Capital Loans.

In addition to the above Foreign Currency Exchange variations and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company.

Management of those Risks (mitigate)-

1. The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored and any expected losses are provided for as well.
2. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly state owned PSU DISCOM's.
3. CERC tariff regulations 2014-19 allows the Company to raise bills on beneficiaries for late-payment surcharge, which adequately compensates the Company for time value of money arising due to delay in payment.
4. Further, the fact that beneficiaries are primarily State Governments/ State DISCOM's and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of

money due to delay in realization of trade receivables.

5. The Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment

behavior and provides for expected credit loss on case-to-case basis.

6. As at the reporting date, company does not envisage any default risk on account of non-realization of trade receivables.

36.2 The Ind ASs as notified by MCA have been complied with as under :

Ind AS No	NOMENCLATURE	DESCRIPTION
Ind AS 1	Presentation of Financial Statements	<ul style="list-style-type: none"> Financial statements have been prepared following Ind As compliant Schedule – III All information including Significant Accounting Policies, basis adopted for preparation of financial statement have been disclosed. Information not presented elsewhere but relevant for understanding the financial statements have also been disclosed.
Ind AS 2	Inventories	The company is engaged in generation and sale of renewable power inclusive of hydro, wind and solar, Thus it does not have any raw material or WIP. However 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.
Ind AS 7	Statement of Cash Flow	<ul style="list-style-type: none"> Cash Flow Statement is being prepared as an integral part of the financial statements using Indirect method as defined in para 18(b) of Ind AS 7 as disclosed in Significant Accounting Policy No 20. Complying the requirements conveyed in the notification issued by MCA in relation to Ind AS-7, additional disclosures have been made inclusive of the financing activities as shown in the cash flow statements.
Ind AS 8	Accounting Policies, Changes in Accounting Estimates & Errors	<ul style="list-style-type: none"> Impact owing to changes in Accounting Policies and errors are recognized with retrospective effect except circumstances where it is impracticable. Impact due to change in estimate is accounted for prospectively. Exceptional items/ Expenditure and prior Period Items (Income / Expenditure) have been disclosed in the statement of changes in equity and its related notes.
Ind AS 10	Events after Reporting Period	<ul style="list-style-type: none"> There are no such major reportable events occurring after Balance Sheet date. Dividend has been accounted for in accordance with Ind AS 10 in the year of payment.

Ind AS No	NOMENCLATURE	DESCRIPTION
Ind AS 11	Construction Contracts	The company is neither into construction business nor has undertaken any construction contracts during the reporting period. Thus the standard is not applicable.
Ind AS 12	Income Taxes	Deferred Tax has been calculated as per Balance Sheet Approach in compliance with Ind AS provisions. During the year 2017-18 Deferred Tax Assets of ₹ 5278 Lakh has been accounted for.
Ind AS 16	Property, Plant & Equipment	<ul style="list-style-type: none"> The company has carry forward the exemption as allowed under Ind AS101 from previous year 2016-17. Carrying value of the assets constituting Property, Plant & Equipment on the date of transition to Ind AS has been considered as fair value assuming the same as deemed carrying cost in compliance with Ind AS101. Inventories meeting the definition of PP&E have been accounted for as PP&E and depreciated as per the useful lives.
Ind AS 17	Leases	<ul style="list-style-type: none"> The company does not have any assets constituting financial lease. Operating lease transactions have been disclosed and treated as expenses.
Ind AS 18	Revenue	The company has been recognizing sales revenue on the basis of final tariff allowed by CERC and AFC (Annual Fixed Cost) determined as per prevailing tariff regulations pending final tariff order issued by the CERC. Significant accounting policy No 13.1 to 13.10 explain revenue recognition mechanism as followed by the company. The standard of Ind AS-18 ceases to exist w.e.f. April-1,2018.
Ind AS 19	Employee Benefits	<ul style="list-style-type: none"> The Company has been contributing towards CPF (Contributory Provident Fund) and Superannuation Pension Fund under Defined Contribution Plan. In addition to above, the Company has also been paying towards Gratuity/ Earned Leave/PRMB (Post Retirement Medical Benefits)/ Post Retirement Baggage Allowance under Defined Benefit Plan. Actuarial valuation of the employee benefits have been made and accounted for in accordance with provisions of Ind AS19.
Ind AS 20	Accounting for Government Grants and Disclosure of Government Assistance	Amount as received from the GoUP towards Irrigation Component has been recognized in the books in accordance with Ind AS 20. Details have been disclosed vide Significant Accounting Policy No 11. The same are accounted as deferred income as per the standard.

Ind AS No	NOMENCLATURE	DESCRIPTION
Ind AS 21	The Effects of Changes in Foreign Exchange Rates	Accounting Policies relating to foreign exchange transactions have been disclosed vide Significant Accounting Policy No. 6.1 to 6.3
Ind AS 23	Borrowing Cost	The Company has been capitalizing the borrowing cost on long term assets as permitted under the Ind AS 23. Details explained vide Significant Accounting Policy Nos. 16.1 and 16.2
Ind AS 24	Related Party Disclosure	Payment to SEWA-THDC for undertaking CSR activities and remuneration to Directors have been disclosed in accordance with Ind AS 24.
Ind AS 27	Separate Financial Statements	The Company does not have any Holding / Subsidiary company. The subject standard is not applicable at present.
Ind AS 28	Investment in Associates & Joint Ventures	The Company does not have any investment in Associate / JV Companies. The subject standard is not applicable at present.
Ind AS 29	Financial Reporting in Hyperinflationary Economics	Not applicable
Ind AS 32	Financial Instruments Presentation	<ul style="list-style-type: none"> All the assets and liabilities have been segregated into financial and non financial. Financial assets and financial liabilities have been measured at amortized cost. Wherever applicable, the financial assets and liabilities have been fair valued using the effective interest rate. Fair value gain/losses have been amortized over the assets' life.
Ind AS 33	Earnings per Share	Company has not issued potential Equity Share. Hence both the Basic and Diluted EPS remains same and suitable disclosures have been made in the Statement of Profit & Loss.
Ind AS 34	Interim Financial Reporting	The Company has raised funds through private placement basis and listed with stock exchange. As per LODR, half yearly interim financial statements are to be prepared. However as a good governance, THDCIL has been preparing quarterly interim financial statements.
Ind AS 36	Impairment of Assets	No impairment of asset has been carried out during the year. Management reviews the impairment test whenever required, as provided in the standard.
Ind AS 37	Provisions, Contingent Liabilities and Assets	<ul style="list-style-type: none"> Suitable liabilities have been provided based on management estimates, certainty of cash outflow and probability of occurring of the events.

Ind AS No	NOMENCLATURE	DESCRIPTION
		<ul style="list-style-type: none"> In other cases contingent liabilities has been disclosed. No contingent asset has arisen during the year.
Ind AS 38	Intangible Assets	<ul style="list-style-type: none"> Company has been recognizing the cost of computer application softwares as intangible assets and cost is being amortised over its useful life as explained in the Significant Accounting Policy No.5.1 to 5.4
Ind AS 40	Investment Property	The Company does not have any asset meeting the criteria of Investment Property. Hence the standard is not applicable.
Ind AS 41	Agriculture	Not applicable.
Ind AS 101	First time Adoption of Indian Accounting Standards	<ul style="list-style-type: none"> The financial statements have been prepared following the principles and guidelines prescribed under Ind AS 101. The Company has continued the following exemptions from previous years(for not giving retrospective effect) which are available under Ind AS 101. <ul style="list-style-type: none"> a. Classification and measurement of financial assets b. Impairment of financial assets. c. Estimates d. Deemed Cost e. Designation of previously recognized financial instruments. f. Fair value measurement of financial assets and financial liabilities at initial recognition. g. Decommissioning liabilities included in the cost of Property, Plant & Equipment. h. Borrowing Cost
Ind AS 102	Share Based Payments	Not applicable
Ind AS 103	Business Combinations	Not applicable
Ind AS 104	Insurance Contracts	Not applicable
Ind AS 105	Non-Current Assets Held for Sale and Discontinued Operations	No operation / activities have been discontinued during the year. Thus no disclosure is required.
Ind AS 106	Exploration for and Evaluation of Mineral Resources	Not applicable

Ind AS No	NOMENCLATURE	DESCRIPTION
Ind AS 107	Financial Instruments Disclosure	Information as prescribed has been disclosed suitably.
Ind AS 108	Operating Segments	The company is mainly engaged in generation and sale of hydro power constituting almost 98 % of the total sales revenue. The company has recently moved into wind energy. The same does not meet the criteria of a separate segment as prescribed under para 13 of the Ind AS 108. Hence the financial statements have been prepared as a single segment.
Ind AS 109	Finance Instruments	Financial assets and financial liabilities have been measured at amortized cost as both the financial assets and financial liabilities meet the criteria prescribed under the standard. Details have been explained in the Significant Accounting Policy No 8 & 10.
Ind AS 110	Consolidated Financial Statements	Not applicable
Ind AS 111	Joint Agreements	Not applicable
Ind AS 112	Disclosure of Interest in Other Entities	Not applicable
Ind AS 113	Fair Value Measurement	The Company has adopted fair value measurement of all financial assets and financial liabilities using the criteria prescribed under the Ind AS as explained in the Significant Accounting Policy 7.1 to 7.4
Ind AS 114	Regulatory Deferral Accounts	As permitted under Ind AS 114 ,the Company has been continuing the previous GAAP rate regulated accounting policies . Details have been explained in the Significant Accounting Policy No. 22.1
Ind AS 115	Revenue from contracts with customers	This standard shall be applicable from April-1, 2018. The stipulations made under the standards for revenue recognition based on performance obligation is under review.

37. OTHER EXPLANATORY NOTES ON ACCOUNTS:

- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 214393 Lakh (PY ₹ 253459 Lakh).

2. CONTINGENT LIABILITIES -

(₹ in Lakh)

		2017-18	2016-17
(i)	Claims against the Company, not Acknowledged as debts: Arbitration /Court cases*		
	Principal		
	Govt./CPSE	62186	49925
	Others	101980	101587
	Total A	164166	151512
	Interest		
	Govt./CPSE	2465	10365
	Others	176730	161304
	Total B	179195	171669
	Grand Total A+B	343361	323181
(a)	Bank Guarantees Given by company	25470	25470
(b)	Decreed against the Company in different Arbitration/ Labour Court /District Court Cases and deposited by the Company but Disputed in appeals.	351	351
(ii)	Disputed Income Tax, Trade Tax, Commercial Tax, Entry Tax etc includes ₹ 173 Lakh (PY ₹173 Lakh) Deposited by Company but disputed in appeal	708	639
(iii)	Others (Contractors claims etc.)	115	115

(*)Contingent Liabilities is inclusive of arbitral award given against the company which are pending before higher judiciary forum based on company's appeal and writes.

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 ₹ 106 Lakh and ₹ 606 Lakh. (PY ₹ 141 Lakh and ₹ 1033. towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 9649 Lakh (PY ₹ 6386) as disclosed in Note 17 & Note 23. The same have been fair valued on the basis of effective interest rate and the same are accounted as well.
4. The amount of borrowing cost capitalized during the year is ₹14572 Lakh (PY ₹ 13498 Lakh) after adjustment of an amount of ₹ 40 Lakh (PY ₹ 10 lakh) 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 17/23rd 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 Civil Soyam land has been executed up to Previous Financial Year 2016-17 & for balance 1.875 hectare forest land lease deed has been executed in the current financial year i.e.2017-18.
- (ii) Initially land was acquired by the then UP Irrigation Dept. and land records were in the name of Tehri Dam. Oustees handed over the land to the then UP Irrigation Department as mutation was

not completed. 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 2547.83 Hac. (PY 2547.83 Hac.) acquired by the company, title has been changed in the present name of the company for 1937.48 Hac. Change of title for the balance land of 610.35 Hac is under process.

- (iii) Construction of Tehri Hydro Complex was commenced by the Irrigation Dept. of the then Uttar Pradesh 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 09th June 1987 addressed to Secretary Forest, Govt of Uttar Pradesh for construction of Tehri Dam. The said order was partially modified vide letter No. 8-32/86-FC, dated 24/25th 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. Lease deed is to be executed on completion of the formalities under process.

- (iv) THDCIL has acquired 5.974 hac.land in the village Chopra on mutual negotiation basis for dumping excavated muck of Tehri PSP.Out of the said land, title deed has been changed in the present name of the company for 5.217 hac of land. Transfer of title of the balance land is under process.

Pursuant to the Govt. of India ,MOE&F,New Delhi letter No.8B/UPC/09/217/2015/MF/1516 dated 29.12.2016,GoUK issued formal order dated 27.02.2017 for diversion of 4.668 hac of forest land in village Chopra. Lease deed for the aforesaid land is under process.

6. 25 Flats (PY 27 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. a. Due to slow progress of the Tehri PSP owing to factors beyond control of the company, ₹ 1,22,800 Lakh has been withdrawn from the SBI led Consortium as on 31st March 2018 as against ₹ 1,50,000 Lakh loan sanctioned. The project is likely to be commissioned by December 2020 as against original completion schedule of February 2016. The company requested the bank for extending the loan availment period. Bank has not extended the loan availment period. Consequently the company repaid ₹ 61,400 Lakh on 29.03.2018 and balance amount thereafter. The outstanding amount has been recognised and classified as Current Liabilities.
- b. Due to slow progress of the VPHEP Project owing to factors beyond control of the company, US \$ 94.37 Million has been drawn as on 31st March 2018 from the World Bank as against original

loan sanction amount of US \$ 648 Million. The company requested to the World Bank for extending the disbursement schedule up to December 2020 as against original schedule December 2017 and realign the repayment schedule accordingly. The World Bank has extended the disbursement schedule upto June 2019. Realignment of the repayment schedule has not been finalised. In view of this debt servicing has been made as per original contract terms and amount due for repayment during F.Y. 2018-19 has been classified as Current Liability.

8. Related Parties Disclosures :

‘Related Party Disclosures’ as required by Ind AS-24 is given as under:

a) List of Related Parties:

i) Key Managerial Personnel:

1. Shri D.V.Singh	Chairman & Managing Director
2. Shri S.K. Biswas*	Ex-Director (Personnel)
3. Shri. Sridhar Patra	Director (Finance)
4. Shri. H.L.Arora**	Director (Technical)
5. Shri Vijay Goel***	Director (Personnel)
6. Ms. Rashmi Sharma	Company Secretary

(*) up to 31.01.2018

(**) w.e.f 22.12.2017

(***) w.e.f. 26.03.2018

ii) Others

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.

- b) Summary of transactions with related parties (other than for contractual obligations) – ₹1620 Lakh 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 ₹ 167 Lakh (PY ₹ 246 Lakh).
- d) Joint Venture companies - Nil.
- #### 9. Earnings per share (EPS) – Basic & Diluted

The elements considered for calculation of earnings per share (Basic & Diluted) are as under:

	2017-18	2016-17
Net profit after tax used as numerator (₹ In Lakh)	₹ 77874	₹ 71123
Weighted average no. of equity shares used as denominator	Basic : 36181261.38 Diluted : 36182301.11	Basic : 35988817.00 Diluted : 35988817.00
Earning per share ₹		
Basic	₹ 215.24	₹ 198.85
Diluted	₹ 215.23	₹ 198.85
Face Value per share ₹	₹ 1000	₹ 1000

10. In compliance to the Ind AS 12 “Income Taxes” issued by the Ministry of Company Affairs. The net increase in the deferred tax assets of ₹ 5278 Lakh (PY ₹ 8286 Lakh and) 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 Lakh)

Sl.No.		31.03.2018	31.03.2017
	Deferred Tax Assets (A)		
i)	Difference of Book Depreciation and Tax Depreciation	59703	51988
ii)	Opening Ind AS adjustment	487	487
iii)	Act.Gain/loss classified to OCI	338	143
iv)	Advance against Depreciation to be considered as income in tax computation	6837	6837
v)	Provision for Doubtful Debts & Stores	11626	12453
vi)	Provision for employee benefit schemes	6516	8321
	Total Deferred Tax Assets (A)	85507	80229
	Deferred Tax Liability (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
	Total Deferred Tax Liability(B)	2975	2975
	Net Deferred Tax (Liability)/Assets(A)-(B)	82532	77254

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	₹ in Lakh
01	Sanitation, Health Care & Drinking Water	191
02	Education & Skill Development	749
03	Social Welfare	26
04	Forest & Environment, animal welfare etc.	145
05	Art & Culture, Public libraries	196
06	Rural Development Projects	245
07	Promotion of Sports	20
08	Contribution to Technology Incubators	1
09	Others	48
	Total	1621

Expenditure incurred by SEWA-THDC out of THDCIL's contribution of ₹1620 Lakh and interest income earned during the year amounting to ₹ 8 Lakh

- b. The company has incurred an amount of ₹ 1620 Lakh (PY ₹1528 Lakh) towards CSR expenditure during the current financial year 2017-18 as against stipulated amount of ₹1617 Lakh (PY ₹1528 Lakh) 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 2017-18 in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue) is as under:

(₹ in Lakh)

		In cash	Yet to be paid	Total
(i)	Const./Acquisition of any assets	0	0	0
(ii)	On purpose other than (i)	1620	0	1620

(ii) Disclosure related to Research & Development Expenditure

The Company has incurred an amount of ₹ 482 Lakh (Capital ₹ 244 Lakh & Revenue ₹ 238 Lakh) [PY ₹ 434 Lakh, (Capital ₹ Nil, Revenue ₹ 434 Lakh)] towards Research & Development expenditure during the current financial year 2017-18 as per the R&D plan approved by the Board for the FY 2017-18.

12. Principal amount remaining unpaid to suppliers/service providers registered under MSMED Act 2006 ₹ 41 Lakh. (PY ₹ 1 Lakh). The said outstanding is less than 45 days.
13. The Company has taken on operating lease / rent premises for employees / offices / Guest Houses/ Transit camps & Vehicles. These lease arrangements are usually renewable on mutually agreed terms. Rent/Lease include ₹ 952 Lakh (PY ₹ 890 Lakh) 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 ₹ Nil (PY ₹ Nil) as the Fair Value of Plan Assets exceeds the Present Value of Obligations ₹ **2528 Lakh (PY ₹ 208 Lakh)** has been provided in the books.

ii) Disclosure under the provisions of Ind AS-19 on "Employees Benefits".

Provision for employee benefits has been made for the current period using the Actuarial Valuation done as at 31.03.2018. Accordingly, disclosure under the provision of Ind AS 19 on "Employee Benefits" for the Financial Year ended 31.03.2018 is given below:

Table - 1 : Key Actuarial assumption for Actuarial Valuation as at:

Particular	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Discount Rate	7.60%	7.50%	7.75%	8.0%	8.50%
Future Salary Increase	8.00%	8.00%	8.00%	8.0%	6.50%

Table – 2 : Change in Present Value of Obligations (PVO)
₹ in Lakh

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/ Long Service Award/ FBS
PVO at Beginning of year	17003 {14638}	5398 {3714}	12388 {10330}	5639 {4598}	862 {805}
Interest cost	1275 {1134}	337 {288}	929 {801}	423 {356}	65 {62}
Past service cost	{1145}				
Current service Cost	684 {796}	213 {307}	402 {573}	221 {168}	73 {50}
Benefit paid	(691) {(574)}	(3628) {(579)}	(223) {176}	(135) {(127)}	(80) {(93)}
Actuarial (Gain)/ loss	(785) {137}	452 {1668}	(4615) {861}	122 {643}	(28) {38}
PVO at end of year	17486 {17003}	2772 {5398}	8881 {12388}	6270 {5639}	892 {862}

Table – 3 : Amount recognized in Balance Sheet
₹ in Lakh

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/ Long Service Award/ FBS
PVO at end of year	17486 {17003}	2772 {5398}	8881 {12388}	6270 {5639}	892 {862}
Fair Value of Plan Assets at the end of year					
Unfunded Laib./Prov	17486 {17003}	2772 {5398}	8881 {12388}	6270 {5639}	892 {862}
Unrecognized actuarial gain/loss					
Net liability recognized in Balance Sheet	17486 {17003}	2772 {5398}	8881 {12388}	6270 {5639}	892 {862}

Table – 4: Amount recognized in Statement of Profit & Loss, OCI & EDC

₹ in Lakh

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/Long Service Award/FBS
Current Service Cost	684 {796}	213 {307}	402 {573}	221 {168}	73 {50}
Past Service Cost	{1145}				
Interest Cost	1275 {1134}	337 {288}	929 {801}	423 {356}	65 {62}
Net Actuarial (gain)/loss recognized for the year in OCI	(785) {137}	452 {1668}	(4616) {861}	122 {643}	(28) {38}
Expense recognized Statement in Profit & Loss/EDC for the year.	1959 {3076}	1003 {2263}	(3284) {2234}	644.05 {525}	138 {112}

Other disclosure :

Gratuity	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	17486	17003	14638	13741	11049
Actuarial (Gain)/loss				2266	593
Actuarial (Gain)/loss recognized through Statement of OCI	(785)	(137)	(205)		
Expense recognized in Statement of Profit & Loss/EDC for the year	1959	3076	1597	3880	1917

Earned Leave (EL)	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	2772	5398	3714	5875	4909
Actuarial (Gain)/loss	452	1668	835	2131	938
Expense recognized in Statement of Profit & Loss/EDC for the year	1003	2263	1521	2876	1562

Sick Leave (HPL)	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	8881	12388	10330	9382	4664
Actuarial (Gain)/loss	(4616)	861	(1)	4288	(467)
Expense recognized in Statement of Profit & Loss/EDC for the year	(3284)	2234	1242	5147	146

Post Retirement Medical Benefit (PRMB)	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	6270	5639	4598	3692	2326
Actuarial (Gain)/loss	122	643	616	1118	118
Actuarial (Gain)/loss recognized through Statement of OCI	122	643	616	-	-
Expense recognized in Statement of Profit & Loss/ EDC for the year	644	525	1047	1433	357

Others- Baggage Allowance / Long Service Award / FBS	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	892	862	805	735	632
Actuarial (Gain)/loss	(28)	38	12	64	(86)
Actuarial (Gain)/loss recognized through Statement of OCI	(28)	38	12		
Expense recognized in Statement of Profit & Loss/EDC for the year	138	112	149	118	5

15. Considering the recommendations of 3rd PRC constituted by the Government of India, provision against pay revision of the employees of the company amounting to ₹ 10337 Lakh up to 31.03.2018 (PY ₹ 719 Lakh) has been accounted for.

16. Payment to Auditors (including Service tax/GST)

₹ in Lakh

		2017-18	2016-17
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	1
VI.	For Reimbursement of expenditure	2	2

*Subject to approval in Annual General Meeting

17. Licensed and Installed Capacities:

Sl. No.	Particulars	2017-18	2016-17
(i)	Licensed Capacity (M.W)	Not Applicable**	Not Applicable**
(ii)	Installed Capacity (M.W)	1513 MW	1513 MW
(iii)	Approved Capacity(M.W)	2981 MW	2981 MW
(iv)	Quantitative information in respect of Generation and sale of Electricity (In Million Units)		
	Commercial Production		
	Generation Total	4540.939605	4430.000424
	Sales (net of free power to home state, auxiliary consumption and transformation losses)	4004.091416	3890.6502761

** 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.

18. Additional information required as per Schedule III of the Companies Act 2013 is as under
(₹ in Lakh)

	PARTICULARS	2017-18	2016-17
A	Expenditure in Foreign Currency (on cash basis)		
	Travelling	20	14
	Consultancy & Professional Expenditures	236	293
	Management/Commitment fees		125.00
	Repayment of loan & Interest	1315	
	Import of goods	2571	12517
	Others (Advance)		
	Nomination for Conference		
	Purchase of Software		
	Others		
	TOTAL	4142.00	12949.00
B	Earnings in Foreign Currency (on cash basis)	0	0
C	Value of Imports calculated on CIF basis		
i)	Capital Goods	2602	13087
ii)	Spare parts		
	Total	2602	13087
D	Value of Components, Stores & Spare parts Consumed		
i)	Imported (in lacs Rupees)	3	68
	(%)	0.32	14
ii)	Indigenous (in lacs Rupees)	915	444
	(%)	99.68	86
E	Value of Export	0.00	0.00

19. a) Reconciliation of Cash & Cash Equivalents between Cash Flow Statement and Balance Sheet is as under:

(₹ in Lakh)

Particulars	Note No	31.03.2018	31.03.2017
Cash and Cash Equivalents	9	6102	6707
Bank Balances under Lien	10	37	25037
Over Draft Balance	21	- 64663	- 38724
Cash & Cash Equivalent as per Cash Flow Statement		- 58524	- 6980

- b) In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 'Statement of cash flows'.

The amendments are applicable to the Company from April 1, 2017 and they introduce additional disclosures that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(₹ in lakh)

Cash flow from Financing Activities (2017-18)	Opening	Current Year	Closing	Change	Remarks
Share Capital Issued (Including pending allotment)	359888		363088	3200	Equity received from Gol for VPHEP
Long term Borrowings (Bonds & other secured Loans)	441688		342813	98875	Loan drawn incl. exchange rate 1343, Loan repaid 100218, Net change 98875
Interest on Loans Finance costs paid Less capitalized –CWIP		37359 (14572)		(22787)	Charged to Profit & Loss
Dividend paid and Dividend Distribution Tax				(40345)	Final Dividend for 2016-17 & Interim Dividend for 2017-18
Net Cash flow from financing				(158807)	

20. a) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5 Lakh or above in respect of each party once in a year preferably as at 31st December of respective financial year. Status of confirmation of balances as at December 31, 2017 as well as outstanding as on 31.03.2018 is as under:

(₹ in Lakh)

Sl.	Description	As on 31.12.2017			Confirmed out of B	As on 31.03.2018
		< ₹ 5 Lakh	> ₹ 5 Lakh	Total ₹ in Lakh		
		A	B	C=A+B		
1	Trade receivables excluding Regulatory Debtors	0	170392	170392	169924	130726
2	Advance To Suppliers, Contractors & Sundry Deposits	90	89265	89355	83109	83610
3	Security Deposit/ Retention Money, Trade Payable & Creditors	1082	14256	15338	10317	18260

- b) In the opinion of management, unconfirmed balances will not have any material impact.

21. Change in Accounting Policy :

S.No.	POLICY	IMPACT
1	Modification in accounting policy no. 1 relating to "General". The words " Ind AS have been made mandatory w.e.f 01st April 2016 for certain prescribed companies " have been replaced with " w.e.f. 01st April 2016 ".	No financial impact. Modification has been done for better understanding.
2	Modification in accounting policy no. 3.5 relating to Property Plant & Equipment. The words " (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) " has been added.	No financial impact. Modification has been done for better understanding.
3	Modification in accounting policy no. 4.3 relating to Capital work in progress. The words " Land unclassified " have been replaced with " Land under submergence ".	No financial impact. Modification has been done in view of Audit observation and CERC Regulation.
4	Modification in accounting policy no. 8.4 relating to Financial assets other than investment in subsidiaries and joint ventures. The words " EIR is calculated at the end of every reporting period " have been added.	No financial impact. Modification has been done for better understanding.
5	Modification in accounting policy no. 10.4.1 relating to Financial liabilities. The words " EIR is calculated at the end of every reporting period " have been added.	No financial impact. Modification has been done for better understanding.

S.No.	POLICY	IMPACT
6	Modification in accounting policy no. 11.1 relating to Government Grants. The words “ capital reserve ” have been replaced with “ non operating deferred income under non current liability ” .	Amortisation of irrigation component is routed through statement of profit and loss in compliance of Ind AS. ₹ 6822 Lakh has been shown as deferred revenue and depreciation on irrigation component. Therefore there is no net financial impact.
7	Modification in accounting policy no. 19.2.3 relating to Income Tax. The words “ Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity ” have been added.	No financial impact. Modification has been done for better understanding.

22. 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

(Rashmi Sharma)
Company Secretary
M No.026692

(Sridhar Patra)
Director (Finance)
DIN : 06500954

(D.V.Singh)
Chairman & Managing Director
DIN : 03107819

As per our Report of Even Date Attached

For **P.D. AGRAWAL & CO.**
Chartered Accountants
FRN 001049C of ICAI

(Piyush Agrawal)
Partner
Membership No. : 073695

Date : 11.08.2018

Place : Rishikesh

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 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

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 31st March,2018;
- b) in the case of the Statement of Profit and Loss including Other Comprehensive Income, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.
- d) in the case of Statement of Changes in Equity , Changes in Equity for the year ended on that date

Emphasis of Matter

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

- a) Accounting Policy No.13 on Revenue Recognition and Other Income read with Note No. 27.1 of Ind AS, Financial Statement in respect of accounting on sales. Sales has been recognized based on provisionally approved tariff for 2014-19 period.
- b) Para 2 of Note No. 37 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.
- c) Para 20 of Note No. 37 of the Financial Statement regarding confirmation of outstanding balances as on 31st March, 2018 have been confirmed once in a year as at 31st December, 2017.
- d) Para 7 of Note No. 37 of the Financial Statement regarding delay in completion of Tehri PSP and VPHEP project owing to factors beyond control of the Company.

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.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) ,Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) 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 05th 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 37.2 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

(Piyush Agrawal)
Partner
Membership No.: 073695

Place: Rishikesh
Dated: 11.08.2018



FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(Annexure-A referred to in paragraph 1 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 Property, Plant and Equipment showing full particulars including quantitative details and situation of Property, Plant and Equipment. The records for movement of the assets have been properly maintained.
- (b) The Property, Plant and Equipment 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 610.35 Hac. as disclosed vide Note No. 37.5 (ii) and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 37.5 (iii). And 0.757 hac part of Freehold Land & 4.668 hac Lease hold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no. 37.5 (iv).
- 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. 2017-18 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, 2018 for a period of more than six months

from the date of becoming payable. As informed, 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 Lacs)	Nature of Dues	Present Status
2012-13 to 2014-15	14.86	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 case 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 5th 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

(Piyush Agrawal)
Partner
Membership No.: 073695

Place: Rishikesh
Dated: 11.08.2018

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. No.	Directions	Auditor's comments	Action taken by management	Impact on Financial statements
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available.	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 610.35 Hac. as disclosed vide Note No. 37.5 (ii) and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 37.5 (iii). And 0.757 Hac part of Freehold Land & 4.668 Hac Lease hold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no. 37.5 (iv).	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

(Piyush Agrawal)
Partner

Membership No.: 073695

Place: Rishikesh
Dated: 11.08.2018

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, 2018 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 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 2018, 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

(Piyush Agrawal)
Partner
Membership No.: 073695

Place: Rishikesh
Dated: 11.08.2018



No.MAB-III/Rep/01-94/A/cs-THDC/2018-19/602

भारतीय लेखापरीक्षा और लेखा विभाग

कार्यालय प्रधान निदेशक, वाणिज्यिक लेखापरीक्षा

एवं पदेन सदस्य, लेखापरीक्षा 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-10/09/2018

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,
टीएचडीसी इंडिया लिमिटेड,
ऋषिकेश

विषय : 31 मार्च 2018 को समाप्त वर्ष के लिये टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के 31 मार्च 2018 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाएँ।

संलग्न : यथोपरि

भवदीय,

ह./—

(राज कुमार)

प्रधान निदेशक

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 2018

The preparation of financial statements of THDC India Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 11.08.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of THDC India Limited for the year ended 31 March 2018 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory 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 supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

Sd/-
(Raj Kumar)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-III
New Delhi

Place: New Delhi

Date: 10.09.2018



A panoramic view of Tehri Dam Lake

"Shakti Dwar" - Entrance Gate of Koteshwar Power House,
a replica of 'Kedareshwar Jyotirlinga'



टीएचडीसी इंडिया लिमिटेड
THDC INDIA LIMITED

(A Joint Venture of Govt. of India & Govt. of U.P.)

CIN : U45203UR1988GOI009822

Corporate Office: Ganga Bhawan, Pragatipuram, Bye-Pass Road, Rishikesh - 249201

Website : www.thdc.co.in