

31st Annual Report 2018-19



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.)





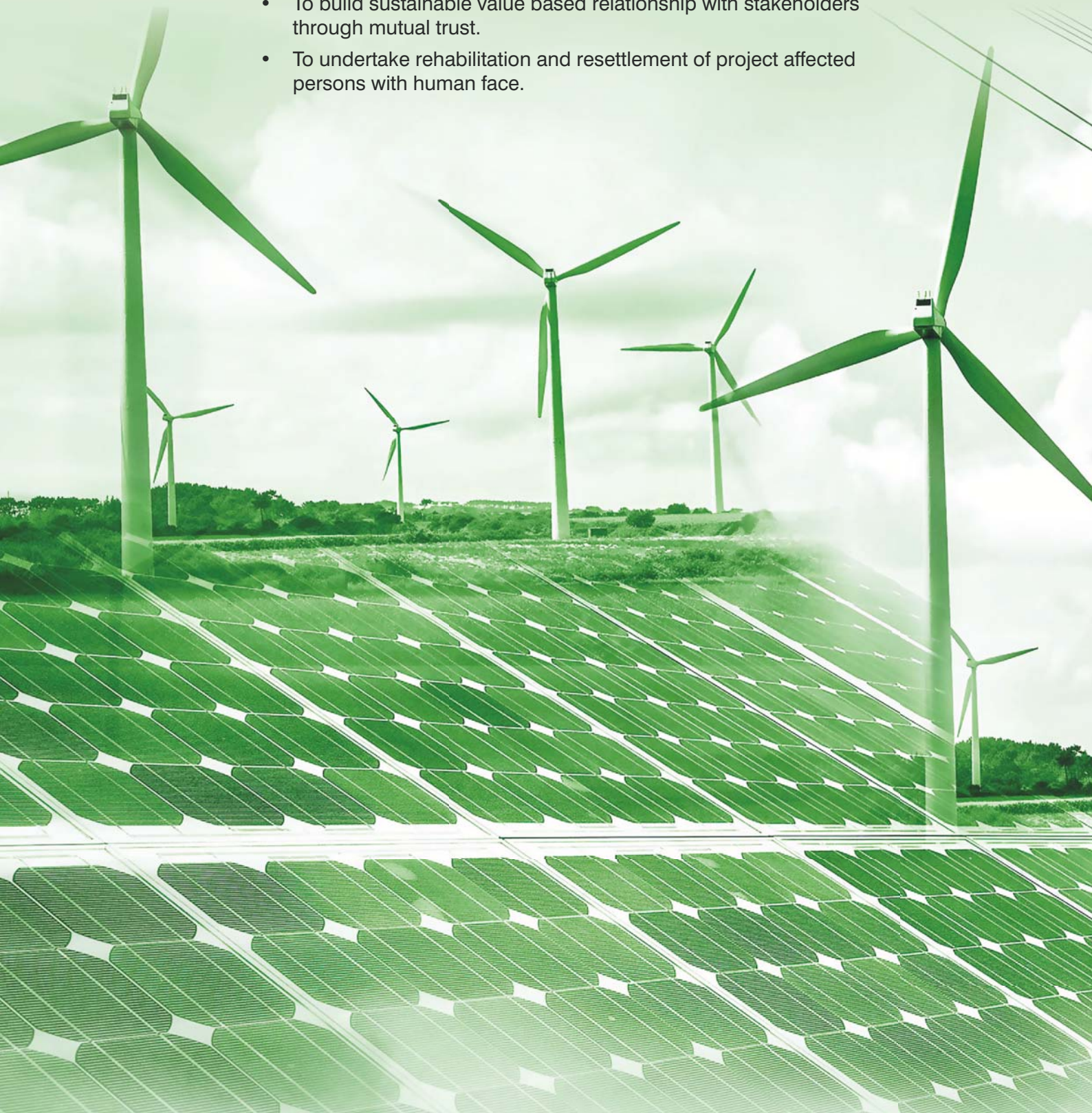
VISION

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
- Business Overview Report





BOARD OF DIRECTORS

As on 27th September, 2019



Shri D.V. Singh
Chairman & Managing Director



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



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



Shri Vijay Goel
Director (Personnel)



Shri J. Behera
Director (Finance)



Shri R.K. Vishnoi
Director (Technical)



Shri Bachi Singh Rawat
Independent Director



Shri Mohan Singh Rawat
Independent Director



Prof. Maharaj K. Pandit
Independent Director

REFERENCE INFORMATION

| | |
|--|--|
| <p>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</p> | <p>Company Secretary & Compliance Officer Ms 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</p> |
| <p>Corporate Office THDC India Limited Ganga Bhawan, Pragatipuram, By-Pass Road Rishikesh-249201. Uttarakhand</p> | <p>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</p> |
| <p>Statutory Auditors M/s P.D. Agrawal & Co. 364 A, Govindpuri, Haridwar-249403</p> | <p>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</p> |
| <p>Debenture Trustee VISTRA ITCL INDIA LIMITED A-268, 1ST Floor, Bhisma Pitamah Marg, Defence Colony, New Delhi-110024.</p> | <p>Bonds Listed at National Stock Exchange of India Limited Bombay Stock Exchange</p> |
| <p>Depositories Central Depository Service (India) Limited Regd. Office: 17th Floor, P J Towers, Dalal Street, Fort, Mumbai-400001.</p> <p>National Securities Depository Limited Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013</p> | <p>Bankers/Financial Institutions</p> <ol style="list-style-type: none"> 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 |
| <p>Credit Rating Agency CARE (Credit Analysis & Research Ltd) India Ratings</p> | <p>Secretarial Auditor M/s P.S.R. Murthy 178 RPS Flats, Sheik Sarai Phase-1, New Delhi-110017.</p> |



KEY FINANCIAL PERFORMANCE HIGHLIGHTS

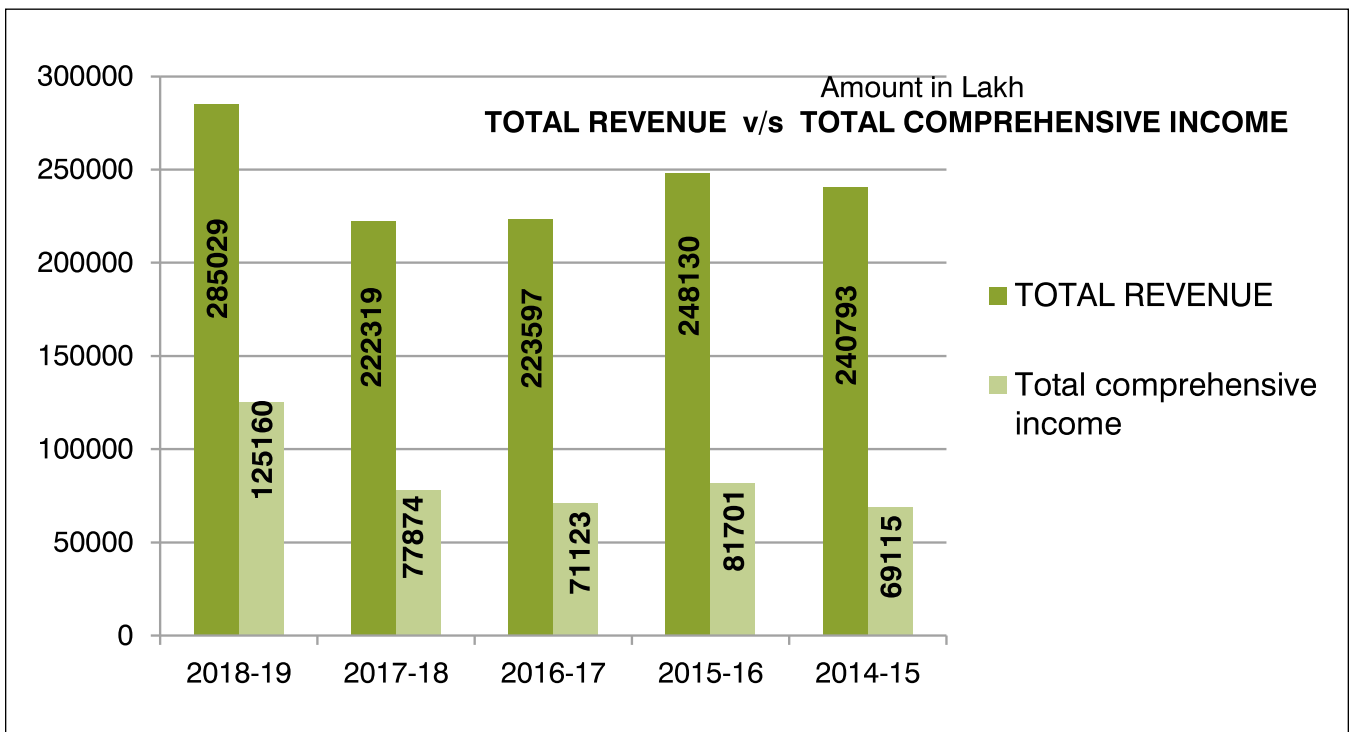
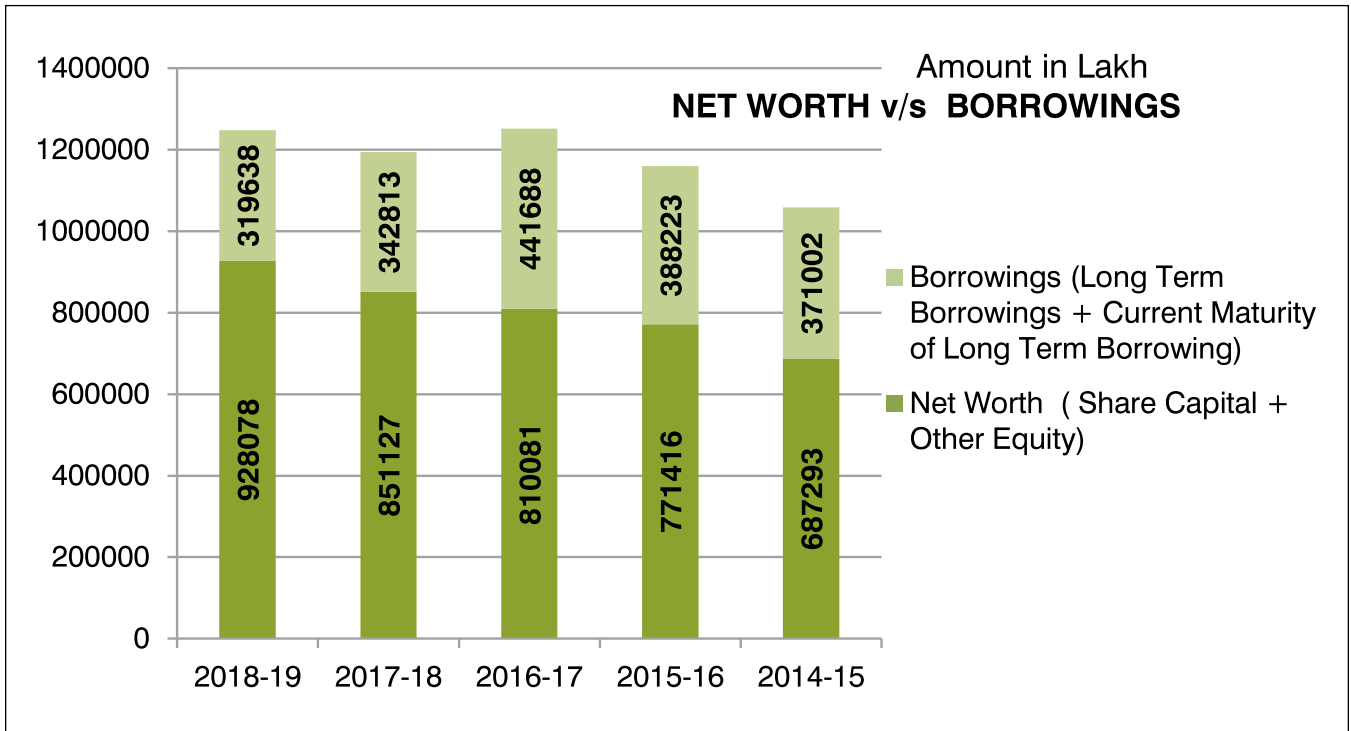
(Amount in lac)

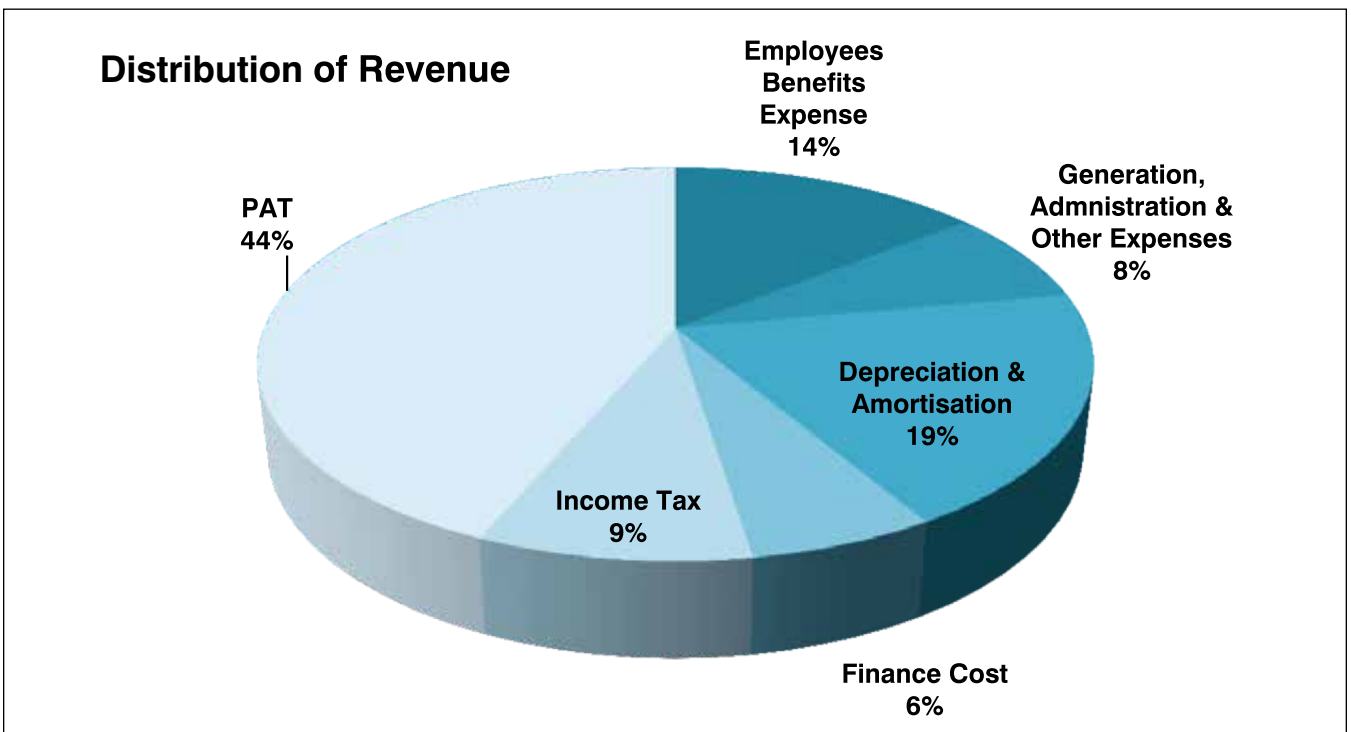
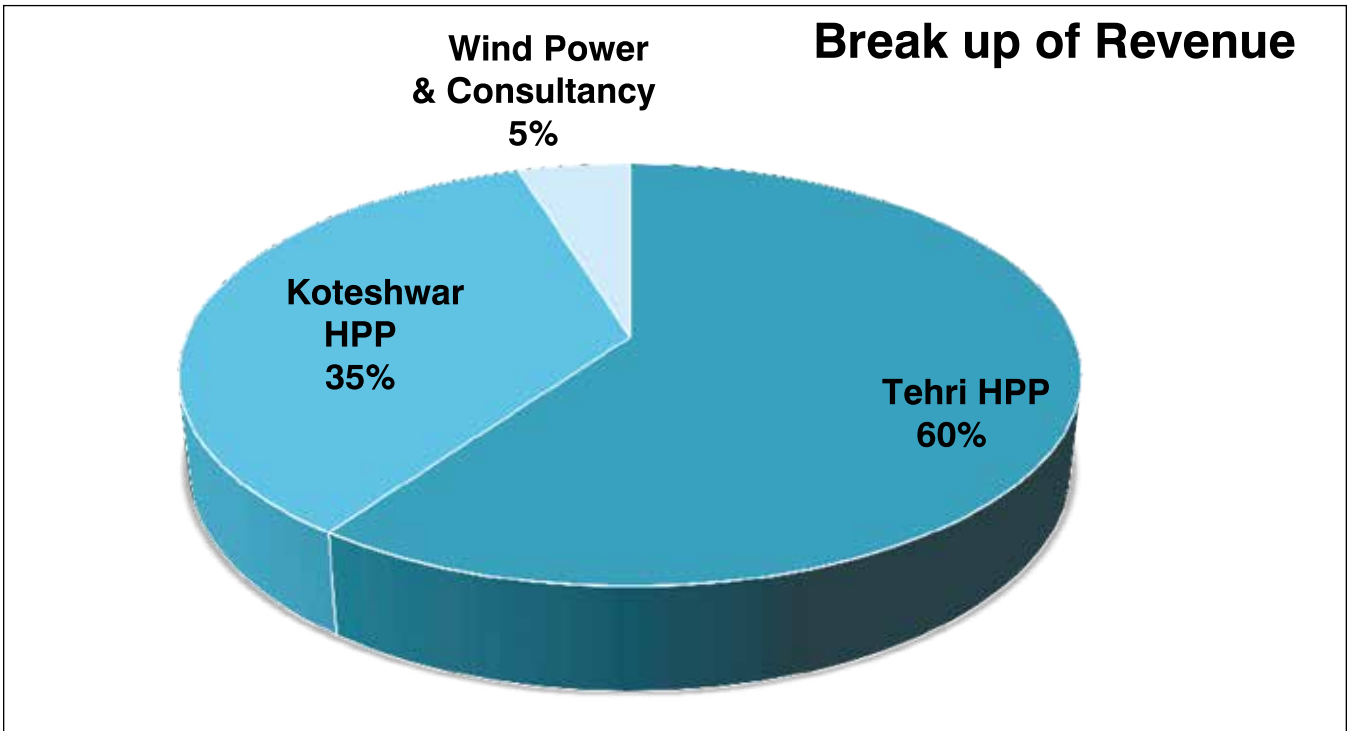
| | | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
|--------------------|--|---------------|---------------|---------------|---------------|---------------|
| A. Revenue | | | | | | |
| 1 | Revenue from Operations | 276796 | 218510 | 209474 | 246649 | 239716 |
| 2 | Other Income | 8233 | 3809 | 14123 | 1481 | 1077 |
| 3 | Deferred Revenue on account of Irrigation Component | 6915 | 6822 | | | |
| 4 | Less: Depreciation on Irrigation Component | 6915 | 6822 | | | |
| 5 | TOTAL REVENUE | 285029 | 222319 | 223597 | 248130 | 240793 |
| B. Expenses | | | | | | |
| 6 | Employees Benefits Expense | 41183 | 30649 | 25425 | 22857 | 22438 |
| 7 | Generation, Administration & Other Expenses | 22132 | 20342 | 19513 | 18003 | 17855 |
| 8 | Tariff Adjustment (Regulatory Liability) | 0 | 0 | 0 | 0 | 0 |
| 9 | Provisions | 4985 | 0 | 445 | 9 | 12638 |
| 10 | Bad Debts written off | 0 | 0 | 0 | 0 | 7801 |
| 11 | Prior Period | | | | | 13992 |
| 12 | Extraordinary items | | | 16146 | 34830 | |
| 13 | TOTAL EXPENDITURE | 68300 | 50991 | 61529 | 75699 | 74724 |
| 14 | GROSS MARGIN(PBDIT) (5-13) | 216729 | 171328 | 162068 | 172431 | 166069 |
| 15 | Depreciation & Amortisation | 55500 | 57452 | 52557 | 49663 | 48386 |
| 16 | GROSS PROFIT(PBIT) (14-15) | 161229 | 113876 | 109511 | 122768 | 117683 |
| 17 | Finance Cost | 17568 | 22787 | 29106 | 32887 | 43878 |
| 18 | Profit before net movement in regulatory deferral account balance and Tax (16-17) | 143661 | 91089 | 80405 | 89881 | 73805 |
| 19 | Net Movement in Regulatory Deferral Account Balance Income/ (Expense) | 7501 | | | | |
| 20 | Profit Before Tax (18+19) | 151162 | 91089 | 80405 | 89881 | 73805 |
| 21 | Income Tax | 32275 | 19056 | 17154 | 24252 | 18376 |
| 22 | Deferred Tax Asset | -6676 | -5083 | -8142 | -16269 | -13686 |
| 23 | Profit for the period from continuing operations (20-21-22) (PAT) | 125563 | 77116 | 71393 | 81898 | 69115 |
| 24 | Other Comprehensive income | -299 | 563 | -414 | -301 | |
| 25 | Income Tax on OCI- Deferred Tax Assets | -104 | 195 | 144 | 104 | |
| 26 | Total Comprehensive Income (23+24+25) | 125160 | 77874 | 71123 | 81701 | 69115 |
| C. Assets | | | | | | |
| 27 | Tangible and Intangible Assets (Net Block) | 683115 | 732801 | 780687 | 752460 | 795672 |
| 28 | Capital Work In Progress | 455714 | 395027 | 303529 | 239099 | 167453 |
| 29 | Long term Loans and Advances | 4079 | 4483 | 4694 | 4702 | 41181 |
| 30 | Deferred Tax Assets (Net) | 89104 | 82532 | 70941 | 62655 | 45794 |
| 31 | Other Non- Current Assets | 120942 | 71547 | 93795 | 63999 | 143 |

| | | | | | | |
|---------------------------------|--|---------|---------|---------|---------|---------|
| 32 | Current Assets | 197328 | 159640 | 227149 | 232220 | 257434 |
| 33 | Regulatory Deferral Account Debit Balance | 7501 | | | | |
| 34 | Total Assets | 1557783 | 1446030 | 1480795 | 1355135 | 1307677 |
| D. Liabilities | | | | | | |
| 35 | Equity Share Capital | 365488 | 362743 | 359888 | 355888 | 352888 |
| | Other Equity | | | | | |
| 36 | Reserves and Surplus | 562590 | 488384 | 450193 | 415528 | 334405 |
| 37 | Contribution towards Irrigation Component | 0 | 0 | 83458 | 89989 | 96538 |
| 38 | Total Other Equity | 562590 | 488384 | 533651 | 505517 | 430943 |
| 39 | Long Term Borrowings | 265201 | 241530 | 404185 | 349792 | 327566 |
| 40 | Other Long Term Liabilities and Provisions | 132517 | 135478 | 61395 | 54666 | 55340 |
| 41 | Short term Borrowings | 121840 | 64663 | 38724 | 3677 | 43634 |
| 42 | Current Maturity of Long Term Debt | 54437 | 101283 | 37503 | 38431 | 43436 |
| 43 | Other Current Liabilities | 49397 | 45636 | 45449 | 47164 | 53870 |
| 44 | Regulatory Deferral Account Credit Balance | 6313 | 6313 | | | |
| 45 | Total Liabilities | 1557783 | 1446030 | 1480795 | 1355135 | 1307677 |
| | | - | - | - | - | - |
| 46 | Net Worth (35+36) | 928078 | 851127 | 810081 | 771416 | 687293 |
| 47 | Capital Employed (46+39-28) | 737565 | 697630 | 910737 | 882109 | 847406 |
| 48 | Dividend For the year | 42312 | 25610 | 22100 | 16200 | 14000 |
| 49 | Value added (14) | 216729 | 171328 | 162068 | 172431 | 166069 |
| 50 | Number of Employees | 1891 | 1922 | 1936 | 1990 | 2013 |
| 51 | Number of share (in Lakh) (Par value of ₹ 1000/- share) | 365.49 | 362.74 | 359.89 | 355.89 | 352.89 |
| E. Ratios | | | | | | |
| | Earning per share including net movement in regulatory deferral account balance (Par value of ₹ 1000/- share) (in ₹) | 344.38 | 213.14 | 198.85 | 230.52 | 197.60 |
| | Current Ratio [32 / (41+42+43)] | 0.87 | 0.75 | 1.87 | 2.60 | 1.83 |
| | Debt to Equity ((39+42) / 46) | 0.34 | 0.40 | 0.55 | 0.50 | 0.54 |
| | Return On capital Employed (PBIT/ Capital Employed) (16 / 47) | 21.86% | 16.32% | 12.02% | 13.92% | 13.89% |
| | Return on Net Worth (26 / 46) | 13.49% | 9.15% | 8.78% | 10.59% | 10.06% |
| | Net Profit to Revenue from Operations (26 / 1) | 45.22% | 35.64% | 33.95% | 33.12% | 28.83% |
| | Book value per share (in ₹) (46/51) | 2539.28 | 2346.36 | 2250.93 | 2167.58 | 1947.62 |
| | Value added per employee (₹ in Lakh) (49/50) | 114.61 | 89.14 | 83.71 | 86.65 | 82.50 |
| | Dividend Per Share (in ₹) (Share of ₹1000/- each) | 115.77 | 70.60 | 61.41 | 45.52 | 39.67 |
| F. Operating Performance | | | | | | |
| | Generation (M.U.) | 4687.18 | 4540.94 | 4430.00 | 4348.29 | 4214.18 |

Note: 1. Data for the Financial year 2014-15 is on the basis of earlier GAAP whereas data for other Financial Years is on the basis of Ind AS compliant financial statements.

KEY FINANCIAL PERFORMANCE CHARTS







Shri D.V. Singh, CMD, THDCIL handing over Final Dividend Cheque to Hon'ble MoS (IC), Power & NRE, Govt. of India, Shri R.K. Singh at Delhi



Shri D.V. Singh, CMD, THDCIL handing over Interim Dividend Cheque to Shri Alok Kumar, Principal Secretary (Energy), GoUP at Lucknow

CHAIRMAN'S SPEECH



Dear Members,

It is indeed my privilege to welcome you to 31st Annual General Meeting of your Company, and to present Report of the Auditor's & Director's Report for the year 2018-19 along with Audited Annual Accounts. With your kind permission, I would take them as read.

I feel honoured to state that biggest ever Investment Approval for any THDCIL's Project has been granted by Govt. of India to your maiden 1320 MW Khurja Super Thermal Power Project and Amelia Coal Mine Project in March-2019 amounting to ₹11089.42 Cr. and ₹1587.16 Cr. respectively. Foundation Stone of the Project was also laid by Hon'ble Prime Minister of India on 9th March-2019.

As per statistics released by CEA in March 2019, the total installed capacity of power projects in India is 3,56,100 MW. Out of which, contribution of Hydro is only 13 %. It is a matter of grave concern, as it is less than ideal thermal hydro mix of 60:40. Govt. of India has taken steps in this direction by implementing new Hydro Policy in March-2019 to encourage the Hydro Power Sector.

Integration of a significant amount of wind and solar power into the Grid requires balancing strategies and storage options. The pumped storage schemes (PSS) can play a significant role in both, the energy storage facility as well as balancing

the variability of wind and solar power. Therefore, incentivizing hydro sector, especially Pumped Storage Plants is the need of the hour as they balance the grid for demand-supply fluctuations. The Pump Storage Plants, in right terms are the best friend as they provide stability to electricity grid and should be suitably compensated for its role.

With our continuous efforts towards par excellence, your company has received prestigious "HR Gold Award" for training excellence in 2018-19 from "Ek Kaam Desh Ke Naam", a renowned NGO. "CSR Innovation and Leadership award 2019" was also bestowed by PHD Chamber of commerce, New Delhi. "CBIP Award 2019" was also presented to your company for Best Performing Utility in Hydro Power Sector.

Past Year Review

I feel delighted to apprise that during 2018-19, your Company'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 performed extremely well. Total cumulative generation from all plants was 4687 MUs, which was well above the MoU target of 4590 MU. There was approx. 11% increase over the combined design energy of 4206 MU. Plant Availability Factor (PAF) of 84.521 % and 68.028% was achieved for Tehri HPP and Koteshwar HEP

respectively, against the normative figures of 77% and 67% respectively fixed for these projects by CERC for the year 2018-19. From year 2019-20, the normative figures of PAF in respect of Tehri HPP & Koteshwar HEP have been further revised by CERC to 80% and 68% respectively.

Patan and Dwarka Wind Power Plants achieved Capacity Utilisation Factor (CUF) of 24.73% and 33.25% against CUF of 25.22% and 26.27% respectively.

Gross sales during the year 2018-19 stood at ₹2767.96 Cr. against ₹2185.10 Cr. during the previous year 2017-18. Total realization during year 2018-19 was ₹2402.07 Cr. The net Profit has increased by 61 % from ₹778.74 Cr. during previous year to ₹1251.60 Cr. this year. MoU rating of your company for the year 2018-19 is expected to be 'Very Good'.

Projects

In spite of rigorous efforts and meetings with top management of M/S HCC Ltd, the progress on works of two on-going projects namely 1000 MW Tehri PSP and 444 MW Vishnugad Pipalkoti HEP remained on slow pace. This was mainly due to cash crunch with the contractor, strike by workers of M/s HCC Ltd. and intermittent hindrances by locals. After implementation of financial arrangement through Escrow account for projects work with the consent of MoP, the progress of work is now getting momentum. In VPHEP, TBM Erection is at advance stage of completion. With the squeezed Master Control Network and best of efforts, I am pretty confident that Tehri PSP and VPHEP would be commissioned by June-2022 and Dec-2022 respectively.

Another on-going project, 24 MW Dhukwan SHP, is in advance stage of commissioning. Civil works and Hydro-Mechanical works have been completed to the tune of 99.4% & 99% respectively, while Electro-Mech. works are completed around 95% of contract value. First unit of Project is scheduled to be commissioned by Sep-19 and all the three units by Dec-19. In

fact, the successful mechanical run of Unit-1 has already been achieved in September 2019.

For main works of 1320 MW Khurja STPP, out of 07 packages, work of "Steam Generator (SG) and associated packages" has been awarded to M/s L&T-MHPS Boilers Pvt. Ltd on 29th Aug-19 for an amount of INR 4087 Cr. The bids of "Turbine Generator (TG) and associated packages" for INR 1815 Cr. are in advance stage of award to M/s BHEL.

Out of Balance 05 BoP packages, bids of Water System Package and Switchyard Package are under evaluation process. The tender for Coal, Limestone and Gypsum Handling Plant Package has been floated. While, Ash Dyke Package and Misc. Building and Other Packages are under tendering stage. All these packages are likely to be awarded in FY 2019-20.

MoU for shifting of 03 nos HT transmission lines passing in the periphery of Amelia Coal Mine has been signed with Power Grid. This would enable extraction of coal in a planned and efficient manner. For transportation of coal from Singrauli to Khurja project, the agreement for Railway siding at Khurja has been signed with RITES Ltd. An amount of ₹26.20 Cr. and ₹335 Cr. shall be incurred on Consultancy and Railway siding work respectively. Forest Advisory Committee has principally agreed to allot 843.76 Ha. of forest land to Amelia Coal Mine. Time limit of Sep-20 has been set by MoC, GoI for start of mine operation.

Subsequent to issue of GO by Kerela Govt. for transfer of 250 Acre Govt. land, Power Sale Agreement at a tariff of ₹3.10/unit has been signed between KSEB and THDCIL in Jan-19. Accordingly, work of 50 MW Solar Project in Distt. Kasaragod has been awarded to M/s Tata Power Solar Systems Limited in Aug-19. With its commissioning installed capacity of your company would increase to 1587 MW.

DPR of 200 MW Bokang Bailing HEP is in advance stage of preparation and would be completed by June-20.

Corporate Social Responsibility & Sustainability

In its continuous endeavour towards CSR, your Company continued activities through SEWA-THDC in Company's operational areas. Against 2% of average Net Profit of previous three years, this year your Company has spent ₹ 17.52 Cr. against the target of ₹ 17.35 Cr. The sectors covered are Health & Sanitation, Women Empowerment, Rural Development program, Education & Employment, Enhancing Vocational Skill, Environment and Sustainability etc. As per the directions of DPE for CSR Theme-2018-19 "Health & Education", your Company has utilized more than 60% of CSR Budget. On the Health front, your Company has attained a remarkable achievement by organizing 148 multi specialty health camps so far wherein more than 34252 patients have been attended including 2127 Eye surgeries.

In order to create easily accessible Health services in remote areas of Tehri District, your Company in association with District Administration has innovated "Tele-Medicine Scheme". This system works using telecommunication and technology between health centres and District Hospital NTT and is further linked to AIIMS Rishikesh for specialized treatment & back up. It is utmost helpful and proved to save lives in critical care and emergency situations. THDCIL with District Administration of Tehri have commissioned 20 such centres equipped with medical kit which facilitates instant basic diagnostic tests and data transfer & video communication with District Hospital NTT catering to the need of around 100 Gram Sabhas. This innovative project has also been appreciated by Hon'ble Prime Minister of India. For such innovation, this year Govt. of India has awarded THDCIL & DM (Tehri) with 'E-Governance Award'.

This year, your Company has celebrated CSR Day on 9th May-19. On this occasion, a book namely "Ten years of enlightening lives" was also released on THDCIL's CSR works done during last 10 years.

Holistic development of project affected population has always been a priority of THDCIL's CSR

program. Your Company focuses on promotion of "farmer centric activities" as mostly affected public is in rural areas so as to bring positive sustainable changes by way of enhancing their livelihood and social security. With limited availability of funds and due to large expectations of local stakeholders, your Company in convergence with various State/ Central Government Departments has established 54 "Farm Machinery Banks" for pooling farm equipment such as Power Tillers, Tractor, Thresher etc. in different villages of District Tehri and Haridwar benefiting 750 farmers directly and other farmers of 54 villages indirectly.

The 10th Sustainability Report has been published based on the guidelines issued by the Ministry of Corporate Affairs, Gol and is placed on website for transparency and feedback for improvement.

Corporate Governance

Your Company has been complying with the requirements of Guidelines issued by Department of Public Enterprises, Gol and all other applicable provisions of Companies Act. It is my immense pleasure to share with you that your Company has been continuously achieving "Excellent" rating for compliance with DPE guidelines on Corporate Governance.

The Company oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices.

In order to report and taking action against unethical conduct, company established separate vigil Mechanism All information regarding Whistle Blower Policy is available on the website of company. For taking up Investor complaints, your company uses centralized web based Complaint Redressal mechanism of SEBI, SCORES. I am glad to share with you that your Company has not received any investor grievances during the financial year.



A group photograph of 31st Annual General Meeting

Your Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it, thereby paving the way for its long-term success.

In pursuit to help “save environment”, your Company has shifted to web based e-office at Corporate Office with the help of NIC. It saves paper usage and has brought accountability and speedy clearances of files. Before December-2019, all projects and offices at other location in THDCIL will also adopt e-office. The Company has also planned to establish a robust monitoring mechanism through ‘Primavera” tool. This will also be achieved by March-20.

Future Outlook

Towards sustainable growth of the Company and to meet Country’s increasing demand of electricity including peaking power, it would be the prime agenda of your Company to explore new avenues to harness the natural resources available.

Recently Ministry of New & Renewable Energy(MNRE), GoI has allocated the State of Uttar Pradesh to THDCIL for the development of Ultra

Mega Power Projects under the existing Solar Park Scheme through JV Company between THDCIL and UPNEDA. JV Company shall be responsible for developing and maintaining the solar park including operation and maintenance, for which it will invest and receive VGF from GoI and recover the cost from developers subsequently. Apart from this JV Company shall also receive facilitation charges at the rate of 7 paise per unit from solar power generation throughout its life.

With introduction of financial arrangement and rigorous monitoring, there has been tremendous improvement in progress of on-going projects. I am confident that our team efforts would once again lead to commissioning of the projects with flying colors. Your company is making immense efforts to grab more Hydro Projects in the Uttarakhand and other States. More renewable energy projects are also being explored for diversification and growth of the company.

Acknowledgment

Gentlemen, sincere and dedicated efforts put in by entire employee force throughout the year is truly commendable and I fully admire them. On your behalf, I would seek their continued support with



same zeal. The company has robust mechanism to recognise hard work and efforts of employees and to reward them in recognition to their hard work through their growth in the company. I would like you to appreciate employees for their hard work that they truly deserve.

On behalf of the company, I would like to thank Govt. of India, Ministry of Power and other Ministries of Govt. of India, Govt. of UP, Govt. of Uttarakhand for whole heartedly support and guidance. For the immense support and co-operation received throughout the year, I also convey my gratitude to CEA, CWC, CERC, C&AG, DPE, SEBI, BSE, NSE, other regulatory authorities and Non-Governmental agencies.

I would also like to thank our stakeholders for their support and trust shown in us. I also thank Banks, financial institutions, our Contractors, Investors, Auditors and Suppliers for their continued support towards continual growth of your Company.

To conclude, I whole heartedly thank my esteemed colleagues on the Board and once again seek their valuable guidance & encouragement for future.

With best wishes,

(D.V. Singh)

Chairman & Managing Director
DIN: 03107819

Place: New Delhi

Date : 27.09.2019

DIRECTORS' BRIEF PROFILE



Shri Dharendra Veer Singh took over as Chairman & Managing Director (CMD) of THDC India Ltd on 1st Dec 2016. Before this elevation, he was working as Director (Technical) in THDCIL itself w.e.f. 12th May 2010. He was also entrusted with the additional charge of Chairman & Managing Director, NEEPCO in the year 2017 for a brief period by Ministry of Power.

Shri Singh is a Civil engineering graduate (B.Sc. Hons.) from NIT Rourkela (1983 batch), and has more than 36 years' exhaustive experience in construction of hydro projects. He was actively involved in the construction and planning of Spillway System, Power House works, Contracts and Material Management, construction of building and roads etc.in prestigious multipurpose TehriHydro Project (1000MW).

Shri Singh is credited for his leadership in making turnaround of the derailed Koteswar Hydro-Electric Project (400 MW) by pioneering several innovations during Implementation of project works that helped THDCIL commission the project in a record period of four years, after starting almost from scratch from April'2007. The efforts put by the organization and especially by Mr. Singh were appreciated at different forums and the project was awarded as the "Project of the year 2012" by Project Management Institute, India and CIDC Vishwakarma award 2013 for "Best Project" of the year for its fastest implementation and project management. "Appreciation Letter" for extra ordinary efforts was issued by Secretary (Power), Govt. of India for this unparalleled feat.

He is firm believer of "Management is nothing more than motivating people", therefore he considers that human resource is an asset to any organization. He has made every effort to motivate the human resource and to develop an employee friendly environment in the organization by taking several steps for overall growth and encouragement of employees and the organization as whole after taking over as CMD of the organization.

In his able, passionate, innovative and creative leadership, THDCIL has diversified into other spheres of energy development e.g. Wind Power, Thermal Power and Solar Power other than consultancy services for stabilization of vulnerable destabilized slopes to different Govt. agencies e.g. Uttarakhand PWD, Shri Mata Vaishno Devi Shrine Board, Amarnathji Shrine Board.

Recognizing his overall feat in Civil Engineering & Project Management and contribution in implementation hydro power Projects, Shri Singh was honored with the 'Eminent Engineering Personality', "Chartered Engineer" and "Eminent Water Resource Engineer" by Institution of Engineers in their National meet.



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 29 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 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 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 26 years in the field of Human Resource Management. Prior to this, Sh. Goel was discharging the responsibility of General Manager (P&A) w.e.f. 01-06-2015 and was also In-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 J. Behera assumed the charge as Director (Finance) of THDC India Limited on 16.08.2019. He is a graduate in commerce and a Member of The Institute of Cost Accountants of India. He has a vast experience of more than 29 years in various areas of Finance and Accounts department of THDC. He has the experience of working at Project site as well as Corporate Office. He also holds the position of Chief Financial Officer of the THDC from past one year. He was instrumental in computerising activities of Finance and Accounts department by developing and implementing Financial Management System(FMS) as project leader. He also played a key role in THDC maiden bond issue and foray in to Wind Power sector.



Shri Rajeev Kumar Vishnoi assumed charge as Director(Technical) of THDC India Ltd. on 01.09.2019. Shri Vishnoi is an Hons. Graduate in Civil Engineering BITS Pilani and has more than 30 years of vast and rich experience in Design, Engineering and construction of hydro project structures. He has also attained the qualification of MBA, India. He has also undergone Advance Management Programme in Leading Strategic Change from ASCI, Hyderabad in association with SDA Bacconi School of Management, Italy and Professional Up-gradation programme in Design and Construction of Hydraulic Structures and Hydropower Constructions from State University of Moscow, Russia.

He has gained various prestigious achievements to his credit while working with the Tehri Project & Koteshwar HEP. He has been handling all technical challenges of engineering, design and construction of unique 1000 MW Tehri Pumped Storage Plant having high differential head of 90m and technical characteristics at par with international standards. He had conceptualized, articulated and included the widely appreciated Risk Sharing Mechanism in contract document of Pipalkoti project with consistent help of World Bank(WB) Experts.

He has been instrumental in the preparation of DPR of a large multipurpose 2585 MW Sankosh Hydro Project in Bhutan and intensely interacted with Bhutanese as part of Govt. delegation and made Sankosh project viable through innovative, technical and commercial solutions. He has participated as member of WB Expert Group to deliberate and constitute guidelines in respect of EPC v/s Unit Rate contracts at their Headquarters in Washington DC, USA on their invitation. He is currently representing India in international Commission on Large Dams for Technical Committee on Seismic Safety of Dams.



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 has been appointed as an Independent Director in THDC India Ltd. He is Science graduate from Meerut University. He started a campaigns 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 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.



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 Arora superannuated on 31.08.2019.

BUSINESS OVERVIEW REPORT - CAPITAL CREATION IN SUSTAINABLE WAY 2018-19



Financial Capital

THDCIL values financial interest of all its stake holders and always thrives to optimize value addition to its financial capital by earning profit alongwith discharging its social responsibility not just restricting itself to statutory minimum.



Gross Income
₹ 2,850.29 crore

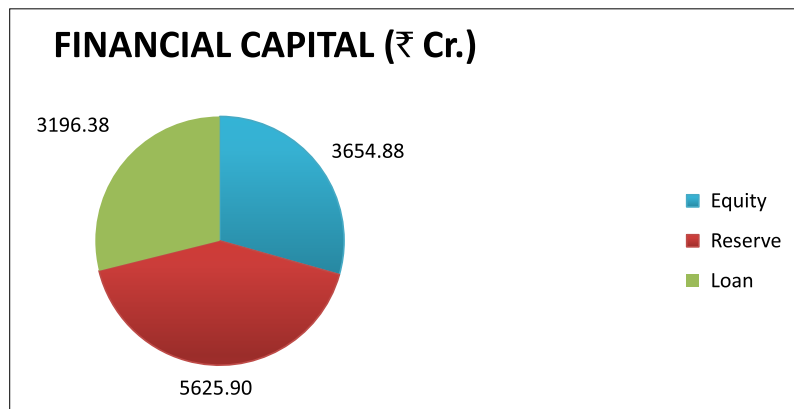


Total Comprehensive
Income
₹ 1251.60 crore



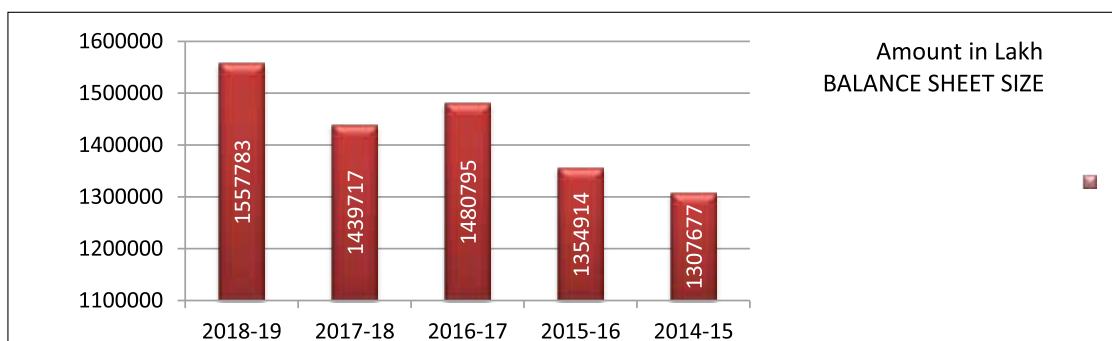
Net Worth
₹ 9280.78 crore

Paid up Equity capital of THDCIL as on 31.03.2019 is ₹ 3654.88 Cr, reserves up to 31.03.2019 is ₹ 5625.90 Cr. and long term borrowing is ₹ 2652.01 Cr.



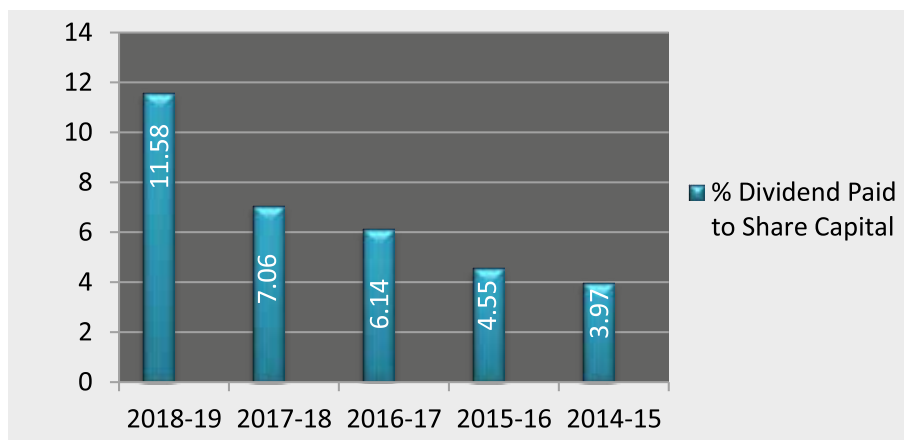
Financial capital generated after commercial operation through accumulation of profit upto 31.03.2019 comes to ₹ 7909.42 Cr., of this dividend distributed including tax upto 31.03.2019 is ₹ 2287.52 Cr., and reserved for plough back is ₹ 5621.90 Cr.

BALANCE SHEET SIZE:



DIVIDEND PAYOUT

The company is consistently paying dividends to its shareholders at an increasing trend in proportion to its shareholding. The ratio of 3.97 % in 2014-15 has increased to 11.58 % in 2018-19 as depicted below:



PLANNING AND BUDGETING

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

KEY INITIATIVES:

Automation

- To facilitate prompt and efficient decision making it is imperative that real time financial information is available to the management. In this direction THDCIL has an efficient web based financial management. To avoid human interface and make timely payments to stake holders THDC had migrated to e payment system. All payments to suppliers and contractors and employees are made through e payment.
- To go paperless and in order to save environment THDCIL has replaced various forms of reimbursement to employees with

online forms such as telephone, conveyance reimbursement which helps in 100% transparency and accuracy. It does not save only the cost of paper but also reduce the manpower cost.

Stringent Internal Control Norms

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

Credit Rating And Annual Surveillance

Annual surveillance of Financial rating of THDCIL is done by M/s CARE Limited and INDIA Rating Limited. It helps in raising debt capital from banks & other financial institutions at competitive rates of interest and also helps our stakeholders to know about the credit risk of the company. **Current Rating of THDCIL is AA+ by India Rating and AA Stable by CARE and ICRA.**



Human Capital

Human Capital is broadly people’s competencies, capabilities and experience, being continuously innovative and contribute to the organizations shared goals and values.

THDCIL has a competent and committed workforce. The executives have rich experience and requisite skill to operate in competitive environment. The attrition rate in THDCIL is negligible & we believe that the skill, industry knowledge and operating experience of our executives provides us with a competitive advantage as we seek to expand & diversify in existing markets and successfully enter new geographic areas. We invest significant resources

in human resource and development and our uniform operational systems, processes and staff training procedures to enable us to replicate our operating standards across all our projects and stations

- THDCIL hires executives in various specialized disciplines viz HR, Engineering, Finance, Legal, Mass Communication etc. through GATE SCORE, NET score, Campus Interviews.



Employees as on 31.03.2019
i.e. 1891 nos.

NEW RECRUITS -
48 Executives and 12 JETs



6371
Training Man-days



6.13% of Women in
Workforce

Our Human Capital and their strengthening

THDCIL has a human capital of 1891 personnel as on 31.03.2019 comprising of 858 Executives, 103 Supervisors, 930 Workmen. THDCIL has inducted 48 Executive Trainees and 12 JETs in various disciplines of Engineering based on transparent process of recruitment

Various skill trainings, behaviour trainings and paper presentations are conducted at THDCIL by in-house experts as well as external trainers, to improve the capabilities and skillsets of our employees. We have an in-house team for project design and our engineering capabilities range from the concept stage to the commissioning of projects. The team also takes need based support

of reputed project consultants. Our Company has in-house expertise in a range of related engineering disciplines, viz. hydrology, electrical, civil and geotechnical design.

COMPETENCY DEVELOPMENT

THDCIL has engaged a Consultant for “Assessment of Level in line with People Capability Maturity Model” for THDCIL. The Company has been adjudged at Maturity Level 3 (Defined) and BOD has approved to upgrade from Maturity Level 3 (Defined) to Maturity Level 4 (Predictable) with in a timeline of 12 to 18 months. Aim of PCMM is to improve performance and key capabilities for organization to improve its critical people management processes.

TRAINING OF BOARD MEMBERS

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

Employee Engagement Through Social Media And Social Interaction Platforms : THDCIL has a dedicated PR department handling day to day Public Relation issues with all professionalism and responsibility. THDCIL has an active and engaging facebook page & twitter handle which is also linked to facebook page and twitter handle of Ministry of Power (MOP) & PMO. These platforms are used to disseminate information to our stakeholders. Employees constantly share their views and feedback on these digital platforms.

THDCIL has formulated various platforms of Social Interaction, maintaining work life balance and to strengthen the Internal Communication. **THDC Officers Club, THDC Ladies Welfare Association have active presence in Social Media. There is also महिला मंडल दल.** The clubs have gym

facility, library, and canteen facilities. Employees of the Corporation and their family members use these platforms for regular social interaction,

POLICY FRAMEWORK

THDCIL as a responsible Corporate Citizen is a firm believer of free flow of information amongst its stakeholders. There is a vibrant and diverse policy framework in place.





Natural Capital

Natural Capital can be defined as the world's stocks of natural assets which include geology, soil, air, water and all living things. It refers to the natural resources we use or save to create values for our external and internal stakeholders and community at large as well as actions we take to promote natural resource preservation / environmental mitigation.

- THDCIL, since inception, has placed Natural Capital as one of its key focus area. THDCIL is committed to conserve the natural resources, to protect and conserve the flora & fauna and implements best practices at its all locations.
- The efforts by the company have focussed on all aspects of reducing environmental impacts, includes Reduction of atmospheric emissions (especially greenhouse gases), Adoption of measures for soil and water conservation, biodiversity conservation, Wildlife protection, Reduction of waste at

source, reuse and recycling of waste and Green Belt development.

CONTRIBUTION IN ECONOMIC DEVELOPMENT OF COUNTRY ALONG WITH SAVING VARIOUS NATURAL RESOURCES

- Since 2006-07, THDCIL is continuously powering the nation. Share of THDCIL is through hydro and renewable power generations which are clean and green source of power. This power has helped in Environment, Social and Economic development of the country.



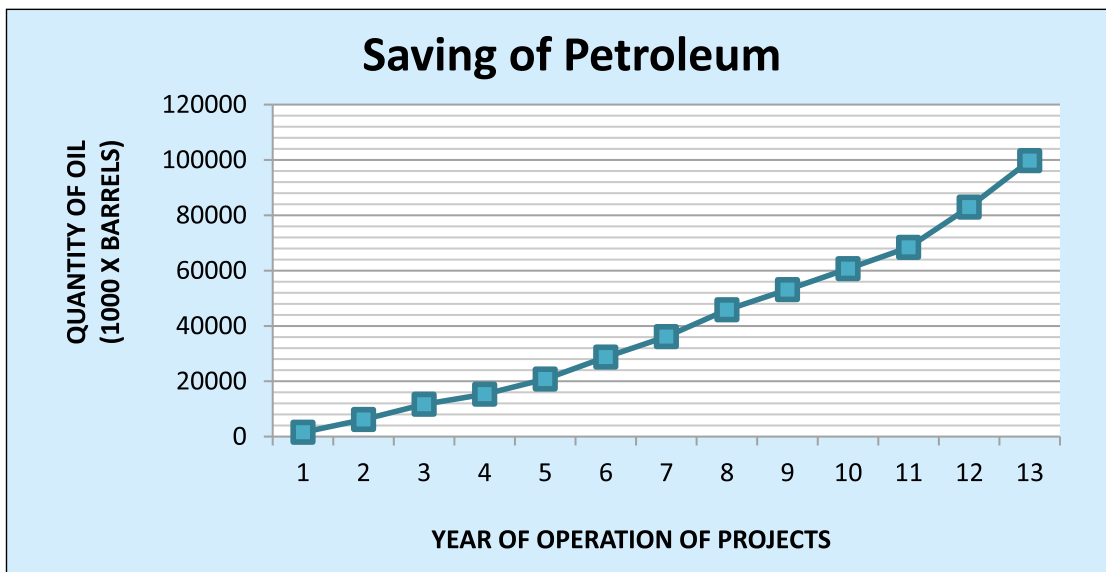
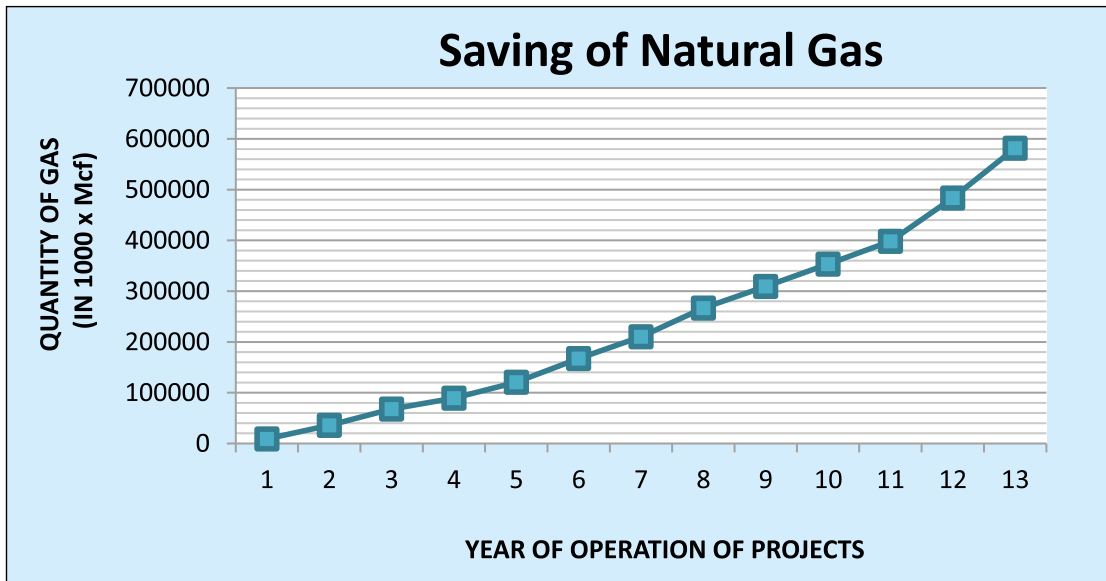
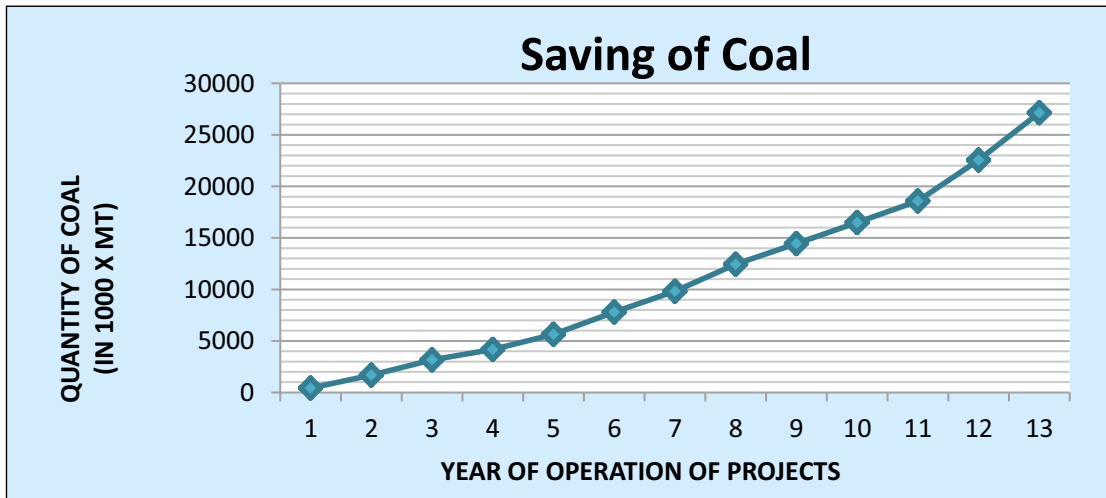
*Presently with two hydro power projects and two wind power projects in operation, THDC has 1513 MW of installed capacity . With commissioning of **Dhukwan SHP (24MW)** and **50 MW Solar Project in Kasaragod Kerala** total installed capacity of Company will increase to 1587 MW*

- Since 1st year of operation, THDCIL has helped country in saving coal, natural gas and petroleum which could be burnt to produce same amount of electricity. The net saving that have been made by THDCIL

by its operation are 27139311.21 Metric Tonnes of coal, 581635444.7 Mcf of Natural Gas and 99754568.18 barrels of petroleum respectively².

1: http://www.cea.nic.in/reports/monthly/installedcapacity/2019/installed_capacity-03.pdf

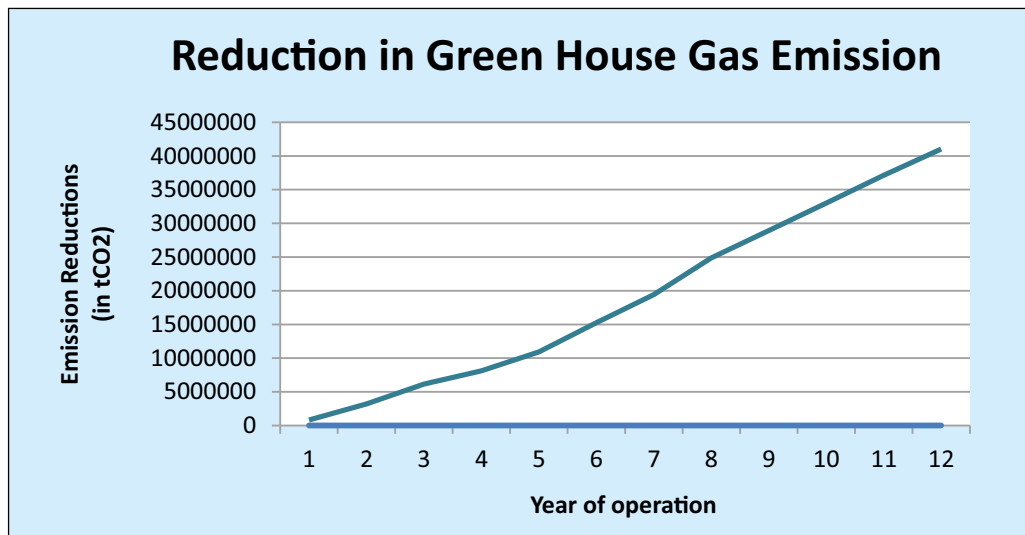
2: As per U.S. Energy Information Administration, amount of fuel used to generate 1 kWh: Coal = 0.00052 short tons or 1.04 pounds or Natural gas = 0.01011 Mcf (an Mcf equals 1,000 cubic feet) or Petroleum = 0.00173 barrels (or 0.07 gallons) (<https://www.eia.gov/tools/faqs/faq.cfm?id=667&t=2>)



Reduction in Green House Gas Emission

- Generation of electricity from hydro and renewable sources not only saved the natural resources but also helps THDCIL in becoming an active member in combat against climate

change. By virtue of operation of hydro projects, THDCIL has saved generation of approximately 4.00 Cr. CO₂ of Green House Gases (GHGs) that could be generated by burning coal to produce 43626 MU of electricity from 2006-07 to 2017-18³.



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

Creation of Carbon Sink

- The main natural carbon sinks are plants, the ocean and soil. Trees grab carbon dioxide from the atmosphere to use in photosynthesis, delivering useful life giving air “the oxygen”. Some of this carbon is transferred to the soil environment, as plants die and decomposes.
- Acknowledging the importance of trees in natural system, THDCIL is committed to protect the forest and trees and wherever cutting of forest is necessary for project activity, THDCIL have tried to plant more trees than required. Under CSR, 2,60,212 nos. trees have been planted from 2009-10 to 2018-19 at various locations in Tehri and Rishikesh areas, with 10,056 nos. trees planted last year only.

BIODIVERSITY CONSERVATION & ECOLOGICAL BALANCE:

With a Commitment for Biodiversity Conservation & Ecological Balance THDCIL has carried out following activities:

- In addition to already existing herbal garden at Tehri project, Herbal Garden has been developed in the VPHEP colony complex over an area of 1800 sqm approx. The herbal garden has been developed and is being maintained by THDCIL in consultation with Herbal Research and Development Institute, Mandal Gopeshwar. Various medicinal plants like Harad (Terminalia Chebula), Lemon Grass (Cymbopogonfelxuosus), Sarpghandha (Rauwolfia Serpentiina), Aloe Vera etc. have been planted. An expenditure of Rupees 12.00 lakhs have been incurred upto March 2019 for development and maintenance works in the Herbal Garden.
- As per the recommendations of the Directorate of Coldwater Fisheries Research (DCFR), Bhimtal, a Fish Hatchery for conservation of the Snow Trout Fishes is being constructed at VPHEP. Already Hatchery for Mahasheer fish is functioning at Koteshwar project.
- The development of Green Belt for the under

construction projects has been undertaken by THDCIL under which broad leaves, fast growing plant species are being planted. The green Belt Development works at VPHEP is being carried out under the supervision of noted Environmentalist Sh. Jagat Singh Chaudhary alias “Junglee”. A total of 7,500 plants have been planted in the project area up to March 2019.

National Energy Conservation Campaign:

- Under the National Awareness Campaign on Energy Conservation Campaign of Bureau of Energy Efficiency, Ministry of Power, Govt. of India, THDCIL as a Nodal Agency for Uttarakhand annually organizes State Level Painting Competition for School Students.

ENVIRONMENT MANAGEMENT MONITORING:

Waste Management Practices

- THDCIL has empanelled third party e-waste handlers authorized by Central Pollution Control Board (CPCB) for disposal of e-waste.
- The canteen and horticultural waste being generated at Rishikesh Township are being utilized in a Biogas plant, developed based on the TERI’s patented technology-TEAM (TERI’s Enhanced Acidification and Methanation) process.

Muck Management

- Dumping of muck is being done at identified area & well above the high flood level. Engineering measures and Biological measures are adopted at sites for muck handling in environment friendly manner. Work of plantation of Vetivar (*Chrysopogon Zizanioides*) grass as slope stabilization measure at Dumping yards at VPHEP has been started in September 2018.

Environment Monitoring

- Periodic monitoring of air, water and noise quality is being done. As of now, all the parameters of air, water and noise quality are under permissible limits guided by Central Pollution Control Board.

ENVIRONMENT MANAGEMENT AT KHURJA STPP:

THDCIL has also been entrusted with a coal based 1320 MW Khurja Super Thermal Power Station at Khurja in the State of Uttar Pradesh, wherein various Environment Management and Protection Activities envisaged under the EIA-EMP report are to be executed pari-passu with the construction activity.

WORLD ENVIRONMENT DAY 2018:

THDCIL is celebrating World Environment Day at its offices and projects every year. On the occasion of World Environment Day on 05th June 2018,

THDCIL Rishikesh Office organized Awareness cum Cultural Programme on the theme “Beat Plastic Pollution” at its Social and Environment Centre, Jolly Grant, Dehradun.

The programme was celebrated to sensitize the local community, school children and various officials of the organization. Shri Sacchidanand Bharti (Renowned Environmentalist) participated as “Guest on Environment” and Professor N.P. Todariya (Ex-HoD, Department of Forestry, HNB Garhwal University Srinagar and Ex- Member Forest Advisory Committee) participated as Special Guest during the Programme.





Intellectual Capital

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

INNOVATION IN PROJECTS

- **Vibration Data Analysis of Rotatory Machines and auxiliaries for Tehri and Koteshwar**

Subsequent to report submitted by IIT Roorkee for vibration data of rotatory machine at Tehri & Koteshwar, vibration values were verified by M/s IRD Mechanalysis (an expert in this domain). They measured the vibration values on machines at Tehri & Koteshwar. The values were well within the limit except for Drainage Pump Necessary action regarding rectification of the issue had been taken up by site and vibrations are now within permissible limits.

- **Development of self-compacting concrete for Hydro Power structures**

With the increased use of congested reinforced concrete in hydropower structures there is a growing need for highly flowable concrete to ensure proper filling of the framework and encapsulation of steel reinforcement bars. SCC can be employed to facilitate the filling of congested structural elements within restricted areas, it can be used as a repair material for structural rehabilitation and it can also be used in casting non-congested elements to reduce construction time and improve the overall productivity of the project. SCC can also reduce labour cost and improve the working environment by eliminating the noise and pollution caused by vibrators.

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

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

like higher humidity, which allows the oil paper insulation to absorb moisture from external environment. By using On-Line dry out unit the moisture content of GT oil has reduced significantly. Based on experience gained, same system has been installed in all the units of Tehri HPP. The same were installed at Koteshwar and it is running successfully since installation

- **Development of Web Based System software “Gurvatta” for the Quality assurance and inspection related activities.**

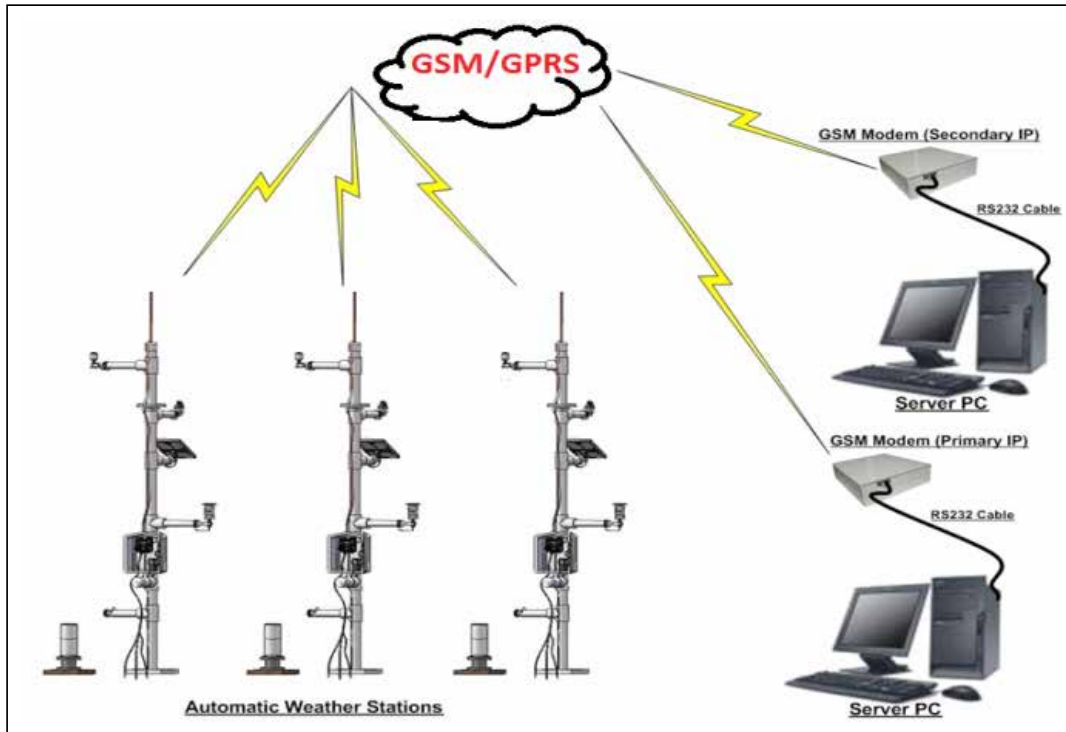
“Gurvatta” software has been developed for the online management of QA&I related activities. It is a tool for executing the quality processes between vendor and customer through online interfacing.

NEW MEASURES FOR TECHNOLOGICAL UPGRADATION :

- Condition Monitoring of EM equipment of Tehri and Koteshwar HEP.
- To improve availability, reliability and life of machines, condition monitoring and Diagnosis of Electro-mechanical equipment of Tehri and Koteshwar HEP was carried out by M/s Central Power Research Institute, Bangalore in year 2018-19.

Real Time Flood Forecasting

Flood forecasting network has been installed for Tehri HPP. The inflow forecast helps in better management of reservoir, ensures safety of Dam by giving advance information regarding the inflow into the reservoir from the catchment and increases the flood warning time to ensure safety of downstream population.



Schematic Network for Real Time Flood Forecasting

Advance Early Warning System

In order to disseminate information to the d/s population up to Rishikesh about water releases from Tehri and Koteshwar dams, an advance warning system is being established through Disaster Mitigation and Management Centre (DMMC), GOUK, Dehradun. The system with its control rooms at Koteshwar dam and DMMC, Dehradun comprises of sirens and speakers at eight stations from downstream of Koteshwar dam to Triveni Ghat, Rishikesh.

Micro Seismological Network

The 12-station local seismological network, namely, Ayarchalli (AYR), Chandrabadni Temple (CHN), Chinterbagi (CNT), Giyanja (GYN), Khurmola (KHU), New Tehri Town (NTT), Rajgadhi (RAJ), Sirala (SRL), Srikot (SKT), Surkanda (SUR) and Vinakkhal is currently under operation in the region around Tehri dam.

- The objective of setting up of micro seismological network in the surrounding area, is to collect long term data on micro earthquake activity of the region around Tehri

dam site and to collect data on earthquake of engineering interest before, during and after impounding of water in Tehri reservoir.

Agreement with JSC Institute Hydroproject, Moscow (HPI Moscow), Russia

Dam safety & inspections play an important role in assessing the health and behavior of Dam during its operation and maintenance stage. Considering this, a comprehensive review of Koteshwar Project was got done through a renowned international agency viz. HPI Moscow.

• RESEARCH AND DEVELOPMENT:

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

- A. Assessment of Sediment Yield from the Catchment Area of Tehri Reservoir.
- B. Earth Quake Monitoring Stations IIT Roorkee.
- C. Expansion & updation of Micro Seismic Network around Tehri region.
- D. Comprehensive solutions for slope stability of Road between zero bridge and Koteshwar.

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

COLLABORATIVE KNOWLEDGE DESK:

Knowledge management is an important area to capture, preserve and disseminate in house knowledge that is generated. Without effective

knowledge management platform very often knowledge generated in the course of construction and operation is not captured for future reference. In order to facilitate internal exchange of knowledge, information, key learning, success stories etc. THDCIL has started a **Collaborative Knowledge Desk** on its web portal in which employees can log in and share their experiences which can help in process improvement and knowledge up-gradation of employees.

Quality Circle

THDCIL has been encouraging its employees and engaging them quality circle. It is concept where the employees identify the problems of their respective fields and propose the solution by their own and implement them as well. It enhances the skill development, confidence, morale and values of team work among the employees. Annual Quality Circle Meet is organized and selected Quality Circles represent the Corporation in many national events. **Quality Circle team from Koteshwar and Tehri awarded with PAR EXCELLENCE NCQC 2018 at Gwalior, Madhya Pradesh Organised by Quality Circle Forum of India.**

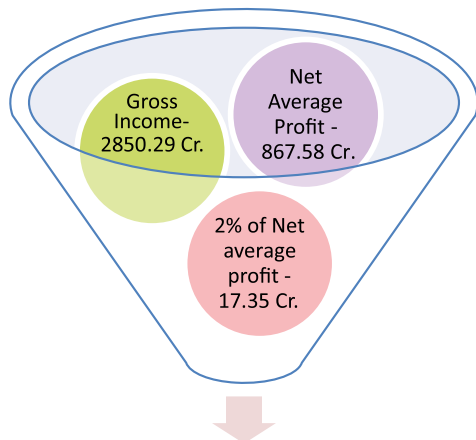


Social And Relationship Capital

THDCIL's CSR program has always been on holistic development of the targeted communities, which itself is a larger perspective of inclusive growth as well as equitable development. For holistic development of 50 rim villages of Tehri Dam, three govt. Universities viz. HNB Garhwal University, Srinagar; Shaheed Bhagat Singh Evening College, Delhi University and Veer Chandra Singh Garhwali University of Horticulture & Forestry are engaged. Prime objective is to bring overall positive sustainable change in the lives of targeted communities. Accordingly, interventions are made considering all three spheres i.e. social, economic and environment, which is evident from THDCIL's CSR initiatives. Some prominent initiatives are briefed below:

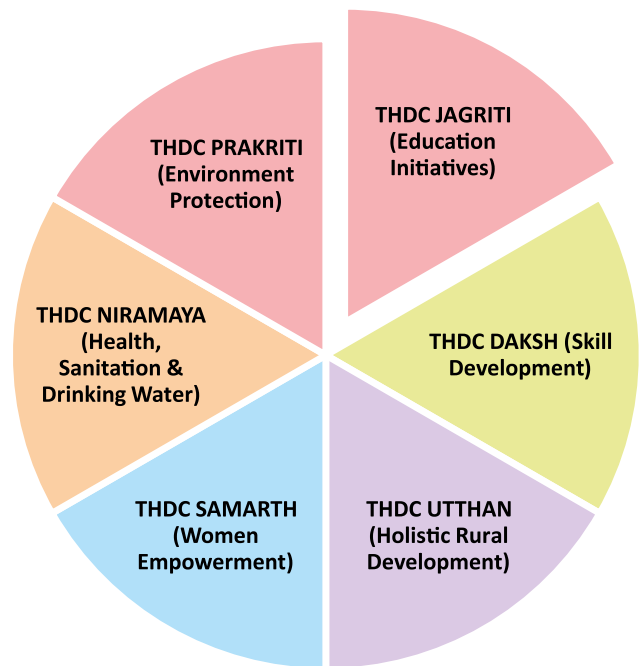
Our CSR Spending

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. Total amount spent during the financial year is more than two percent of average net profit of the last three financial years.



To use CSR Funds in integrated manner economic, environmental and social objectives aligned with the company's operations and growth, THDCIL is carrying out CSR activities under well defined CSR Scheme. This scheme is formulated strictly in accordance with Schedule -VII of **Companies Act, 2013 and Companies (corporate social responsibility) rules, 2014.**

ACTIVITIES UNDERTAKEN BY THDCIL IN ACCORDANCE TO SCHEDULE VII



SPECIAL INITIATIVES

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:

- **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 well qualified teachers/staff through its society, namely “THDC Education Society (TES)” and “SEWA-THDC”. Token fee is being charged in these schools. Dress, Mid Day Meal and Study material are being provided free of cost. Yearly budget for running of these schools is around ₹ 6.0 Cr. 423 Boys and 454 Girls are being educated under THDCIL JAGRATI

- **Establishment of Higher Technical Education Centre:** THDCIL has established the first Hydropower Development Institute & Engineering College “THDC Institute of Hydropower Engineering & Technology” in Tehri at an approx cost of 60 Cr.
- **Infrastructure Support to Govt. Schools:** Total 809 furniture (Table & Chair), 154 uniforms and 3714 books have been distributed to students of 241 Schools of Tehri Distt.

Protection of Natural Heritage, Art And Culture

Keeping in view the historical and cultural importance of mighty river Ganga and to facilitate millions of National & International pilgrims/visitors, the Strengthening of lighting arrangements in Ganga Ghat area at Rishikesh is taken up by decorative (Facade) lights of Ram Jhula, Laxman Jhula, Parmarth Niketan & other prominent structures at Triveni Ghat, installation of 16 High Mast lights on both banks of river Ganga from Ram Jhula to Parmarth Niketan on left bank, from Ram Jhula to Kharasut on Right bank and Triveni Ghat, Apart from beautician & strengthening of total system, LED lights will contribute to saving of approx. 70000 Units / year (₹ 4 Lakh / year).



Initiatives under Swachh Bharat Mission:

- Total toilets constructed- 225 No. i. (Individual-179, SAP-42 & Others-4) including 79 toilets in 3 villages of district Tehri, Uttarakhand and made them Open Defecation Free (ODF)- Village Devri- 43 ii. Village Lwarkha- 24 Toilets iii. Village Banali- 12
- Adopted 3 localities for cleanliness near THDC Corporate Office, Rishikesh -
 - Pragati Vihar ,
 - Nehru Gram,
 - Indra Nagar
- Adopted 4 Km Stretch of Bypass Road, Rishikesh (Natraj Chowk to Mansa Devi)
- Adopted Railway Station for cleanliness
 - Rishikesh,
 - Virbhadra
- Adopted 4 schools in Rishikesh for cleanliness
 - Govt. Primary School, Mansadevi,
 - Govt. Primary & Upper Schools, Bapugram
 - Govt. Primary School, Bibiwala &
 - Govt. Primary School, Indra Nagar



Tangible Capital

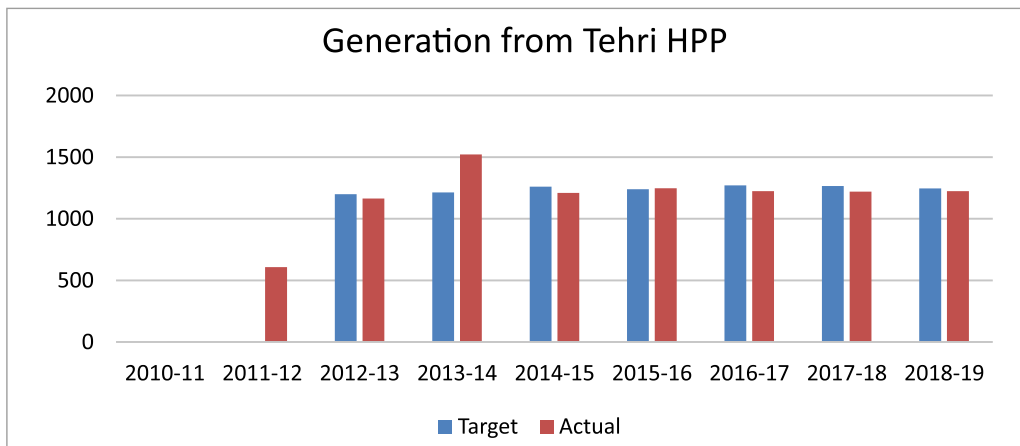
As on date in addition to the 113 MW power generated from wind, THDC India Ltd., has a capacity of 1400 MW Hydro power comprising of 1000 MW Tehri HPP and 400 MW Koteshwar HEP project.

Tehri Power Complex (2400 MW)

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

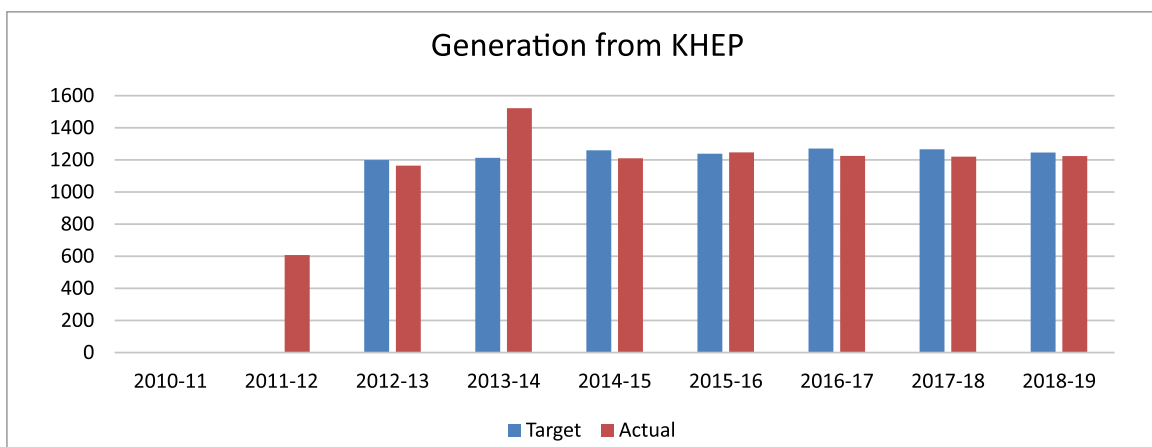
Tehri Power Complex (2400 MW)

- Tehri HPP, 260.5 m high Earth and rock fill dam being the highest dam in India is located on the confluence of river Bhagirathi and Bhilangana.
- The Tehri Project is a multipurpose Project providing power benefits to the Northern Region, Irrigation benefits to Uttar Pradesh, and Drinking Water benefits to NCT Delhi and U.P.
- Being a storage Storage projects Tehri Dam helped in mitigation of floods, which has been demonstrated by during 2010, 2011 & 2013 floods.
- In addition to this, Tehri machines have the provisions to be operated under synchronous condenser mode, so that reactive power (for the improvement of Voltage) could be supplied to the grid, if required.



KOTESHWAR HEP (4*100 MW)

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



DIVERSIFICATION INTO OTHER FORMS OF ENERGY

1. WIND ENERGY

- With the commercial operation of 25 numbers of wind turbines of 2 MW each on June 29, 2016, contributing 50 MW of renewable power to the national Grid, THDC India Limited has added another feather to its crown. The wind turbines are installed in the Patan district of Gujarat and have been commissioned by M/s Gamesa, a leading wind power producer remarkably 2 months ahead of the scheduled date of commissioning and are fully operational.
- Another 30 Number of Machines of 2.1 MW each i.e. 63 MW was added to the national GRID on 31st March 2017. This project was

commissioned by M/s Suzlon and the turbines are located at Devbhoomi Dwarka.



| Financial Year | Patan Wind Project (MU) | Dwarka Wind Project (MU) |
|----------------|-------------------------|--------------------------|
| 2016-17 | 59.04 | 0.14 |
| 2017-18 | 90.22 | 149.45 |
| 2018-19 | 108.32 | 183.51 |

2. SOLAR ENERGY

THDC is diversifying into solar energy and also signed a tripartite agreement with SECI, Kerala State Electricity Board for development of Solar project in Distt. Kasaragod, Kerala. Power Sale Agreement at a tariff of ₹3.10/unit has been

signed between KSEB and THDCIL in Jan-19. Accordingly, work of 50 MW Solar Project in Distt. Kasaragod has been awarded to M/s Tata Power Solar Systems Limited in Aug-19. With its commissioning, 50 MW will be added to our installed capacity.

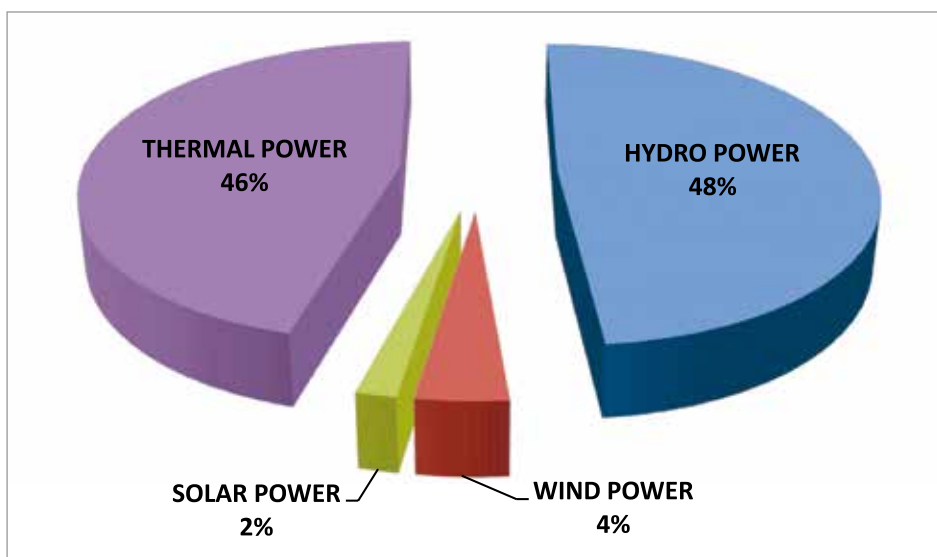
3. THERMAL ENERGY (KHURJA SUPER THERMAL POWER STATION (1320 MW))

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

After PIB clearance and CCEA recommendation, foundation stone was laid down by Hon'ble Prime Minister, Sh. Narendra Modi on 09th March, 2019. Investment approval has also been given to this project for ₹11,100 Crore in addition to ₹1590 Crore for Amelia Coal mine. Khurja STTP has been divided in total 07 packages. Following is the status of all the allocated packages:

| Sl. No. | Package(s) | Status |
|---------|--------------------------------|--|
| 1 | Steam Generator | Package has already been awarded. |
| 2 | Turbine Generator | Package will be awarded soon. |
| 3 | Water System | Packages are at various stages of tendering. |
| 4 | Switch Yard | |
| 5 | Coal Limestone Handling system | |
| 6 | Ash Dyke Package | |
| 7 | Misc., Building & Other | |

FUTURE POWER MIX IN THDCIL



HYDRO PROJECTS UNDER CONSTRUCTION

TEHRI PUMPED STORAGE PLANT (4*250 MW)

- The 4X250 MW Tehri Pumped storage plant, biggest PSP in India on completion shall add a generating capacity of 1000 MW peaking power to the Northern Region. It is based on the concept of recycling of water discharged between upper reservoir and lower reservoir.

The Tehri Dam reservoir shall function as the upper reservoir and Koteshwar reservoir as the lower balancing reservoir. Presently Civil, HM and EM works are under progress. Project is expected to be commissioned by June 2022.

VISHNUGAD PIPALKOTI HEP (VPHEP) (4*111 MW)

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

year). For the funding of the debt portion (70%) of the project, loan agreement for US \$ 648 million has been signed with World. On dovetailing the Civil & HM Works and EM Works, the project is anticipated to be commissioned in Dec.'2022.

DHUKWAN SMALL HYDRO PROJECT (3*8 MW)

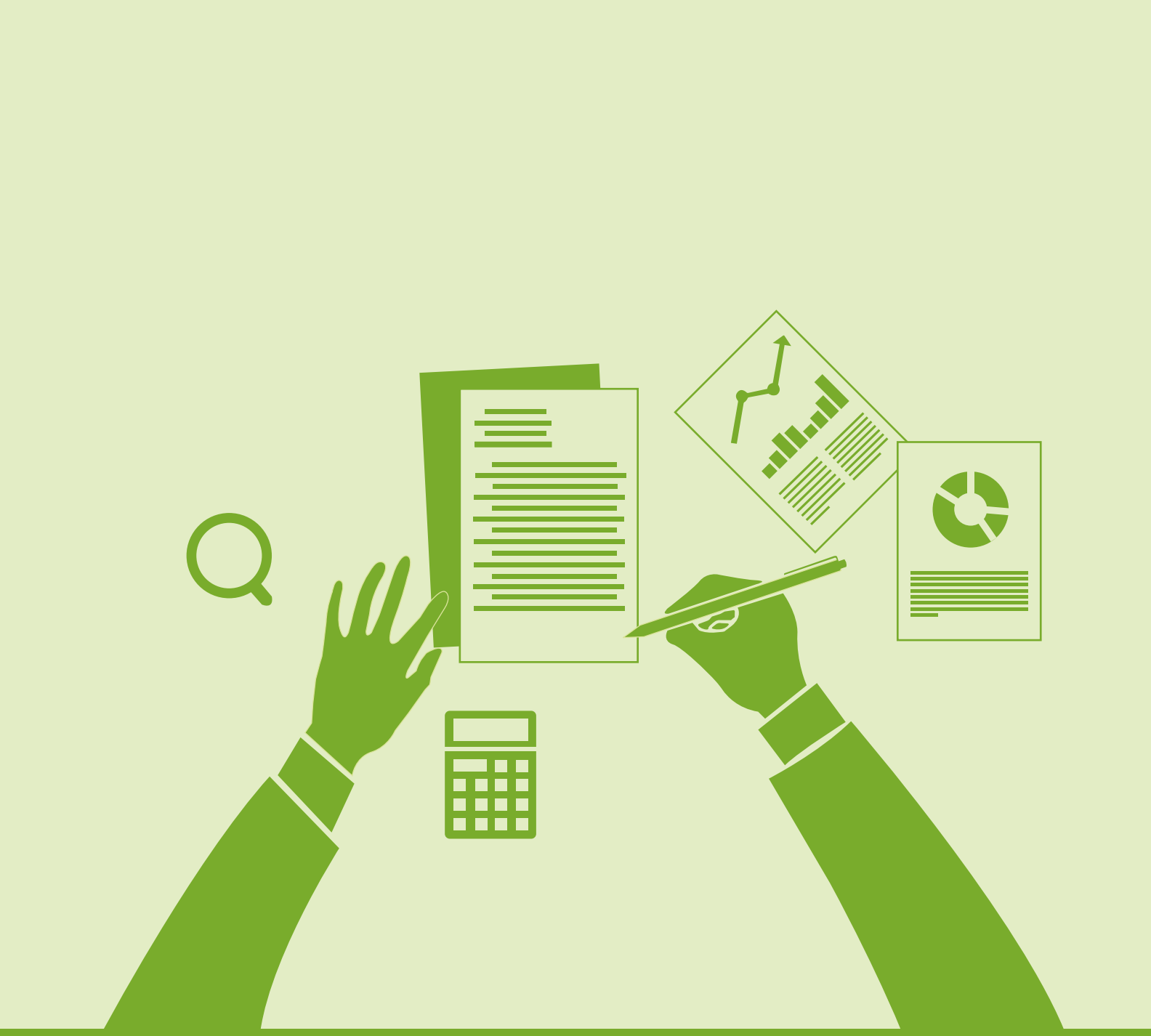
- Dhukwan Small Hydro-Electric Project is envisaged to be constructed at the toe of existing Dhukwan masonry cum earthen dam across Betwa River in District Jhansi, U.P. The project with an installed capacity of 24 MW (3 x 8 MW) is a part of overall development of

the power potential of the Betwa River. Project is under construction and all three units are expected to be commissioned by Dec-2019. On completion, the project will generate 97.82 MU annually.



Directors' Report 2018-19

- Directors' Report 2018-19
- Annexure-I Report on Corporate Governance
- Annexure-II Corporate Social Responsibility Report
- Annexure-III Management Discussion and Analysis Report
- Annexure-IV Energy Conservation Measures, Technology Adaptation, Absorption and Foreign Exchange Earnings and Outgo
- Annexure-V Business Responsibility Report
- Annexure-VI Form No. MGT-9 Extract of Annual Return
- Annexure-VII Secretarial Audit Report



DIRECTORS' REPORT 2018-19

Dear Members,

Your directors are pleased to present the 31st Annual Report on the performance of your Company along with audited financial statements, Auditors' Report, Report of Secretarial Auditor and review of financial statements by the Comptroller and Auditor General of India for the Financial Year ended on 31st March 2019.

KEY PERFORMANCE HIGHLIGHTS

- Power generation increased from 4540 MU in 2017-18 to 4687 MU in 2018-19.
- Revenue realization from DISCOMs was 87.74% of the sales figure for the Year 2018-19.
- Company was awarded 'Good' MoU Rating for the Year 2017-18.
- Capital Expenditure (CAPEX) during the year 2018-19 was ₹ 1132.48 Cr.
- Dhukwan SHP (24 MW) – on Betwa river in Distt Jhansi, Uttar Pradesh is under advance stage of completion and scheduled to be commissioned by December, 2019.
- Profit for the year 2018-19 is increased from ₹ 778.74 Cr. to ₹ 1251.60 Cr .

Khurja STPP (1320 MW):

- Investment approval for Khurja Super Thermal Power Project (STPP) and Amelia Coal Mine at an estimated cost of ₹ 11,089.42 Cr. and ₹ 1587.16 Cr. (Dec-17 PL) respectively has been accorded on 07.03.19.
- Hon'ble Prime Minister laid foundation Stone the Khurja Super Thermal Power Project on 09.03.2019.
- Out of 07 packages, work of "Steam Generator and associated packages" has been awarded to M/s L&T-MHPS Boilers Pvt. Ltd on 29.08.2019 for an amount of INR 4087 Cr. The bids of "Turbine Generator and associated packages" for INR 1815 Cr. are under evaluation process. Award of TG package is expected by Sep.' 2019.
- Out of Balance 05 BoP packages, bids of Water System Package and Switchyard Package are under evaluation process. The tender for Coal, Limestone and Gypsum Handling



A view of underground Power House of Tehri HPP (1000 MW)

Plant Package has been floated. While, Ash Dyke Package and Misc. Building and Other Packages are under tendering stage. All these packages are likely to be awarded by Dec'19.

Solar Power Project (50 MW):

- To establish 50 MW Solar Power Project in District Kasargod, Kerala, Power Sale Agreement has been signed with Kerala State Electricity Board (KSEB) on 16.01.2019.
- ₹ 25.4 Cr. has also been deposited with RPCKL as one time upfront development charges of Solar Park.

- The work of 50 MW Solar PV Power Plant has been awarded to M/s Tata Power Solar System Limited on 08.08.2019 for "Design, Engineering, Procurement & Supply, Construction & erection, Testing, Commissioning and Comprehensive Operation & Maintenance (O&M) for 10 year.
- Credit Rating of the Company for the Year 2018-19 remained AA+

FINANCIAL RESULTS

The Financial Results of the operations during the year ending 31st March 2019 are summarized as under :

(₹ in Million)

| PARTICULARS | 2018-19 | 2017-18 |
|--|--------------|--------------|
| Income | | |
| Revenue from operations | 27680 | 21851 |
| Other Income | 823 | 381 |
| Deferred Revenue on account of irrigation component | 691 | 682 |
| Less: Depreciation on Irrigation Component | 691 | 682 |
| Gross Income (a) | 28503 | 22232 |
| Expenditure | | |
| Employee Benefit Expenses | 4118 | 3065 |
| Finance Costs | 1757 | 2279 |
| Depreciation | 5550 | 5745 |
| Generation, Administration & other expenses | 2213 | 2034 |
| Provisions for doubtful debt, receivable and write-off | 499 | 0 |
| Total Expenditure (b) | 14137 | 13123 |
| Profit Before net movement in regulatory deferral account balance and Tax (PBT) (c = a-b) | 14366 | 9109 |
| Net movement in regulatory deferral account balance Income/ (Expense) (d) | 750 | |
| Profit Before Tax (e=c+d) | 15116 | 9109 |
| Tax | 2560 | 1397 |
| Profit For the Period From Continuing Operations (I) | 12556 | 7712 |
| Other Comprehensive Income | | |
| Re-measurements of the Defined Benefit Plans | -30 | 56 |
| Income tax relating to items that will not be reclassified to profit or loss-Deferred Tax Assets | -10 | 19 |
| Other Comprehensive Income (II) | -40 | 75 |
| Total Comprehensive Income (I+II) | 12516 | 7787 |

FINANCIAL PERFORMANCE

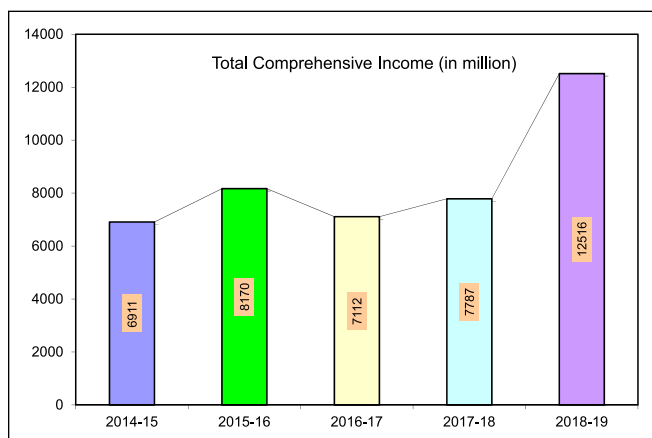
Gross Revenue & Profit

Your Company has registered an increase in Gross Revenue earned as well as Total Comprehensive Income in the FY 2018-19 as compared to previous year. Current financial year's Total Comprehensive Income has increased about 60.73% over the Total Comprehensive Income of the previous year. Revenue from Operations, Gross Revenue, Total Comprehensive Income and % change in Total Comprehensive Income to Gross Revenue are tabulated below:

(₹ in Million)

| Particulars | 2018-19 | 2017-18 | Increase |
|---|---------|---------|----------|
| Revenue from operations | 27680 | 21851 | 5829 |
| Gross Revenue | 28503 | 22232 | 6271 |
| Total Comprehensive Income | 12516 | 7787 | 4729 |
| Total Comprehensive Income % to Gross Revenue | 43.91% | 35.03% | |

Graphical Presentation of Total Comprehensive Income of last five years is shown below:



DIVIDEND

Your Directors have paid Dividend of ₹ 4231 million during the FY 2018-19, which includes ₹ 3387

million as Interim Dividend for the FY 2018-19 and ₹ 844 million as balance Dividend for the FY 2017-18 in compliance of DIPAM guidelines. Thus the total Dividend payout of ₹ 4231 million is ₹ 115.77 per Equity Share of par value ₹ 1000/- each, and represents 33.81% of Total Comprehensive Income & 11.58% of Paid Up Capital. However the interim Dividend payout of ₹ 3387 million for the FY 2018-19 is ₹ 92.69 per Equity Share of par value ₹ 1000/- each, and it represents 27.07% of Total Comprehensive Income and 9.27% of Paid Up Capital. The Board of Directors of the Co. have proposed a final dividend of ₹ 1260 million for the FY 2018-19. Thus the total dividend for the FY 2018-19 comes to ₹ 4648 million @ ₹ 127.16 per Equity Share of par value ₹ 1000/- each and it is 5.01% of net worth which is in compliance with DIPAM guidelines.

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 ₹ 280 million from Govt. of India towards equity component of the VPHEP project. Out of this, equity shares worth ₹ 240 million has been allotted to Govt. of India during 2018-19 and for balance amount of ₹ 40.00 million Shares has been allotted during FY 2019-20 to Govt. of India. Thus paid up share capital and net worth of the company as on 31.03.2019 is ₹ 36548.82 million and ₹ 92807.8 million respectively.

OPERATIONAL PERFORMANCE 2018-19

Power Generation

During the year 2018-19, total power generation from Hydro and Wind Projects was 4687 Million Unit (MU) against MoU target of 4590 MU, which is much higher than last year generation of 4540 MU.

During the financial year 2018-19, details of power generation from Hydro and Wind Power Plants is as below :

| Name of Plant | MoU Target (Very Good) (in MUs) | Total generation in the F.Y. 2018-19 (in MUs) | Total generation in the F.Y. 2017-18 (in MUs) |
|--------------------|---------------------------------|---|---|
| Hydro Power Plants | 4336 | 4395.98 | 4300 |
| Wind Power Plants | 254 | 291 | 239.67 |
| Total | 4590 | 4686.98 | 4539.67 |

Generation from Hydro and Wind Power Plants

During the financial year 2018-19, energy generation and Plant efficiency of Hydro and Wind Power Plants are as below :

| Name of Plant | Generation (MUs) | | PAF/ CUF (%) | |
|--|------------------------|----------------|--------------------------------|---------------|
| | MoU Target (Very Good) | Achievement | MoU Target (Very Good) | Achievement |
| Tehri HPP (1000 MW) | 3106 | 3172.17 | 80.118 | 84.521 |
| Koteshwar HEP (400 MW) | 1230 | 1223.81 | 68.988 | 68.028 |
| Total (Hydro Power) | 4336 | 4395.98 | Weighted average 76.934 | 79.809 |
| Patan Wind Power Plant (50 MW) | 254 | 108 | 21.424 | 24.73 |
| Dwarka Wind Power Plant (63 MW) | | 183 | 24.164 | 28.95 |
| Total (Wind Power) | 254 | 291 | Weighted average 25.182 | 27.083 |

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 | 2018-19 | 2017-18 |
|-------------------------|---------|---------|
| Revenue from Operations | 27679 | 21906 |
| Cash Realisation (%) | 87.74 | 100 |

Hon'ble CERC has issued Tariff Order on 05.09.2018 & 09.10.2018 for Koteshwar HEP (400MW) for period 2011-14 & 2014-19 respectively. The effect of these orders has been considered in the Balance Sheet for FY 2018-19.

THDCIL has entered into a Power Sale Agreement with Kerela State Electricity Board Limited for 50 MW (AC) Solar PV Project in Kasargod Solar Park, Kerela on 16.01.2019.

PROJECT FINANCING

1. Tehri PSP Project:

- The Company made financial tie up with SBI led consortium in the year 2012 for availing ₹15000 million long Term Loan for funding Tehri PSP. As against above sanctioned amount ₹12276.50 million was availed till 31st March 2018. The Company has repaid ₹6000 million on 29.03.2018 and balance amount in April and May 2018.
- The Company has availed a medium term loan of ₹7000 million from PNB in the Financial Year 2018-19 for funding of Tehri PSP Project.

The term loan shall be repaid in 20 quarterly installment upto March 2024.

3. The Company had made financial tie up with Societe Generale of Euro 83.87 million for Tehri PSP project but yet to draw the loan.
4. Balance Debt requirement shall be financed through Bonds Proceeds.

VPHEP Project

The Company had made financial tie up of US\$ 648 million with the World Bank for VPHEP project. Out of this, an amount of US\$ 6.61 million has been drawn during the year. Thus total drawl upto 31.03.2019 is US\$ 100.98 million. THDCIL requested World Bank to extend disbursement schedule upto December 2020 and for reduction in loan component by US \$100 million due to change in Dollar conversion rate. MoF, DEA has granted interim extension of 6 months upto 31.12.2019 which is yet to be ratified by world Bank. World Bank has also cancelled 100 million Loan. Pending finalisation of realignment of repayment schedule, debt servicing has been made as per original contract terms and an amount of US\$ 4.25 million has been repaid during the year and total repayment upto 31.03.2019 is US\$ 6.27 million.

Thus net loan outstanding as on 31.03.2019 is US\$ 94.71 million equivalent to ₹ 6551 million.

Corporate Bond Issue

Company had issued secured redeemable non convertible bonds of ₹ 6000 million with coupon interest rate of 7.59% 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.

Directors are pleased to place on record that THDC India Limited (THDCIL) has also issued corporate bonds series -II of ₹ 1500 Cr for a tenure of 10 years with base issue size of ₹ 500 Cr. and green shoe option of ₹ 1000 Cr. The bidding for the above issue was done on 5th Sept 2019 where the coupon rate discovered is 8.75 % for ₹ 1500 Cr. through BSE EBM Platform. These bonds were rated AA+ and AA Stable. The bidding was grand success with over subscription of more than 6 times of base issue size . The company received Bids for ₹ 3215 Cr. from various investors and arrangers.

Summarised data on Project Financing for the Financial Year 2018-19 is as under:

| Lender name | Loan Amount | Amount drawn during the Year 2018-19 | Loan Repaid | Loan outstanding as on 31.03.2019. |
|---------------------------|--------------------|--------------------------------------|------------------|------------------------------------|
| IBRD loan from World Bank | US \$ 648 million | ₹ 843.15 million* | ₹ 298.80 million | ₹ 6551.00 million |
| Term Loan from PNB | ₹ 7000 million | ₹ 7000 million | NIL | ₹ 7000 million |
| Societe Generale | Euro 83.87 million | 0.00 | | 0.00 |
| Corporate bonds I | ₹ 6000 million | NIL | NIL | ₹ 6000 million |

* Includes exchange rate variation

PROGRESS AND STATUS OF PROJECTS UNDER CONSTRUCTION:

Tehri PSP (4 X 250 MW):

Based on the principle of recycling of water, 4 reversible Turbines of 250 MW each will convert

the off-peak energy to peak Energy. Consuming Energy of the order of 1651.66 MU have the capacity for pumping operation during off-peak hours, it will generate additional peaking power of 1321.82 MU by working in Turbine Mode during Peak hours. The pump storage plant will assume

greater significance in the new power scenario of the company which is being constantly enriched by adding renewable energy plants.

During execution of Project works since award, Project 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. This resulted in inadequate resources deployment etc, viz-a-viz; slow progress of works. However, local issues were almost being resolved by continuous dialogue with the local people and with the help of Distt. Administration. Interest bearing working capital finance was being extended to the contractor to expedite works at all possible fronts simultaneously.

In the meantime, work remained stand still for almost 2 months due to strike by HCC workers and later for 5 months due to fund crisis of M/s HCC. The work could only resume w.e.f 01.12.18 that too with slow pace after infusion of liquidity

by THDC through an introduction of mechanism with concurrence of MoP on 01.02.19 and with approval of THDCIL Board.

THDCIL infused ₹20 Cr. (Jan-19 to Jun-19) against Bank Guarantee and ₹10 Cr. (Jan-19 to Jun-19) against Performance Bank Guarantee at the project to over come the fund crisis. Presently the payment is being made through ESCROW accounts to ensure that infusion of funds is utilized for project works only. This has paved path for progress and now work is gaining momentum.

Almost 80% of Equipment / Material have reached at Site. 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, Bus Bar Tunnels, D/s Surge Shafts and Tail Race Tunnels (TRTs) are in progress. Concreting in Control Room, Bus Bar Tunnels & TRTs is also under progress.

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 at Apr'10 PL) | Expenditure (up to Aug.'19) | Approved (RCE-I at Apr'10 PL) | Anticipated |
| 2978.86 | 3003.16 | Feb-16 | Jun-22 |

REVISED COST ESTIMATE-II: RCE-II of ₹ 5024.35 Cr. (incl. IDC & FC of ₹ 1131.72 Cr.) at Feb-19 PL has been submitted to MoP on 30.04.19 for approval in line with the guidelines of Ministry of Finance. CEA has already vetted the Hard Cost of the project as ₹ 3745.8.Cr. on 13.08.2019 and desired to revise IDC & FC accordingly. THDCIL has submitted the revised IDC & FC of ₹ 1086.56 to CEA on 21.08.2019 for approval.

Vishnugad Pipalkoti HEP (VPHEP) (4 X 111 MW)

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

Alaknanda to generate 1657.09 MU.

During the year, work progress suffered due to intermittent stoppage / hurdles created by the local residents, Geological variations, cash flow problem with the civil contractor - M/s HCC 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. The main civil contractor M/s HCC, being under financial stress, was not even able to provide BGs against gap funding. Works on all fronts were moving at very slow pace since April'18 and later on became standstill for 3

months due to strike by HCC's workers for non-payment of their wages. The work could resume from 15.01.19 at slow pace after infusion of liquidity by THDC through an introduction of mechanism with concurrence of MoP on 01.02.19 and this was later approved by THDCIL Board.

THDCIL infused ₹34.19 Cr. (Jan-19 to Jun-19) against Bank Guarantee, ₹24.18 Cr. (Jan-19 to Jun-19) against Performance Bank Guarantee, advance of ₹8.13 Cr. against material and other contractual dues (interim payment of ₹2.43 Cr. against GST) to contractor. Presently the payment is being made through ESCROW accounts to ensure that funds are used for project works only. This has paved path for progress and now work is getting momentum.

River Alaknanda has already been diverted through diversion tunnel on 02.04.18 and construction of coffer dam has been finished. Excavation in Intake Tunnel - 2 & 3 has been

completed. TBM erection is under advance stage. Excavation in De-Silting Chambers, Fabrication of Penstock Steel liners, Downstream Surge Shaft, Stabilization of crown of Machine Hall with rib support, crown of Transformer Hall with rib support are under progress. Mining approval for Gadi quarry designated for Power House & TBM works is under advance stage.

Model testing of Turbine has been completed. Power House Station Layout and longitudinal section, BFV Chamber Plan & Section View, Design drawings and documents of generator, Design documents of Excitation system, Power House Grounding system and auxiliaries' transformers are approved. Design documents/drawings related to Turbine i.e Runner, Shaft, servomotor, guide bearing and control gear of turbine, Governor etc. has also been approved. The approved cost, expenditure and schedule of commissioning of the Project are tabulated below:

(Amount in ₹ Cr.)

| Project Cost | | Completion Schedule | |
|------------------------|----------------------------|------------------------|-------------|
| Approved (March-08 PL) | Expenditure (up to Aug-19) | Approved (March-08 PL) | Anticipated |
| 2491.58 | 1733.12 | June-13 | Dec-22 |

Revised Cost Estimate: Investment approval to the project amounting to ₹2491.58 Cr. (March-08 PL) was accorded by CCEA in Aug-08.

- Revised Design Energy of the Project was finalized as 1657.09 MU by CEA on 9th Jan-18
- On the basis of approved Memorandum of Changes (MOC), THDCIL had reformulated & submitted the RCE-I (at March'18 PL) on 30th July 2018 amounting to ₹4105.30 Cr. As per advice of CEA to update RCE at current Price level, RCE of ₹4397.80 Cr. at Feb-19 PL has been prepared and submitted to MoP on 31st May-19.

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, having installed capacity of 24 MW (3 x 8 MW) and annual generation of 97.82 MU, is a part of overall development of the power potential of the Betwa River.

- Around 99.4% Civil works and 99% HM Works have been completed. 95% EM Supplies have also reached at site.
- Unit-1 - Mechanical spinning completed. Further, commissioning related activities are in progress

Unit-2 - Lower bracket and stator has been lowered and fixing of air cooler and wicket gate is under process. At Service Bay, assembly of Rotor have been completed.

- Unit-3 - Lowering of lower bracket is under progress. At Service Bay, assembly of Stator have been completed.
- The Power Evacuation system is ready. Works of control room building at Power house are in advance stage, while Switchyard works are nearing completion.

Efforts are being done to achieve the target for

unit wise commissioning as under:

Unit-1 30th Sep-2019

Unit-2 11th Dec-2019

Unit-3 20th Dec-2019

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

(Amount in ₹ Cr.)

| Project Cost | | Completion Schedule | |
|-----------------------|----------------------------|-----------------------|-------------|
| Approved (July-16 PL) | Expenditure (up to Aug-19) | Approved (July-16 PL) | Anticipated |
| 294.60 | 302.76 (102.76%) | Feb-14 | Oct-19 |

Jhelum Tamak:

- Updated DPR for installed capacity of 108 MW was submitted to CEA in Dec-12.
- Hon'ble Supreme Court, vide its order dated August 13, 2013 had stayed the grant of environment clearance to 24 Hydro Electric Projects in Uttarakhand, which include Jhelum Tamak Project also. On the direction of Hon'ble Supreme Court, an Expert Body (EB) was constituted in May 15 comprising members from 6 specific HEPs of Alaknanda valley, with Jhelum Tamak HEP one of them.
- As per draft recommendation of Expert Body on environmental flows, CEA vide on 06.04.18 directed to submit revised chapter on Power Potential Studies considering Environmental Flows as per Draft Report of EB. Accordingly, Revised Power Potential Studies were submitted to CEA on 17th May, 2018.
- MoWR, Gol vide Gazette notification dt. 8th Oct, 2018 recommended e-flows, which are different from the earlier e-flow recommendations by EB-II. Based on e-flow of MoWR, revised PP studies submitted to CEA in Jan-19. Further, viability of the project considering e-flow of Gazette Notification and New Hydro Policy has been submitted to CEA on 30.05.2019, which

comes out to be ₹ 5.36 /kWh at Dec-18 PL.

- CEA on 8th Aug-19 has returned the DPR citing "In view of the revised e-flow release as notified in the Gazette notification dt. 8th Oct-18, project is technically not viable for the IC of 108 MW, which is likely to be reduced". CEA further stated that project is included in the list of 24 HEP's under review by Hon'ble Supreme Court and fate of the project will depend on the decision of the Hon'ble Supreme Court. Accordingly, all the partial clearances issued till date are rescinded. CEA has also informed to re-submit DPR with revised IC as per the New guidelines of CEA.
- An expenditure of ₹ 17.03 Cr. has been incurred till 31st March, 2019.

DIVERSIFICATION INTO OTHER ENERGY AREAS

Your Company has diversified its activities from Hydro Power to other sources of energy, viz; Wind, Solar and Thermal. Status of such projects are as under:

Wind Power Plants:

Your both Wind Power Plants, Patan WPP (50 MW) and Devbhumi Dwarka WPP (63 MW) performed better than the previous financial year 2018-19.



Sh. A.K. Bhalla, Former Secretary(Power), Govt. of India and Sh. D.V. Singh, CMD, THDCIL exchanging MoU documents for the F.Y. 2019-20

Patan and Devbhumi WPP generated 108.32 MU and 183 MU and achieved CUF of 24.73% and 28.95% respectively. Till date, a cumulative of ₹ 22.77 Cr. has been availed as Generation based Incentive from both wind power plants.

Solar Power Project:

- Subsequent to issue of GO by Kerala Govt. for transfer of 250 acre Govt. land & Power Sale Agreement signed between KSEB & THDCIL on 16th Jan-2019, ₹ 25.4 Cr. have been deposited with RPKL by THDCIL as one time upfront development charges of Solar Park.
- Work of 50 MW (AC) Solar PV Power Plant has been awarded to M/s Tata Power Solar System Limited on 8th Aug-19 for "Design, Engineering, Procurement & Supply, Construction & erection, Testing, Commissioning and Comprehensive Operation & Maintenance (O&M) for 10 year".
- Your Company has also started exploring the opportunities in Ultra Mega Solar Parks. Already the state of UP has been allotted to THDC for the development of Solar Parks . An SPV with UPNEDA shall be formed for this purpose.

Khurja Super Thermal Power Project (1320 MW):

- Investment approval for 1320 MW Khurja STPP

and Amelia Coal Mine in District Singrauli, Madhya Pradesh amounting to ₹ 11,089.42 Cr. and ₹ 1587.16 Cr. (at Dec-17 PL) respectively has been accorded on 7th March-19. Hon'ble Prime Minister also laid foundation Stone on 9th March-19. Plant shall generate 9264 MU of energy at 85% PLF. Cost of power to be generated from this project is ₹ 3.61/ unit (levelised) and First year tariff is estimated as Rs. 3.90/unit.

- Out of 07 packages, work of "Steam Generator and associated packages" has been awarded to M/s L&T-MHPS Boilers Pvt. Ltd on 29th Aug-19 for an amount of INR 4087 Cr. The bids of "Turbine Generator and associated packages" for INR 1815 Cr. are under awarding process. Award of TG package is expected by Sep-19.
- Out of Balance 05 BoP packages, bids of Water System Package and Switchyard Package are under evaluation process. The tender for Coal, Limestone and Gypsum Handling Plant Package has been floated. While, Ash Dyke Package and Misc. Building and Other Packages are under tendering stage. All these packages are likely to be awarded in FY 2019-20.

Khurja Plant Site :

- For rail corridor, MoU for Detailed Engineering and Project Management Consultancy has been signed with RITES Ltd. on 14.05.19. SLAO Bulandshahr has issued the Notification to start Land Acquisition process has been issued on 25th April-19.
- Environmental Clearance has been accorded to the project on 30th March-17. In order to obtain NOC, "Consent to Establish" has been granted by SPCB on 13th Jun-18.
- **Hindrances in work:** UPSIDC while acquiring land in 1991-95, paid full compensation to villagers. In addition, THDCIL has Paid Ex-gratia payment @ ₹721/SqM in 2015-16 for more than 90% of land with undertaking by PAFs confirming to withdraw all cases pending in any Court, not to file any fresh case and allow peaceful possession of land. Despite of this, some villagers are sitting on Dharna and demanding unlawful demands. The investigation and infrastructure works being

carried out at site have been intermittently hindered and were completely stopped for last one year since 11th Jul-18. Further, disbursement of Ex-gratia to farmers and signing of lease deed is also held up due to court case filed by one PAF. Enormous efforts with intervention of MoP and GoUP were made to break the stalemate. Recently, Subsequent to the intervention by after apprising Hon'ble Chief Minister of GoUP on 10th July-19, the work could resume from 6th Aug-19 at site.

Amelia Coal block:

- In compliance to conditions of MoEF & CC, ₹157.56 Cr. has been deposited on 28th March-19 in CAMPA account of MoEF & CC against NPV, Compensatory afforestation and SMC charges for diversion of 843.76 Ha of forest land for coal Mining.
- Approval for 10 MVA power supply has been obtained on 18th Jun-19.
- Transfer of 178.13 Ha. Govt. Land of Coal Block area, Allotment of 53.13 Ha. Govt. land



An overview of Tehri Dam & Reservoir

for development of R&R site, declaration of revised award for 337.35 Ha. Private land and approval of R&R Policy is under process.

- MOU for diversion/shifting of existing 3 no.'s HT lines passing through the Amelia Coal Mine has been signed with PGCIL on 28th Mar-19 and ₹ 19.14 Cr. has been paid. Survey works for alignment of Conveyor Belt System for evacuation of coal has been completed by CMPDIL. NOC for Coal Evacuation Corridor of Amelia Coal mine is being obtained from Ministry of Coal for incorporating in Mining Plan being prepared by CMPDIL. However, approval of revised peak rating capacity has been obtained from Ministry of Coal.

PROJECTS UNDER SURVEY AND INVESTIGATION:

Development of projects in Bhutan

A. Sankosh HEP Complex (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 (8 X 312.5) with energy generation of 5949.05 MU and a Regulating dam on the downstream of Main Dam with installed capacity of 85 MW (3 X 28.33) with energy generation of 416.34 MU.
- First round discussions on the implementation of Sankosh Project was held in Thimphu, Bhutan between RGoB and Gol on 19th Sep-18. Detailed presentation on the optimized DPR of Sankosh HEP and highlighted the studies carried out for optimizing the viability of the project. RGoB agreed on the modified IG model for more efficient and effective management for the implementation of Sankosh Project.
- The Department of Hydropower & Power Systems (DHPS) of RGoB has initiated processing the Environmental Clearance (EC) of the Sankosh HEP. In the direction, field visit

of Project area from 22.01.2019 to 25.01.2019 was made with DHPS and RGoB officials to physically show locations of all quarries, Residential Colonies, muck dumping areas, and other point of interest as desired by RGoB officials.

- For implementation of Sankosh HEP, discussions on E-Flow conditions in downstream river and flood moderation system & its benefits in downstream area in MoP on 29.04.19 and subsequently discussions on other related issues, i.e; provision of free powers in Bhutan, tariff viability, e-flow requirement for Indian rivers, inundation mapping etc. were held in MEA on 8th May-19.
- A brief Note on Sankosh HEP (2585 MW) in respect of environmental effect on downstream of Regulating dam (Indian side) has been submitted to MoP on 20th June-19.
- A meeting was held on 5th July-19 at New Delhi between MoP, MEA, THDC and officials of RGoB on the implementation module of Sankosh HEP, Bhutan. Accordingly, hard cost of Sankosh HEP has been updated at April-19 PL and submitted to CEA on 8th July-19.
- THDC is awaiting for the directions from Gol on this matter.

B. Bunakha HEP (3 X 60 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. In Feb-14, Cabinet of Royal Govt. of Bhutan (RGoB) conveyed its approval for implementation of Bunakha HEP. The Inter-Governmental (IG) Agreement for implementation has been signed between Gol and RGoB in April-14.

As 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-15 PL and vetted by CEA. Formation of JV with Bhutanese PSU for implementation of Bhunakha HEP, Bhutan had been under discussion with MoP, Gol and RGoB. THDC is awaiting for the directions from Gol on this matter.

DAM SAFETY 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 is part of the Dam safety programme 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.

Condition Monitoring of EM Equipment of Tehri HPP & 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 since 2011-12. In F.Y. 2018-19, Condition monitoring work of EM-equipment of Tehri HPP and Koteshwar HEP was conducted and test results have confirmed the healthiness of equipment.

Safety Audit

External and internal safety audits of all projects are being conducted to identify the area for

improvement and deviation from standards i.e. applicable statutory Acts, CEA 2011, B&OCW Act 1996, Factory Act, 1948, OSHAS 18001:2007, IS 14489:1998 and THDCIL SHE manual and other applicable Act as per project safety requirements.

RESERVOIR OPERATION & FLOOD MITIGATION MEASURES IN THDCIL

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.

REHABILITATION & RESETTLEMENT:

Your company has always been committed to take up the Rehabilitation & Resettlement 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.



An overview of Koteshwar Dam & Reservoir

The overall directions & control of implementation lies with the R&R Administration . THDCIL assists the Administrator in all R&R related activities with assistance of NGO who acts as interface between THDCIL & Project Affected Communities. The World Bank from time to time oversees the process of implementation of RAP. An independent agency also undertakes Monitoring & Evaluation on periodic basis to ensure smooth implementation of RAP. It also evaluates whether the outcome of the R & R Policy / RAP objectives are being achieved with respect to those who have physically resettled, re-establishing their income, lost their land, reconstructed common property resources etc.

THDCIL is also committed to compensate the damages occurred due to fluctuation of water level in reservoir on the higher level (above 850 mtr. on rim of reservoir). Damaged areas are identified by a committee of geologist formed by state govt. Damages are calculated by Rehab. Directorate. So far fund of ₹ 22.50 Cr has been released to state govt. to compensate damages occurred due to reservoir on the recommendation

of above committee.

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.

ENGINEERING CONSULTANCY

THDC India Limited has extended its professional expertise to Gol , State Govt. & other government & statutory bodies by providing complete engineering solutions in the field of hydro, water resource projects & landslide stabilization. THDCIL has entered in to various MoUs in the field of consultancy in Design & Engineering services. THDCIL has also prepared “Detailed Project Reports for two Hydro Electric Projects in Bhutan”, more than 50 DPRs for “Landslide protection/ treatment works” in India. THDC has successfully completed the stabilization works of Varunavat Parvat landslide in Uttarakhand about 20 locations of state PWD roads in parts of Uttarakhand and various locations on the tracks of Mata Vaishno Devi, Katra (J&K).

Following are the status of various assignments of slope stabilization being done by THDCIL:

1. THDCIL had signed MOU with Design and Engineering measures for stabilization of vulnerable zones between Katra and Shri Mata Vaishno Deviji Shrine. Out of the 33 identified prone locations, twelve (12) locations have already been treated during 1st & 2nd Phases after Topographical, geological investigations and designing of engineering measures. In March '2016 a landslide occurred near Bhawan area that damaged the approach track of holy cave and Bhawan. Design Deptt. (THDCIL) has visited site and subsequently issued construction drawings for treatment of damaged slope and track. Stabilisation of this location has also been successfully achieved. For the balance 21 site locations DPR shall be prepared in further two phases.
2. THDCIL is engaged in Engineering consultancy for the Stabilization of Chronic Slide Zones on 20 various Road locations in the Uttarakhand. Out of twenty identified chronic slides to be treated, detailed project reports for all 20 locations have already been submitted. Out of the 20 submitted DPRs, protection/ treatment works at 11 locations have already been successfully completed for which construction drawings were issued by Design Deptt. of THDCIL and work for balance 9 locations are in various stages of tender & award.
3. THDCIL is engaged in Engineering consultancy for the Stabilization of Chronic Slip zone on slope adjoining Rajbhawan, Nainital for immediate measures (Phase-I), and comprehensive scheme (Phase-II). Protection/ treatment works of Chronic Slip zone on slope adjoining Rajbhawan, Nainital for immediate measures (Phase-I) was awarded & successfully completed. DPR for comprehensive scheme (Phase-II) has been submitted to PWD, Nainital for approval of the State Govt.

4. Prepared Detailed Project Report for protection/ treatment and Slope Stabilization works Near Holy Cave for Shri Amarnathji Shrine Board, Srinagar, J&K. After topographical survey and geotechnical investigations, engineering measures were designed and accordingly DPR submitted in Dec. 2017.
5. THDCIL is engaged in Engineering consultancy for Vetting of the Slope Stabilization DPRs for 5 Locations submitted by M/s WAPCOS to the Government of Uttarakhand. Technical Vetting of all the 5 DPRs for locations i.e. KM-32 Kakragarh, Km-8 (Kalimath), KM-2&3, Km-78 (Gaurikund), and Purnagiri Temple were submitted to PIU (Program Implementation Unit) after THDCs comments and necessary compliance from WAPCOS Ltd.
6. Tambakhani Landslide Zone - Design scheme for long term stability measures, tender drawings, technical specifications, Bill of Quantities and cost estimates for Tambakhani Chute treatment were submitted. Various construction drawings have been issued by Design Deptt. Of THDCIL. Construction work is in progress.

RESEARCH AND DEVELOPMENT

THDCIL has established a full-fledged Research and Development Centre at Rishikesh. Presently various R&D projects like Earth quake monitoring stations established around Tehri Region, Condition Monitoring of EM equipment of Tehri & KHEP, Expansion & updation of Micro Seismic Network around Tehri region, Comprehensive solutions for slope stability of road between Zero bridge to Koteshwar and Setting up of satellite based real time inflow forecasting system for catchment area of Tehri Reservoir etc are being carried out by R&D Department in association with other reputed institutions.

In addition to above ongoing projects, following R&D projects have been completed during the financial year 2018-19:



Coffer Dam of Vishnugad Pipalkoti HEP (444 MW), completed on 31.07.2019

1. **“Vibration Data Analysis of Rotary Machines and auxiliaries for Tehri and Koteshwar”** is aimed at to analyze the vibration data, diagnose them to detect the root cause, check the severity in vibration level, determine run-time to failure of these rotating components and finally determine the preventive measure or design the vibration controller for safe operation.
2. An **Early Warning System** consisting of controls rooms at Koteshwar dam and State

Emergency Operation Centre, Dehra Dun and Warning sirens at 8 locations in the downstream of Koteshwar dam for dissemination of warning in case of release of water from Tehri / Koteshwar dam has been established in association with DMMC, Dehra Dun. Early warning System has been commissioned in December 2017 and is in operation presently.

3. **“Development of Self compacting concrete (SCC) for various hydro power structures”**, has also been completed. SCC is very useful



Top view of Unit 1- Dhukwan SHEP

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.

Technical research papers have also been written and published/presented in different technical journals/conferences during the year. Based on in-house R&D activities, one technical paper **“Numerical Modeling and Reverse Analysis Method for Optimal Design of PAC & BVC of Tehri HPP”** has been published/ presented in the international conference Eurock 2018 held at St. Petersburg, Russia. Besides this, based on the outcome of R&D projects being executed in collaboration with expert agencies, 02 technical papers have also been published in various Journals and Conferences during the year.

During the year 2018-19 an expenditure of ₹ 43.30 Million was incurred on various R&D projects which is 0.56% against the minimum 0.5% of the PAT for the year 2017-18.

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 SHEP) 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.

Till 31.03.19, project wise details for vendor approval, QAP and inspections are mentioned below:

| Project | Sub-vendors | Manufacturing quality plans | Pre-dispatch inspections |
|-------------|-------------|-----------------------------|--------------------------|
| Tehri-PSP | 661 | 91 | 245 |
| VPHEP | 1628 | 36 | 74 |
| Dhukwan HEP | 226 | 100 | 54 |

Your company has obtained following management system certifications till the financial year 2018-19:

- Corporate Office, Rishikesh, Tehri HPP, PSP, KHEP Koteswar, 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 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., Gurugram 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. up to 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:

As major Hydro projects are in Himalayan region, thus subjected to Geographical location specific risks. The Company has adapted Risk Management Manual duly approved by the Board. The Manual intends to maintain a uniform & structured Risk Management System in the company at various Power Projects at different stages of implementation.

Risk Management Committee is in place, comprising of members from Project Site as Risk Officer, Project Finance and Corporate Design (Civil & HM) Deptt. for each ongoing construction project and nominated an executive as Corporate Risk Management Officer to monitor the Risk Management Plans being implemented at on-going 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



Sh. A.K. Bhalla, Former Secretary(Power), GoI with Sh. D.V. Singh, CMD, THDCIL on his visit to Dhukwan SHEP (24 MW)

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 based and are being accessed over internet from all locations viz. Corporate Office, Regional offices, Projects, and Power stations. All locations have dual high speed 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 recent past, the following value additions were achieved;

- 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 .
- The FMS application Software was already made Indian Accounting Standard (Ind-AS) compliant. Further the software is continuously upgraded with new feature.
- Development of application software for online submittal of “Quarterly Vigilance clearance reports of executives of E8 and above”.
- Implementation of Online PMS for executives up to E7 level and also for E8 and E9.
- 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 has successfully



Sh. D.V. Singh, CMD, THDCIL receiving Second Prize of 'Rajbhasha Kirti Award' for the year 2018-19 from Hon'ble Union Home Minister Sh. Amit Shah

implemented e-OFFICE (DEVELOPED BY NIC). It will reduce the turnaround time / processing delays and shall establish transparency and accountability. The software has been deployed at NIC could and also training has been provided.

- To secure the IT system and software applications, regular audit of software application and IT infrastructure are being audited by CERT-In empanelled Security Auditors and also cyber security awareness workshops are conducted regularly to sensitize employees about cyber security. A session on Cyber security has been organized for new graduate engineer trainee to make them aware of the various aspect of Cyber Security.
- The online Annual Property Return (APR) system has been developed in the HRMS software and implemented. The APR for year ending 2018 has been submitted online.
- The Company has well established multi-point Video Conferencing system for conducting VC among the different project offices and Corporate office.

- Most of the employees have also been provided the desktops with latest operating system.
- The new software module in HRMS for Talent management and Exit procedure has been developed and implemented.

AWARDS AND RECOGNITIONS

Your Company has been recognized and appreciated by the Govt. of India and other prestigious organizations & institutions in the form of various awards/accolades in various categories from time to time. THDC endeavors for an all-round growth and the same is reflected in the following of awards and achievements.

- The Company has received CSR Innovation & Leadership Award 2019 by PHD Chamber, New Delhi on 01.04.2019.
- THDCIL has received an award for implementation of Telemedicine Initiative of SEWA-THDC in Tehri District.
- THDCIL has also been conferred with "Award for Social Media for PR & Branding" by Public Relations Society on India (PRSI) at its 43rd All India Public Relations Conference held

at Dehradun w.e.f. 08 to 10 Dec. 2018. The award was presented by Sh. Trivendra Singh Rawat Hon'ble Chief Minister of Uttarakhand to Sh. Vijay Goel, Director (Personnel) on 08.12.2018.

- THDC India Limited was awarded with "CBIP Award 2019" for Best Performing Utility in Hydro Power Sector. The award was presented by Sh. R.K. Singh, Hon'ble Minister of State (IC)(Power, New & Renewable Energy) to Sh.H.L Arora, Ex-Director(Technical) and current Director (Technical) Sh. R. K. Vishnoi on 04.01.2019.
- THDC India Limited (THDCIL) has been conferred with "Rajbhasha Kirti Award (Second)" for its outstanding contribution in the field of promotion of official language (Hindi) in the financial year 2018-19. THDCIL has been conferred with this award in the segment of PSUs and in the category "A" region in terms of Rajbhasha Implementation. Hon'ble Union Minister for Home Affairs, Govt. Of India, Sh. Amit Shah conferred this honor to Sh. D.V. Singh, CMD, THDCIL in the presence of MoS(Home), Govt. of India Sh. Nityanand Rai, Secretary(Rajbhasha), Gol Ms. Anuradha Mishra and on behalf of THDCIL Sh. Vijay Goel, Director(Personnel) and other officers were also present .

HUMAN RESOURCE MANAGEMENT

The most valuable asset on which any company banks upon is its precious Human Resource. Human Resource plays a vital role in providing cutting edge to company, accomplishment of Organizational targets, carrying on strategic planning to create brand image of the company. Your company firmly believes that people are a key resource and endeavors to enable its employees to deliver on business requirements while meeting their career aspirations. Organizational development in your Company has the focus on fostering a successful system that maximizes utilization of Human Resources, as well as optimizes other resources as part of larger

business strategies. Your company has a human capital of 1891 as on 31.03.2019 comprising of 858 Executives, 103 Supervisors, 930 Workmen. Your Company takes pride in its highly motivated and competent human resource that has contributed its best to bring the Company to its present heights.

TRAINING AND DEVELOPMENT

Your Company's endeavor is to unleash the potentials of its employees through strategic HRD interventions by aligning with the business. Your company has organized 49 In-house dedicated training on Technical, Managerial & Behavioral domains besides, external floated nominations for 6371 Training Man-days which is 59% more than the target.

Your company achieved "Excellent" rating in accomplishing the MOU target of "Assessment of Level in line with People Capability Maturity Model. Your company has been adjudged and certified as Level 3 in PCMM and has opted for going to Level 4 certification.

Some of the significant training programs organized during the year are:- 13 Weeks O&M Training, Women Empowerment Program, Transformation Leadership, Sensitization on CSR, Sustainability & Communication Strategies, Experience Sharing Program for Transferring the knowledge to younger Generation, Refresher Course On Land Acquisition Act, Vibration Analysis & Conditioning Monitoring of instrument, ISO Lead Auditor Course, Safety Awareness Program, Primavera training etc.

In addition to this officers have been sponsored for Technical/Managerial programs in various reputed Institutes viz. IIMs, IITs, IICA, ASCI, etc. in India and Abroad.

With a view to improve the work culture & increase mental and physical wellness and increase happiness quotient and enthuse positivity amongst the employees, number of Motivational programs have also been organized through renowned Motivational Speakers at various



Celebration of Republic Day-2019

locations of THDCIL.

During the year 2018-19 your company has inducted 48 Engineers Trainees (ETs) & 12 nos. JETs in various disciplines. A robust roadmap for new inductees have been devised for smooth on-boarding in the company, so that they become productive and efficient members of the organization.

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. Your company also won prestigious Exceed HR Gold Award 2018 Award for Training Excellence which was presented by Shri Harak Singh Rawat, Hon'ble Cabinet Minister for Minister of Forest and Wildlife, Environment and Solid waste, Labour & Employment, Government of Uttarakhand.

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 other's 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 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 the teams of THDCIL bagged 01 par Excellence and 04 Excellence awards in the National Quality Circle meet 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 won medals in several sports events organized under the aegis of ICPSU including Badminton where Women Team bagged 1st prize. 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 organized for promoting healthy community living. Various festivals like Diwali, Holi, Durga Puja, New Year, Raising Day etc. are celebrated collectively by organizing cultural activities etc.

Trained and qualified Yoga instructors have been deputed for imparting continuous yoga training to employees and their families. 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 an additional feature 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 on implementation of reservation policy on Direct Recruitment, promotion etc. for SC/ST and Physically challenged candidates. Your company implemented Govt. guidelines on welfare of SC/ST personnel and redressal of their grievances in letter and spirits. Continuous Efforts are made to fill up backlog vacancies through the process of internal promotion & recruitment through Special recruitment drive. Your Company recruited 05 Nos. candidates from SC category in Group-C and 06 Nos. candidates from SC Category in Group -A, 03 Nos. candidates in ST category & 14 Nos. candidates from OBC category including 01 No. specially abled (OH-category) in Group-A through open advertisement.

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 differently abled by following the guidelines laid down under Sugamya Bharat Abhiyan. Your company has been nominating employees belonging to Physically Handicapped category to attend special training programmes. Your company has nominated Liaison Officers to

identify the issues pertaining to differently abled employees and implementation of various welfare activities for them.

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.

During the year 22 numbers of workshops were organized by Rajbhasa section 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 articles/write-ups for in-house magazines, participating in events organized throughout the year including Hindi Pakhwada.

Your Company has established one of the best Hindi libraries at Corporate Centre along with other Hindi Libraries at various establishments of the Company, where popular/literary Magazines

and News Papers 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. Corporate Office, Rishikesh was conferred the 1st prize for the year 2018-19 under the Rajbhasha Vajyanti Scheme of TOLIC.

Hindi “Hasya Kavi Sammelan” was organized during the year 2018 at Corporate and Units. Special Kavi Sammelan was organized on the occasion of 150th birth centenary of Father of the Nation Mahatma Gandhi. Hindi house journal “PAHAL” is being published.

“THINK GREEN, GO GREEN’ INITIATIVE”

The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered email addresses, besides sending the same in physical form.

As a responsible Corporate Citizen, the Company has actively supported the implementation of ‘Green Initiative’ of Ministry of Corporate Affairs (MCA) and effected electronic delivery of Notices and Annual Reports to shareholders. The copy of annual report is also being sent electronically to all stakeholders the company.

Your company has also started Paperless Board in organization since 2016. All the agendas of Board and Board Level Committee Meetings are sent through Digital Mode to all the Directors which reduced the consumption of paper immensely.

Further, in order to start paperless working in the organization in line with Govt. of India Initiatives

‘E-OFFICE’ is introduced in 2019 for inter communication between departments of THDCIL.

RIGHT TO INFORMATION ACT, 2005

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

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

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 2018-19, total 136 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 12 appeals have been received by First Appellate Authority, all the appeals have been disposed off by the Appellate Authority. Besides, during the year 2018-19, 02 appeals were filed before Central Information Commission (CIC), New Delhi and the same were disposed off by the Commission.

WOMEN EMPLOYEE WELFARE

Your Company formed “Internal Complaints Committees” as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 reflecting its commitment to provide a safe and caring environment to female employees. Your company has also constituted WIPS (Women in Public Sector) committee and is a life time member of WIPS. Your company has nominated members of WIPS to attend National conferences. Several training programmes, health and wellness workshops were organized for women employees.

During the financial year 2018-19, the Company did not receive any complaint of Sexual Harassment.

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 of during F.Y.2018-19 are:

Company has developed active and diverse Social Media Assets viz. Verified Facebook Page, You Tube Channel, Instagram Page, 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 also started a new initiative of VOICE CALL SERVICE for communicating important information to employees

Your Company has been conferred with “Award for Social Media for PR & Branding” by Public Relations Society on India (PRSI) at its 43rd All India Public Relations Conference held at Dehradun w.e.f. 08 to 10 Dec. 2018. The award was presented by Sh. Trivendra Singh Rawat Hon’ble Chief Minister of Uttarakhand to Sh. Vijay Goel, Director (Personnel).

Your company has engaged M/s Perfect Relations Private Limited, Delhi for Consultancy Services as Media Consultant for Development & Implementation of Communication Strategy. The Contract successfully completed on 02.11.2018 within the stipulated time framed. World Bank appreciated the role of Communication Team of THDCIL for successful execution of this World Bank Mandate.

Your company organized various workshops viz. Media Workshop for CMD and Directors as well as key Executives of the Corporation. CSR

and Community Outreach Workshop for CSR & PR Personnel under Capacity Building and Institutional Strengthening (CBIS).

Your company convened Media Round Table wherein the achievements of the Corporation were shared with Media Personnel. Your Company also played an important role in wider publicity of major flagship programmes of Govt. of India

Your corporation is a true practitioner of innovative & diversified means of engagement for stakeholders outreach. The key areas of productive interventions of Team Corporate Communication during F.Y. 2018-19 are as under:-

- 1. Community Outreach:-** Director (Technical) and Director(Personnel) convened a Media Round Table at Rishikesh on 06.12.2018 wherein they shared the achievements of the Corporation with Media Personnel. Team Corporate Communication @THDCIL also played an important role in wider publicity of major flagship programmes of Govt. of India
- 2. Outline Interview series:** Corporate communication department has initiated Outline interview series “Aaj ki mulakat aap ke saath/Let’s Talk.
- 3. Visual Content:-** Team Corporate Communications aims to increase the Visual Content. More than 12 videos on an average of 01 video per month related to THDC Achievements, CSR Interventions, Welfare Initiatives etc. has been made In-House and uploaded on THDCIL Official You Tube Channel.
- 4. Publications:-** Corporate Communication brought out following publications :-
 - 04 Quarterly issues of House Journal ‘Gangavataranam’,
 - Rehabilitation and Resettlement-Tehri Dam and Other Hydro Projects
 - THDC Hydro-Tech.,
 - Bilingual THDC Profile and Brochures.



Celebration of 32nd Foundation Day

- Book on R&R of Tehri Dam and other Hydro Projects

VIGILANCE ACTIVITIES:

Vigilance division has adopted Preventive and Pro-active approach to create incorruptibility in the functional areas. The strategy of preventive vigilance is drawn and implemented for an environment of integrity and to add values to the system for increasing transparency and accountability. The approach of preventive vigilance includes a combination of measures like the review of rules & policies, particularly concerning procurement and recruitment, awareness measures and focusing on specific functional areas.

As part of Preventive Vigilance, CTE Type / Regular Checks/Surprise Inspection have been conducted. Systems are being streamlined in consultation with respective department to bring transparency and curb possibilities of corruption.

- The time schedule laid down by the Central Vigilance Commission for conducting enquiries and investigation was by and large adhered to.
- Agreed list in consultation with CMD and HoB (CBI) Dehra Dun, for the year has been reviewed and finalized. List of Officers of Doubtful Integrity for the Year has also been finalized.
- Systemic corrections are being raised and intimated to concerned officials for taking suitable action, as when noted.
- E-governance :
 - Online complaint system a major step to extend transparency has been developed and deployed. Vigilance MIS system and Grievance Tracking System (GTS) through URL <http://www.thdc.co.in> are in operation from March 2015.

- In compliance to the MoU between MoP & THDCIL, link for Online Quarterly Vigilance Clearance updation for Senior Executives (AGM and above) has been developed & deployed in THDCIL.
- E-payment practice has been introduced. 100% contractual payments are being made electronically. Conditions are accordingly being put in tender documents.
- Online submission of Annual Property Return is being done by the employees.

Systemic Improvement:- During the course of inquiry/investigation certain issues come to notice. These issues could have been avoided, had the concern executive taken a more careful/transparent decision. Such issues/matters are brought to the notice of all concerns as a Systemic Improvement, so that mistakes are not repeated in future. It is a continuous and ongoing process.

Vigilance Awareness Week, 2018:- Vigilance Awareness Week- 2018 was from 29.10.2018 to 03.11.2018 with the theme for the year specified by CVC "Eradicate Corruption-Build a New India. On the occasion, the Vigilance department published a Booklet on *Do's and Don'ts* &

Systemic Improvements, to create awareness amongst the officials. Posters / Banners on Anti-Corruption, Resolution of Govt. of India on PIDPI guidelines relating to whistle blower mechanism 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 during the Vigilance Awareness Week.

PROCUREMENT FROM MICRO & SMALL ENTERPRISES

During the financial year 2018-19 THDC has procured goods and services from MSEs constituting 36.27 % 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 2018-19 as required to be disclosed under Micro, Small and Medium Enterprises Development Act ,2006 is as under:

| Sl. No | Particular | Figures (₹ in Cr.) year 2018-19 |
|--------|--|------------------------------------|
| I | Total Annual procurement (in value)* | 26.3411 |
| II | Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs). | 9.5537% |
| III | Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs. | 0.0489 |
| IV | % of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement | 36.27% |
| V | % of procurement from MSEs owned by SC/ST entrepreneurs out of total procurement | 0.19% |
| 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.



Release of Handbooks namely (i) Handbook on Contract Labour Management -2nd Edition and (ii) Handbook on Disciplinary Procedure by Sh. Vijay Goel, Director(Personnel) at Sustainable Livelihood & Community Development Centre, THDCIL, Rishikesh

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 benefits 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 2018-19, 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 is 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 2018-19 total expenditure on CSR activities incurred by SEWA is ₹ 17.52 Cr which is more than 2% of net average profit of last three years. Out of total expenditure THDCIL's contribution is of ₹ 17.35 Lakh.

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 a 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**. This report is based on revised principles as per **National Guidelines on Responsible Business Conduct (NGRBC)**. The NGRBC has been designed to assist businesses to ensure transparency by making voluntary disclosures.

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**. It can be accessed on Company's website at following URL <https://thdc.co.in/sites/default/files/AnnualReport2017-18English.pdf>

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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company 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.

STATUTORY DISCLOSURES

There was no change in the nature of business of the Company during the financial year 2018-19.

- The Company has not accepted any public deposits during the financial year 2018-19.
- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- Information on composition, terms of reference and number of meetings of the Board & its Committees held during the year, establishment of vigil mechanism/whistle blower policy and web-links for familiarization/training policy of Directors, Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and Policy for determining Material Subsidiaries, Compensation to Key Managerial Personnel, Sitting fees to Independent Directors, etc. have been provided in the Report on Corporate Governance, prepared in compliance of provisions of SEBI (LODR) Regulations, 2015, as amended from time to time, which forms part of the Annual Report.
- Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given or securities provided by a company engaged in the business of financing of companies or of

providing infrastructural facilities in the ordinary course of its business are not applicable to the Company, hence no disclosure is required to be made.

- Since the provisions of Section 197 of the Companies Act, 2013 and Rules made there under, related to Managerial Remuneration, are not applicable to Government Companies, no disclosure is required to be made.
- There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year i.e. March 31, 2019 and the date of this report.
- The Company has not issued any stock options to the Directors or any employee of the Company.
- The details related to vigilance cases, replies to audit objections and RTI matters, etc. are duly incorporated in this report.

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 2018-19

MAINTENANCE OF COST RECORDS

Your Company is maintaining cost records under Companies (Cost Records and Audit) Rules, 2014, read with Companies (Cost Records and Audit) Amendment Rules, 2014 as prescribed by the Central Government under Section 148 of the Companies Act, 2013.

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 a 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) /722 Dated 16/08/2018 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 Auditor is enclosed

Management Comments on the Statutory Auditor's report

The Statutory Auditors of the Company have given an unqualified report on the Accounts of the Company for the financial year 2018-19. 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)(b) of the Companies Act, 2013 on the Accounts of the Company for the year ended March 31, 2017 are enclosed.

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. M/s K G Goel & Associates and M/s K B Saxena & Associates are appointed at a remuneration of ₹ 60,000 whereas M/s S.C Mohanty & Associates, Cost & Management Accountants, New Delhi is appointed at a remuneration of ₹ 50,000 to conduct the Audit of Cost Accounting Records for Tehri Unit, Koteshwar Unit and wind power projects respectively for the Financial Year 2018-19 under Section 148 of the Companies Act, 2013. Out of the above appointed Cost Auditors, M/s K G Goel & Associates, Cost & Management

Accountants, New Delhi is lead Cost Auditor.

The Cost Auditor has not given any reservations or Qualifications in his Report for the F.Y 2018-19.

Secretarial Audit

Secretarial Audit for the FY 2018-19 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) |
| A-268, 1 ST Floor, Bhishma Pitamah Marg, Defence Colony, New Delhi-110024. |

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 : 27.09.2019

Place : New Delhi

REPORT ON CORPORATE GOVERNANCE



REPORT ON CORPORATE GOVERNANCE

To

The Members

Corporate Governance is about promoting Fairness, Transparency and Accountability in best interest of various stakeholders 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 2018-19. 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' by DPE for Compliance with Guidelines on Corporate Governance for the year 2018-19.

1. 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 conform and adhere to all the relevant and applicable laws, 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 2018-19 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.

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 Director 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 tenure of three years.

2.4 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.

APPOINTMENT AND CESSATION OF DIRECTORSHIPS DURING THE YEAR 2018-19

| | | |
|---|---|------------|
| Shri T. Venkatesh, GoUP Nominee Director | Appointment | 14.05.2018 |
| Shri D.V. Singh, Additional charge of Director (Finance) | Additional Charge of Director (Finance) | 01.09.2018 |
| Shri Bachi Singh Rawat, | Reappointment | 22.12.2018 |
| Shri Mohan Singh Rawat, | Reappointment | 22.12.2018 |
| Prof. Maharaj K. Pandit, | Reappointment | 22.12.2018 |

2.5 BOARD MEETINGS AND ATTENDANCE

Six Board Meetings were held during the financial year 2018-19. 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 2018-19

| Sr.No. | Date of Board Meetings | Strength of Board | No. of Directors Present |
|--------|------------------------|-------------------|--------------------------|
| 1. | May 15, 2018 | 8 | 8 |
| 2. | August 10, 2018 | 9 | 8 |
| 3. | September 28, 2018 | 8 | 7 |
| 4. | November 13, 2018 | 8 | 7 |
| 5. | February 27, 2019 | 8 | 7 |
| 6. | March 15, 2019 | 8 | 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 2018-19 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 | Attend-ance at last AGM | Other Direc-torships held | Other Positions | |
|-----------------------------|---|--|-----------------------------------|-------------------------|---------------------------|-----------------|--------|
| | | | | | | Chairman | Member |
| FUNCTIONAL DIRECTORS | | | | | | | |
| 1. | Shri D.V.Singh (Chairman & Managing Director) with Additional charge of Director(Finance) | 6 | 6 | Attended | - | - | - |
| 2. | Shri Sridhar Patra Director (Finance)(Up to 31.08.2018) | 2 | 2 | Not Director During AGM | - | - | - |

| | | | | | | | |
|-------------------------------------|---|---|---|-----------------|---|---|---|
| 3. | H.L. Arora Director (Technical (w.e.f. 22.12.2017) (upto 31.08.2019) | 6 | 6 | Attended | - | - | - |
| 4. | Vijay Goel Director (Personnel) | 6 | 6 | Attended | - | - | - |
| GOVERNMENT NOMINEE DIRECTORS | | | | | | | |
| 5. | Shri Raj Pal (w.e.f 30.08.2017) | 6 | 6 | Attended | 2 | - | - |
| 6. | Shri T. Venkatesh (w.e.f 14.05.2018) | 5 | 0 | Not Attended | - | - | - |
| INDEPENDENT DIRECTORS | | | | | | | |
| 7. | Shri Bachi Singh Rawat | 6 | 5 | Attended | - | - | - |
| 8. | Shri Mohan Singh Rawat | 6 | 6 | Attended | - | - | - |
| 9. | Prof. Maharaj K. Pandit | 6 | 6 | Attended | - | - | - |

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 2018-19 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 Meetings | Audit Committee Meetings | Remuneration Committee Meetings | CSR & Sustainability Development Committee Meetings | |
| Shri Bachi Singh Rawat | 1,00,000 | 80,000 | 60,000 | 20,000 | 2,60,000 |
| Shri Mohan Singh Rawat | 1,20,000 | 80,000 | NIL | 20,000 | 2,20,000 |
| Prof. Maharaj K.Pandit | 1,20,000 | 80,000 | 40,000 | NIL | 2,40,000 |

Details of remuneration of Whole-time Functional Directors, Chief Financial Officer and Company Secretary of the company paid for F.Y. 2018-19 are given below:

Table 4: Remuneration of Whole-time Directors and Key Managerial Personnel
(Amount in ₹)

| Name of Directors | Designation | Salary & Allowances | Bonus/ Commission * | Performance Related Pay (PRP) | Gross Total |
|-------------------------------------|---|---------------------|---------------------|-------------------------------|-------------|
| Sh. D.V.Singh | Chairman & Managing Director with Additional Charge of Director (Finance) | 4656569 | - | 3347855 | 8004424 |
| Sh. H.L. Arora (Upto 31.08.2019) | Director (Technical) | 6643752 | - | 1414980 | 8058732 |
| Sh.Vijay Goel | Director (Personnel) | 4481674 | - | 1152369 | 5634043 |
| Sh. Sridhar Patra (Upto 31.08.2018) | Ex- Director (Finance) | 2431503 | - | 550349 | 2981852 |
| Sh. J. Behera | CFO | 3778175 | - | 996840 | 4775015 |
| Ms. Rashmi Sharma | Company Secretary | 1621508 | - | 335243 | 1956751 |

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). Accordingly THDCIL has designated following key managerial personnel.

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

2.8 BOARD MEETING PROCEDURES :

- 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.
- 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 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 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 along with 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 31.03.2019 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 | Director (Technical)-Member (Upto 31.08.2019) |

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 assure 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.

3.1.3 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.

3.1.4 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;

3.1.5 MEETINGS AND ATTENDANCE

Four Meetings of Audit Committee were held in the year 2018-19. Details of Meeting held are given in **Table 6**.

Table 6: Details of Audit Committee Meeting during the year 2018-19

| S. No. | Date of Audit Committee Meetings | Members Strength | No. of Members Present |
|--------|----------------------------------|------------------|------------------------|
| 1. | August 10, 2018 | 4 | 4 |
| 2. | September 28, 2018 | 4 | 4 |
| 3. | November 13, 2018 | 4 | 4 |
| 4. | February 27, 2019 | 4 | 4 |

The details of the meetings of Audit Committee attended by the members for the year 2018-19 are given in **Table 7**.

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

| S. No. | Name of Members of Audit Committee | No. of Meetings held during his tenure | No. of Meetings attended |
|--------|------------------------------------|--|--------------------------|
| 1. | Shri Bachi Singh Rawat | 4 | 4 |
| 2. | Shri Mohan Singh Rawat | 4 | 4 |
| 3. | Prof. Maharaj K. Pandit | 4 | 4 |
| 4. | Shri H.L. Arora | 4 | 4 |

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 Member |
|--------|-------------------------|-------------------------------|
| 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.

3.2.1 MEETINGS AND ATTENDANCE

Three meeting of the Remuneration Committee were held during the financial year 2018-19.

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 | 3 | 3 |
| 2. | Prof. Maharaj K. Pandit | Member | 3 | 2 |
| 3. | Shri Raj Pal | Member | 3 | 3 |

Director (Personnel) attended the meetings 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 2018-19 is given in **Table 10**:

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

| S.No. | Name of Members | Category of Members |
|-------|--------------------------------------|--------------------------------|
| 1. | Shri Mohan Singh Rawat | Independent Director- Chairman |
| 2. | Shri Bachi Singh Rawat | Independent Director- Member |
| 3. | Shri Sridhar Patra (upto 31.08.2018) | Functional Director- Member |
| 4. | Shri H.L. Arora | 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

One meetings of the CSR & Sustainability Committee were held in the FY 2018-19. Details of Meeting held are given in **Table 11**:

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

| Sr. No. | Date of CSR & Sustainability Committee meetings | Members Strength | No. of Members Present |
|---------|---|------------------|------------------------|
| 1. | August 10, 2018 | 4 | 4 |
| | | | |

Table 12: Details of CSR & Sustainability Committee meeting 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 | 1 | 1 |
| 2 | Shri. Bachi Singh Rawat | 1 | 1 |
| 3 | Shri Sridhar Patra (upto 31.08.2018) | 1 | 1 |
| 4 | Shri. H.L. Arora | 1 | 1 |

3.3.3 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 | 30 th Annual General Meeting held on 28 th September, 2018 | 29 th Annual General Meeting held on 20 th September, 2017 | 28 th Annual General Meeting held on 26 th September, 2016 |
|-------------------------|---|--|---|
| Time | 2:00 PM | 12:45 PM | 12:30 PM |
| Venue | THDC INDIA LIMITED, 1st Floor, East Tower, NBCC Place, Bhishma Pitamah Marg, New Delhi | THDC INDIA LIMITED, 1st Floor, East Tower, NBCC Place, Bhishma Pitamah Marg, New Delhi | THDC INDIA LIMITED, Rishikesh |
| Special Business | <ul style="list-style-type: none"> To fix Remuneration of Cost Auditors for the F.Y. 2018-19. To issue 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. 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. |

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 2018-19, 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 authority for non-compliance during the year.

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

5.4 PERFORMANCE EVALUATION OF BOARD MEMBERS:

Ministry of Corporate Affairs (MCA) vide General Circular dated 5th June, 2015 has exempted Government Companies from the provisions of Section 178 (2) which provides about manner of performance evaluation of Board of Directors, Committee of Board of Directors and Director by the Nomination & Remuneration Committee. The aforesaid circular of MCA further exempted listed Govt. Companies from provisions of Section 134(3) (p) which requires mentioning the manner of

formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case maybe, the State Government as per its own evaluation methodology. In this regard, Deptt. of Public Enterprise (DPE) has already laid down a mechanism for performance appraisal of all functional directors. DPE has also initiated evaluation of Independent Directors. It may also be noted that THDC enters into Memorandum of Understanding (MoU) with Government of India each year, containing key performance parameters for the company. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals. The internal MoU covers all operational and performance parameters like Plant Performance and Efficiency, Financial targets, Cost cutting targets, Environment, Welfare, Community development and any

other relevant factor. The performance of the Company is evaluated by the Department of Public Enterprise vis-à-vis. MoU entered into with the Government of India.

5.5 SEPARATE MEETINGS OF INDEPENDENT DIRECTORS:

THDCIL Board has three Independent Directors as on date. During the Financial Year 2018-19 one meeting of Independent Directors was held on February 27, 2019. In which all Independent Directors were present. Independent Directors discussed following items in the meeting

- To review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of Chairperson of the Company.
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board.

5.6 INFORMATION FOR INVESTORS

5.6.1 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 | Address: Exchange Plaza, Plot No. C/1, G Block, Bandra (East), Mumbai - 400051 |
| ISIN: INE812V07013 | ISIN: INE812V07013 |

The annual listing fee for the Financial Year 2018-19 has been paid to both Stock Exchanges before 31st July 2019.

5.6.2 REGISTRAR AND TRANSFER AGENTS

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

5.6.3 DEBENTURE TRUSTEE

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

5.6.4 INVESTOR GRIEVANCES:

During the Financial year ending 31st March 2019, the company has not received any investors' grievances.

5.6.5 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.

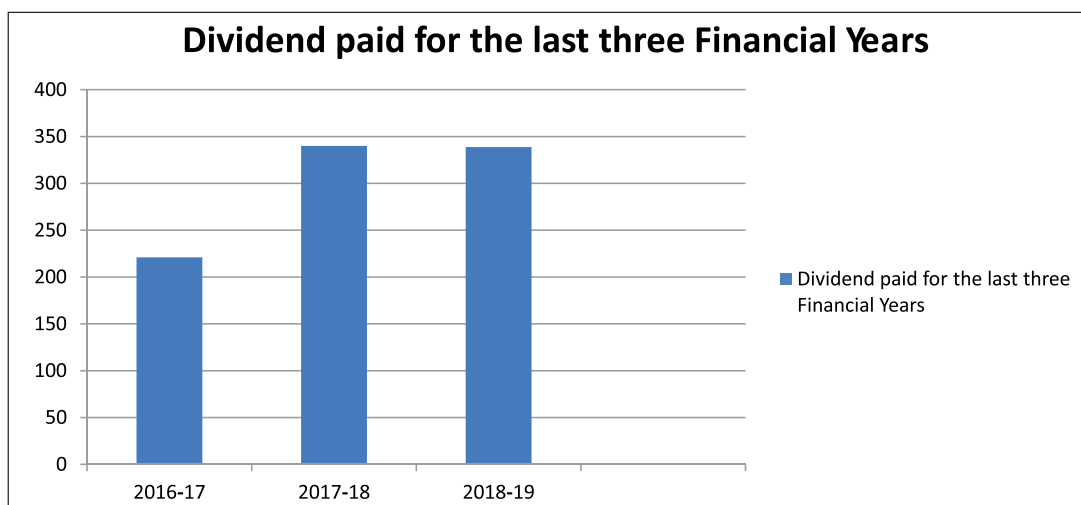
5.6.6 NAME AND DESIGNATION OF COMPLIANCE OFFICER

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

6. PAYMENT OF DIVIDEND :

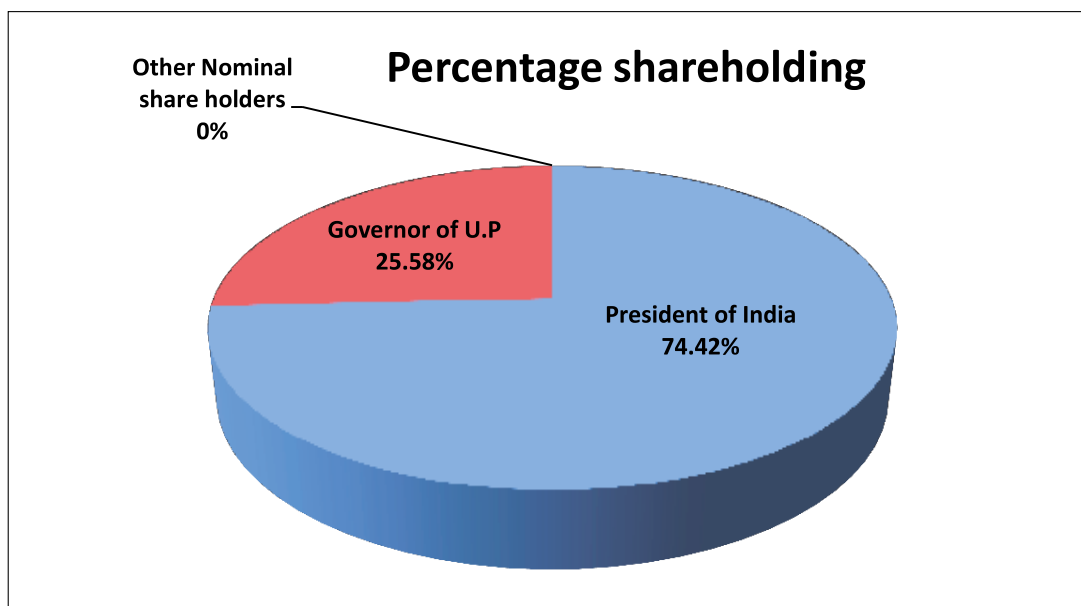
| Year | Total Amount of Dividend Paid for the Financial Year 2018-19 (in Crore) | Date of AGM in which dividend was declared |
|---------|---|---|
| 2016-17 | 221 | 20 th September 2017 |
| 2017-18 | 256.10 | 28 th September 2018 |
| 2018-19 | 423.12 | Interim Dividend |
| 2018-19 | 126.00 | Final Dividend, 27 th September 2019 |

*Includes ₹ 84.36 Cr. paid during the year 18-19 in compliance with DIPAM



SHAREHOLDING PATTERN :

| S.No. | Category | Total Shares | % To Equity |
|-------|-----------------------------|--------------|-------------|
| 1 | President of India | 27199417 | 74.42 |
| 2 | Governor of U.P | 9349400 | 25.58 |
| 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 have 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.
- Facilitate highest possible standards of ethical, moral and legal business conduct 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 employee 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 Company at various Power Projects at different stages of implementation. As per the Manual, the Risk Management Committee comprising of members from Project Finance, Planning, and 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 conduct 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 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 up to 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, 2019.'

(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 which forms part of this report .

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.co.in |
| For Public Grievances | Sh. R.N. Singh, GM(SP)/ Director of Public Grievances |
| Contact | 0120-2776490, Fax - 0120-2776433 |
| E-Mail | rnsingh@thdc.co.in |



P.S.R. MURTHY
PRACTICING COMPANY SECRETARY
C.P. 13090
CORPORATE GOVERNANCE CERTIFICATE FOR 2018-19

To,
The Members,
THDC India Limited
Tehri Garhwal,
Tehri – 249 001

I have examined the compliance conditions of Corporate Governance by **THDC India Limited (the "company")** CIN.U45203UR1988GOI009822 for the Financial Year 2018-19 in accordance with the provisions of the Companies Act 2013 read with Guidelines issued by the Department of Public Enterprises for Central Public Sector Undertakings in May 2010. THDC India Limited is listed for debt securities and is a Government of India Enterprise with equity participation from Government of India and Government of Uttar Pradesh.

1. 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.
2. In my opinion and to the best of my information and according to the explanations and assurance given to me, I certify that the Company generally complied with the conditions of Corporate Governance excepting the appointment of Women Director which is pending with the Administrative Ministry.
3. 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: 11th September 2019

CORPORATE SOCIAL RESPONSIBILITY REPORT





Initiative for Swachh 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. However, new rules/guidelines were followed during the gap period since April-2014.

On an average the yearly CSR budget based on the guidelines varies between ₹ 15 to 20 Cr.” 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)

The society is formed in 1992 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



Computer center at Nagni (Chamba), Tehri

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 & 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 and 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 are 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

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

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 be 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.

1. Overview of the CSR Projects undertaken during FY 2018-19

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 Vijay Goel,
Director (Personnel) : Member

Company Secretary is Secretary to the CSR Committee.

3. Average net profit of the company for the last three year : ₹ 867.58 Cr.
4. Prescribed CSR expenditure (i.e 2% of item 3 above) : ₹ 17.35 Cr.
5. Details of CSR spent during the financial year:
 - a. Total amount spent during the financial year : ₹ 17.52 Cr.
 - b. Amount unspent, if any : Nil
 - c. Manner in which the amount spent during the financial year : As per Appendix 1

6. In case the CSR spent is less than two percent of the average net profit of the last three financial years or any part thereof, reasons for not spending the amount shall be specified in the Board's report –

THDCIL has spent more than two percent of average net profit of the last three financial years on CSR activities hence no justification is required.

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

| | |
|--|----------------------------------|
| Sd/- (Chairman & Managing Director) | Sd/- (Chairman CSR Committee) |
|--|----------------------------------|

VARIOUS CSR ACTIVITIES DURING F.Y. 2018-19

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 citizen 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 & stationary, bus service etc. are being provided to students including Mid Day Meal under "Naivedyam" scheme. Yearly budget

for running of these schools is around ₹ 5.50 Cr. During the year students participated in different curricular activities i.e. debate, essay writing competition, cultural events and taking part in Swachh Bharat Aayan Mission.

Jr. High School Koteswarpuram

In addition to above, one English Medium Jr. High School is also being run at Koteswar, 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. During 2018-19, total 250 no. students have got education from this school.

- During the FY 2018-19, total 809 sets (three seater bench) of School furniture were provided to 28 schools of Tehri & Dehradun district for facilitate 2427 students at a costing of ₹ 35.00



Sh. D.V. Singh, CMD, THDCIL alongwith other Directors of THDCIL flagging off Ambulance to AIIMS, Rishikesh

Lakh. In addition to this, 11 schools of district Tehri and Dehradun were also provided with 13 no. water filters cum coolers.

- 17 nos. computer centres were also established by SEWA-THDC for skill development of unemployed youth and students at project affected and rehabilitation area in Tehri, Dehradun and Haridwar district. 06 months' computer training programme was organized in all centres and more than 690 youth and students were benefited from this programme in the year 2018-19.

THDC Daksh (Skill) - Livelihood Generation and Skill development initiatives

Various vocational trainings such as Hotel Management, ANM, ITI, Hospitality, Food Production, Fitter & Plumber, Welder, Electrical & Electronics, Excavator Operator, AC & Refrigerator etc. was provided to weaker section youth from Koteshwar and Tehri. Total 516 youth have so far been sponsored for different skill trainings including 145 youth were sponsored during FY 2018-19.

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, Pharmasist, 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 32 Multispeciality Medical Health Camps were organised in the FY 2018-19.
- To cater the specific health issues, multi specialty health camps are organized at various locations in convergence with expert agencies.
- By THDCIL, Bhagirathipuram Doctors: Total 12 camps in District Tehri. Total OPD- 2268 (Male 1029, Female- 1239).
- AIIMS, Rishikesh: In convergence with AIIMS, Rishikesh total 06 no. of health camps are organized in Tehri-2, Koteshwar-2 (Nov 18, March 19), Rishikesh-2 (Dec 18 & March 19). Total OPDs -1338 (FY 2018-19). One follow up awareness camp was also organized by AIIMS, Rishikesh at Rishikesh with 102 OPDs.
- Nirmal Eye Institute: In convergence mode Six eye specific camps are done in District Tehri up to March 2019. Total six camps organized at Chamiyala, Koteswar, Lamgaon, Nandgaon, Chinyalisaur and Kamand. Total OPDs- 1023 (M-521, Female- 502, Cataract surgeries- 202).
- Health Camp by Deengaon Dispensary: One camp was organised at village Gorsada in dist. Uttarkashi. Total OPDs registered were 265 (96 Male, 125 Female & 44 Children).
- Health Camps at Jolly Grant: Total three camps have been organized till March 2019. Total OPD registered -284.
- Singrauli, MP: Two medical camp were organized through "Mishra Polyclinic & Nursing Home" in Project affected village till March 2019. Total OPD were 680.
- It has been observed that MBBS doctors are not intersted to give the services in remote villages in hill areas. So keeping of view the above and to solve the problems of medical issues of Dam Affected Area, SEWA-THDC had started homeopathic dispensaries in several area through Swami Narayan Mission Society, Rishikesh. At present five homeopathic dispensaries are running, four at Galiyakhet, Dhontri, Koteshwar and Sisham Jhari in district Tehri and one at village Indranagar, Rishikesh, district Dehradun with free of cost medicine facility. These dispensaries collectively have

6,60,227 OPD since inception and 85221 OPDs during the FY 2018-19.

- THDCIL and Tehri Distt. Administration jointly established 20 Telemedicine centre, first of its kind in Uttarakhand, in different remote locations of district Tehri to overcome distance barriers and to improve access to medical services in distant rural communities. Each Telemedicine centre is connected with a video control room established in Govt. Hospital, Tehri. All Telemedicine centres are equipped with a medical kit (briefcase) having Pulse Oxymeter, ECG Machine, Wi-Fi ECG recorder, X-Ray view box, Glucometer and other essential tools and a comprehensive pathological kit along with an android tablet having list of essential medicines & portable hot spot to facilitate diagnosis, data transfer and communication with district hospital. Such centres are run by a qualified pharmacist / nurse who acts as an interface between the specialist doctor at control room at District Hospital in Baurari, New Tehri and the patient at village health centre.
- AIIMS, Rishikesh has also been roped in for specialized consultation and treatment. Together, these 20 Telemedicine centre are catering the needs of approx 75 Gram Sabhas. Since, the inception i.e. December 2017, total 17288 OPDs have been registered till March, 2019 including 15324 OPDs registered during the FY 2018-19.
- THDCIL along with Tehri District Administration has been conferred with E-Governance Award by Deptt. of Administrative Reform and Public Grievance under Ministry of Public Grievance and Pension, Gol. in March, 2019.

Initiatives under Swachh Bharat Mission:

- Under Swachh Bharat Abhiyan, massive public awareness campaign has been done 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 need cleaning was done in local areas and dustbins were provided at different locations with consultation of Nagar Palika Rishikesh, Muni ki Reti & New Tehri.

- Total toilets constructed- 225 No. (Individual-179, SAP-42 & Others-4) including 79 toilets in 3 villages of district Tehri, Uttarakhand and made them Open Defecation Free (ODF)- i. Village Devri- 43, ii. Village Lwarkha- 24 Toilets iii. Village Banali- 12
- Adopted 3 localities for cleanliness near THDC Corporate Office, Rishikesh -
 - i. Pragati Vihar , ii. Nehru Gram, iii. Indra Nagar
- Adopted 4 Km Stretch of Bypass Road, Rishikesh (Natraj Chowk to Mansa Devi)
- Adopted Railway Station for cleanliness
 - i. Rishikesh, ii. Virbhadra
- Adopted 4 schools in Rishikesh for cleanliness
 - i. Govt. Primary School, Mansadevi, ii. Govt. Primary & Upper Schools, Bapugram
 - iii. Govt. Primary School, Bibiwala & iv. Govt. Primary School, Indra Nagar

THDC PRAKRITI- ENVIRONMENT MANAGEMENT

- To achieve Environmental Sustainability and Ecological Balance, following activities have been taken up:
- To achieve Environmental Sustainability and Ecological Balance, following efforts have been taken up:
- “THDC Prakriti” - Environment Focused Initiatives is working with three objectives Soil & Water Conservation, Green Energy Generation & Technology Promotions and Environment Protection & Promotion.
- To conserve soil and water THDC is working on Stream (Gadhera) Treatment and vegetation regeneration based on the experimental model

of Shri Sachidanand Bharti Implemented in Uttarakhand Pauri (Garhwal). Along with these Water Harvesting Tanks (capacity 3000 litres each) were installed in the project affected villages for rain water harvesting. Through this activity we were able to store almost 9 lakh liter of rain water during monsoon.

- THDC under this program installed more than 732 LED based Solar Street Lights in Sitarganj in Uttarakhand and Khurja, Unnao & Lucknow in UP and more than 170 LED based Solar High Mast Lights in Unnao and Lucknow in UP and Sitarganj in Uttarakhand.
- To promote plantation of different fruit, fodder, fuel and medicinal plantation THDC in the year of 2018-19 planted 10056 saplings totalling to 260212 plants till now. Name of some plants are Mango, Guava Awala, Bel, Lemon, Pomegranate, Orange, Kinnu, Litchi, Chullu, Mulberry, Jamun, Jackfruit, Akhrot, Badam, Bamboo, Kachnar, Shisham, Banj, Padam, Anga, Ritha, Tun, Subabool, Kharik, Daikan, Timla, Neem, Ringal, Moru, Deodar, Dehu, Gulmohar, Majnu, Stevia, Ashwagandha, Har-singar, Putrajeevak, Kadam, Arjun, Allovera, Harad, Bahera, Anwala.
- Three fruit specific villages were also developed, viz., Village Plam and Village Kyari in Block Koteswar as Mango village and Village Jakhani, Block Pratapnagar, Tehri Garhwal as Lemon Village.

THDC Utthan (Rural Development)

- Holistic Development Programme through HNB Garhwal University SEWA-THDC has framed a holistic development plan for 30 rim area villages of Tehri project and engaged HNB Garhwal University, Srinagar for its implementation. Whole plan is conceptualized towards endowing sustainable livelihood opportunity to community, empowering women and overall development of society.
- CSR Initiatives for Sustainable Livelihood and Resource Management in Upli Ramoli Patti



Women Empowerment Centre at Pashulok, Rishikesh

and other areas of Pratap Nagar Block, Tehri in Uttarakhand through Shaheed Bhagat Singh Collage, University of Delhi

- The Company in association with Shaheed Bhagat Singh Collage, Delhi University, a programme on CSR Initiatives for Sustainable Livelihood and Resource Management in Upli Ramoli Patti and other areas of Pratap Nagar Block, Tehri in Uttarakhand is being undertaken since 2011. This is a long term programme for Rural Based Holistic Development of 20 remote villages of block Pratapnagar Distt. Tehri. Activities of 2018-19 of the project have been Promotion of Poly Houses, Construction of Vermin Compost Pits, Conducting Kissan Gosthies, Exposure visits and demonstration of Agriculture Plots through Experts, Awareness Programmes under “Swachh Bharat Abhiyan” for Cleanliness, distribution of Sanitary Napkins, Carrier Counseling programs, Construction of Rain water harvesting tanks, Mushroom production training for livelihood generation, Establishment of Kissan Clubs, Farm Machinery Banks in convergence with Govt. schemes.

Integrated livelihood improvement programme in Bhilangna Valley, Tehri Garhwal through VARDAN

- With the objective of integrated livelihood improvement programme different activities to promote 100 Farmers Groups, improve the present agriculture productivity of farmers,



Free Multispeciality Health Camp for Poor & Low Income Group People at THDCIL Campus, Rishikesh

cultivation of selected fruit crops and medicinal and aromatic plants provide adequate infrastructure, modernizing the crop cultivation techniques, improving the pre and post harvest management methods were implemented through Society For Voluntary Approach in Rural Development Action (VARDAN) as a pilot project with convergence from different Govt. Organizations from January to March 2019.

- Women empowerment & livelihood enhancement project for doubling the income of the farmers through Geeta Mahila Samiti (GMS). With the objective of Women empowerment & livelihood enhancement project for doubling the income of the farmers THDC involved Geeta Mahila Samiti (GMS) to implement the project in 20 villages of project location. Major activities of the project were Promotion of Poly Houses, Construction of Vermin Compost Pits, Construction of Rain water harvesting tanks, training for livelihood generation, Establishment of Kissan Clubs, Farm Machinery Banks in convergence with Govt. schemes and formation of SHGs.

Convergence activities with other agencies

Convergence project was done in the year 2018-19 for various farmer centric activities with State Agriculture & Horticulture Dept., Uttarakhand through VARDAN, GMS, HNB Garhwal University and SBS Collage DU and other implementing

agencies. Costs of the convergence was ₹ 433.20 lakh, cost was shared by THDC (129.10) Lakh, State Agriculture & Horticulture Deptts (272.90) Lakh and partly by the beneficiary and implementing agencies (31.97) Lakh benefitting 1500 households inhabiting 5582 beneficiaries.

1- **NABARD, Dehradun:** MoU was signed with NABARD Dehradun for various CSR based activities on cost sharing basis (SEWA-THDC Share to be 25% or more). Under this MoU, activity of Water Shed Management of Bhilangana Water Shed has been agreed. Around 1000 Hectares of area to be treated in next 4- 5 years, which will include plantation, check dams and various livelihood activities in the villages falling under the Water Shed. In the 1st phase, about 100 hectares water shed to be treated/ managed. Later on 900 Hectares area will be treated based on the success of the pilot project.

2- District Agriculture Deptt., Tehri:

51 Farm machinery banks are created in different villages of district Tehri through SHGs with cost sharing basis of 4:1 by Agriculture Dept and THDCIL. Each Farm Machinery Bank costs Rs. 5 Lakh under which 15 to 25 SHG members in each SHG are provided with mechanized tools for various agriculture activities. (Rs 4 lakh supported by State Agriculture Department, 01 lakh by SEWA-THDC & taxes if any by farmer's group). Regular monitoring, follow up is done along with govt. deptt. to scale up & sustain such efforts.

THDC Samarth- Women Empowerment

- Various Tailoring & Knitting, beautician and production centers were established for empowering the women, especially from weaker sections, in order to strengthen their livelihood and uplifting their social status. The centers are run free of cost. Approximately, 710 women have been benefitted from these centres.

- In SC dominated village Darsil, Ghansali (Tehri Garhwal), skill enhancement program is implemented for 30 families engaged in handicraft works from Ringal (Local bamboo).
- Deepa Mai Women Credit Society with 11 members Management Committee in Lumbgoan area of Tehri District was established in October, 2016 to help poor female farmers getting loan for initiating some commercial activity. THDC has initially contributed ₹ 10 lakh, which may further be enhanced on the basis of performance of the society. Any woman can be member of the society with ₹ 100 as membership fee and can have share in the society with minimum contribution of ₹ 1000 & max ₹ 5000. Members are eligible for loan five times to their contribution. So far 91 women are member of the society, 67 have contributed with their share. Total ₹ 2.12 lakhs have been collected from members and Loan Amount given to 65 Share Holders, ₹ 14.45 lakh.

Protection of natural heritage, art and culture

- Keeping in view the historical and cultural importance of mighty river Ganga and to facilitate millions of National & International pilgrims/ visitors, the Strengthening of lighting arrangements in Ganga Ghat area at Rishikesh is taken up by decorative (Facade) lights of Ram Jhula, Laxman Jhula, Parmarth Niketan & other prominent structures at Triveni Ghat, installation of 16 High Mast lights on both banks of river Ganga from Ram Jhula to Parmarth Niketan on left bank, from Ram Jhula to Kharasut on Right bank and Triveni Ghat, and replacement / repair of existing halogen street lights / high mast lights (150 nos) with LED on left bank road from Laxman Jhula to Ram Jhula and Triveni Ghat. Total project cost was ₹ 567 lakh. Apart from beautician & strengthening of total system, LED lights will contribute to saving of approx. 70000 Units / year (₹ 4 Lakh / year).

DETAILS & EXPENDITURE ON CSR ACTIVITIES FOR F.Y. 2018-19

(Amount in ₹ Lakh.)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--------|---|--|---|--|--|--|---|
| S. No. | CSR projects or activities identified | Sector in which the project is covered | Project or Programs (1) Local area or other (2) State and district where project or programs was undertaken | Amount outlay (Budget) Project or program wise | Amount spent on project or programs Sub-head: (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure up to the reporting period. | Amount spent: Direct or through implementing agency (CSR works are being implemented through company sponsored NGOs) |
| 1 | Construction of toilets under "Swachh Vidhyalaya Abhiyan", Individual toilets for under privilege people, various works under Swachh Bharat Abhiyan, Running of five 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. | | 362.60 | 362.60 | 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. | | | 809.99 | 809.99 | 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 | | | 21.64 | 21.64 | SEWA-THDC |
| 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. | | | 39.63 | 39.63 | 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. | | | 80.72 | 80.72 | 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 | | | 9.36 | 9.36 | SEWA-THDC |
| 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 | | | 3.82 | 3.82 | 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. Rural Development Projects | | | 354.52 | 354.52 | SEWA-THDC |
| 9 | Armed force fund | Measures for the benefits of armed forces veterans, war widows and their dependents. | | | 5.00 | 5.00 | |
| 10 | Administrative overheads, capacity building, base line / need assessment survey, impact assessment etc. (should not be more than 5% of yearly budget) | | | | 65.08 | 65.08 | SEWA-THDC |
| | Total | | | | 1752.36 | 1752.36 | |

Note : During the Financial year 2018-19 total expenditure on CSR activities incurred by SEWA is ₹ 17.52 Cr which is more than 2% of net average profit of last three years. Out of total expenditure THDCIL's contribution is of ₹ 17.35 Lakh.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BACKGROUND :

Power sector in India is witnessing exponential growth like never before. With a total installed power generating capacity of 3,57,875 MW as of June 2019, India emerges as the world's third-largest electricity producer as well as consumer.

Govt. of India is committed to improving the quality of life of its citizens through higher electricity consumption. To achieve this, the Govt. has taken a joint initiative with the respective state governments for the preparation of state-specific documents for providing 24x7 Power for All (PFA) to all households / homes, industrial and commercial consumers, and adequate supply of power to agricultural consumers.

Since power generation from renewable energy sources depends on factors such as time of day or climatic conditions, energy sources that can be ramped up quickly and economically are sought after. Hydro-based energy is, thus, emerging as an economical balancer to support the ramping up and balancing requirements of the Indian grid. Govt. of India has taken steps in this direction by implementing new Hydro Policy in March-19.

A total capacity addition of 58,384 MW had been envisaged for the period 2017-2022 from conventional sources, consisting of 47,855 MW of coal-based power stations, 406 MW of gas-based power stations, 6,823 MW of hydro power stations and 3,300 MW of nuclear stations. In addition, there has been a big thrust by the government for setting up renewable power generation capacity of 175 GW by the year 2022 with 100 GW coming from solar, 60 GW from wind, and 15 GW from other sources. According to the National Electricity Plan (NEP) report, such huge project execution requires an investment of ₹ 11,55,652 Cr. in power generation sector.

During the first seven months of FY2019, national power demand growth has remained at a steady 6.5 %, which is higher than the 5.5 % reported in similar period of FY2018 and full year growth of 6.2 % in FY2018.

Electricity generation target of conventional sources for the year 2019-20 has been fixed as 1330 Billion Unit (BU), i.e; growth of around 6.46% over actual conventional generation of 1249.337 BU for the previous year (2018-19). The conventional generation during 2018-19 was 1249.337 BU as compared to 1206.306 BU generated during 2017-18, representing a growth of about 3.57%.

Renewable energy is fast becoming a major source of power in India. As per Climate scope report by energy researcher BloombergNEF, India ranks second after Chile in the year 2018 with increased investments and clean energy installations. The share of renewable energy in overall installed power generation capacity has increased from 9 per cent in March, 09 to around 22 per cent as on June, 19.

THDCIL being the major player in power generation is committed to play a major role to facilitate achievement of Government objectives.

The Company has Authorized Capital of ₹ 4000 Cr. and Paid up Capital of ₹ 3654.88 Cr. as on 31st March, 19 with equity participation of Govt. of India and Govt. of U.P in the ratio of 3:1. THDCIL is committed to commission 24 MW Dhukwan SHP by Dec-19, a 50 MW Solar Power Project in Kasargod, Kerala in 2020-21 and a Super Thermal Power Plant of 1320 MW at Khurja, in the State of Uttar Pradesh in 2023-24. Under the Strategic Business Diversification Plan, THDCIL is looking forward / exploring for all possible Conventional / Non-Conventional and Renewable Power Projects all over India as well as foreign countries.

SWOT ANALYSIS:

Analytical study of Opportunities and Threats vs. Strength and weaknesses of your company is as under:

A) Strengths

- **Strong technical skill base:**

Enormous challenges encountered during implementation phase of two operational mega projects and being faced in three under construction projects, viz-a-viz; successful implementation of solutions to mitigate them in an effective way, have established THDCIL as a company having strong technical base among its competitors in Hydro Sector.

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

Exceptional Engineering and constructional skills have been applied in underground structures in complex Himalayan Geology of Tehri HPP, which involved 27 tunnels having total length approx. 18 km and 18 shafts having total length approx. 2.27 km of large diameters. The skill and knowledge gained had been immense useful in Koteshwar HEP, as well as presently in under-implementation two Hydro projects.

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

THDCIL strives to minimize the environmental impact of its activities. THDCIL's strategy on environmental sustainability includes optimising the use of energy & water, reducing carbon footprint and protecting / reconstructing biodiversity. THDCIL continues to responsibly handle e-waste and muck disposal. THDCIL has also set up a bio gas plant, sewerage plants and adopted water conservation measures.

The massive R&R had been carried out for Tehri Hydro Power Complex and presently being implemented in VPHEP & Khurja STPP. During implementation phase of projects and beyond that also, THDCIL has helped local communities by developing infrastructure and taking various initiatives in the field of health, education, women empowerment, rural development, etc. THDCIL is committed to minimising financial / livelihood damage to Project Affected Families by offering suitable compensation/ sources of income generation.

- **Efficient Operation and Maintenance:**

Since commissioning of two Hydro & two Wind Power Plants, THDCIL has developed enormous expertise for in-house operation and maintenance of its plants. The company is continually striving towards maximising plant performance, monitoring effectively, minimising accidents and working smartly. This has resulted in un-hindered power generation and achievement of plant availability beyond normative values.

- **Automated Plant Monitoring:**

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

- **Competent and committed workforce:**

Your Company has strong asset of highly professional Management Team and excellent Team of Support Staff consisting of 1891 employees as on 31st March, 2019.

- **Strong financial Management:**

Ever since commissioning of Tehri HPP, your company is profit making Company. With Reserves and Surplus more than Paid up Capital, company has robust platform to invest

its resources for future expansion / capacity addition programs.

- **High employee retention rate:**

Your Company have exceedingly high retention rate of exceptionally skilled, highly experienced and motivated staff.

B) Weaknesses

- Delay in tapping potential opportunities.
- Outstanding dues of DISCOMS, adversely affecting the Financial performance of THDCIL. However, Govt. of India vide order dated 28.06.2019 has mandated Discoms to open L.C. for improvement in realization of dues of Generating Companies. This has resulted into improvement in cash flows of THDCIL.
- Rising contingent liabilities.
- Being Hydro projects in complex Himalayan region, Geological surprises encountered results in delay leading to time and cost overrun and increase in tariff.
- Very high gestation period in development of Hydro Power Projects.
- Procedural constraints associated with Public Sector ownership.
- Low utilization levels of existing and innovative technologies.
- Natural Attrition-Lacking in timely & adequate recruitment, which can compensate the knowledge drain due to natural attrition.

C) Opportunities

- **Enormous untapped Hydro Power potential and Rising share of infirm renewable injection:** Enormous Hydro Power potential available in India, is yet to be tapped. Push towards renewable energy & thus deterioration of Hydro-Thermal Mix is itself putting thrust to go for more Pumped Storage Plant for peaking support to the grid. Govt. is ambitious to increase the pace of Hydro Power Development in Country. Recently GOI

has declared following measure to promote Hydro Power Sector

- Large Hydropower Projects declared as Renewable Energy source.
- Hydro Purchase Obligation as a separate entity within non-solar Renewable Purchase obligation (RPO)
- Tariff rationalization measures to bring down hydro power tariff including front loading of tariff.
- Budgetary support for flood moderation / Storage.
- Budgetary support for cost of enabling infrastructure i.e roads and bridges.

THDCIL, being having expertise in Hydro Power Development, is exploring more hydro power projects in Uttarakhand and other potential states of the nation.

- **Opportunities in other Countries:** There is potential for growth of the business outside India, particularly in countries, where Government of India provides bilateral support, such as Nepal and Bhutan. With same mission, THDCIL is looking forward to utilize its power generation skills and focuses itself in the developing African market and other potential markets through collaborations with other firms to strengthen its business development activities in other geographies as well.
- **Infrastructure for storage facilities:** May look forward for investment in infrastructure for the fast-developing storage technology for electric vehicle market, e.g; charging ports.
- **Strategic diversification:**
THDCIL has already diversified into conventional (Thermal) and non-conventional (Wind & Solar) sources in India and looking ahead for similar opportunities abroad.
 - **Thermal Power:** Khurja Super Thermal Power Plant of 1320 MW having annual

generation of 9828 MU would be ready by 2023-24.

- **Wind Power:** Already commissioned two Wind Projects totaling 113 MW capacity. Looking forward for other projects.
- **Solar Power:** THDCIL has awarded the work of setting up 50 MW Solar PV Project with 10 year O & M in Kesargod, Kerala to M/s Tata Power Solar System Limited on 8th Aug, 2019. Also signed MoU for setting up of another 200 MW Solar Power projects with Solar Energy Corporation of India (SECI) in phased manner. Company is also looking forward for Canal-top and other Solar projects in state of UP. Govt. of India has also entrusted THDCIL for development of Solar Park in Uttar Pradesh through formulation of JV / SPV in association with State Government.
- **In other emerging area:** Our established enormous expertise and experience in treatment of chronic hill slope stabilization, has paved path for various consultancy projects and engineering solutions for other Govt. Organizations.

D) Threats

- **Cumbersome Procedure & Delay in Clearance:** Capacity addition program of Hydro Projects gets badly affected in obtaining environmental, forest and Wild Life clearances for projects due to stringent norms and cumbersome procedures of Gol. The opposition of Hydro Power Projects on environmental, religious grounds and vested interests of NGO's and other agencies, delay the Project Clearances and implementation. In this direction, Gol is also thinking of Single Window Clearance. Further now-a-days, the big risk of increase in e-flow is also leading to abandoning the project
- **Cumbersome Land acquisition process:** The process of the land acquisition for infrastructure work as well as project's

components including submergence is quite cumbersome and time consuming.

- **Geological uncertainties:** Geological surprises in complex and young Himalayan region create hindrances and result in time and cost over-runs viz-a-viz; increase in tariff.
- **Increasing Natural Calamities:** Hydro projects, being mainly located in hilly terrains, thus Natural calamities like landslides, hill slope failures, frequent road blockades, cloud bursts in monsoon causes severe setbacks in construction schedules, leading to time & cost overruns.
- **Changing in 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 health 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. Further, setting up stringent MoU targets based on higher than best of last 5 years, dilutes performance of Hydro CPSUs.

FUTURE OUTLOOK:

The electricity demand is poised to increase at the rate of 6.5% every year. The low rate of tapping Hydro Sector again leads to non-improvement of Hydro-Thermal mix. The demand may likely to pick up due to Government of India initiative for providing 24x7 Power for All. Thus, future

outlook of the company is towards Sustainable Development focused on:

- To increase business development activities vigorously.
- Explore possibilities to enter other states in India as well as African & South East Asian Market to tap every available resource of Power Generation.
- To minimise outstanding dues of Discoms.
- Tapping Green & Renewable Power Sources to protect environment and safeguard future generation.
- Explore possibilities to establish Charging Station for Electric Vehicles throughout India.
- To sign Implementation Agreement between Govt. of India and Govt. of Bhutan. For development of Sankosh HEP in Bhutan.
- Implementation of Bunakha HEP in Bhutan.

Annexure-IV to the Directors' Report

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 unit of THDCIL, however 90% 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.
- (iii) Work of replacement of non energy efficient 40 W flour cent tube rod with 20 W LED tube light 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 ₹2.43 Lakh has been credited by UPCL towards export of supply to the grid for year 18-19 besides own consumption.
- (v) All new non-residential complex have provision of LED Lights.
- (vi) Maintenance /renovation work of electrical distribution system for nonresidential buildings have been taken up with LED lights.
- (vii) Ceiling fans in nonresidential as well as residential building are provided with five star rated.
- (viii) Nonresidential building have been provided with star rated Air conditioners and air conditioners were changed from non star rated to five star rated.
- (ix) 67 nos. occupancy mode and vacancy mode lighting management through Switch sensors have been done in the common area of the Nonresidential complex and Guest Houses. Also Key Fob Switching has been provided in each room of Guest houses and in the office's of HOD.
- (x) 50 nos. Solar LED lights have been installed in the residential as well as in residential complex.
- (xi) Guest house rooms are provided with 5 star rated gysers.

Approximately 553 AC's are running in the office complex and guest houses out of which 453 nos. AC's are star rated AC's to increase the energy efficiency. Balance AC's are also planned to be replaced with star rated AC's in phased manner in the Financial year 2019-20 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. Implementation of above measures has caused the Consumption of units reduced to 10-13%. 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 up gradation of the environment. Your company has completed following two projects for energy conservation.

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 avem Goloak Dham Samity, a registered charitable society, running a Gaushala for more than 2000 abandoned cows at in Haridwar was supported with ₹ 30.90 lakh as gap funding against the total cost of the plant i.e. ₹ 110 lakh. Balance ₹ 79.10 lakh 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

1. Debris Flow Barriers

Gabions and RR masonry are often used in natural gullies, channels or chutes on the slopes to construct weir-like structures, which are positioned across vulnerable slopes to limit the initiation of a debris flow and to restrain it when a flow event happens. In recent past a new advancement in flexible protection system technology have been developed to withstand the static and dynamic loads caused by debris flows or mudflows in rivers/ natural nala course/ shallow landslides which is triggered by excessive water on and within slopes, by rainfall, glacier melt or similar activities and deliberately tested and are being used worldwide.

A flexible debris flow barrier system is typically placed in the river channel between the river banks, with a potential to span up to 15m (25m with additional posts) with heights ranging from 2m to 6m (market available). Steel net is spanned by support and lateral ropes. The ropes are anchored in the banks with anchor lengths depending on the load capacity of the ground. Plastically deforming and hence energy absorbing elements in the ropes allow large plastic deformations in the barrier system and reduce the peak loads during impact.

Debris Flow barrier is a site specific customized engineered system comprised of containment mesh, compression brakes, support ropes & Posts that provides safety against highly mobile flows of mixed material triggered by

the rapid buildup of water within the slope, saturating the ground that can pose high risk and threat to people property & infrastructure (debris flow). DF barriers are customized to suit the dimensions of the project, the anticipated debris material and expected volume of the flow. Upon impact by debris flow, the DF barrier should progressively deform with the compression brakes and systems absorbing the energy. The hydrostatic pressure within the flow shall rapidly dissipate once the debris flow has been arrested, leaving the volume of the debris within the barrier. Once the DF barrier has been deployed and arrested the debris flow, the debris shall be emptied and disposed off. Compression brakes shall be replaced whilst support ropes and containment mesh shall be checked for serviceability before reuse or replacement.

The system has been proposed in Phase-II works at the nalas crossing the new track of Shri Mata Vaishno Devi by THDC India Limited being the technical consultant of SMVDSB and has been successfully installed by Pioneer Engineering on the new track of Holy Shrine of Shri Mata Vaishno Devi, Katra.

2. 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. Rainfall, temperature, relative Humidity, wind speed, sun radiation and atmospheric pressure data have been acquired through automatic sensors and stored in Data logger. Data

transmission is being done to earth station situated at Dam top through GPRS/GPS technology. This data are being accessed through website by modeling centres situated at IIT Roorkee and Design Deptt. of THDC at Rishikesh. After processing and modeling, forecast is being issued and disseminated to Administrative and Engineering authorities. This type of system is being used 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. By spilling the water, 2 to 3 m conservation space may be converted into flood space and vice versa the extra energy may be generated using lead time information.

In the IInd phase few more AWS and automatic river level and discharge sensors will be installed. Data will also be transmitted through VSAT technology from few stations where the mobile signals are not available. The lead time of forecast will be increased by using the forecasted precipitation models and 12, 24 and 48 hours advance forecast will be published.

3. Digital Elevation Model (DEM)

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 modeling, railways, civil engineering, large scale mapping & telecommunication.

In the Bokang Bailing HPP where the accessibility is limited, in this terrain the survey of the area has been done using the Digital Elevation Model with an accuracy of 15m.

TECHNOLOGY IMPORTED

Variable Speed Doubly Fed Asynchronous Machine (DASM) used for Tehri PSP

Variable Speed reversible machines have been envisaged for the under-construction Tehri

Pumped Storage Project (TPSP) of THDCIL. The machine can operate both in Turbine and pump mode. The speed of the machine can be varied over a set range (206 rpm to 250 rpm) in contrary to the fixed speed synchronous machine. The adaption of variable speed over the large hydraulic head leads to higher efficiencies in part load operations. The variable speed control is designed to be an alternative to the classical

solution of fixed synchronous speed machine. The variation of rotational speed in pump mode enables the control of the power taken from the grid, therefore, the unit can contribute to stabilization of grid frequency in pump mode also. The variation of rotational speed in pump storage schemes is realized through Doubly Fed Asynchronous Machine (DASM) with the help of Voltage Source Inverter (VSI).

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lakh)

| | PARTICULARS | 2018-19 | 2017-18 |
|----------|---|-------------|-------------|
| A | Expenditure in Foreign Currency (on cash basis) | | |
| | Travelling | 129 | 20 |
| | Consultancy & Professional Expenditures | 306 | 236 |
| | Repayment of loan & Interest | 4539 | 1315 |
| | Import of goods | 3417 | 2571 |
| | Nomination for Conference | 3 | 0 |
| | TOTAL | 8394 | 4142 |
| B | Earnings in Foreign Currency (on cash Basis) | 0 | 0 |
| C | Value of Imports calculated on CIF basis | | |
| i) | Capital Goods | 3520 | 2602 |
| ii) | Spare parts | 25 | 0 |
| | Total | 3545 | 2602 |
| D | Value of Components, Stores & Spare parts Consumed | | |
| i) | Imported (in lacs Rupees) | 27 | 3 |
| | (%) | 4.89 | 0.32 |
| ii) | Indigenous (in lacs Rupees) | 532 | 915 |
| | (%) | 95.11 | 99.68 |
| E | Value of Export | 0.00 | 0.00 |

BUSINESS REPONSIBILITY REPORT 2018-19



BUSINESS RESPONSIBILITY REPORT- 2018-19

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company** : U45203UR1988GOI009822
2. **Name of the Company** : **THDC India Limited**
3. **Registered address** : THDC India Limited,
Bhagirathi Bhawan, Bhagirathipuram,
Top Terrace, Tehri Garhwal
4. **Website** : www.thdc.co.in
5. **E-mail id** : cmd@thdc.co.in
6. **Financial Year reported** : 2018-19
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 Power
- ii. Wind Power
- iii. Engineering Consultancy

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

- i. **Number of International Locations-** 1 (Bunakha HEP (180 MW), Bhutan).
- ii. **Number of National Locations-** 19

| 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 | Tehri Garhwal | Uttarakhand | Tehri HPP (1000 MW), Tehri PSP (1000 MW) and Koteshwar HEP (400 MW) |
| 4. | Project Office, Koteshwarpuram, Koteshwar | Tehri Garhwal | Uttarakhand | Koteshwar HEP (400 MW) |

| | | | | |
|-----|---|-----------------|---------------|---|
| 5. | New Projects Office, New Tehri Town (NTT) | Tehri Garhwal | Uttarakhand | New Projects- Jhelam Tamak HEP (108 MW) and Bokang Bailing HEP (200 MW) |
| 6. | Project Office, Alaknanda Puram | Chamoli | Uttarakhand | Vishnugad Pipalkoti HEP (444 MW) |
| 7. | Liaison Office, Dehradun | Dehradun | Uttarakhand | Liaison With State Government and R&R related work |
| 8. | Project Office, Khurja | Bulandshahar | Uttar Pradesh | Khurja STPP (1320 MW) |
| 9. | Project Office, Joshimath | Chamoli | Uttarakhand | Jhelam Tamak HEP (108 MW) |
| 10. | Project Office, Dharchula | Pithoragarh | Uttarakhand | Bokang Bailing HEP (200 MW) |
| 11. | Liaison Office, Panchkula | Panchkula | Haryana | Liaison with Chandigarh, Punjab and Haryana |
| 12. | Liaison Office, Nainital | Nainital | Uttarakhand | Judicial issues at Hon'ble High Court, Uttarakhand |
| 13. | Liaison Office, Lucknow | Lucknow | Uttar Pradesh | Dhukwan SHP (24 MW) and Liaison with GoUP |
| 14. | Project Office, Babina | Jhansi | Uttar Pradesh | Dhukwan SHP (24 MW) |
| 15. | Project Office, Radhanpur | Patan | Gujarat | Patan Wind Power Farm (50 MW) |
| 16. | Project Office, Devbhumi Dwarka | Devbhumi Dwarka | Gujarat | Devbhumi Dwarka Wind Power Farm (63 MW) |
| 17. | Transit Camp, NBCC Tower | New Delhi | New Delhi | Liaison with Ministry and Renewable Energy Projects |
| 18. | Consultancy Office, Katra | Reasi | J&K | Consultancy for Slope Stabilization between Katra and Vaishno Devi. |
| 19. | Project Office, Waidhan | Singrauli | M.P. | Ameila Coal Mine |

10. Markets served by the Company:

THDCIL provides Electricity to following beneficiary States / UT:

- i) Uttarakhand
- ii) Uttar Pradesh
- iii) Haryana
- iv) Punjab

- v) Himachal Pradesh
- vi) Jammu and Kashmir
- vii) Rajasthan
- viii) Delhi
- ix) Chandigarh
- x) Gujarat
- xi) Madhya Pradesh

Section B: Financial Details of the Company

1. **Paid up Capital** : ₹ 3654.88 Cr. (as on 31.03.19)
2. **Total Turnover (Gross Income)** : ₹ 2850.29 Cr.
3. **Total Profit after Taxes (PAT)** : ₹ 1251.60 Cr.
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit After Tax (%)**: As per Companies Act, 2013, 2% of average net profit of immediately preceding three years is taken as CSR budget for implementation of various CSR activities of the company. Accordingly, the CSR budget for the FY 2018-19 comes out to ₹ 17.35 Cr. The expenditure target, as per provision contained in the Companies Act, 2013, was successfully met by spending ₹ 17.52 Cr.
5. **List of activities in which expenditure in 4 above has been incurred:**

The company has broadly incurred CSR expenditure during the FY 2018-19 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 |
|-------|---|-------------------|-------------------------------------|----------------------------|-------------------------|--|
| S. N. | 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) | 1735.17 | 362.60 | SEWA-THDC |
| 2 | Education & Employment Enhancing Vocational Skill etc. | Education | | | 809.92 | SEWA-THDC |
| 3 | Women Empowerment | Women Empowerment | | | 21.64 | SEWA-THDC |
| 4 | Environment Sustainability etc. | Environment | | | 39.63 | SEWA-THDC |
| 5 | Promotion of National Heritage Art Culture | Art & Culture | | | 80.72 | SEWA-THDC |
| 6 | Armed Forces welfare | Welfare | | | 5.00 | SEWA-THDC |
| 7 | Promotion of Sports | Sport | | | 9.36 | SEWA-THDC |
| 8 | Rural Development program | Social | | | 358.34 | SEWA-THDC |
| 9 | Office Expenses of executing agency (SEWA-THDC)/ Base line survey/ Expert visits etc. | | | | 65.01 | SEWA-THDC |
| | Total | | | 1735.17 | 1752.36 | |

Section C: Other Details**1. Does the Company have any Subsidiary Company/ Companies?**

No

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

NA

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No

Section D: BR Information**1. Details of Director/Directors responsible for BR****a) Details of the Director/Director responsible for implementation of the BR policy/policies:**

- **DIN Number** - 03107819
- **Name** - Sh. 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 integrity, and in a manner that is ethical, transparent, and Accountable. | <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 in a manner that is sustainable and safe. | Safety Policy CSR & Sustainability Policy OHSAS 18001:2007 | Director (Technical) |
| Principle 3 (P3) | Businesses should respect and promote the well-being of all employees, including those in their value chains. | HR Policies | Director (Personnel) |

| | | | |
|------------------|---|---|--|
| Principle 4 (P4) | Businesses should respect the interests of and be responsive towards all its stakeholders. | R & R Policy Vision & Mission | Director (Technical) |
| Principle 5 (P5) | Businesses should respect and promote human rights. | Vision, Mission & Values | Director (Personnel) |
| Principle 6 (P6) | Business should respect and make efforts to protect and 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 manner that is responsible and transparent. | Core Value | Director (Technical) Director (Personnel) Director (Finance) |
| Principle 8 (P8) | Businesses should promote 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 BR Policy/Policies (Reply in Y/N)

| S. No. | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--------|---|----|----|----|----|----|----|----|----|----|
| 1. | Do you have policy/policies for principles P1, P2.....P9 | 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 |

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

*** Environment Policy is available on:**

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

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

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

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

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

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

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

*** Vision, Mission and values of THDCIL are available on:**

<https://thdc.co.in/content/visionmissionvalues>

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

https://thdc.co.in/sites/default/files/Corporate_Ethics_Policy.pdf

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

<https://thdc.co.in/sites/default/files/WhistleBlowerPolicy.pdf>

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

<https://thdc.co.in/sites/default/files/CodeBusinessConduct&Ethics.pdf>

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)

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

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

3. Governance related to BR

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

THDCIL is publishing Sustainability Reports annually since 2008-09. The Sustainability

Reports of THDCIL are available at <https://thdc.co.in/reports>

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

Section E: Principle-wise performance

Principle 1 (Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and Accountable.)

A. 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?

THDC India Limited has strong commitment towards good Corporate Governance. THDCIL's philosophy on Corporate Governance is established on fair, ethical and transparent government practices. THDCIL has always endeavored to adopt best practices of Corporate Governance required under Companies Act/DPE Guidelines. Governance calls for accountability of all the Company's Personnel and is based on policies approved by Board of Directors. The principles stated in these policies are defined through guidelines and Code of Conduct. Ethics policy, Whistle Blower Policy, Conduct and Discipline and Appeal Rules for executives and Supervisors and Standing Orders for Workmen are already in vogue, which are aimed at ensuring corruption free workplace.

Code of Conduct for Board Members & Senior Management covers all the Directors and Senior Management Personnel of the Company. The objective of Whistle Blower Policy is to build and strengthen a culture of transparency and trust in the organization and to provide employees a framework / procedure for responsible and secure reporting of improper activities (whistle blowing).



Integrity Pact is mandatorily signed for all major work contracts (estimated value more than ₹1000 Million) and for supply and services contracts (estimated value more than ₹500 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. The policy extends to contractors as well.

THDCIL has a Vigilance Department headed by Chief Vigilance Officer of the rank of Joint Secretary, who is a nominee of the Central Vigilance Commission. Vigilance Department set up in THDCIL comprises of Vigilance Executives in Corporate Centre and Projects. The Vigilance Department deals with various facets of vigilance mechanism and functions for speedy disposal of vigilance cases.

B. 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.

No complaint was received during the period 01.04.2018 to 31.03.2019 under Whistle Blower Policy. Also, there is no opening outstanding complaint from previous year.

Principle 2 (Businesses should provide goods and services in a manner that is sustainable and safe.)

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

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

As a responsible corporate citizen, the company strives to control the environmental impact of its activities. THDCIL aims for reduction of atmospheric emissions (especially greenhouse gases), soil and water conservation, biodiversity protection, integration of facilities with their surroundings, reduction at source, reuse and recycling.

Environment impact studies are conducted for construction projects that are likely to affect the biophysical and human environments. Mitigation, compensation and follow-up measures are also developed. To ensure that its actions are effective, THDCIL counts on sound Environmental Management Systems. ISO 14001:2004 (EMS) has been acquired for four projects, namely: Tehri HPP, Koteswar HEP, Tehri PSP and Vishnugad Pipalkoti HEP. Third party monitoring is also invoked for effective implementation of the Environment Management Plan. In 444 MW VPHEP, 12 Km Head Race Tunnel shall be constructed using Tunnel Boring Machine (TBM), which is environment friendly.

1320 MW Khurja STPP is under construction in Buladshahar, Uttar Pradesh. All out efforts are being made by THDCIL to minimize the social and environmental impacts of the project.

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

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

THDCIL is generating electricity through hydro and wind power. Hydro projects generate electricity by non-consumptive use of water and the said water is released

for drinking and irrigation purpose. The Wind Power is generated only by using speed of wind and again no consumption / reduction of resource.

C. 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 come from natural sources and their quantity and quality are not affected in the process of generation of electricity.

D. 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.
- Small works related to infrastructure/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 contractors engaged in specialized works are also encouraged to hire services of local contractors/vendors.
- In order to encourage procurements from Micro, Small and Medium enterprises concessions as per guidelines such as; waving of tender cost and payment of EMD are also being given.
- For MSEs & start-up Medium Enterprises, PQ criteria have been relaxed in respect of Prior Turnover & Prior experience.
- THDCIL has also registered on TReDS platform of M/s Mynd Solution Pvt. Ltd. (M1xchange) for timely payment to MSEs.
- Utmost Transparency and Accountability has been ensured by THDCIL with introduction of various measures such as e-payments, e-billing, e-procurement, e-auction, vendor registration, online-tracking of bill status on THDCIL website & uploading of tender documents on CPP Portal.

In F.Y. 2018-19, Procurement of goods & services worth ₹26.34 Cr. has been done. 100% payment to the service providers has been done through e-payment and cashless transaction was implemented.

E. 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 Townships, THDCIL has established Sewage Treatment Plant at its townships of Rishikesh and Tehri.

Principle 3 (Businesses should respect and promote the well-being of all employees, including those in their value chains.)

A. Please indicate the Total number of employees:

1891 (as on 31.03.2019)

B. Please indicate the Total number of employees hired on temporary/Contractual/Casual basis.

2528 (including three contractual doctors) (as on 31.03.2019)

C. Please indicate the Number of permanent women employees.

116 (as on 31.03.2019)

G. 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 |

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

33 (as on 31.03.2019)

E. 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 Karamchari Union
- THDC Shramik Sangh
- THDC Workers Union
- THDC ITI Takniki Karamchari Sangh
- Tehri Jal Vikas Nigam Limited Karamchari Union

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

As on 31.03.2019, a total of 1584 (83.76%) permanent employees are member of the recognized THDCIL unions and association.

H. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (2018-19)

| | No. of Employees Trained | | Percentage of Employees Trained | |
|--|--------------------------|--------------------|---------------------------------|--------------------------|
| | Safety Training | Skill Up-gradation | Safety Training | Skill Up-gradation |
| Permanent Employees | 203 | 402 | 10.7% (203/1891*100) | 21.2% (402/1891*100) |
| Permanent Women Employees | 6 | 27 | 5.1% (6/116*100) | 23.2% (27/116*100) |
| Casual/Temporary/ Contractual Employees* | 15 | 30 | 0.59% (15/2528*100) | 1.18% (30 / 2528*100) |
| Employees with Disabilities | 2 | 0 | 6.06% (2/33*100) | 0% (0 / 33*100) |

Principle 4 (Businesses should respect the interests of and be responsive towards all its stakeholders.)

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.)

A. 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 HR Policies of THDCIL are applicable to all its employees posted in Units, Projects and Offices. Human Rights provisions are also built in our bidding documents. Contracts awarded by the Company include provisions related to Human Rights and Strict compliances of various labour laws and laws of the land.

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

No complaints on human Rights including Sexual Harassment have been received during the year.

Principle 6 (Business should respect and make efforts to protect and restore the environment.)

A. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.

THDCIL is ISO 14001 (EMS) certified company. 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.

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

Yes, The web link of THDCIL Environment Policy is <https://thdc.co.in/content/environment-policy>

C. 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 Experts has been constituted to review the efforts and apply best practices. Learnings are applied in other projects also.

D. 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.

E. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The company is involved in Hydro Electric generation, which itself is a clean and renewable energy. THDCIL has executed two Wind projects of 50 MW and 63 MW at Patan and Devbhumi Dwarka, Gujarat respectively in

year 2017-18. A 500 KW solar roof top has also been developed at corporate office Rishikesh. Small Hydro Project of 24 MW in Dhukwan, Jhansi, UP is under construction and is scheduled to be commissioned in 2019-20. The work of setting up of 50 MW Solar Plant in Kasargod, Kerala has been awarded to M/s Tata Power Solar System Ltd. on 8th Aug-19.

F. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

G. 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 manner that is responsible and transparent)

A. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

THDCIL is member of following associations:-

- a. All India Management Association (AIMA)
- b. Standing Conference of Public Enterprises (SCOPE)

B. 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 follows all 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 promote inclusive growth and equitable development)

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

THDCIL's CSR program has always aimed on holistic development of the targeted communities, which itself is a larger perspective of inclusive growth as well as equitable development. For holistic development of 50 rim villages of Tehri Dam, three govt. Universities, viz. HNB Garhwal University, Srinagar; Shaheed Bhagat Singh Evening

College, Delhi University and Veer Chandra Singh Garhwali University of Horticulture & Forestry are engaged. Prime objective is to bring overall positive sustainable change in the lives of targeted communities. Accordingly, interventions are made considering all three spheres i.e. social, economic and environment, which is evident from THDCIL's CSR initiatives. Some prominent initiatives are briefed below:

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:

i. 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 district Tehri Garhwal and one at Rishikesh with the help of well qualified teachers/staff through its society, namely "THDC Education Society (TES)". Token fee is being charged in these schools. Dress, Mid Day Meal and study material are being provided free of cost. Yearly budget for running of these schools is around ₹6.0 Cr. Details of students during FY 2018-19 are as under:

| Schools | SC Category Students | | OBC Category Students | | General Category Students | | Total Students | | Total Students |
|-----------|----------------------|-------|-----------------------|-------|---------------------------|-------|----------------|-------|----------------|
| | Boys | Girls | Boys | Girls | Boys | Girls | Boys | Girls | |
| Rishikesh | 34 | 39 | 61 | 94 | 77 | 109 | 172 | 242 | 414 |
| Tehri | 41 | 53 | 00 | 01 | 64 | 54 | 105 | 108 | 213 |
| Koteshwar | 48 | 36 | 02 | 00 | 96 | 68 | 146 | 104 | 250 |
| Total | 123 | 128 | 63 | 95 | 237 | 231 | 423 | 454 | 877 |

ii. **Establishment of Higher Technical Education Centre:** THDCIL has established the first Hydropower Development Institute & Engineering College “THDC Institute of Hydropower Engineering & Technology” in Tehri at an approx. cost of ₹ 60 Cr. The institute imparts Engineering education to aspiring students across the country in five disciplines i.e. Civil, Mechanical, Electrical, Electronics & Communication and Computer Science. In the academic year 2018-19, total 173 students pursued degree in different disciplines. In the institute, 5% seats are reserved for the students from Project Affected Families.

iii. **Elite Classes- An educational support programme for remote area students of Tehri Garhwal:** Under this program, free education support is being provided for the students of Class 5th, 6th, 7th, and 8th in eight govt. schools of Pratapnagar and Thauldhar Block. Total 287 (134 girls & 153 boys) students are benefitting from it. Education efforts are supported by projector, screen and audio system to make learning fun and effective.

iv. **Infrastructure Support to Govt. Schools:** Total 809 furniture (Table & Chair), 154 uniforms and 3714 books have been distributed to students of different schools.

b. Health

Health services are being provided through establishing Allopathic Hospital, Homeopathic Dispensaries and by organizing multi specialty health camps. Details are as under:

I. **Allopathic Dispensary:** Established a well equipped Allopathic Dispensary in Deen Gaon area, a remotest part of district Tehri Garhwal, with MBBS Doctor and well trained paramedical staff. The dispensary has facilities like basic pathological tests, X-ray, ECG and Minor Operation Theatre with free of cost medicines including on

call ambulance with driver. It caters around 15000 population of surrounding approx. 40 villages. Total OPDs registered since inception are 69109 and during FY 2018-19 are 15450.

II. **Homeopathic Dispensaries:** At present five homeopathic dispensaries are operational, three in district Tehri Garhwal at Galiyakhet, Dhontri, Koteshwar, two in district Dehradun at Sisham Jhari and at village Indranagar, Rishikesh, through Swami Narayan Mission Society, Rishikesh with free of cost medicine facility. These dispensaries collectively have done 6,60,227 OPDs since inception and 85221 OPDs during the FY 2018-19.

III. **Telemedicine Project:** THDCIL and Distt. Admin, Tehri jointly established 20 Telemedicine centre, first of its kind in Uttarakhand, in different remote locations of district Tehri to overcome distance barriers and to improve access to medical services to distant rural communities. Each Telemedicine centre is connected with a video control room established in Govt. Hospital, Tehri. All Telemedicine centres are equipped with a medical kit (briefcase) having Pulse Oxymeter, ECG Machine, Wi-Fi ECG recorder, X-Ray view box, Glucometer and other essential tools and a comprehensive pathological kit along with an android tablet having list of essential medicines & portable hot spot to facilitate diagnosis, data transfer and communication with district hospital. Such centres are run by a qualified pharmacist or nurse, who acts as an interface between the specialist doctor at control room at District Hospital in Baurari, New Tehri and the patient at village health centre. AIIMS, Rishikesh has also been roped in for specialized consultation. Together, these 20 Telemedicine centre are catering the needs of 100 Gram Sabhas and approx.



56900 people. Since, inception (December 2017) to March 2019, total 17288 OPDs have been registered including 15324 OPDs registered during the FY 2018-19. THDCIL along with Tehri District Admin has been conferred with E-Governance Award by Deptt. of Administrative Reform and Public Grievance under Ministry of Public Grievance and Pension, Gol. in March, 2019.

IV. Multi specialty Medical Camps: To cater specific health issues, multi specialty health camps are organized at various locations in convergence with expert agencies.

THDCIL Hospital, Bagirathipuram, Tehri Garhwal: Total 12 camps in District Tehri. Total OPDs registered- 2268 (Male 1029, Female- 1239).

AIIMS, Rishikesh: In convergence with AIIMS, Rishikesh, total 06 no. of health camps are organized viz. Tehri-2, Koteshwar-2 (Nov 18, March 19) and Rishikesh-2 (Dec 18 & March 19). Total OPDs registered -1338 (FY 2018-19). One follow up awareness camp was also organized at Rishikesh by AIIMS, Rishikesh with 102 OPDs.

Nirmal Eye Institute: Total six eye specific camps organized in District Tehri up to March 2019 at Chamiyala, Koteshwar, Lamgaon, Nandgaon, Chinyalisaur and Kamand. Total OPDs registered-1023 (Male- 521, Female- 502, Cataract surgeries- 202).

Health Camp by Deengaon Dispensary:

One camp was organised at village Gorsada in distt. Uttarkashi. Total OPDs registered- 265 (96 Male, 125 Female & 44 Children).

Health Camps at Jolly Grant: Total three camps have been organized till March

2019. Total OPDs registered - 284.

Singrauli: Two medical camps were organized through “Mishra Polyclinic & Nursing Home” in Project affected village till March 2019. Total OPDs registered- 680.

c. Protection of Natural Heritage, Art and Culture

Keeping in view the historical and cultural importance of mighty river Ganga and to facilitate millions of national & International pilgrims/ visitors, the strengthening of lighting arrangements at Ganga Ghat areas, Rishikesh was taken up through Energy Efficiency Services Ltd. (EESL). Under the project, decorative facade lights were installed in prominent structures like Ram Jhula, Laxman Jhula, Parmarth Asharam and Triveni Ghat. Total 16 new High Mast lights were installed on the river banks at Ram Jhula and Triveni Ghat. Total 150 street lights were also repaired and replaced with energy efficient LED lights on left bank from Laxman Jhula to Ram Jhula and Triveni Ghat.

d. Women Empowerment- Deepamai Credit Society:

To empower economically poor farmers, a women credit society named ‘Deepamai Credit Society’ was created in Oct’ 2016 with corpus support of ₹ 10 Lakh by SEWA THDC. The status of the society as on March, 2019 is as under:

- Total women members (Membership fees @ ₹ 100) – 91
- Total share holders (Fees @ ₹ 1000 to maximum of ₹ 5000) - 67
- Loan Amount given to 65 Share Holders (Maximum 5 times of share holding)- ₹ 14,45,000
- Recovery through EMIs- ₹ 2,12,100

e. Skill Development:

Various vocational trainings, such as Hotel Management, ANM, ITI, Hospitality, Food Production, Fitter & Plumber, Welder, Electrical & Electronics, Excavator Operator, AC & Refrigerator etc. were provided to youth of weaker sections from Koteshwar and Tehri. Total 516 youths have so far been sponsored for different skill trainings including 145 youth sponsored during FY 2018-19.

f. Ringal Project:

In SC dominated village Darsil, Ghansali (Tehri Garhwal), skill enhancement program is under progress for 30 families engaged in handicraft works from Ringal (Local bamboo). The NGO engaged for pilot project is scaling up with 70 more families and also providing platform for marketing the produced items in various exhibitions.

g. Environment Protection & Promotion:

Total 10056 saplings of different fruit, fodder, fuel & medicinal species has been planted in the year 2018-19. In addition, construction of various traditional water conservation structures has also been taken up.

h. Initiatives under Swachh Bharat Mission:

- Total toilets constructed- 225 No. (Individual-179 No., SAP-42 No. & Others-4 No.) including 79 No. toilets in 3 villages of district Tehri, Uttarakhand and made them Open Defecation Free (ODF) is as below:
 - (i) Village Devri- 43 No., (ii) Village Lwarkha- 24 No. (iii) Village Banali- 12 No.
- Adopted 3 localities for cleanliness near THDC Corporate Office, Rishikesh -
 - i. Pragati Vihar, ii. Nehru Gram, iii. Indra Nagar
- Adopted 4 Km stretch of Bypass Road, Rishikesh (Natraj Chowk to Mansa Devi) for cleanliness

- Adopted Railway Station for cleanliness
 - i. Rishikesh, ii. Virbhadra
- Adopted 4 schools in Rishikesh for cleanliness
 - i. Govt. Primary School, Mansadevi,
 - ii. Govt. Primary & Upper Schools, Bapugram
 - iii. Govt. Primary School, Bibiwala &
 - iv. Govt. Primary School, Indra Nagar

i. Convergence with Other Agencies:

Convergence project was done in the year 2018-19 for various farmer centric activities with State Agriculture & Horticulture Deptt., Uttarakhand through VARDAN, GMS, HNB Garhwal University, SBS College, Delhi University and other implementing agencies. Cost of the convergence was ₹433.97 Lakh. Cost was shared by THDC (₹129.10 Lakh), State Agriculture & Horticulture Deptts (₹272.90 Lakh) and partly by the beneficiary and implementing agencies (₹31.97 Lakh) benefitting 1500 households inhabiting 5582 beneficiaries.

Following are two important convergence projects:

• District Agriculture Deptt., Tehri :

51 Farm machinery banks are created in different villages of district Tehri through SHGs on cost sharing basis of 4:1 by Agriculture Deptt. and THDCIL. Each Farm Machinery Bank costs ₹5 Lakh, under which 15 to 25 SHG members in each SHG are provided with mechanized tools for various agriculture activities. (₹4 Lakh supported by State Agriculture Department, 01 lakh by SEWA- THDC & taxes if any by farmer's group).

• NABARD, Dehradun:

MoU has been signed with NABARD Dehradun for various CSR based activities on cost sharing basis (SEWA- THDC Share

to be 25% or more). Under this MoU, activity of Water Shed Management of Bhilangana Water Shed has been agreed. Around 1000 Ha. of area is to be treated in next 4- 5 years, which will include plantation, check dams and various livelihood activities in the villages falling under the Water Shed. In the 1st phase, about 100 Ha. water shed to be treated/ managed. The Project was approved for 100 Ha. of land.

B. 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)”.

C. Have you done any impact assessment of your initiative?

THDCIL gets evaluation/impact assessment of its CSR projects done through reputed independent expert agencies, like Tata Institute of Social Sciences (TISS) Mumbai, IIT Roorkee, SR Asia and Govt. Universities.

D. What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Total expenditure of ₹ 17.52 Cr. was incurred for implantation of CSR activities during the FY 2018-19. The details of major projects in which expenditure has been incurred are briefed above. (Refer Point 2).

E. 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 always remains to implement its CSR projects as per needs felt and in close participation of the stakeholders to promote sense of ownership and self

motivation among them to replicate the activity even after the project is over.

A Credit Cooperative society formed exclusively for meeting micro credit needs of rural women with seed money of ₹ 10 Lakh by THDCIL, is now successfully being managed by women members in Lambgaon area of Distt. Tehri Garhwal. The corpus has increased to more than ₹ 14 Lakh. Another example of successful adoption by community is that the initiative of establishing 3 farm machinery banks between the years 2016 to 2018 from village Pathri, dist. Haridwar has become so popular and inspired the farmers, as a result of which THDCIL have established 51 farm machinery banks in the FY 2018-19 alone in different villages of district Tehri.

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.

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

No customer complaints/consumer cases have been received during financial year 2018-19.

B. 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.

There is no case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

C. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes. THDCIL carried out survey and feedback is received from stakeholders. The feedback has been analysed to meet the expectations of customers. All the beneficiaries have expressed their satisfaction with 'Excellent' rating in Annual Feedback Form.



FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
For the financial year ended on 31st March 2019

[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 |
| iii | Name of the Company | THDC India Limited |
| iv | 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 | 3510 | 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. | 26924917 | 26924917 | 74.23% | 27199417 | 27199417 | 74.42% |
| c) State Govt(s) | 9349400 | 9349400 | 25.77% | 9349400 | 9349400 | 25.58% |
| Sub-Total A(1) :- | 36274327 | 36274327 | 100% | 36548827 | 36548827 | 100% |
| (2) Foreign | Nil | Nil | Nil | Nil | Nil | Nil |
| a) NRIs-Individuals | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Other Individuals | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Banks /FI | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Any other | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-Total (A) (2) :- | Nil | Nil | Nil | Nil | Nil | Nil |
| Total Shareholding of Promoter | | | | | | |
| (A) = (A)(1) + (A)(2) | 36274327 | 36274327 | 100% | 36548827 | 36548827 | 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 | Nil | Nil | Nil | Nil | Nil | Nil |
| 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) | 36274327 | | | 36548827 | | |

(ii) Shareholding of Promoters

| S. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during 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 | |
| 1 | President of India | 26924917 | 74.23 | Nil | 27199417 | 74.42% | Nil | .19% |
| 2 | Governor of U.P. | 9349400 | 25.77 | Nil | 9349400 | 25.58% | Nil | .19% |
| | Total | 36274317 | 100 | - | 36548817 | 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 | 26924917 | 74.23 | 26924917 | 74.23 |
| B | Allotment of Shares on 14 th May 2018 | 178800 | | | |
| | Allotment of Shares on 28 th Sept 2018 | 48200 | | | |
| | Allotment of Shares on 27 th Feb 2019 | 47500 | | | |
| C | At the End of the year (A+B) = C | 27199417 | 74.42% | 27199417 | 74.42% |
| 2) | Governor of U.P. | | | | |
| A | At the beginning of the year | 9349400 | 25.77% | 9349400 | 25.77% |
| B | No allotment/ transfer | Nil | 00.00% | Nil | 00.00% |
| C | At the End of the year (A+B) = C | 9349400 | 25.58% | 9349400 | 25.58% |

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

(iv) 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 | 1 | Nil | 1 | Nil |
| 3 | Shri Sridhar Patra | 1 | Nil | 1 | Nil |
| 4 | Shri H.L. Arora | 1 | Nil | 1 | Nil |
| 5 | Shri Raj Pal | 2 | Nil | 2 | Nil |
| 6 | Shri T.Venkatesh | 2 | Nil | 2 | Nil |
| 7 | Ms Saumya Agarwal | 2 | Nil | 2 | Nil |
| 8 | Shri Bachi Singh Rawat | 0 | Nil | 0 | Nil |
| 9 | Shri Mohan Singh Rawat | 0 | Nil | 0 | Nil |
| 10. | Prof. Maharaj K. Pandit | 0 | Nil | 0 | Nil |

IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31.03.2019

(Amount in rupees)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount * | 34740962752 | 6006689360 | | 40747652112 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 501057934 | 52118042 | | 553175976 |
| Total(i+ii+iii) | 35242020686 | 6058807402 | | 41300828088 |
| Change in Indebtedness during the financial year | | | | |
| - Addition | 13000000000 | 843149110 | 0 | 13843149110 |
| - Reduction | (10144188843) | (298799805) | 0 | (10442988648) |
| Net Change | 2855811157 | 544349305 | 0 | 3400160462 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount * | 37596773909 | 6551038665 | | 44147812574 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 378002889 | 88502712 | | 466505601 |
| Total (i+ii+iii) | 37974776798 | 6639541377 | 0 | 44614318175 |

Note - Principal Amount under secured loans includes Overdraft balance from PNB and Bonds

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 | Total Amount | | | | |
|-------|---|----------------|----------------|----------------|-------------------|---------------|
| | | Sh. D.V. Singh | Sh. H.L. Arora | Sh. Vijay Goel | Sh. Sridhar Patra | Total |
| 1. | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) Of the income – tax Act, 1961 | 46.57 | 66.43 | 44.82 | 24.32 | 182.14 |
| | (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 | 33.48 | 14.15 | 11.52 | 5.50 | 64.65 |
| 2. | Stock Option | Nil | Nil | Nil | Nil | Nil |
| 3. | Sweat Equity | Nil | Nil | Nil | Nil | Nil |
| 4. | Commission | | | | | |
| | - As % of profit | Nil | Nil | Nil | Nil | Nil |
| | - Others, specify.... | Nil | Nil | Nil | Nil | Nil |
| 5. | Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | Total (A) | 80.05 | 80.58 | 56.34 | 29.82 | 246.79 |
| | Ceiling as per the Act (per sitting) | N.A | N.A | N.A | N.A | N.A |

B: Remuneration to other Directors:

(₹ in lakh)

| S.No. | Particulars of Remuneration | Name of Director | | | |
|-------|--|------------------------|------------------------|-------------------------|---------------|
| | | Shri Bachi Singh Rawat | Shri Mohan Singh Rawat | Prof. Maharaj K. Pandit | Total |
| 1. | Independent Directors | | | | |
| | • Fee for attending Board and committee meetings | 260000 | 220000 | 240000 | 720000 |
| | • Commission | Nil | Nil | Nil | 0 |
| | • Others , please specify | Nil | Nil | Nil | 0 |
| | Total(1) | 260000 | 220000 | 240000 | 720000 |
| 2. | Other Non-Executive Directors | | | | |
| | • Fee for attending board committee meetings | Nil | Nil | Nil | Nil |
| | • Commission | Nil | Nil | Nil | Nil |
| | • Others, please specify | Nil | Nil | Nil | Nil |
| | Total(2) | Nil | Nil | Nil | - |
| | Total (B)= (1+2) | 260000 | 220000 | 240000 | 720000 |
| | Ceiling as per the Act (per sitting) | 100000 | 100000 | 100000 | |

Note : Sitting fees in THDCIL is paid @ Rs 20,000 Per sitting

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

(₹ in lakh)

| S. No | Particulars of Remuneration | Total Amount | | |
|-------|--|--------------|-------------------|--------------|
| | | CFO | Company Secretary | Total |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the income –tax Act, 1961 | 37.78 | 16.22 | 54.00 |
| | (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 | 9.97 | 3.35 | 19.32 |
| 2. | Stock Option | Nil | Nil | Nil |
| 3. | Sweat Equity | Nil | Nil | Nil |
| 4. | Commission | Nil | Nil | Nil |
| | - As % of profit | | | |
| | - Others, specify.... | | | |
| 5. | Others , please specify | Nil | Nil | Nil |
| | Total | | 19.57 | 19.57 |

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 | Nil | 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 |

Annexure – VII to the Directors' Report

P.S.R. MURTHY

PRACTICING COMPANY SECRETARY

C.P. 13090

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[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 2019 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 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Depositories Act 1996 and the Regulations and Bye-Laws framed thereunder;
- (iii) Implementation and Monitoring of Micro, Small and Medium Enterprises transactions and Returns filing with MCA as notified.

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; (During the year 2018-19 there were no fresh issue).

- (v) The Securities and Exchange Bank of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993;
- (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;

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: NewDelhi

Date: 11th September, 2019

This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.

P.S.R. MURTHY

**PRACTICING COMPANY SECRETARY
C.P. 13090**

Annexure-A

The Members
THDC India Limited
Tehri Garhwal – 249 001

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, 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.

Sd/-

(P.S.R. Murthy)
ACS-5880
C P No-13090

Place: New Delhi

Date: 11th September, 2019

Financial Statements 2018-19

- Balance Sheet
- Statement of Profit & Loss
- Cash Flow Statement
- Notes on Accounts
- Independent Auditor's Report on the Financial Statements
- Comments of the C&AG of India



BALANCE SHEET AS AT 31-March-2019

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|------------------|-------------------|------------------|
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| (a) Property, Plant and Equipment | 2 | | 683,030 | | 732,768 |
| (b) Capital work-in- progress | 3 | | 455,714 | | 394,994 |
| (c) Other Intangible Assets | 2 | | 85 | | 33 |
| (d) Intangible Assets Under Development | 3 | | 0 | | 33 |
| (e) Financial Assets | | | | | |
| (i) Loans and Advances | 4 | 4,079 | | 4,483 | |
| (ii) Others | 5 | 1,452 | 5,531 | 1,582 | 6,065 |
| (f) Deferred Tax Assets (Net) | 6 | | 89,104 | | 82,532 |
| (g) Other Non-Current Assets | 7 | | 119,490 | | 69,965 |
| Current Assets | | | | | |
| (a) Inventories | 8 | | 3,060 | | 3,000 |
| (b) Financial Assets | | | | | |
| (i) Trade Receivables | 9 | 170,128 | | 130,726 | |
| (ii) Cash and Cash Equivalents | 10 | 4,577 | | 6,102 | |
| (iii) Bank Balances other than (ii) above | 11 | 676 | | 37 | |
| (iv) Loans and Advances | 12 | 5,292 | | 4,578 | |
| (v) Others | 13 | 178 | 180,851 | 167 | 141,610 |
| (c) Current Tax Assets (Net) | 14 | | 9,049 | | 9,047 |
| (d) Other Current Assets | 15 | | 4,368 | | 5,983 |
| Regulatory Deferral Account Debit Balance | 16 | | 7,501 | | 0 |
| Total | | | 1,557,783 | | 1,446,030 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| (a) Equity Share Capital | 17 | 365,488 | | 362,743 | |
| (b) Other Equity | | 562,590 | 928,078 | 488,384 | 851,127 |
| Non-Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 18 | 265,201 | | 241,530 | |
| (ii) Non current Financial Liabilities | 19 | 1,794 | | 2,200 | |
| (iii) Others | 20 | 248 | 267,243 | 284 | 244,014 |
| (b) Other Non Current Liabilities | 21 | | 90,992 | | 97,907 |
| (c) Provisions | 22 | | 39,483 | | 35,087 |

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|------------------|-------------------|------------------|
| Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 23 | 121,840 | | 64,663 | |
| (ii) Trade Payables | | | | | |
| A. Total outstanding dues of micro enterprises and small enterprises | | 43 | | 41 | |
| B. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 17,641 | | 7,454 | |
| (iii) Others | 24 | 65,506 | 205,030 | 113,980 | 186,138 |
| (b) Other Current Liabilities | 25 | | 3,857 | | 4,429 |
| (c) Provisions | 26 | | 12,293 | | 21,015 |
| (d) Current Tax Liabilities (Net) | 27 | | 4,494 | | 0 |
| Regulatory Deferral Account Credit Balance | 28 | | 6,313 | | 6,313 |
| TOTAL | | | 1,557,783 | | 1,446,030 |
| Significant Accounting Policies | 1 | | | | |
| Disclosures on Financial Instruments and Risk Management | 38 | | | | |
| Other Explanatory Notes to Accounts | 39 | | | | |
| Note 1 to 39 form integral part of the Accounts | | | | | |

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(J. Behera)
Director (Finance)
DIN:08536589

(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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019

Place: Rishikesh

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-March-2019

Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|--|-----------|----------------------------------|----------------|----------------------------------|----------------|
| INCOME | | | | | |
| Revenue from Continuing Operations | 29 | | 276,796 | | 218,510 |
| Other Income | 30 | | 8,233 | | 3,809 |
| Deferred Revenue on account of Irrigation Component | | 6,915 | | 6,822 | |
| Less: Depreciation on Irrigation Component | 2 | 6,915 | 0 | 6,822 | 0 |
| Total Revenue | | | 285,029 | | 222,319 |
| EXPENSES | | | | | |
| Employee Benefits Expense | 31 | | 41,183 | | 30,649 |
| Finance Costs | 32 | | 17,568 | | 22,787 |
| Depreciation & Amortisation | 2 | | 55,500 | | 57,452 |
| Generation Administration and Other Expenses | 33 | | 22,132 | | 20,342 |
| Provision for Bad & Doubtful Debts, CWIP and Stores & Spares | 34 | | 4,985 | | 0 |
| Total Expenses | | | 141,368 | | 131,230 |
| Profit Before net movement in regulatory deferral account balance and Tax | | | 143,661 | | 91,089 |
| Net Movement in Regulatory Deferral Account Balance Income/ (Expense) | 16 | | 7,501 | | 0 |
| Profit Before Tax | | | 151,162 | | 91,089 |
| Tax Expenses | 35 | | | | |
| Current Tax | | | | | |
| Income Tax | | | 32,275 | | 19,056 |
| Deferred tax- Asset | | | (6,676) | | (5,083) |
| I Profit For The Period from continuing operations | | | 125,563 | | 77,116 |
| II OTHER COMPREHENSIVE INCOME | | | | | |
| (i) Items that will not be classified to Profit or Loss: | | | | | |
| Re-measurements of the Defined Benefit Plans | 36 | | (299) | | 563 |
| Deferred tax on Re-measurements of the Defined Benefit Plans- Deferred Tax Asset | | | (104) | | 195 |

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|-------------------------------------|----------------|-------------------------------------|---------------|
| Other Comprehensive Income | | | (403) | | 758 |
| Total Comprehensive Income (I+II) | | | 125,160 | | 77,874 |
| Earning per Equity Share (including net movement in regulatory deferral account) | | | | | |
| Basic (₹) | | | 344.38 | | 213.14 |
| Diluted (₹) | | | 344.35 | | 213.13 |
| Earning per Equity Share (excluding net movement in regulatory deferral account) | | | | | |
| Basic (₹) | | | 323.81 | | 213.14 |
| Diluted (₹) | | | 323.78 | | 213.13 |
| Significant Accounting Policies | 1 | | | | |
| Disclosures on Financial Instruments and Risk Management | 38 | | | | |
| Other Explanatory Notes to Accounts | 39 | | | | |
| Note 1 to 39 form integral part of the Accounts | | | | | |

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(J. Behera)
Director (Finance)
DIN:08536589

(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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019

Place: Rishikesh

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-March-2019

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

| Particulars | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|-------------------------------------|----------------|-------------------------------------|----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before tax including net movement in regulatory deferral account balances | | 151,162 | | 91,089 |
| Adjustments for:- | | | | |
| Depreciation | 55,500 | | 57,452 | |
| Depreciation- Irrigation Component | 6,915 | | 6,822 | |
| Provisions | 4,985 | | - | |
| Interest on loans | 17,568 | | 22,787 | |
| Other Comprehensive Income (OCI) | (299) | | 563 | |
| Prior Period Adjustments through SOCIE | - | | 317 | |
| Net Movement in Regulatory Deferral Account Balance | (7,501) | | - | |
| Exceptional Items | - | 77,168 | - | 87,941 |
| Cash Flow from Operating profit activities Before Working Capital Changes | | 228,330 | | 179,030 |
| Adjustment For :- | | | | |
| Inventories | (121) | | 264 | |
| Trade Receivables | (39,402) | | 42,502 | |
| Other Assets | 1,729 | | 655 | |
| Loans and Advances (Current + Non Current) | (5,236) | | (1,002) | |
| Trade Payable and Liabilities | 5,126 | | (15,973) | |
| Provisions (Current + Non Current) | (4,326) | (42,230) | 6,785 | 33,231 |
| Cash Flow From Operative Activities Before Taxes | | 186,100 | | 212,261 |
| Corporate Tax | | (32,275) | | (19,056) |
| Net Cash From Operations (A) | | 153,825 | | 193,205 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Change in:- | | | | |

| Particulars | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|-------------------------------------|------------------|-------------------------------------|------------------|
| Property, Plant & Equipment and CWIP | (73,416) | | (107,886) | |
| Capital Advances | (49,520) | | 21,944 | |
| Net Cash Flow From Investing Activities (B) | | (122,936) | | (85,942) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Share Capital (Including Pending Allotment) | 2,800 | | 3,200 | |
| Borrowings | (23,175) | | (98,875) | |
| Interest and Finance Charges | (17,568) | | (22,787) | |
| Dividend & Tax on Dividend | (51,009) | | (40,345) | |
| Net Cash Flow From Financing Activities (C) | | (88,952) | | (158,807) |
| D. NET CASH FLOW DURING THE YEAR (A+B+C) | | (58,063) | | (51,544) |
| E. OPENING CASH & CASH EQUIVALENTS | | (58,524) | | (6,980) |
| F. CLOSING CASH & CASH EQUIVALENTS(D+E) | | (116,587) | | (58,524) |

Note:

1. Cash and Cash Equivalents includes Balance with Banks of ₹ 676Lac (Previous year ₹ 37 Lac)which is not available for use by the Corporation.
2. Previous year's figures have been Regrouped / Rearranged / Recast wherever necessary.
3. Reconciliation of Cash & cash Equivalents has been made in Note No 39.21 (a)

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(J. Behera)
Director (Finance)
DIN:08536589

(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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019

Place: Rishikesh

STATEMENT OF CHANGES IN EQUITY -

A. Equity Share Capital For The Year Ended 31-March-2019

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 |
|---|----------|-------------------|
| | | Amount |
| Balance at the beginning of reporting period | | 362,743 |
| Changes in equity share capital during the period | | 2,745 |
| Closing Balance at the end of the reporting period | | 365,488 |

B. Other Equity For The Year Ended 31-March-2019

Amount In lakh ₹

| Particulars | Note No. | Share Application Money Pending Allotment | Reserve & Surplus 01-Apr-2018 To 31-Mar-2019 | | Other Comprehensive Income | Total |
|--|----------|---|--|---------------------------------------|----------------------------|---------|
| | | | Retained Earnings | Debenture Redemption Reserve & Others | Actuarial Gain/ (Loss) | |
| Opening Balance | | 345 | 484,747 | 3,000 | 291 | 488,383 |
| Changes in accounting policy or prior period (income)/ expenses | 37 | | 0 | | | 0 |
| Restated Opening Balance (I) | | 345 | 484,747 | 3,000 | 291 | 488,383 |
| Profit For The Year | | | 125,563 | | | 125,563 |
| Other Comprehensive Income | | | | | (403) | (403) |
| Total Comprehensive Income | | | 125,563 | | (403) | 125,160 |
| Dividend | | | 42,312 | | | 42,312 |
| Tax On Dividend | | | 8,696 | | | 8,696 |
| Transfer to Retained Earnings (II) | | | 74,555 | | | 74,152 |
| Transferred to Debenture Redemption Resre (III) | | | (1,500) | | | (1,500) |
| Debenture Redemption Reserve Addition/ (Utilised) during the year (IV) | | | | 1,500 | | 1,500 |
| Share Capital Pending Allotment Deposited during the Year (V) | | 2,800 | | | | 2,800 |
| Share Capital Pending Allotment (Allotted) during the Year (VI) | | (2,745) | | | | (2,745) |
| Closing Balance (I+II+III-IV+V+VI) | | 400 | 557,802 | 4,500 | (112) | 562,590 |

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

(J. Behera)
Director (Finance)
DIN:08536589

(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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019

Place: Rishikesh

NOTE NO:- 1

SIGNIFICANT ACCOUNTING POLICIES 2018-19**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, Indian Accounting Standards (Ind AS), notified by MCA and subsequent amendments thereto and the Statements and Guidance Notes issued by the Institute of Chartered Accountants of India from time to time.

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 AS" 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 which 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 Under Ind AS 115, revenue is recognized when the entity satisfies a performance obligation by transferring promised goods or services to a customer. An asset is transferred when control is transferred that is either over time or at a point in time. The company recognizes revenue in respect of amounts to which it has a right to invoice.

- 13.2 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.
- 13.3 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.
- 13.4 Adjustments arising out of finalization of Regional Energy Account (REA), which may not be material, are effected in the year of respective finalisation.
- 13.5 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.
- 13.6 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.
- 13.7 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.
- 13.8 Late Payment 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.
- 13.9 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.
- 13.10 Value of scrap is accounted for at the time of sale.
- 13.11 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 of ₹5,00,000/- or below in each case, are accounted for in their natural heads of accounts. Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which error occurred. If the error occurred before the earliest period presented, opening balances of assets, liabilities and equity for the earliest period presented, are restated.

- 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, employees defined contribution superannuation scheme for providing pension and post retirement medical 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 addition and 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 Expense/Income recognized in the statement of Profit and Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff regulations are recognized as “Regulatory Deferral Account Balances”.

22.2 These Regulatory Deferral Account Balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

22.3 Regulatory Deferral Account Balances are evaluated at each balance sheet date to

ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the Regulatory Deferral Account Balances are derecognized..

23 Dividend Distribution

23.1 Dividend distribution to the Company’s shareholders is recognized 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’.

25. Miscellaneous

25.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

**NOTE:- 2
PROPERTY PLANT & EQUIPMENT & INTANGIBLE ASSETS**

Amount in lakh ₹

| Particulars | Gross Block | | | | Depreciation | | | Net Block | |
|---|-------------------|----------------------------|--------------------------------------|-------------------|---------------------|---|-------------------------------------|-------------------|-------------------|
| | As at 01-Apr-2018 | Addition During the Period | Sales / Adjustment During the Period | As at 31-Mar-2019 | As at 01-Apr-2018 | For The Period 01-Apr-2018 To 31-Mar-2019 | Sales/ Adjustment During the Period | As at 31-Mar-2019 | As at 31-Mar-2018 |
| A. Property Plant & Equipment | | | | | | | | | |
| Lease Hold Assets | | | | | | | | | |
| 1. Land Lease Hold | 3,905 | - | - | 3,905 | 382 | 186 | - | 3,337 | 3,523 |
| Other Assets | | | | | | | | | |
| 2 Land Free Hold | 3,825 | - | - | 3,825 | - | - | - | 3,825 | 3,825 |
| 3. Land Under Submergence | 165,069 | 63 | - | 165,132 | 55,551 | 5,879 | - | 103,702 | 109,518 |
| 4. Buildings | 89,045 | 11,470 | - | 100,515 | 21,041 | 4,249 | - | 75,225 | 68,004 |
| 5. Building Temp. Structures | 2,360 | 58 | - | 2,418 | 2,360 | 58 | - | 12,418 | 12,756 |
| 6. Road, Bridge & Culverts | 16,034 | 224 | - | 16,258 | 3,278 | 562 | - | 3,840 | 1,475 |
| 7. Drainage, Sewerage & Water Supply | 2,140 | 95 | - | 2,235 | 665 | 94 | - | 759 | 859 |
| 8. Construction Plant & Machinery | 2,149 | 103 | (7) | 2,245 | 1,290 | 61 | (2) | 1,349 | 187,866 |
| 9. Generation Plant & Machinery | 304,911 | 217 | - | 305,128 | 117,045 | 16,457 | - | 171,626 | 314 |
| 10. EDP Machines | 1,418 | 435 | (244) | 1,609 | 1,104 | 120 | (219) | 604 | 3,900 |
| 11. Electrical Installations | 4,570 | 7 | - | 4,577 | 670 | 244 | - | 914 | 3,663 |
| 12. Transmission Lines | 2,461 | 123 | - | 2,584 | 1,042 | 132 | - | 1,410 | 1,419 |
| 13. Office & Other Equipment | 5,675 | 195 | (4) | 5,866 | 2,561 | 344 | (2) | 2,963 | 3,114 |
| 14. Furniture & Fixtures | 2,490 | 179 | - | 2,669 | 1,069 | 161 | - | 1,439 | 1,421 |
| 15. Vehicles | 1,546 | 556 | (29) | 2,073 | 765 | 131 | (22) | 1,199 | 781 |
| 16. Railway Sidings | 122 | - | - | 122 | 41 | 4 | - | 77 | 81 |
| 17. Hydraulic Works- Dam & Spillways | 518,190 | 225 | - | 518,415 | 251,394 | 27,531 | - | 239,490 | 266,796 |
| 18. Hydraulic Works- Tunnel, Penstock, Canals etc | 139,980 | - | - | 139,980 | 72,876 | 7,440 | - | 59,664 | 67,104 |
| 19. Unservisable/ Obsolete Assets at net book value or net realisable value whichever is lower. | 12 | - | 4 | 16 | - | - | - | 16 | 12 |
| Sub Total | 1,265,902 | 13,950 | (280) | 1,279,572 | 533,134 | 63,653 | (245) | 683,030 | 732,768 |
| Figures For Previous Year | 1,247,126 | 19,363 | (587) | 1,265,902 | 466,484 | 66,428 | 222 | 732,768 | 780,642 |
| B. Intangible Assets | | | | | | | | | |
| 1. Intangible Assets-Software | 397 | 74 | - | 471 | 364 | 22 | - | 386 | 33 |
| Sub Total | 397 | 74 | - | 471 | 364 | 22 | - | 386 | 33 |
| Figures For Previous Year | 395 | 2 | - | 397 | 350 | 14 | - | 364 | 45 |
| Detail of Depreciation | | | | | Current Year | Previous Year | | | |
| Depreciation transferred to EDC | | | | | 1,260 | 2,168 | | | |
| Depreciation transferred to statement of P&L | | | | | 55,500 | 57,452 | | | |
| Depreciation transferred to statement of P&L - Irrigation Contribution from GOUP | | | | | 6,915 | 6,822 | | | |
| Fixed Assets Costing More Than ₹ 1500.00 But Less Than ₹ 5000.00 Procured and Depreciated Fully During The Year | | | | | 29 | 10 | | | |
| 2.1 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/-. | | | | | | | | | |
| 2.2 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 :- 3
CAPITAL WORK IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT
Amount In lakh ₹

| Particulars | | | For the Period Ended 31-Mar-2019 | | | As at 31-Mar-2019 |
|---|----------|-------------------|---|---|---|-------------------|
| | Note No. | As at 01-Apr-2018 | Addition During The Period 01-Apr-2018 To 31-Mar-2019 | Adjustment During the Period 01-Apr-2018 To 31-Mar-2019 | Capitalisation During The Period 01-Apr-2018 To 31-Mar-2019 | |
| A. Construction Work In Progress | | | | | | |
| Building & Other Civil Works | | 7,522 | 10,608 | 264 | (11,481) | 6,913 |
| Roads, Bridges & Culverts | | 836 | 1,646 | (126) | (217) | 2,139 |
| Water Supply, Sewerage & Drainage | | - | 317 | - | (77) | 240 |
| Generation Plant And Machinery | | 118,932 | 24,866 | (1) | (10) | 143,787 |
| Hydraulic Works, Dam, Spillway, Water Channels, Weirs, Service Gate & Other Hydraulic Works | | 218,100 | 28,466 | (16) | - | 246,550 |
| Afforestation Catchment Area | | 1,187 | 7,812 | - | - | 8,999 |
| Electrical Installation & Sub-Station Equipments | | 88 | 57 | - | (124) | 21 |
| Development of Coal Mine | | 3,761 | 0 | 0 | 0 | 3,761 |
| Development of Solar Power | | 0 | 2,583 | 0 | 0 | 2,583 |
| Others | | 125 | 59 | - | (2) | 182 |
| Expenditure Pending Allocation | | | | | | |
| Survey & Development Expenses | | 9,788 | 68 | (40) | - | 9,816 |
| Expenditure During Construction | 28.1 | 4,024 | (1,168) | | | 2,856 |
| Rehabilitation | | | | | | |
| Rehabilitation Expenses | | 30,631 | 1,144 | - | (425) | 31,350 |
| Less: Provision for CWIP | | 0 | 3,483 | 0 | 0 | 3,483 |
| Total | | 394,994 | 72,975 | 81 | (12,336) | 455,714 |
| Previous Year Figure | | 303,496 | 106,451 | 195 | (15,148) | 394,994 |
| B. InTangible Assets Under Development | | | | | | |
| Intangible asset Under Development | | 33 | 65 | (29) | (69) | 0 |
| Sub Total | | 33 | 65 | (29) | (69) | 0 |
| Previous Year Figure | | 33 | 0 | 0 | 0 | 33 |
| 3.1 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 :- 4

NON CURRENT- FINANCIAL ASSETS- LOANS AND ADVANCES

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|--------------|-------------------|--------------|
| Loans To Employees | | | | | |
| Considered Good- Secured | | 1,924 | | 2,490 | |
| Considered Good- Unsecured | | 761 | | 717 | |
| Interest Accrued On Loans To Employees | | | | | |
| Considered Good- Secured | | 2,665 | | 2,674 | |
| Considered Good- Un secured | | 180 | | 183 | |
| Total Loans to Employees | | 5,530 | | 6,064 | |
| Less: Fair valuation Adjustment | | 1,451 | 4,079 | 1,582 | 4,482 |
| Loans To Directors | | | | | |
| Considered Good- Secured | | 0 | | 0 | |
| Considered Good- Unsecured | | 0 | | 0 | |
| Interest Accrued On Loans To Directors | | | | | |
| Considered Good- Secured | | 0 | | 1 | |
| Considered Good- Unsecured | | 0 | | 0 | |
| Total Loans to Directors | | 0 | | 1 | |
| Less: Fair valuation Adjustment | | 0 | 0 | 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 | | | 4,079 | | 4,483 |
| LESS:- Provision For Bad & Doubtful Advances | | | 0 | | 0 |
| SUB TOTAL - ADVANCES | | | 4,079 | | 4,483 |
| TOTAL LOANS AND ADVANCES | | | 4,079 | | 4,483 |
| Note :- Due From Directors | | | | | |
| Principal | | 0 | | 0 | |
| Interest | | 0 | | 1 | |
| TOTAL | | 0 | | 1 | |
| Less: Fair Valuation Adjustment | | 0 | 0 | 0 | 1 |
| Note :- Due From Officers | | | | | |
| Principal | | 1 | | 2 | |
| Interest | | 1 | | 1 | |
| TOTAL | | 2 | | 3 | |
| Less: Fair Valuation Adjustment | | 0 | 2 | 1 | 2 |

NOTE :- 5
NON CURRENT- FINANCIAL ASSETS-OTHERS
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|--------------|-------------------|--------------|
| Others | | | | | |
| Deferred Employee Cost due to Fair Valuation | | | 1,452 | | 1,582 |
| TOTAL | | | 1,452 | | 1,582 |

NOTE :- 6
DEFERRED TAX ASSET
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|------------------------|----------|-------------------|---------------|-------------------|---------------|
| Deferred Tax Liability | | (2,975) | | (2,975) | |
| Deferred Tax Asset | | 92,079 | 89,104 | 85,507 | 82,532 |
| Total | | | 89,104 | | 82,532 |

NOTE :- 7
OTHER NON CURRENT ASSETS
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|----------------|-------------------|---------------|
| Prepaid Expenses | | 40 | | 35 | |
| Interest Accrued but not due | | 0 | 40 | 0 | 35 |
| Sub Total | | | 40 | | 35 |
| Capital Advances | | | | | |
| Unsecured | | | | | |
| i) Against Bank Guarantee (Bank Guarantee of ₹ 65992 Lakh) | | 59,337 | | 52,764 | |
| ii) Rehabilitation & Resettlement and payment to various Government agencies | | 26,552 | | 3,012 | |
| iii) Others | | 40,435 | | 26,546 | |
| iv) Accrued Interest On Advances | | 5,528 | 131,852 | 10 | 82,332 |
| Less: Provision for Doubtful Advances | | | 12,402 | | 12,402 |
| SUB TOTAL - CAPITAL ADVANCES | | | 119,450 | | 69,930 |
| TOTAL | | | 119,490 | | 69,965 |

NOTE :- 8
INVENTORIES
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|--------------|-------------------|--------------|
| Inventories | | | | | |
| (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower) | | | | | |
| Other Civil And Building Material | | 104 | | 111 | |
| Mechanical and Electrical Stores & Spares | | 2,694 | | 2,697 | |
| Others (including Stores & Spares) | | 287 | | 213 | |
| Material Under Inspection (Valued At Cost) | | 25 | 3,110 | 1 | 3,022 |
| Less: Provision For other stores | | | 50 | | 22 |
| TOTAL | | | 3,060 | | 3,000 |

NOTE :- 9

TRADE RECEIVABLES

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|----------------|-------------------|----------------|
| (i) Debts Outstanding Over Six Months (Net) | | | | | |
| Unsecured, Considered Good | | 41,692 | | 15,773 | |
| Credit Impaired | | 14,576 | 56,268 | 18,476 | 34,249 |
| Less:- Provision For Bad And Doubtful Debts | | | 14,576 | | 18,476 |
| (ii) Other Debts (Net) | | | | | |
| Unsecured, Considered Good | | 128,436 | | 70,092 | |
| Credit Impaired | | 0 | 128,436 | 0 | 70,092 |
| (iii) Debtors against pending Tariff Petition (Net) | | | | | |
| Unsecured, Considered Good | | 0 | | 44,861 | |
| Credit Impaired | | 0 | 0 | 2,201 | 47,062 |
| Less:- Provision For Bad And Doubtful Debts | | | 0 | | 2,201 |
| TOTAL | | | 170,128 | | 130,726 |

9.1 Trade Receivable includes balances of beneficiaries against pending tariff petition of ₹ Nil (Recoverable ₹ Nil and Payable ₹ NIL) [P.Y. ₹ 47062 Lakh (Recoverable ₹ 76584 Lakh and Payable ₹ 29522 Lakh)].

9.2 Trade receivable is inclusive of unbilled revenue of ₹ NIL [P.Y. ₹ 849 Lakh].

NOTE :- 10

CASH AND CASH EQUIVALENTS

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|--------------|-------------------|--------------|
| Cash & Cash Equivalents | | | | | |
| Balances With Banks (Including Auto sweep, Flexi Deposit with Banks) | | | 4,576 | | 6,094 |
| Cheques, Drafts, Stamps on hand | | | 1 | | 8 |
| TOTAL | | | 4,577 | | 6,102 |

NOTE :- 11

BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|------------|-------------------|-----------|
| Other Bank Balances | | | | | |
| Others (Balance with Bank under Lien not available for use by the company) | | | 676 | | 37 |
| TOTAL | | | 676 | | 37 |

NOTE :- 12
CURRENT- FINANCIAL ASSETS- LOANS AND ADVANCES
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|--------------|-------------------|--------------|
| Loans To Employees | | | | | |
| Considered Good- Secured | | 702 | | 799 | |
| Considered Good- Unsecured | | 262 | | 253 | |
| Interest Accrued On Loans To Employees | | | | | |
| Considered Good- Secured | | 196 | | 163 | |
| Considered Good- Un secured | | 5 | | 1 | |
| Total loan to Employees | | 1,165 | | 1,216 | |
| Less: Fair valuation Adjustment | | 178 | 987 | 167 | 1,049 |
| Loans To Directors | | | | | |
| Considered Good- Secured | | 0 | | 0 | |
| Considered Good- Unsecured | | 0 | | 0 | |
| Interest Accrued On Loans To Directors | | | | | |
| Considered Good- Secured | | 0 | | 1 | |
| Considered Good- Unsecured | | 0 | | 0 | |
| Total loan to Directors | | 0 | | 1 | |
| Less: Fair valuation Adjustment | | 0 | 0 | 0 | 1 |
| Others | | | | | |
| Other Advances (Un Secured) | | | | | |
| (Advances Recoverable In Cash or In Kind or For Value To Be Received) | | | | | |
| To Employees | | 251 | | 273 | |
| To Others | | 35 | 286 | 35 | 308 |
| Deposits | | | | | |
| Security Deposit | | 915 | | 687 | |
| Deposit with Govt/Court | | 3,088 | | 2,534 | |
| Other Deposit | | 24 | 4,027 | 7 | 3,228 |
| SUB-TOTAL | | | 5,300 | | 4,586 |
| LESS:- Provision For Bad & Doubtful Advances | | | 8 | | 8 |
| TOTAL ADVANCES | | | 5,292 | | 4,578 |
| TOTAL LOANS AND ADVANCES | | | 5,292 | | 4,578 |
| Note :- Due From Directors | | | | | |
| Principal | | 0 | | 0 | |
| Interest | | 0 | | 1 | |
| TOTAL | | 0 | | 1 | |
| Less: fair Valuation Adjustment | | 0 | 0 | 0 | 1 |
| Note :- Due From Officers | | | | | |
| Principal | | 0 | | 1 | |
| Interest | | 0 | | 0 | |
| TOTAL | | 0 | | 1 | |
| Less: fair Valuation Adjustment | | 0 | 0 | 0 | 1 |

NOTE :- 13**CURRENT- FINANCIAL ASSETS- OTHERS**

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|------------|-------------------|------------|
| Others | | | | | |
| Deferred Employee Cost due to Fair Valuation | | | 178 | | 167 |
| TOTAL | | | 178 | | 167 |

NOTE :- 14**CURRENT TAX ASSETS (NET)**

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---------------|----------|-------------------|--------------|-------------------|--------------|
| Tax Deposited | | | 9,049 | | 9,047 |
| TOTAL | | | 9,049 | | 9,047 |

NOTE :- 15**OTHER CURRENT ASSETS**

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--------------------------------------|----------|-------------------|--------------|-------------------|--------------|
| Prepaid Expenses | | | 2,971 | | 3,119 |
| Interest Accrued | | | 16 | | 28 |
| SUB-TOTAL | | | 2,987 | | 3,147 |
| Other Advances (Un Secured) | | | | | |
| To Employees | | | 35 | | 25 |
| For Purchases | | | 1,255 | | 1,211 |
| To Others | | | 1,532 | | 1,600 |
| | | | 2,822 | | 2,836 |
| Less: Provision for Misc. Recoveries | | | 1,441 | | 0 |
| SUB TOTAL -OTHER ADVANCES | | | 1,381 | | 2,836 |
| TOTAL | | | 4,368 | | 5,983 |

NOTE :- 16**REGULATORY DEFERRAL ACCOUNT DEBIT BALANCE**

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|------------------------------|----------|-------------------|--------------|-------------------|----------|
| Opening Balance | | | 0 | | 0 |
| Net movement during the year | | | 7,501 | | 0 |
| Closing Balance | | | 7,501 | | 0 |

NOTE :- 17
SHARE CAPITAL
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|----------------|-------------------|----------------|
| | | Number of Shares | Amount | Number of Shares | Amount |
| Authorised | | | | | |
| Equity Shares of ₹ 1000 /= each | | 40,000,000 | 400,000.00 | 40,000,000 | 400,000.00 |
| Issued Subscribed & Paid-up | | | | | |
| Equity Shares of ₹ 1000 /= each Fully Paid up | | 36,548,817 | 365,488 | 36,274,317 | 362,743 |
| TOTAL | | 36,548,817 | 365,488 | 36,274,317 | 362,743 |

NOTE :- 17.1
DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|------------------------------------|----------|-------------------|------------|-------------------|------------|
| | | Number of Shares | % | Number of Shares | % |
| Share holding more than 5 % | | | | | |
| I. GOI | | 27,199,417 | 74.42 | 26,924,917 | 74.23 |
| II. GOUP | | 9,349,400 | 25.58 | 9,349,400 | 25.77 |
| TOTAL | | 36,548,817 | 100 | 36,274,317 | 100 |

NOTE :- 17.2
RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|----------------|----------|-------------------|----------------|-------------------|----------------|
| | | Number of Shares | Amount | Number of Shares | Amount |
| Opening | | 36,274,317 | 362,743 | 35,988,817 | 359,888 |
| Issued | | 274,500 | 2,745 | 285,500 | 2,855 |
| Closing | | 36,548,817 | 365,488 | 36,274,317 | 362,743 |

17.3 The Company has paid Dividend of ₹ 42312 lakh during the year for the F.Y. 2018-19 and the Board of Directors of the Company have proposed a final dividend of ₹ 12600 lakh for the F.Y. 2018-19

NOTE :- 18**NON CURRENT- FINANCIAL LIABILITIES- BORROWINGS**

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|---|----------|-------------------|----------------|-------------------|----------------|
| 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 15th october 2008 to 15th July 2023, presently carrying floating interest rate @9.50%) | | | 31,597 | | 40,625 |
| POWER FINANCE CORPORATION Ltd. (PFC) -78302002 (For KHEP) # (Repayable within 10 years on Quarterly instalment from 15th January2012 to 15th october 2021, presently carrying floating interest rate @9.50 % p.a.) | | | 20,475 | | 32,175 |
| Rural Electrification Corporation Ltd. (REC) (For KHEP)# (UA-GE-PSU-033-2010-3754) (Repayable within 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate @ 9.35% p.a.) | | | 15,767 | | 22,774 |
| 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.) | | | 19,036 | | 28,554 |
| Punjab National Bank (For PSP) @ PNB (Repayable within 5 years on Quarterly Installments from 30.06.2019 to 31.03.2024 Carrying Floating Interest rate @ 1 year MCLR p.a. i.e. presently 8.45%) | | | 56,000 | | 0 |
| TOTAL (B) | | | 142,875 | | 124,128 |
| C. UNSECURED | | | | | |
| Foreign currency Loans (Guaranteed by Govt. of India) World Bank Loan -8078-IN (For VPHEP)\$ | | | | | |

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|----------------|-------------------|----------------|
| (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. presently 3.55%) | | | 62,326 | | 57,402 |
| TOTAL (C) | | | 62,326 | | 57,402 |
| TOTAL (A+B+C) | | | 265,201 | | 241,530 |
| <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>\$ With negative lien on the equipments financed under the respective loan ranking pari-passu.</p> <p>* The Bonds are secured by a first/ paripassu first charge on the existing assets of Tehri HPP Stage-I</p> <p>@ Medium Term Loan secured against hypothecation signed for first charge on Pari Passu basis on assets of Tehri PSP. There has been no default in repayment of any of the Loans or interest thereon during the year.</p> | | | | | |

NOTE :- 19
NON CURRENT FINANCIAL LIABILITIES
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|--------------|-------------------|--------------|
| Liabilities | | | | | |
| Deposits, Retention Money From Contractor etc. | | 2,042 | | 2,484 | |
| Less: Fair Value Adjustment- Security Deposit/ Retention Money | | 248 | 1,794 | 284 | 2,200 |
| TOTAL | | | 1,794 | | 2,200 |

NOTE :- 20
NON CURRENT- FINANCIAL LIABILITIES- OTHERS
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|------------|-------------------|------------|
| Defered Fair Valuation Gain- Security Deposit/ Retention Money | | | 248 | | 284 |
| TOTAL | | | 248 | | 284 |

NOTE :- 21
OTHER NON CURRENT LIABILITIES
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|---------------|-------------------|---------------|
| 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 | | 144,118 | | 144,118 | |
| LESS:- | | | | | |
| Adjustment Towards Depreciation | | 74,397 | 69,721 | 67,482 | 76,636 |
| Other Liabilities | | | 0 | | 0 |
| TOTAL | | | 90,992 | | 97,907 |

NOTE :- 22
NON CURRENT PROVISIONS

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

| Particulars | Note No. | As at 01-Apr-2018 | For the Period Ended 31-Mar-2019 | | | As at 31-Mar-2019 |
|---------------------------------|----------|-------------------|----------------------------------|----------------|----------------|-------------------|
| | | | Addition | Adjustment | Utilisation | |
| I. Employee Related | | 34,118 | 4,651 | 3,649 | (3,747) | 38,671 |
| II. Others | | 969 | 0 | (157) | 0 | 812 |
| TOTAL | | 35,087 | 4,651 | 3,492 | (3,747) | 39,483 |
| Figure for Previous Year | | 38,970 | 4,729 | (2,390) | (6,222) | 35,087 |

22.1 Disclosure required by Ind AS-19 on employee benefit has been made in Note No 39.15

NOTE :- 23
CURRENT- FINANCIAL LIABILITIES- BORROWINGS

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | As at 31-Mar-2018 |
|--|----------|-------------------|-------------------|
| Short term Loan From Banks and Financial Institutions | | | |
| A. Secured loans: | | | |
| Bank of India (Carrying Floating Interest Rate @ 1 month MCLR- 8.30%+0.20% margin presently 8.50%)# | | 59,958 | 0 |
| Over Draft (OD) From Banks | | | |
| Punjab National Bank (Carrying Floating Interest Rate @ one year MCLR i.e. presently 8.45%)* | | 61,882 | 64,663 |
| TOTAL | | 121,840 | 64,663 |

* O.D. amounting to ₹61882 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.

Short Term Loan from Bank of India is secured by way of first charge on book debts/ receivables of the company.

NOTE :- 24
CURRENT- FINANCIAL LIABILITIES- OTHERS

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | As at 31-Mar-2018 |
|---|----------|-------------------|-------------------|
| Current maturity of Long Term Debt | | | |
| A. SECURED * | | | |
| (Indian Currency Loan) | | 51,253 | 98,618 |
| TOTAL (A) | | 51,253 | 98,618 |
| B. UNSECURED * | | | |
| | | 3,184 | 2,665 |
| TOTAL (B) | | 3,184 | 2,665 |
| TOTAL | | 54,437 | 101,283 |
| Liabilities | | | |
| Deposits, Retention Money From Contractors etc. | | 6,404 | 7,165 |

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--|----------|-------------------|---------------|-------------------|----------------|
| Less: Fair Value Adjustment- Security Deposit/ Retention Money | | 0 | 6,404 | 0 | 7,165 |
| Deferred Fair Valuation Gain- Security Deposit/ Retention Money | | | 0 | | 0 |
| Interest Accrued But Not Due | | | | | |
| Financial Institutions | | 4,665 | | 5,532 | |
| Other Liabilities | | 0 | 4,665 | 0 | 5,532 |
| TOTAL | | | 11,069 | | 12,697 |
| TOTAL LIABILITIES | | | 65,506 | | 113,980 |
| * 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-18. Previous Year includes ₹ 61365 Lakh of State bank of India secured by first charge on Pari Passu basis on assets of Tehri PSP | | | | | |

NOTE :- 25
OTHER CURRENT LIABILITIES
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|--------------------|----------|-------------------|--------------|-------------------|--------------|
| Liabilities | | | | | |
| Other Liabilities | | | 3,857 | | 4,429 |
| TOTAL | | | 3,857 | | 4,429 |

NOTE :- 26
CURRENT PROVISIONS
Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

| Particulars | Note No. | As at 01-Apr-2018 | For the Period Ended 31-Mar-2019 | | | As at 31-Mar-2019 |
|--|----------|-------------------|----------------------------------|----------------|-----------------|-------------------|
| | | | Addition | Adjustment | Utilisation | |
| I. Works | | 635 | 353 | (11) | (414) | 563 |
| II. Employee Related | | 18,861 | 13,329 | (4,772) | (17,034) | 10,384 |
| III. Others | | 1,519 | 464 | (39) | (598) | 1,346 |
| TOTAL | | 21,015 | 14,146 | (4,822) | (18,046) | 12,293 |
| Figure for Previous Year | | 10,347 | 15,857 | (933) | (4,256) | 21,015 |
| 26.1 Disclosure required by Ind AS-19 on employee benefit has been made in Note No 39.15 | | | | | | |

NOTE :- 27
CURRENT TAX LIABILITIES (NET)
Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|------------------------------|----------|-------------------|--------------|-------------------|----------|
| INCOME TAX | | | | | |
| Opening Balance | | | 0 | | 0 |
| Addition during the period | | | 32,557 | | 9,696 |
| Adjustment during the period | | | 0 | | (3,730) |
| Utilised during the period | | | (28,063) | | (5,966) |
| Closing Balance | | | 4,494 | | 0 |

NOTE :- 28

REGULATORY DEFERRAL ACCOUNT CREDIT BALANCE

Amount In lakh ₹

| Particulars | Note No. | As at 31-Mar-2019 | | As at 31-Mar-2018 | |
|------------------------------|----------|-------------------|--------------|-------------------|--------------|
| Opening Balance | | | 6,313 | | 6,313 |
| Net movement during the year | | | 0 | | 0 |
| Closing Balance | | | 6,313 | | 6,313 |

NOTE :- 28.1

EXPENDITURE DURING CONSTRUCTION

Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|----------------------------------|--------|----------------------------------|--------|
| EXPENDITURE | | | | | |
| EMPLOYEE BENEFITS EXPENSES | 31 | | | | |
| Salaries, Wages, Allowances & Benefits | | 15,319 | | 10,656 | |
| Contribution to Provident & Other Funds | | 954 | | 730 | |
| Pension Fund | | 707 | | 360 | |
| Gratuity | | 494 | | 380 | |
| Welfare | | 258 | | 205 | |
| Amortisation Expenses of Deferred Employee Cost | | 10 | 17,742 | 36 | 12,367 |
| OTHER EXPENSES | 33 | | | | |
| Rent | | | | | |
| Rent for office | | 63 | | 67 | |
| Rent for Employee Residence | | 202 | 265 | 299 | 366 |
| Rate and taxes | | | 22 | | 11 |
| Power & Fuel | | | 510 | | 623 |
| Insurance | | | 35 | | 33 |
| Communication | | | 127 | | 168 |
| Repair & Maintenance | | | | | |
| Plant & Machinery | | 2 | | 5 | |
| Consumption of Stores & Spare Parts | | 0 | | 0 | |
| Buildings | | 323 | | 641 | |
| Others | | 228 | 553 | 228 | 874 |
| Travelling & Conveyance | | | 226 | | 178 |
| Vehicle Hire & Running | | | 543 | | 528 |
| Security | | | 305 | | 437 |
| Publicity & Public relation | | | 93 | | 37 |
| Other General Expenses | | | 1,306 | | 1,935 |
| Loss on sale of assets | | | 3 | | 1 |
| Survey And Investigation Expenses | | | 13 | | 99 |

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|----------------------------------|---------------|----------------------------------|---------------|
| | | | | | |
| Interest on Security deposit/ Retention money on account of Effective Interest Rate | | | 87 | | 149 |
| DEPRECIATION | 2 | | 1,260 | | 2,168 |
| TOTAL EXPENDITURE (A) | | | 23,090 | | 19,974 |
| RECEIPTS | | | | | |
| OTHER INCOME | 30 | | | | |
| Interest | | | | | |
| From Bank Deposit | | | 5 | | 3 |
| From Employees | | | 84 | | 98 |
| Employee Loans & Advances- Adjustment on Account of Effective Interest | | | 10 | | 36 |
| From Others | | | 4 | | 4 |
| Machine Hire Charges | | | | | 141 |
| | | | 1 | | 0 |
| Rent Receipts | | | 67 | | 70 |
| Sundry Receipts | | | 146 | | 80 |
| Excess Provision Written Back | | | 41 | | 219 |
| Fair Value Gain- Security Deposit/ Retention Money | | | 88 | | 149 |
| TOTAL RECEIPTS (B) | | | 446 | | 659 |
| NET EXPENDITURE BEFORE TAXATION | | | 22,644 | | 19,315 |
| PROVISION FOR TAXATION | 35 | | | | |
| NET EXPENDITURE INCLUDING TAXATION | | | 22,644 | | 19,315 |
| Change in Accounting policy and Prior Period Items | 37 | | 0 | | 136 |
| Actuarial Gain/ (Loss) through OCI | 36 | | (45) | | 113 |
| Balance Brought Forward From Last Year | | | 4,023 | | 2,370 |
| TOTAL EDC | | | 26,712 | | 21,708 |
| Less:- | | | | | |
| EDC Allocated To CWIP / Asset | | | 23,368 | | 17,292 |
| EDC Of Projects Under Approval Charged To Profit & Loss Account | | | 488 | 23,856 | 393 |
| Balance Carried Forward To CWIP | | | 2,856 | | 4,023 |

NOTE :- 29**REVENUE FROM CONTINUING OPERATIONS**

Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|--|----------|----------------------------------|----------------|----------------------------------|----------------|
| Income from Beneficiaries against Sale of Power | | 228,832 | | 215,963 | |
| Income from Beneficiaries against Sale of Power due to Tariff Adjustment | | 44,877 | | (554) | |
| Less : | | | | | |
| Advance Against Depreciation- Deferred | | 0 | 273,709 | 0 | 215,409 |
| Deviation Settlement/ Congestion Charges | | | 3,002 | | 2,887 |
| Consultancy Income | | | 85 | | 214 |
| TOTAL | | | 276,796 | | 218,510 |

29.1 Hon'ble CERC has disposed off the review tariff petition of Tehri HPP for the period 2009-14 and 2014-19 and granted modified tariff vide its Order dated 05.12.2017. Hon'ble CERC has also disposed off the tariff petition of Koteshwar HEP for the period 2011-14 & 2014-19 and also issued tariff vide its Order dated 05.09.2018 and 09.10.2018.

Impact of said Tariff Orders relating to previous years amounting to ₹ 44767 Lakh has been included in Revenue From operations .

Revenue for Tehri HPP and Koteshwar HEP for the current financial year 2018-19 has been recognized, based on the above Order dated 05.12.2017 and 09.10.2018 respectively.

29.2 Income from Beneficiaries against Sale of Power includes late payment surcharge of ₹ 31176 Lakh (P.Y. ₹ 15548 Lakh)

NOTE :- 30**OTHER INCOME**

Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|----------------------------------|--------------|----------------------------------|--------------|
| Interest | | | | | |
| On Bank Deposits (Includes TDS ₹ 117652.00 Previous year ₹ 103081.00) | | 59 | | 210 | |
| From Employees | | 316 | | 351 | |
| Employee Loans & Advances - Adjustment on Account of Effective Interest | | 246 | | 391 | |
| Others | | 5 | 626 | 10 | 962 |
| Machine Hire Charges | | | 2 | | 6 |
| Rent Receipts | | | 144 | | 135 |
| Sundry Receipts | | | 339 | | 324 |
| Excess Provision Written Back | | | 7,277 | | 2,886 |
| Profit on Sale of Assets | | | 26 | | 41 |
| Fair Value Gain- Security Deposit/ Retention Money | | | 265 | | 114 |
| TOTAL | | | 8,679 | | 4,468 |
| Less : | | | | | |
| Transferred To EDC | 28.1 | | 446 | | 659 |
| TOTAL | | | 8,233 | | 3,809 |

NOTE :- 31
EMPLOYEE BENEFITS EXPENSES
Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|----------------------------------|---------------|----------------------------------|---------------|
| Salaries, Wages, Allowances & Benefits | | | 49,754 | | 35,770 |
| Contribution to Provident & Other Funds | | | 3,284 | | 2,523 |
| Pension Fund | | | 2,468 | | 1,343 |
| Gratuity | | | 1,930 | | 2,003 |
| Welfare Expense | | | 1,243 | | 986 |
| Amortisation Expenses of Deferred Employee Cost | | | 246 | | 391 |
| TOTAL | | | 58,925 | | 43,016 |
| Less : | | | | | |
| Transferred To EDC | 28.1 | | 17,742 | | 12,367 |
| TOTAL | | | 41,183 | | 30,649 |

NOTE :- 32
FINANCE COSTS
Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|----------------------------------|---------------|----------------------------------|---------------|
| Finance Costs | | | | | |
| Interest On Bond Issue Series-I | | | 4,554 | | 4,554 |
| Interest On Loans including FERV | | | 31,546 | | 32,805 |
| TOTAL | | | 36,100 | | 37,359 |
| LESS:- | | | | | |
| Transferred And Capitalised With CWIP Account | | | 18,532 | | 14,572 |
| TOTAL | | | 17,568 | | 22,787 |

NOTE :- 33
GENERATION ADMINISTRATION AND OTHER EXPENSES
Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|------------------------------|----------|----------------------------------|-------|----------------------------------|-------|
| Rent | | | | | |
| Rent for office | | 176 | | 185 | |
| Rent for Employees Residence | | 417 | 593 | 699 | 884 |
| Rate and taxes | | | 99 | | 183 |
| Power & Fuel | | | 1,775 | | 1,756 |
| Insurance | | | 2,169 | | 2,252 |
| Communication | | | 318 | | 381 |

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---|----------|----------------------------------|---------------|----------------------------------|---------------|
| Repair & Maintenance | | | | | |
| Plant & Machinery | | 2,228 | | 1,803 | |
| Consumption of Stores & Spare Parts | | 559 | | 917 | |
| Buildings | | 1,071 | | 1,350 | |
| Others | | 1,656 | 5,514 | 2,611 | 6,681 |
| Travelling & Conveyance | | | 770 | | 637 |
| Vehicle Hire & Running | | | 1,448 | | 1,378 |
| Security | | | 4,929 | | 4,171 |
| Publicity & Public relation | | | 212 | | 296 |
| Other General Expenses | | | 4,628 | | 4,282 |
| Loss on sale of assets | | | 23 | | 17 |
| Survey And Investigation Expenses | | | 501 | | 508 |
| Research & Development | | | 259 | | 238 |
| Expenses on Consultancy Project/ Contract | | | 6 | | 1 |
| Expenditure On CSR & S.D. Activities | | | 1,735 | | 1,620 |
| Rebate to Customers | | | 694 | | 382 |
| Payment of Interest as per Income Tax Act | | | 282 | | 0 |
| Interest on Security deposit/ Retention money on account of Effective Interest Rate | | | 265 | | 114 |
| TOTAL | | | 26,220 | | 25,781 |
| LESS:- | | | | | |
| Transferred To EDC | 28.1 | | 4,088 | | 5,439 |
| TOTAL | | | 22,132 | | 20,342 |

NOTE :- 34 PROVISIONS

Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|--|----------|----------------------------------|--------------|----------------------------------|----------|
| Provisions For Doubtful Debts, CWIP and Loans & Advances | | | 4,924 | | 0 |
| Provisions For Stores & Spares | | | 61 | | 0 |
| TOTAL | | | 4,985 | | 0 |
| LESS:- | | | | | |
| Transferred To EDC | 28.1 | | 0 | | 0 |
| TOTAL | | | 4,985 | | 0 |

NOTE :- 35
PROVISION FOR TAXATION
Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|-------------------|----------|----------------------------------|---------------|----------------------------------|---------------|
| INCOME TAX | | | | | |
| Current Year | | | 32,275 | | 19,056 |
| Sub Total | | | 32,275 | | 19,056 |
| TOTAL | | | 32,275 | | 19,056 |

NOTE :- 36
RE- MEASUREMENTS OF THE DEFINED BENEFIT PLANS
Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|-----------------------------------|----------|----------------------------------|--------------|----------------------------------|------------|
| Acturial Gain/ (Loss) through OCI | | | (344) | | 676 |
| Sub Total | | | (344) | | 676 |
| LESS:- | | | | | |
| Transferred To EDC | 28.1 | | (45) | | 113 |
| TOTAL | | | (299) | | 563 |

NOTE :- 37
CHANGES IN ACCOUNTING POLICY AND PRIOR PERIOD ITEMS
Amount In lakh ₹

| Particulars | Note No. | For the Period Ended 31-Mar-2019 | | For the Period Ended 31-Mar-2018 | |
|---------------------------------|----------|----------------------------------|----------|----------------------------------|--------------|
| PRIOR PERIOD INCOME | | | | | |
| Misc Receipt | | 0 | 0 | 280 | 280 |
| PRIOR PERIOD EXPENDITURE | | | | | |
| Repair and Maintenance | | 0 | | (141) | |
| Other General Expenses | | 0 | | 9 | |
| Depreciation | | 0 | | 277 | |
| Misc- Others | | 0 | 0 | (46) | 99 |
| Sub Total | | | 0 | | (181) |
| LESS:- | | | | | |
| Transferred To EDC | 28.1 | | 0 | | 136 |
| TOTAL | | | 0 | | (317) |

38.1 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.

38.2 Impairment of financial assets:

In accordance with Ind AS-109, the Company has in this year applied Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- a) Financial assets that are debt instruments and are measured at amortized cost.
- b) Financial assets that are debt instruments and are measured as at FVTOCI.
- c) Trade Receivables under Ind AS 115, Revenue Recognition.
- d) Lease Receivable under Ind AS 17, Leases.

The ECL model allows either of the 2 approaches- General approach or the Simplified approach. The company has followed "simplified approach" for the above cases. This required the expected life time losses to be recognized from initial recognition of the receivables.

For recognition of impairment loss on other financial assets, the company assess whether there has been a significant increase in the credit risk since initial recognition. If credit risk is not increased significantly, Lifetime ECL is used. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on item by item basis. If, in a subsequent period, credit quality of the instrument/item improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing the impairment loss allowance based on the 12-month ECL.

38.3 Recent Accounting pronouncements:

Ind AS-116 –Leases –To replace Ind AS-17

Ind AS 116 has been notified by MCA on 30th March 2019 and effective for annual reporting periods beginning on or after 1 April 2019. The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions.. This may require the company to capitalize all operating leases where we are acting as Lessee. The basis of capitalization shall be all discounted future lease rentals, all lease incentives, registration charges paid and all incidental expenses paid in regards to the lease rentals. The Company is in the process of assessing the detailed impact of Ind AS-116

39. OTHER EXPLANATORY NOTES ON ACCOUNTS:

1. Estimated amount of contracts remaining to be executed on capital account including R & R and environment demands, not provided for (net of advances) is ₹199727 Lakh (PY ₹214393 Lakh).

2. CONTINGENT LIABILITIES-

(₹ in lakh)

| | Particulars | As at | |
|----------|---|---------------|---------------|
| | | 31.03.2019 | 31.03.2018 |
| A. | Claims against the Company, not Acknowledged as debts: Arbitration /Court cases/Others* | | |
| | Principal | | |
| | Govt./CPSE** | 57238 | 62186 |
| | Others | 100561 | 102095 |
| | Total i | 157799 | 164281 |
| | Interest | | |
| | Govt./CPSE | 2630 | 2465 |
| | Others | 190086 | 176730 |
| | Total ii | 192716 | 179195 |
| | Grand Total i+ii | 350515 | 343476 |
| | Amount deposited/Bank Guarantees provided by the Company w.r.t cases decreed against the Company in different Arbitration/ Labour court /District court cases and disputed in appeals | 748 | 721 |
| B | Others | | |
| | i.Bank Guarantees given by the Company for Projects /Work | 25109 | 25099 |
| | ii.Disputed Income Tax, Trade Tax, Commercial Tax, Entry tax etc includes ₹ 173 Lakh (PY ₹ 173 Lakh) Deposited by the Company but disputed in appeal | 757 | 708 |

(*) 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.

(**) Includes Government claims in respect of Water Cess & Green Energy Cess up to CY ₹ 52717 Lakh (Up to PY ₹ 37272 Lakh) recoverable from beneficiaries under CERC regulations, if decided against the Company.

- 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 ₹ 145 Lakh and ₹ 568 Lakh. (PY ₹ 106 Lakh and ₹ 606 Lakh) towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 8445 Lakh (PY ₹ 9649 Lakh) as disclosed in Note 19 & Note 24. The same have been fair valued on the basis of effective interest rate and the same are accounted as well.
- The amount of borrowing cost capitalized during the year is ₹ 18532 Lakh (PY ₹ 14572 Lakh) after adjustment of an amount of ₹ 58 Lakh (PY ₹ 40 Lakh) towards interest earned on short term deposit of surplus borrowed funds during the year.
- (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 and execution of title deeds in the name of company for the same has also completed.

- (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 2042.14 Hac. Change of title for the balance land of 505.69 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.
- (v) 485.9639 Hac.(1200.483 Acre) land acquired for Khurja Super Thermal Power Project is being used for project works by THDCIL. The title deed of the land is yet to be executed pending fulfilment of requisite conditions.

6. 24 Flats (PY 25 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. (i) Due to slow progress of VPHEP project owing the various factors beyond control of company i.e. adverse geological conditions, stoppage of work by local and financial crises of civil work etc. contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crises of contractor Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of VPHEP project. Under this arrangement, for the time being recovery of advances including interest thereon have been suspended till project cash flow permits for the same. In view of this now the project is expected to be commissioned by December 2022.

Due to above, loan of US\$ 101 Million has been drawn as on 31st March 2019 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 up to June 2019. Realigning of the repayment schedule has not been finalised. In view of this debt servicing has been made as per original contract terms.

- (ii) Due to slow progress of Tehri PSP project owing the various factors beyond control of company i.e. adverse geological conditions, delay in permission for mining of aggregate from Asena Quarry, obstruction in dumping of muck, financial crises of civil work etc. contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crises of contractor Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of PSP project. Under this arrangement, for the time being recovery of advances including interest thereon have been suspended till project cash flow permits for the same. In view of this now the project is expected to be commissioned by June 2022.
- (iii) Investment approval for 1320 MW Khurja Super Thermal Power Plant (STPP) in Dist. Bulanshahar, UP and Amelia Coal Mine in Distt.Singaurali, MP at an estimated cost of ₹ 1108942 Lakh and ₹ 158716 Lakh at Dec-2017 PL respectively has been accorded on 07.03.2019 and project is expected to be commissioned during the FY 2023-24.
8. (i) 65 MW Maleri Jhelam and 108 MW Jhelam Tamak Hydro Electric Projects in Chamoli District of Uttarakhand were being affected by the Hon'ble Supreme Court order dated 13th August 2013 directing MoEF and State of Uttarakhand not to grant any Environment or Forest Clearance for any new hydro electric project of Uttarakhand until further orders. Considering the fact as above and uncertainty involved with respect to execution of the projects, a provision of ₹ 1251 Lakh and ₹ 2232 Lakh in respect of expenditure incurred on Maleri Jhelam and Jhelam Tamak projects has been made.
- (ii) Malshej Ghat PSS (600MW) was proposed to be taken up in Joint Venture mode by THDCIL and NPCIL. An amount of ₹ 1441 Lakh was incurred on behalf of NPCIL and the same was to be adjusted on the formation of JV. This amount was shown as advance recoverable from NPCIL in the books of account. However the project had been kept in abeyance by the Govt. of Maharashtra as intimated vide letter no. HEP-(61/2016/Lb1)/HP dated 26.10.2017 and the JV has also not been formed till date. In view of these facts and uncertainty of realization/ adjustment of advance, a provision of ₹ 1441 Lakh in respect of advance has been made in the books of accounts.

9. 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. Sridhar Patra* | Director (Finance) |
| 3. Shri. H.L.Arora | Director (Technical) |
| 4. Shri Vijay Goel | Director (Personnel) |
| 5. Shri J.Behera** | Director (Finance) |
| 6. Ms. Rashmi Sharma | Company Secretary |

(*) up to 31.08.2018

(**) W.e.f.16.08.2019

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) – ₹ 1735 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 ₹ 365 Lakh (PY ₹ 177 Lakh).

(₹ in lakh)

| Sl. | Description | Year ended 31.03.2019 | Year ended 31.03.2018 |
|-----|-----------------------------------|--------------------------|--------------------------|
| 1 | Short Term Employee Benefits | 330 | 167 |
| 2 | Post Employee Benefits | 26 | 0 |
| 3 | Other Long Term Employee Benefits | 9 | 10 |
| 4 | Termination benefits | 0 | 0 |
| 5 | Share-based payment | 0 | 0 |
| | Total | 365 | 177 |

- d) Joint Venture companies - Nil.

10. Earnings per share (EPS) – Basic & Diluted

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

| | 2018-19 | 2017-18 |
|---|--|--|
| Net Profit after Tax but excluding Regulatory Income used as numerator (₹ Lakh) | 118062 | 77116 |
| Net Profit after Tax including Regulatory Income used as numerator (₹ Lakh) | 125563 | 77116 |
| Weighted average no. of equity shares used as denominator | Basic : 36460777.55 Diluted : 36464058.37 | Basic : 36181261.38 Diluted : 36182301.11 |
| Earnings per Share excluding Regulatory Income | | |
| ₹ Basic | 323.81 | 213.14 |
| ₹ Diluted | 323.78 | 213.13 |
| Earnings per Share including Regulatory Income | | |
| ₹ Basic | 344.38 | 213.14 |
| ₹ Diluted | 344.35 | 213.13 |
| Face Value per share ₹ | ₹ 1000 | ₹ 1000 |

11. 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 ₹ 6572 Lakh (PY ₹ 5279 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. | | 31.03.2019 | 31.03.2018 |
|---------|--|--------------|--------------|
| | Deferred Tax Assets (A) | | |
| i) | Difference of Book Depreciation and Tax Depreciation | 68374 | 59703 |
| ii) | Opening Ind As adjustment | 487 | 487 |
| iii) | Act.Gain/loss classified to OCI | 234 | 338 |
| iv) | "Advance against Depreciation to be considered as income in tax computation" | 6837 | 6837 |
| v) | Provision for Doubtful Debts & Stores | 10007 | 11626 |
| vi) | Provision for employee benefit schemes | 6140 | 6516 |
| | Total Deferred Tax Assets (A) | 92079 | 85507 |
| | 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) | 89104 | 82532 |

12. (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 | 363 |
| 02 | Education & Skill Development | 809 |
| 03 | Social Welfare | 27 |
| 04 | Forest & Environment, animal welfare etc. | 40 |
| 05 | Art & Culture, Public libraries | 81 |
| 06 | Rural Development Projects | 353 |
| 07 | Promotion of Sports | 9 |
| 08 | Disaster Management | 4 |
| 09 | Others | 65 |
| Total | | 1751 |

Expenditure incurred by SEWA out of THDCIL's contribution of ₹ 1735 Lakh and interest income earned during the year amounting to ₹ 16 Lakh.

- b. The company has incurred an amount of ₹ 1735 Lakh (PY ₹ 1620 Lakh) towards CSR expenditure during the current financial year 2018-19 as against stipulated amount of ₹ 1735 Lakh (PY ₹ 1617 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 2018-19 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) | 1735 | 0.00 | 1735 |

(ii) Disclosure related to Research & Development Expenditure

The Company has incurred an amount of ₹ 433 Lakh (Capital ₹ 174 Lakh & Revenue ₹ 259 Lakh) [PY ₹ 482 Lakh, (Capital ₹ 244 Lakh, Revenue ₹ 238 Lakh)] towards Research & Development expenditure during the current financial year 2018-19 as per the R&D plan approved by the Board for the FY 2018-19.

- 13.** Principal amount remaining unpaid to suppliers, service providers registered under MSMED Act 2006 ₹ 43 Lakh. (PY ₹ 41 Lakh). The said outstanding is less than 45 days.
- 14.** 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 ₹ 659 Lakh (PY ₹ 952 Lakh) towards lease payment (net off recoveries)
- 15.** Disclosures under the provisions of IND AS 19 – Employee Benefits are as under:

a. Defined contribution plan:- Pension

The company has Defined Contribution Pension Scheme as approved by Ministry of Power (MoP). The liability for the same is recognised on accrual basis. The scheme is funded and managed by separate trust created for this purpose.

b. Defined benefit plans:**(i) Employers contribution to Provident Fund:**

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. Based on actuarial valuation ₹ Nil (PY ₹ Nil) as the Fair Value of Plan Assets exceeds the Present Value of Obligations by ₹ **4969 Lakh** (PY ₹ **2528 Lakh**) has been provided in the books. Further, contribution to employee pension scheme is paid to the appropriate authorities.

(ii) Gratuity:

The Company has a defined benefit Gratuity Plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The liability for the same is recognized on the basis of actuarial valuation.

(iii) Leave encashment:

The Company has a defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves and medical leaves subject to limits and other conditions specified for the same. The liability towards leave encashment is recognised on the basis of actuarial valuation.

(iv) Post Retirement Medical Benefit (PRMB):

The Company has a Retired Employee Health Scheme, under which retired employee, spouse and eligible parents of retired employee are provided medical facilities in the Company hospitals/ empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company. The liability towards the same is recognised on the basis of actuarial valuation. Further, a trust has been created to manage the scheme.

(v) Other benefit (Baggage/LSA/FBS) plans:

Other retirement benefit plans include baggage allowance for settlement at any other place where he / she may like, memento at the time of retirement and monetary assistance to the legal heir(s) in the event of death and Total Permanent Disablement leading to separation of employee as a Social Security Measure. These schemes are unfunded and liability for the same is recognised on the basis of actuarial valuation.

Provision for employee benefits has been made for the current period using the Actuarial Valuation done as at 31.03.2019. Accordingly, disclosure under the provision of Ind AS 19 on "Employee Benefits" for the Financial Year ended 31.03.2019 is given below:

Table - 1: Key Actuarial assumption & Risk exposures for Actuarial Valuation as at:

| Particular | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Mortality Table | IALM (2006-08) | IALM (2006-08) | IALM (2006-08) | IALM (2006-08) | IALM (2006-08) |
| Discount Rate | 7.75% | 7.60% | 7.50% | 7.75% | 8.0% |
| Future Salary Increase | 8.00% | 8.00% | 8.00% | 8.00% | 8.0% |

Description of Risk Exposures: Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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 | 17486 {17003} | 2772 {5398} | 8881 {12388} | 6270 {5639} | 892 {862} |
| Interest cost | 1329 {1275} | 210 {337} | 675 {(929)} | 477 {423} | 65 {65} |
| Past service cost | | | | | 338 |
| Current service cost | 606 {684} | 1236 {213} | 427 {402} | 217 {221} | 111 {73} |
| Benefit paid | (1516) {(691)} | (1052) {(3628)} | (277) {(223)} | (347) {(135)} | (135) {(82)} |
| Actuarial (Gain)/loss | (12) {(785)} | 1138 {452} | 177 {(4615)} | 385 {122} | (28) {(26)} |
| PVO at the end of year | 17893 {17486} | 4304 {2772} | 9883 {8881} | 7002 {6270} | 1243 {892} |

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 | 17893 {17486} | 4304 {2772} | 9883 {8881} | 7002 {6270} | 1243 {892} |
| Fair Value of Plan Assets at the end of year | NA | NA | NA | NA | NA |
| Funded Liab./Prov | Nil | Nil | Nil | 3320 | Nil |
| Unfunded Liab./Prov | 17893 {17486} | 4304 {2772} | 9883 {8881} | 3682 {6270} | 1243 {892} |
| Unrecognised actuarial gain/loss | | | | | |
| Net liability recognized in Balance Sheet | 17893 {17486} | 4304 {2772} | 9883 {8881} | 3682 {6270} | 1243 {892} |

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 | 606 {684} | 1236 {213} | 427 {402} | 217 {221} | 111 {73} |
| Past Service Cost | | | | | 337.70 |
| Interest Cost | 1329 {1275} | 210 {337} | 675 {929} | 477 {423} | 65 {65} |
| Net Actuarial (gain)/ loss recognized for the year in OCI | (12) {(785)} | 1138 {452} | 177 {(4615)} | 385 {122} | (28) {(26)} |
| Expense recognized Statement in Profit & Loss/EDC for the year. | 1935 {1959} | 2585 {1003} | (1279) {3284} | 694 {644} | 516 {138} |

Table – 5: Sensitivity analysis
(₹ in lakh)

| Impact due to | Gratuity | | Earned Leave (EL) | | Sick Leave (HPL) | | PRMB | | Others | |
|---|----------|----------|-------------------|----------|------------------|----------|----------|----------|----------|----------|
| | 31.03.19 | 31.03.18 | 31.03.19 | 31.03.18 | 31.03.19 | 31.03.18 | 31.03.19 | 31.03.18 | 31.03.19 | 31.03.18 |
| Discount rate | | | | | | | | | | |
| Increase of 0.50% | (531) | (564) | (151) | (103) | (315) | (310) | (826) | (811) | (34) | (28) |
| Decrease of 0.50% | 559 | 595 | 161 | 110 | 332 | 327 | 877 | 814 | 34 | 30 |
| Salary rate | | | | | | | | | | |
| Increase of 0.50% | 132 | 161 | 160 | 109 | 315 | 310 | NA | NA | 17 | 17 |
| Decrease of 0.50% | (144) | (171) | (151) | (103) | (332) | (327) | NA | NA | (17) | (16) |
| Medical cost /settlement cost rate | | | | | | | | | | |
| Increase of 0.50% | NA | NA | NA | NA | NA | NA | 906 | 814 | NA | NA |
| Decrease of 0.50% | NA | NA | NA | NA | NA | NA | (847) | (811) | NA | NA |

Other disclosures:
(₹ in lakh)

| Gratuity | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Present value of obligation at end of the year | 17893 | 17486 | 17003 | 14638 | 13741 |
| Actuarial (Gain)/loss | | | | | 2266 |
| Actuarial (Gain)/loss recognized through Statement of OCI | (12) | (785) | (137) | (205) | |
| Expense recognized in Statement of Profit & Loss/ EDC for the year | 1935 | 1959 | 3076 | 1597 | 3880 |

| Earned Leave (EL) | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Present value of obligation at end of the year | 4304 | 2772 | 5398 | 3714 | 5875 |
| Actuarial (Gain)/loss | 1138 | 452 | 1668 | 835 | 2131 |
| Expense recognized in Statement of Profit & Loss/EDC for the year | 2585 | 1003 | 2263 | 1521 | 2876 |

| Sick Leave (HPL) | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Present value of obligation at end of the year | 9883 | 8881 | 12388 | 10330 | 9382 |
| Actuarial (Gain)/loss | 178 | (4616) | 861 | (1) | 4288 |
| Expense recognized in Statement of Profit & Loss/EDC for the year | 1279 | (3284) | 2234 | 1242 | 5147 |

| Post Retirement Medical Benefit (PRMB) | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|---|------------|------------|------------|------------|------------|
| Present value of obligation at end of the year | 7002 | 6270 | 5639 | 4598 | 3692 |
| Actuarial (Gain)/loss | 385 | 122 | 643 | 616 | 1118 |
| Actuarial (Gain)/loss recognized through Statement of OCI | 385 | 122 | 643 | 616 | - |
| Expense recognized in Statement of Profit & Loss/EDC for the year | 694 | 644 | 525 | 1047 | 1433 |

| Others-Baggage Allowance/Long Service Award/FBS | 31.03.2019 | 31.03.2018 | 31.03.2017 | 31.03.2016 | 31.03.2015 |
|---|------------|------------|------------|------------|------------|
| Present value of obligation at end of the year | 1243 | 892 | 862 | 805 | 735 |
| Actuarial (Gain)/loss | (29) | (28) | 38 | 12 | 64 |
| Actuarial (Gain)/loss recognized through Statement of OCI | (29) | (28) | 38 | 12 | |
| Expense recognized in Statement of Profit & Loss/EDC for the year | 516 | 138 | 112 | 149 | 118 |

16. Change in Accounting Policy :

| S. No. | POLICY/MODIFICATIONS | IMPACT |
|--------|--|---|
| 1 | Modification in accounting policy no. 1 relating to "General". The words " and subsequent amendments thereto " have been inserted. | No financial impact. Modification has been done for better understanding. |
| 2 | New policy under " 13 Revenue Recognition and Other Income " has been added as below: 13.1 Under Ind AS 115, revenue is recognized when the entity satisfies a performance obligation by transferring promised goods or services to a customer. An asset is transferred when control is transferred that is either over time or at a point in time. The company recognizes revenue in respect of amounts to which it has a right to invoice. | No financial impact. Policy has been added due to implementation of Ind As 115. |

| S. No. | POLICY/MODIFICATIONS | IMPACT |
|--------|---|--|
| 3. | <p>New policy under “14.2 Expenditure” has been modified as below:</p> <p>Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.</p> | Regulatory Deferral Balances Account for the FY 2016-17 & 2017-18 amounting to ₹ 4060 Lakh recognized in current year. |
| 4 | <p>Policy under “22 Rate Regulated Activities –Regulatory Deferral Account Balances” replaced with followings:</p> <p>22.1 Expense/Income recognized in the statement of Profit and Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff regulations are recognized as “Regulatory Deferral Account Balances”.</p> <p>22.2 These Regulatory Deferral Account Balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.</p> <p>22.3 Regulatory Deferral Account Balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the Regulatory Deferral Account Balances are derecognized.</p> | No financial impact. For better clarity and in line with other Power PSUs. |
| 5 | <p>New Policy has been added as under:</p> <p>25. Miscellaneous</p> <p>25.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.</p> | No financial impact. Modification has been done for better understanding. |

17. a) The company is mainly engaged in generation and sale of electricity. The price to be charged by the company for electricity sold to its customers is determined by the CERC which provided extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operations & maintenance expenses etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provides the company to recover its costs of providing the goods or services plus a fair return.
- b) Revision of pay scales of employees of PSEs was due w.e.f. 01.01.17. Based on the recommendations of the constituted committee to the Government inter-alia includes

superannuation benefits @ 30% of basic + DA to be provided to the employees of CPSEs which includes gratuity at the enhanced ceiling of ₹ 20 Lakh from the existing ceiling of ₹ 10 Lakh. As per proviso 8(3) of Terms and Conditions of Tariff Regulations 2014 applicable for the period 2014-19, truing up exercise in respect of Change in Law or compliance of existing law will be taken up by CERC. The increase in gratuity from ₹ 10 Lakh to ₹ 20 Lakh falls under the category of 'Change in law' and a regulatory deferral account is created in the year.

- c) Considering the methodology followed by the CERC for allowing impact of the previous pay revision, various tariff orders issued by the CERC under Regulation, 2014 and the above mentioned provision related to the change in law of CERC Tariff Regulations, 2014, a regulatory asset has been created (Regulatory deferral account balance) towards the increase in O&M expenditure due to the pay revision. This will be taken up with CERC through truing up exercise.
- d) In the current year, the pay revisions have been implemented from 1.1.2017. Regulatory deferral balance of ₹ 4060 Lakh towards impact of pay revision from 2016-17 to 2017-18 have been recognized during the year considering the amount as immaterial in line with company's accounting policy and Ind AS-8. Further an amount of ₹ 3441 Lakh. relating to 2018-19 have been accounted for as 'Regulatory deferral account balance thus total regulatory deferral balance of ₹ 7501 Lakh has been recognized during the year.

18. Payment to Auditors (including goods and service tax)

(₹ in lakh)

| | | 2018-19 | 2017-18 |
|------|-----------------------------------|---------|---------|
| 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) | 4 | 6 |
| VI. | For Reimbursement of expenditure | 2 | 2 |

*Subject to approval in Annual General Meeting.

19. Licensed and Installed Capacities:

| Sl. No | Particulars | 2018-19 | 2017-18 |
|--------|--|---------------------|--------------------|
| (i) | Licensed Capacity (M.W) | Not Applicable** | Not Applicable** |
| (ii) | Installed Capacity (M.W) | 1513 MW | 1513 MW |
| (iii) | Approved Capacity(M.W) | 4301 MW | 2981 MW |
| (iv) | Quantitative information in respect of Generation and sale of Electricity (In Million Units) | | |
| | Commercial Production | | |
| | Generation Total | 4687.182275 | 4540.939605 |
| | Sales (net of free power to home state, auxiliary consumption and transformation losses) | 4136.4732971 | 4004.091416 |

** As per Section 7 of Electricity Act 2003 any generating company may establish, operate and maintain a generating station without obtaining license under this act. Therefore, licensed capacity is not applicable.

20. Additional information required as per Schedule III of the Companies Act 2013 is as under

(₹ in lakh)

| | PARTICULARS | 2018-19 | 2017-18 |
|----------|---|----------------|----------------|
| A | Expenditure in Foreign Currency (on cash basis) | | |
| | Travelling | 129 | 20 |
| | Consultancy & Professional Expenditures | 306 | 236 |
| | Management/Commitment fee | | |
| | Repayment of loan & Interest | 4539 | 1315 |
| | Import of goods | 3417 | 2571 |
| | Others (Advance) | | |
| | Nomination for Conference | 3 | |
| | Purchase of Software | | |
| | Others | | |
| | TOTAL | 8394 | 4142 |
| B | Earnings in Foreign Currency (on cash Basis) | 0 | 0 |
| C | Value of Imports calculated on CIF basis | | |
| i) | Capital Goods | 3520 | 2602 |
| ii) | Spare parts | 25 | |
| | Total | 3545 | 2602 |
| D | Value of Components, Stores & Spare parts Consumed | | |
| i) | Imported (in lacs Rupees) | 27 | 3 |
| | (%) | 4.89 | 0.32 |
| ii) | Indigenous (in lacs Rupees) | 532 | 915 |
| | (%) | 95.11 | 99.68 |
| E | Value of Export | 0.00 | 0.00 |

21. a) Reconciliation of Cash & Cash Equivalents between Cash Flow Statement and Balance Sheet is as under:

(₹ in lakh)

| Particulars | Note No | 31.03.2019 | 31.03.2018 |
|---|----------------|-------------------|-------------------|
| Cash And Cash Equivalents | 10 | 4577 | 6102 |
| Add: Bank Balances under Lien | 11 | 676 | 37 |
| Less: Over Draft Balance | 23 | 121840 | 64663 |
| Cash & Cash Equivalent as per Cash Flow Statement | | -116587 | -58524 |

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(2018-19) | Opening | Current Year | Closing | Change | Remarks |
|---|---------|------------------|---------|---------|--|
| Share Capital Issued (Including pending allotment) | 363088 | | 365888 | 2800 | Equity received from GoI for VPHEP |
| Long term Borrowings (Bonds & other secured Loans) | 342813 | | 319639 | (23174) | Loan drawn incl. exchange rate ₹ 78431 Lakh Loan repaid ₹ 101606 Net change ₹ 23175 Lakh |
| Interest on Loans Finance costs paid Less capitalized –CWIP | | 36100 (18531) | | (17569) | Charged to Profit & Loss |
| Dividend paid and Dividend Distribution Tax | | | | (51009) | Dividend paid |
| Net Cash flow from financing | | | | (88952) | |

22. 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, 2018 as well as outstanding as on 31.03.2019 is as under:

(₹ in lakh)

| Sl. | Description | As on 31.12.2018 | | | | As on 31.03.2019 |
|-----|---|------------------|------------|--------|--------------------|------------------|
| | | < ₹ 5 Lakh | > ₹ 5 Lakh | Total | Confirmed out of B | ₹ Lakhs |
| | | A | B | C | | D |
| 1 | Trade receivables excluding Regulatory Debtors | 20 | 195376 | 195395 | 171169 | 170128 |
| 2 | Advances to Suppliers, Contractor & Sundry Deposits | 138 | 102130 | 102268 | 90849 | 130581 |
| 3 | Security Deposit/Retention Money, Trade Payable & Creditors | 974 | 12784 | 13757 | 9414 | 15433 |



b) In the opinion of management unconfirmed balances will not have any material impact.

23. PY 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
Membership No. 26692

(J. Behera)
Director (Finance)
DIN:08536589

(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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019

Place: Rishikesh

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
THDC INDIA LIMITED

Opinion

We have audited the accompanying financial statements of THDC India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit & total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matters below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Sr. No. | Key Audit Matters | Auditors' approach to address the Key Audit Matters |
|---------|--|---|
| 1. | <p>Recognition and Measurement of Revenue for Sale of Energy</p> <p>The company records revenue from sale of energy as per the principles enunciated under Ind AS 115, based on tariff rates approved by the Central Electricity Regulatory Commission (CERC). However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.</p> | <p>We have obtained an understanding of the CERC Tariff Regulations, orders, circulars, guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity and energy charges and adopted the following audit procedures:</p> |

| | | |
|-----------------|---|---|
| | <p>This is considered as key audit matter due to the nature and extent of estimates made as per the CERC Tariff Regulations, which leads to recognition and measurement of revenue from sale of energy being complex and judgmental.</p> <p>(Refer Note No. 29.1 to the Financial Statements, read with the Significant Accounting Policy No. 13)</p> | <ul style="list-style-type: none"> - Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. - Verified the accounting of revenue from sale of energy based on tariff rates approved by the CERC. <p>Based on the above procedure performed, the recognition and measurement of revenue from sale of energy are considered to be adequate and reasonable.</p> |
| <p>2</p> | <p>Contingent Liabilities</p> <p>There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgment in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 39.2 to the Financial Statements, read with the Significant Accounting Policy No. 12)</p> | <p>We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.</p> |

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. 29.1 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. 39 of the Financial Statement regarding Contingent Liability 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 18(a) of Note No. 39 of the Financial Statement regarding the Outstanding Balances of Trade Receivables excluding Regulatory Debtors, Advances to Suppliers, Contractors & Sundry Deposits, Security Deposit/Retention Money, Trade Payables and Creditors as on 31st March, 2019 have been confirmed once in a year as at 31st December, 2018 through THDCIL, however direct confirmations sent but not received.
- d) Para 7 (i) and (ii) of Note No. 39 of the Financial Statement regarding delay in completion of VPHEP and Tehri PSP projects owing to factors beyond control of company there is extension in the commissioning of project up to December 2022 and June 2022 for VPHEP and Tehri PSP projects respectively. Further, considering the acute financial crisis of M/s HCC, Board of Directors of the Company have approved arrangement of gap funding to contractor for expeditious completion of projects with financial regulation.
- e) Para 5 (v) of Note No. 39 regarding 485.9639 Hac (1200.483 Acre) land acquired for Khurja Super Thermal Power Project is being used for project works by THDCIL. The title deed of the land is yet to be executed pending fulfillment of requisite conditions.

- f) Note No. 39.8 of the Financial Statements relates to provision amounting to ₹ 49.24 Cr. made in the books in respect of expenditure incurred on 65 MW Maleri Jhelum and 108 MW Jhelam Tamak located in Uttarakhand and 600 MW Malshej Ghat PSP in Maharashtra due to various reasons as disclosed in the Note.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Corporate Governance Report (but does not include the Financial Statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report (hereinafter referred to as 'CG report'), and the information included in the Director's Report including Annexures, Management Discussion and Analysis, Business Responsibility Report and other company related information (hereinafter referred to as 'Other reports'). The Other reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information included in the CG report that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement

of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the 'Other reports', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

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.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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 39.2 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.

The financial statements for the year ended March 31,2019 (the financial statements) have been approved by the Board of Directors of the Company on August 26,2019 and our report of August 27,2019 (earlier report) on the same was issued.

This Independent Auditors; Report (the report) has been issued in supersession of earlier report dated 27.08.2019 pursuant to provisional comments made by Comptroller and Auditor General of India (C&AG) on the Financial Statements after revising the Para related to Key Audit Matters in Independent Auditors’ Report, Para i(c) related to land and Para vii (b) related the amount of disputed statutory dues, of the Annexure “A” [a statement on the matters specified the Companies (Auditors’ Report) Order 2016] forming part of Other Legal and Regulatory requirements section of earlier report. Except the revisions as mentioned herein, our opinion on the financial statement as given in the earlier report remain unaltered and our audit procedure on subsequent event remain restricted to the date of our earlier report.

For P.D. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001049C

(Sanjeev Agrawal)
Partner

Membership No.: 071427
UDIN: 19071427AAAAAJ7403

Place: Rishikesh
Dated:12.09.2019

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 generally 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. It is further informed that physical verification of Generation Plant & Machinery, irrespective of their location (Tehri/Koteshwar/Patan/Devebhoomi) is not done due to their immovable nature.
- (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 505.69 Hac. as disclosed vide Note No. 39.5 (ii) and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 39.5 (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. 39.5 (iv) and 485.9639 Hac. Land of which title deed is yet to be executed in the name of the Company as disclosed vide Note No. 39.5(v). As informed by the Management, value of the above referred land is yet to be ascertained.
- 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. 2018-19 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, 2019 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, details of disputed dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax and cess, if any as at March 31, 2019 are as follows:

| Name of Statute | Nature of Duties | Amount (₹ in Lakh) | Financial year to which it pertains | Deposit under protest (₹ in Lakh) | Forum at which, case is pending |
|---|-------------------|--------------------|-------------------------------------|-----------------------------------|-------------------------------------|
| Uttarakhand Water Tax on Electricity Generation Act, 2012 | Water Cess | 40097 | 2015-16 to 2018-19 | Nil | High Court of Uttarakhand, Nainital |
| Uttarakhand Green Energy Cess Act, 2014 | Green Energy Cess | 12620 | 2015-16 to 2018-19 | Nil | High Court of Uttarakhand, Nainital |

- 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

(Sanjeev Agrawal)
Partner
Membership No.: 071427

Place: Rishikesh
Dated: 12.09.2019

FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(Annexure-B referred to in paragraph 2 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date)

| Sl. | Directions | Auditor's comments | Impact on Financial statements |
|-----|--|--|--------------------------------|
| 1. | Whether the Company has system in place to process all the accounting transactions through IT system ?If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any ,may be stated. | Yes. Based on our verification, no accounting transaction is being recorded/processed other than through the FMS system in place. | Nil |
| 2. | Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. | Based on our verification and explanations and information given to us, there were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan. | Nil |
| 3. | Whether funds received/receivable for specific schemes from Central/ State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation. | Based on the audit procedures carried out and as per the information and explanations given to us, the funds (Equity) received for specific schemes (projects) from Central Government were properly accounted for/utilized as per the respective terms and conditions. | Nil |

For **P.D. Agrawal & Co.**
Chartered Accountants
Firm Reg. No. 001049C

(Sanjeev Agrawal)
Partner

Membership No.: 071427

Place: Rishikesh
Dated: 12.09.2019

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, 2019 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 if internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance

Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over

financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts expenditures of the company are being made only in accordance with authorizations on 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 2019, 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

(Sanjeev Agrawal)
Partner
Membership No.: 071427

Place: Rishikesh
Dated: 12.09.2019

No. MAB-III/62/REP/01-107/Acs-Ph. III-THDC/2019-20/571



भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय
प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-III
नई दिल्ली

Indian Audit & Accounts Department
OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-III
NEW DELHI

दिनांक / Dated: 18/09/2019

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,
टीएचडीसी इंडिया लिमिटेड,
ऋषिकेश।

विषय: 31 मार्च 2019 को समाप्त वर्ष के लिए टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के 31 मार्च 2019 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्नक:- यथोपरि।

भवदीया,
ह./—
(रिना अकोइजम)
प्रधान निदेशक

छठा एवं सातवां तल, एनेक्सी बिल्डिंग, 10 बहादुरशाह ज़फर मार्ग, नई दिल्ली-110002
6th & 7th Floor, Annexe Building, 10, Bahadurshah Zafar Marg, New Delhi -110 002
Ph.: 23239227; Fax: 23239211; e-mail: mabnewdelhi3@cag.gov.in

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

The preparation of financial statements of THDC India Limited for the year ended 31 march 2019 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 Revised Audit Report dated 12.09.2019, which supersedes their earlier Audit Report dated 27.08.2019.

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, 2019 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

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/-

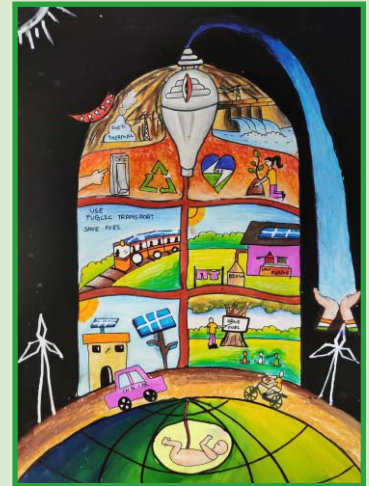
(Rina Akoijam)

Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-III,
New Delhi

Place : New Delhi
Dated : 18.09.2019



Koteswar Dam Lake



The paintings are done by students in State Level drawing competition 2018 on "Energy Conservation" organized by THDC India Limited



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

