



टीएचडीसी इंडिया लिमिटेड  
THDC INDIA LIMITED

# Annual Accounts

## For the Year 2014-15



## **SIGNIFICANT ACCOUNTING POLICIES 2014-15**

### **1. General**

The accompanying financial statements have been prepared on the historical cost basis in conformity with the statutory provisions of the Companies Act, 2013, provisions of Electricity Act 2013, applicable CERC Regulations and the Statements, Standards and Guidance Notes issued by the Institute of Chartered Accountants of India from time to time.

### **2. Use of Estimates**

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions. Such differences are recognized in the year in which the actual results are crystallized.

### **3. Grants-In-Aid**

Grants-in-Aid received from the Central/State Government or other authorities towards capital expenditure as well as Contribution received from the Consumer i.e. Government of Uttar Pradesh towards irrigation component of the project cost of Tehri H.E.P. stage-I is treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of such contribution/grants-in-aid.

### **4. Fixed Assets.**

- i. Fixed Assets including intangible assets are stated at their cost of acquisition/construction. Assets and systems common to more than one generating Unit are capitalized on the basis of engineering estimates/assessments. However, Fixed assets acquired/constructed especially for construction purposes which would get merged with the main

fixed assets or cease to be of use after construction period, are carried as part of Capital Work-in-Progress of the main item of Fixed Asset to be capitalized therewith.

- ii. Fixed assets created on land not belonging to the Company, but under the control and possession of the Company, are included in Fixed Assets.
- iii. In respect of land acquired through Special Land Acquisition Officer (SLAO)/ on lease, those portions of land are capitalized which are utilized / intended to be utilized for construction of buildings and infrastructural facilities of the Company. Cost of land acquired through SLAO is capitalized on the basis of compensation paid through SLAO or directly by the Company. Expenditure on rehabilitation of the oustees of such land is not considered in arriving at the cost. Leasehold land is capitalized on the basis of lease amount paid.
- iv. In case where the final settlement of bills with contractors is yet to be effected, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

### **5. Capital Work-in-Progress.**

- i. Cost incurred towards lease amount and rent on lease hold land and compensation for land and properties etc. used for submergence and other purposes (such as re-settlement of oustees, construction of new Township, afforestation, expenses on maintenance and other facilities in the re-settlement colonies until takeover of the same by the local authorities etc) and where construction of such alternative facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, is carried forward in the Capital Work in Progress of Rehabilitation. On the commercial operation of the project the same shall be capitalized as Land-unclassified.

- ii. Deposit works are accounted for on the basis of statements of account received from the Agencies concerned.
- iii. In respect of supply-cum-erection contracts, the value of supplies received at site is treated as Capital-Work-in-Progress.
- iv. Claims for price variation in case of contracts are accounted for on acceptance.
- v. Administration and General overhead expenses of Corporate office / Service centers attributable to Construction of Fixed assets are identified and allocated on a systematic basis to Construction projects.

Expenditure during Construction (EDC) (net) including attributable administration and General overhead expenses of Corporate Office / Service centers for the year, is apportioned to Capital Work-in-Progress on the basis of accretions thereto and included in the cost of related assets till they are ready for their intended use.

- vi. Expenditure during Construction (EDC), relating to rehabilitation Works of Projects is carried forward and is to be dealt in line with Policy No.5(i)

## 6. Borrowing Costs.

- i. Borrowing costs directly relatable to acquisition and construction of specific qualifying assets are capitalized as a part of the cost of such asset upto the date when such asset is ready for its intended use.
- ii. Borrowing costs in respect of funds borrowed generally and used for the purpose of obtaining a qualifying asset but not directly relatable to specific Fixed Assets during their construction are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as expenses in the period in which they are incurred.

## 7. Foreign Currency Transactions

- i. Transactions dealt with in foreign currency are recorded at the rates at which transacted.

- ii. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
- iii. Exchange differences in respect of loans / deposits / liabilities relating to fixed assets/ capital work-in-progress arising out of transaction entered into prior to 01/04/2004 is adjusted to the carrying cost of respective fixed asset/capital work-in-progress. However, Exchange differences arising out of transaction contracted on or after 01/04/2004 are accounted for in accordance with AS – 11 (Revised 2003) 'The Effects of Changes in Foreign Exchange Rates'.
- iv. Other exchange differences are recognized as income & expenses in the period in which they arise.

## 8. Depreciation

- i. Depreciation is charged on straight-line method following the rates notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff. In respect of assets, where rate has not been notified by CERC, depreciation is provided on straight line method as per rates prescribed under the Companies Act in force.

In case of change in cost of asset due to increase/ decrease in long-term liability on account of exchange fluctuations, award of Courts, etc, revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset.

- ii. Low value items costing up to Rs.1500/-, which are in the nature of assets are not capitalized and charged to revenue.
- iii. In respect of Assets costing up to Rs 5000/- but more than Rs.1500/-(excluding immovable assets) 100% depreciation is provided in the year of purchase.
- iv. Depreciation is charged from the date the asset becomes 'ready for use'.

- v. Cost of Leasehold Land is amortized over the lease period.
- vi. Cost of computer Software is recognized as intangible asset and amortised on straight line method over a period of legal right to use or 5 years, whichever is earlier.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the residual useful life of the related plant and machinery.

#### 9. Stores & Spares.

- i. Stores and spares are valued at cost determined on weighted average basis or net realizable value whichever is lower.
- ii. Diminution in value of obsolete and unserviceable stores and spares is ascertained on review and provided for.

#### 10. Income & Expenditure

##### Income Recognition.

- i. Sale of energy is accounted for as per final tariff notified by Central Electricity Regulatory Commission (CERC). In case of Power Station where final tariff is not notified, recognition of revenue is based on the parameters and method provided in the applicable Regulations framed by the appropriate authority i.e. CERC. The recognition of Revenue would be independent of the Provisional Rate adopted for the purpose of collection pending notification of 'Annual Fixed Charges' by CERC. Recovery / refund towards foreign currency variation in respect of foreign currency loans are accounted for on year to year basis.
- ii. Incentive / disincentives are accounted for based on the applicable norms notified / approved by the Central Electricity Regulatory Commission or agreements with the beneficiaries. In case of Power Stations where the same have not been

notified/ approved/agreed with beneficiaries, incentives/ disincentives are accounted for on provisional basis.

- iii. Surcharge recoverable from sundry debtors for sale of energy and liquidated damages/ warranty claims are not treated as accrued due to uncertainty of its realization/acceptance, and are therefore, accounted for on the basis of receipt.
- iv. Income from consultancy work is accounted for on the basis of actual progress/ technical assessment of work executed or cost reimbursable in line with terms of respective consultancy contracts.
- v. Interest earned on advances to contractors as per the terms of contract, are reduced from the cost incurred on construction of the respective asset by credit to related Capital Work-in-Progress Account.
- vi. Value of scrap is accounted for at the time of sale.
- vii. Insurance claims are Accounted for in the year of receipt /acceptance by the insurer /certainty of realization.

##### Expenditure

- viii. Cost of stores and spares used on repairs and maintenance are charged to the Repairs and Maintenance Account.
- ix. Prepaid expenses and prior period expenses /income of items of ₹10,000/- or below in each case, are charged off to the natural heads of accounts.
- x. Net income/expenditure prior to Commercial operation is adjusted directly in the cost of related assets and systems.
- xi Preliminary expenses on account of new projects incurred prior to approval of feasibility report are charged to revenue.
- xii Amount at appropriate % of profit of previous year as prescribed under DPE guideline is set aside as non lapsable fund for Research & Development.

- xiii Expenditure on CSR activities shall be made as per the provisions of Section 135 of the Companies Act 2013. Any unspent amount shall be set aside as non-lapsable fund as per DPE guidelines.
- xiv Provision for doubtful debts/ advances/ claims outstanding over three years (except Government dues) is made unless the amount is considered recoverable as per management estimate. However, Debts/advances/ claims shall be written off on case to case basis when unrealisability is finally established.

#### 11. Employees' Benefits.

- i. Liability for retirement benefits to employees in respect of gratuity, leave encashment and post retirement medical benefits, baggage allowance, memento to retiring employees, financial package for dependent of deceased employees and funeral expenses etc. as defined in AS-15 is accounted for on accrual basis based on actuarial valuation determined as at the year end.
- ii. The company has established a separate Trust for administration of Provident Fund and the company's contribution to the Fund is charged to expenditure every year. The liability of the company in respect of shortfall (if any) in interest on investments is ascertained and provided annually on actuarial valuation at the year end.

#### 12. Miscellaneous Expenditure

Deferred revenue expenditure is being fully charged in the year of expenditure.

#### 13. Taxes on income

Taxes on income for the current period is determined on the basis of taxable income under the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Recovery Adjustment Account is credited/debited to the extent tax expense is chargeable from the Beneficiaries in future years on actual payment basis.

#### 14. Cash Flow Statement.

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statement'.



## BALANCE SHEET AS AT 31-March-2015

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	1	3,52,888		3,47,309	
(b) Reserves And Surplus	2	4,30,943	7,83,831	3,85,815	7,33,124
<b>Non-Current Liabilities</b>					
(a) Long Term Borrowings	3	3,27,566		3,07,082	
(b) Other Long Term Liabilities	4	23,094		23,302	
(c) Long Term Provisions	5	32,246	3,82,906	22,338	3,52,722
<b>Current Liabilities</b>					
(a) Short Term Borrowings	6	43,634		63,359	
(b) Trade Payables	7	72		24	
(c) Other Current Liabilities	8	60,187		69,917	
(d) Short Term Provisions	9	37,047	1,40,940	16,175	1,49,475
<b>TOTAL</b>			<b>13,07,677</b>		<b>12,35,321</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>(a) Fixed Assets</b>					
(i) Tangible Assets	10	7,95,592		8,43,416	
(ii) Intangible Assets	10	80		74	
(iii) Capital Work in Progress	11	1,67,420		1,11,712	
(iv) Intangible Assets Under Development	11	33	9,63,125	0	9,55,202
(b) Deferred Tax Assets (Net)	12		45,794		32,108
(c) Long Term Loans and Advances	13		41,181		57,702
(d) Other Non-Current Assets	14		143		162

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Current Assets</b>					
(a) Inventories	15	5,094		3,381	
(b) Trade Receivables	16	2,38,719		1,72,416	
(c) Cash and Cash Equivalents	17	4,135		7,742	
(d) Short Term Loans and Advances	18	7,711		5,437	
(e) Other Current Assets	19	1,775	2,57,434	1,171	1,90,147
<b>Total</b>			<b>13,07,677</b>		<b>12,35,321</b>

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

**For and on Behalf of Board of Directors**

(S. Q. Ahmad)  
Company Secretary  
Membership No. F6445

(Sridhar Patra)  
Director (Finance)  
DIN : 06500954

(R.S.T. Sai)  
Chairman & Managing Director  
DIN : 00171920

As per our Report of Even Date Attached  
For **BHATIA & BHATIA**  
Chartered Accountants  
FRN 003202N of ICAI

(Anant Bhatia)  
Partner  
Membership No.:- 507832

Date : 31.07.2015

Place : New Delhi

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-March-2015

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31 - Mar - 2015		For The Year Ended 31 - Mar - 2014	
<b>INCOME</b>					
Revenue from Operations	20		2,39,716		2,17,376
Other Income	21		1,077		862
<b>Total Revenue</b>			<b>2,40,793</b>		<b>2,18,238</b>
<b>EXPENSES</b>					
Employee Benefits Expense	22		22,438		18,854
Finance Costs	23		43,878		53,027
Depreciation & Amortisation	10		48,386		48,122
Generation Administration and Other Expenses	24		17,855		15,370
Provision for Bad & Doubtful Debts	25		12,638		0
Bad Debts Written Off			7,801		0
Tariff Adjustment (Regulatory Liability)			0		15,192
<b>Total Expenses</b>			<b>1,52,996</b>		<b>1,50,565</b>
<b>Profit Before Prior Period Items and Tax</b>			<b>87,797</b>		<b>67,673</b>
Prior Period Expenditure / (Income) -Net	26		13,992		1,076
<b>Profit Before Tax</b>			<b>73,805</b>		<b>66,597</b>
<b>Tax Expenses</b>	27				
<b>Current Tax</b>					
Income Tax		18,323		13,952	
Wealth Tax		53	18,376	33	13,985
Deferred tax- Asset		(13,686)	(13,686)	(6,920)	(6,920)
<b>Profit For The Year</b>			<b>69,115</b>		<b>59,532</b>



Amount in lac ₹

Particulars	Note No.	For The Year Ended 31 - Mar - 2015		For The Year Ended 31 - Mar - 2014	
<b>Earning per Equity Share</b>					
Basic (₹)			197.60		172.88
Diluted (₹)			197.60		172.88

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

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Membership No.:- 507832

**Date :** 31.07.2015  
**Place :** New Delhi

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31-March-2015

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	For The Year Ended 31 - Mar - 2015		For The Year Ended 31 - Mar - 2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax and Prior Period adjustments		87,797		67,673
<b>Adjustments for:-</b>				
Depreciation	48,037		49,028	
Provisions	12,638		-	
Bad Debts Written Off	7,801		-	
Advance Against Depreciation- Deferred	0		(1,619)	
Interest on loans	43,878		53,027	
Prior Period Adjustments	(13,992)	98,362	(1,076)	99,360
<b>Operating profit Before Working Capital Changes</b>		<b>1,86,159</b>		<b>1,67,033</b>
<b>Adjustment For :-</b>				
Inventories	(1,775)		(823)	
Trade Receivables	(66,303)		58,285	
Other Assets	(604)		(586)	
Loans and Advances ( Current + Non Current)	(17,474)		(3,555)	
Trade Payable and Liabilities	(846)		1,711	
Provisions (Current + Non Current)	30,780	(56,222)	5,177	60,209
<b>Cash Generated From Operations</b>		<b>1,29,937</b>		<b>2,27,242</b>
Corporate Tax		(18,376)		(13,985)
<b>Net Cash From Operations (A)</b>		<b>1,11,561</b>		<b>2,13,257</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>Change in:-</b>				
Fixed Assets and CWIP	(62,625)		(52,661)	
Construction Stores	19		(13)	
Capital Advances	11,344		2,905	
Miscellaneous Expenditure (To the extent adjusted)	-		-	
<b>Net Cash Flow From Investing Activities (B)</b>		<b>(51,262)</b>		<b>(49,769)</b>

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	For The Year Ended 31 - Mar - 2015	For The Year Ended 31 - Mar - 2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital (Including Pending Allotment)	5,579	3,000
Other Capital Reserve	(472)	0
Borrowings	(8,285)	(1,07,328)
Interest on loans	(43,878)	(53,027)
Dividend & Tax on Dividend	(16,850)	0
<b>Net Cash Flow From Financing Activities ( C)</b>	<b>(63,906)</b>	<b>(1,57,355)</b>
<b>D. NET CASH FLOW DURING THE YEAR (A+B+C)</b>	<b>(3,607)</b>	<b>6,133</b>
<b>E. OPENING CASH &amp; CASH EQUIVALENTS</b>	<b>7,742</b>	<b>1,609</b>
<b>F. CLOSING CASH &amp; CASH EQUIVALENTS(D+E)</b>	<b>4,135</b>	<b>7,742</b>

**Note:**

1. Cash and Cash Equivalents includes Balance with Banks of ₹37Lac ( Previous year ₹50 Lac )which is not available for use by the Corporation.
2. Previous year's figures have been Regrouped / Rearranged / Recast wherever necessary.

**For and on Behalf of Board of Directors**

(S. Q. Ahmad)  
Company Secretary  
Membership No. F6445

(Sridhar Patra)  
Director (Finance)  
DIN : 06500954

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As Per Our Report of Even Date Attached  
For **BHATIA & BHATIA**  
Chartered Accountants  
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(Anant Bhatia)  
Partner  
Membership No.:- 507832

**Date :** 31.07.2015  
**Place :** New Delhi

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-MARCH-2015

Note :-1

### SHARE CAPITAL

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
		Number of Shares	Amount	Number of Shares	Amount
Authorised					
Equity Shares of ₹ 1000 /= each		4,00,00,000	4,00,000.00	4,00,00,000	4,00,000.00
Issued Subscribed & Paid-up		3,52,88,817	3,52,888	3,47,30,917	3,47,309
Equity Shares of ₹ 1000 /= each Fully Paid up					
<b>TOTAL</b>		<b>3,52,88,817</b>	<b>3,52,888</b>	<b>3,47,30,917</b>	<b>3,47,309</b>

Note :-1.1

### RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
		Number of Shares	Amount	Number of Shares	Amount
Opening		3,47,30,917	3,47,309	3,44,30,917	3,44,309
Issued		5,57,900	5,579	3,00,000	3,000
Reduction		0	0	0	0
<b>Closing</b>		<b>3,52,88,817</b>	<b>3,52,888</b>	<b>3,47,30,917</b>	<b>3,47,309</b>

Note :-1.2

### DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
		Number of Shares	%	Number of Shares	%
Share holding more than 5 %					
I. GOI		2,59,39,417	73.51	2,53,81,517	73.08
II. GOUP		93,49,400	26.49	93,49,400	26.92
<b>TOTAL</b>		<b>3,52,88,817</b>	<b>100.00</b>	<b>3,47,30,917</b>	<b>100.00</b>

Note :-2

## RESERVES & SURPLUS

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Capital Reserve</b>					
Contribution Received From Government of Uttar Pradesh Towards Irrigation Sector		1,44,118		1,44,118	
<b>LESS:-</b>					
Adjustment Towards Depreciation		47,580	96,538	40,915	1,03,203
<b>Other Capital Reserve</b>					
<b>PHRD Grant from World Bank (For VPHEP Projects)</b>					
Opening Balance		472		472	
Received during the year		0		0	
Utilised/adjusted during the year		(472)	0	0	472
<b>Sub Total- "A"</b>			<b>96,538</b>		<b>1,03,675</b>
<b>Surplus In Profit &amp; Loss Account</b>					
Opening		2,82,140		2,22,608	
Add:- Profit for the year as per P&L Statement		69,115		59,532	
<b>TOTAL PROFIT FOR APPROPRIATION</b>			<b>3,51,255</b>		<b>2,82,140</b>
<b>DIVIDEND</b>					
Interim Dividend		0		0	
Proposed Dividend		14,000	14,000	0	0
<b>TAX ON DIVIDEND</b>					
Dividend Distribution Tax-Interim		0		0	
Dividend Distribution Tax-Proposed		2,850	2,850	0	0
<b>Sub Total- "B"</b>			<b>3,34,405</b>		<b>2,82,140</b>
<b>TOTAL (A+B)</b>			<b>4,30,943</b>		<b>3,85,815</b>

2.1 PHRD Grant has been adjusted with CWIP relating to Survey & Investigation expenditure of VPHEP

Note :-3

**LONG TERM BORROWINGS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>A. SECURED</b>					
<b>POWER FINANCE CORPORATION Ltd.(PFC)-78302001 (For Tehri HPP) *</b>					
(Repayable within 10 years on Quarterly instalment from 15th July2005 to 15th April 2015, carrying floating interest rate ranging from @ 9.75 % to @ 10.75%)			0		3,015
<b>POWER FINANCE CORPORATION Ltd. (PFC)-78302003 (For Tehri HPP) *</b>					
(Repayable within 15 years on Quarterly instalment from 15th october 2008 to 15th July 2023, presently carrying floating interest rate @12.50%)			67,708		76,736
<b>POWER FINANCE CORPORATION Ltd. (PFC) -78302002 (For KHEP) #</b>					
(Repayable within 10 years on Quarterly instalment from 15th January2012 to 15th october 2021, presently carrying floating interest rate @12.75 % p.a.)			67,275		78,975
<b>Rural Electrification Corporation Ltd. (REC) (For KHEP)#</b>					
<b>(UA-GE-PSU-033-2010-3754)</b>					
(Repayable within 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate ranging from @10.75 to @ 12.5% p.a.)			43,796		50,804
<b>Rural Electrification Corporation Ltd. (REC)-330001-(For Tehri HPP)*</b>					
(Repayable within 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate ranging from @ 11.5% to @12.5% p.a.)			58,536		71,221

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>State Bank of India (SBI)-32677052247 (For Tehri PSP) ##</b>					
State Bank of India ( Repayable within 10 years on Quarterly Installments from August 2016 to May 2026 Prsently carrying Floating Interest rate @ Base rate +1.2% p.a. i.e. 11.2 % )			73,999		17,000
<b>TOTAL (A)</b>			<b>3,11,314</b>		<b>2,97,751</b>
<b>B. UNSECURED</b>					
<b>Foreign currency Loans (Guaranteed by Govt. of India)</b>					
<b>World Bank Loan -8078-IN (For VPHEP)\$</b>					
(repayable within 23 years on half yearly instalment from 15th Nov. 2017 to 15th May 2040 , carrying interest rate @ LIBOR +variable spread.p.a. i.e. 0.83%)			16,252		9,331
<b>TOTAL (B)</b>			<b>16,252</b>		<b>9,331</b>
<b>TOTAL (A+B)</b>			<b>3,27,566</b>		<b>3,07,082</b>

\* Long Term Loan Secured by first Charge on Pari Passu basis on Assets of Tehri Stage-I i.e. Dam, Power House Civil Construction, Power House Electrical & Mechanical equipments not covered under other borrowings and Project township of Tehri Dam and HPP together with all rights and interest appertaining there to.

# Long Term Loan secured by first charge on Pari Passu basis on assets of Koteswar HEP.

## Long Term Loan secured by first charge on Pari Passu basis on assets of Tehri PSP.

\$ With negative lien on the equipments financed under the respective loan ranking pari-passu.

There has been no default in repayment of any of the Loans or interest thereon during the year.

Note :-4

## OTHER LONG TERM LIABILITIES

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Deferred Revenue On Account of Advance Against Depreciation</b>					
As Per Last Balance Sheet		21,271		22,890	
Add:-Revenue Deferred During The year		0		0	
Less:- Adjusted During The Year		0	21,271	1,619	21,271
<b>Liabilities</b>					
For Expenditure					
For Micro And Small Enterprises.		0		0	
For Others		203	203	12	12
Deposits, Retention Money From Contractor etc.		1,620		2,019	
Other Liabilities		0	1,620	0	2,019
<b>TOTAL</b>			<b>23,094</b>		<b>23,302</b>

4.1 Amount shown under Advance Against Depreciation (AAD) has been collected during the tariff period 2004-09. The provision for AAD has been withdrawn in CERC Tariff Regulation 2009-14. Suitable adjustment for the amount of AAD shall be made in subsequent years accordingly.



**LONG TERM PROVISIONS**

Amount in lac ₹

(Figures In Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2014	For The Year Ended 31-Mar-2015			As at 31-Mar-2015
			Addition	Adjustment	Utilisation	
I. Employee Related		22,090	11,840	(347)	(1,585)	31,998
II. Others		248	0	0	0	248
<b>TOTAL</b>		<b>22,338</b>	<b>11,840</b>	<b>(347)</b>	<b>(1,585)</b>	<b>32,246</b>
<b>Figure for Previous Year</b>		<b>20,305</b>	<b>5,645</b>	<b>(3,158)</b>	<b>(454)</b>	<b>22,338</b>

Disclosure required by AS-15 on employee benefit has been made in Note No 29.16

Note :-6

## SHORT TERM BORROWINGS

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Short term Loan From Banks and Financial Institutions</b>					
<b>A. Secured loans:</b>					
Over Draft (OD) From Banks *			43,634		63,359
Punjab National Bank ( Carrying Floating Interest Rate @ base rate i.e.10.25%)					
<b>TOTAL</b>			<b>43,634</b>		<b>63,359</b>

\* O.D. amounting to ₹43634 Lac is secured by way of 2nd Charge on Block of Assets of Tehri Stage-1 and Koteshwar HEP

Note :-7

## TRADE PAYABLE

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
Trade Payable -MSMED			0		0
Trade Payable -Other than MSMED			72		24
<b>TOTAL</b>			<b>72</b>		<b>24</b>

Note :-8

## OTHER CURRENT LIABILITIES

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Current maturity of Long Term Debt</b>					
A. SECURED * (Indian Currency Loan)			43,436		52,480
<b>TOTAL (A)</b>			<b>43,436</b>		<b>52,480</b>
<b>Liabilities</b>					
<b>For Expenditure</b>					
For Micro And Small Enterprises.		0		0	
For Others		5,970	5,970	6,532	6,532
Deposits, Retention Money From Contractors etc.		2,539		2,871	
Other Liabilities		3,372	5,911	2,987	5,858
<b>Interest Accrued But Not Due</b>					
Financial Institutions		4,870		5,047	
Other Liabilities		0	4,870	0	5,047
<b>TOTAL</b>			<b>16,751</b>		<b>17,437</b>
<b>TOTAL LIABILITIES</b>			<b>60,187</b>		<b>69,917</b>

\* Detail in respect of Rate of Interest and Terms of repayment of Current Maturity of Secured and unsecured Long Term Debt indicated above are disclosed in Note-3.

Note :-9

## SHORT TERM PROVISIONS

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2014	For The Year Ended 31-Mar-2015			As at 31-Mar-2015
			Addition	Adjustment	Utilisation	
I. Works		1,294	16	(209)	(301)	800
II. Employee Related		13,372	7,450	(713)	(4,256)	15,853
III. Dividend (Interim and Final)		0	14,000	0	0	14,000
IV. Dividend Distribution Tax (Interim and Final)		0	2,850	0	0	2,850
III. Others		1,509	11,708	(217)	(9,456)	3,544
<b>TOTAL</b>		<b>16,175</b>	<b>36,024</b>	<b>(1,139)</b>	<b>(14,013)</b>	<b>37,047</b>
<b>Figure for Previous Year</b>		<b>13,031</b>	<b>15,100</b>	<b>(4,426)</b>	<b>(7,530)</b>	<b>16,175</b>

Disclosure required by AS-15 on Employee Benefits has been made in Note No 29.16



Note :-10

**FIXED ASSETS**

Amount in lac ₹

Particulars	Gross Block			Depreciation			Net Block	
	As at 01-Apr-2014	Addition During the Year	Sales/Adjustment During the Year	As at 31-Mar-2015	For the Period 01-Apr-2014 To 31-Mar-2015	Sales/Adjustment During the Year	As at 31-Mar-2015	As at 31-Mar-2014
<b>Tangible Assets</b>								
<b>Lease Hold Assets</b>								
1. Land Lease Hold	591	9	-	600	48	-	531	543
<b>Other Assets</b>								
2. Land Free Hold	3,753	89	-	3,842	-	-	3,842	3,753
3. Land Unclassified	1,48,889	3,993	-	1,52,882	31,712	17	1,15,819	1,17,177
4. Buildings	76,714	2,014	(72)	78,656	9,065	60	66,860	67,629
5. Building Temp. Structures	968	22	-	990	968	17	3	-
6. Road, Bridge & Culverts	12,997	515	-	13,512	1,317	-	11,733	11,680
7. Drainage, Sewerage & Water Supply	1,380	97	-	1,477	348	7	1,050	1,032
8. Construction Plant & Machinery	2,045	55	-	2,100	1,118	-	930	927
9. Generation Plant & Machinery	2,30,970	133	(2)	2,31,101	61,591	16	1,57,246	1,69,379
10. EDP Machines	1,307	339	(349)	1,297	931	(246)	520	376
11. Electrical Installations	859	50	-	909	207	51	651	652
12. Transmission Lines	1,872	522	-	2,394	541	-	1,732	1,331
13. Office & Other Equipment	4,015	592	4	4,611	1,409	(1)	2,950	2,606
14. Furniture & Fixtures	1,763	123	(2)	1,884	558	(1)	1,213	1,205
15. Vehicles	1,168	180	(39)	1,309	543	(29)	727	625
16. Railway Sidings	122	-	-	122	24	-	94	98
17. Hydraulic Works-Dam & Spillways	5,10,286	852	(3,860)	5,07,278	1,40,984	(877)	3,40,364	3,69,302
18. Hydraulic Works-Tunnel, Penstock, Canals etc	1,37,804	2,137	(26)	1,39,915	42,726	445	89,307	95,078
19. Unserviceable/ Obsolete Assets at net book value or net realisable value whichever is lower.	23	-	(3)	20	-	-	20	23
20. Capital Expenditure on Assets not owned by the company.	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>11,37,526</b>	<b>11,722</b>	<b>(4,349)</b>	<b>11,44,899</b>	<b>2,94,110</b>	<b>(592)</b>	<b>3,49,307</b>	<b>8,43,416</b>
<b>Figures For Previous Year</b>	<b>11,19,940</b>	<b>10,900</b>	<b>6,686</b>	<b>11,37,526</b>	<b>2,40,442</b>	<b>(1,578)</b>	<b>8,43,416</b>	<b>8,79,498</b>
<b>Intangible Assets</b>								
L. Intangible Assets-Software	337	39	-	376	263	-	80	74
<b>Sub Total</b>	<b>337</b>	<b>39</b>	<b>-</b>	<b>376</b>	<b>263</b>	<b>-</b>	<b>80</b>	<b>74</b>
<b>Figures For Previous Year</b>	<b>337</b>	<b>-</b>	<b>-</b>	<b>337</b>	<b>228</b>	<b>-</b>	<b>74</b>	<b>109</b>
<b>Detail of Depreciation</b>					<b>Current Year</b>	<b>Previous Year</b>		
Depreciation transferred to EDC					772	602		
Depreciation transferred to P&L account					48,386	48,122		
Depreciation adjusted in Capital Reserve					6,664	6,557		
-Irrigation Contribution from GOUP					15	16		
Fixed Assets Costing More Than ₹1500.00 But Less Than ₹5000.00 Procured and Depreciated Fully During The Year								

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

**Note :-11**

**CAPITAL WORK IN PROGRESS**

Amount in lac ₹

Particulars	Note No.	As at 01-Apr-2014	For The Year Ended 31-Mar-2015			As at 31-Mar-2015
			Addition During The Year	Adjustment During the Year	Capitalisation During The Year	
<b>Construction Work In Progress</b>						
Building & Other Civil Works		4,636	1,212	(103)	(1,429)	4,316
Roads, Bridges & Culverts		924	696	(96)	(510)	1,014
Water Supply, Sewerage & Drainage		44	20	-	(53)	11
Generation Plant And Machinery		24,855	36,202	(36)	(502)	60,519
Hydraulic Works, Dam, Spillway, Water Channels, Weirs, Service Gate & Other Hydraulic Works		63,756	23,944	(721)	(3,341)	83,638
Afforestation Catchment Area		181	247	-	-	428
Electrical Installation & Sub-Station Equipments		2,260	669	-	(323)	2,606
Capital Expenditure In Assets Not Owned By Company		-	-	-	-	-
Others		383	24	(50)	(333)	24
<b>Expenditure Pending Allocation</b>						
Survey & Development Expenses		10,095	141	(472)	-	9,764
Exchange Variation		-	-	-	-	-
Interest Pending Allocation	23	-	-	-	-	-
Expenditure During Construction	11.1	1,633	2,105	(1,633)	-	2,105
<b>Rehabilitation</b>						
Rehabilitation Expenses (Net of Recoveries Towards Token Cost And Rent)		2,945	524	(216)	(258)	2,995
<b>Total</b>		<b>1,11,712</b>	<b>65,784</b>	<b>(3,327)</b>	<b>(6,749)</b>	<b>1,67,420</b>
<b>Previous Year Figure</b>		<b>78,519</b>	<b>40,249</b>	<b>(1,005)</b>	<b>(6,051)</b>	<b>1,11,712</b>
<b>In Tangible-Capital work In Progress</b>						
Intangible asset Under Development		0	47	0	(14)	33
<b>Sub Total</b>		<b>0</b>	<b>47</b>	<b>0</b>	<b>(14)</b>	<b>33</b>

**Note :-11.1**
**EXPENDITURE DURING CONSTRUCTION**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2015		For The Year Ended 31-Mar-2014	
<b>EXPENDITURE</b>					
<b>EMPLOYEE BENEFITS EXPENSES</b>	22				
Salaries, Wages, Allowances & Benefits		13,954		9,531	
Contribution to Provident & Other Funds		878		643	
Pension Fund		645		515	
Gratuity		1,420		527	
Welfare		167	17,064	113	11,329
<b>OTHER EXPENSES</b>	24				
<b>Rent</b>					
Rent for office		107		91	
Rent for Employee Residence		383	490	365	456
Rate and taxes			27		6
Power & Fuel			540		360
Insurance			9		8
Communication			140		129
<b>Repair &amp; Maintenance</b>					
Plant & Machinery		2		0	
Consumption of Stores & Spare Parts		1		0	
Buildings		289		141	
Others		401	693	179	320
Travelling & Conveyance			425		374
Vehicle Hire & Running			267		198
Security			199		192
Publicity & Public relation			90		51
Other General Expenses			924		1,719
Loss on sale of assets			40		5
<b>DEPRECIATION</b>	10		772		602
<b>TOTAL EXPENDITURE (A)</b>			<b>21,680</b>		<b>15,749</b>
<b>RECEIPTS</b>					
<b>OTHER INCOME</b>	21				
<b>Interest</b>					
From Bank Deposit		10		5	
From Employees		145		101	
From Others		5	160	4	110

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2015		For The Year Ended 31-Mar-2014	
Machine Hire Charges			2		1
Rent Receipts			69		64
Sundry Receipts			88		37
Excess Provision Written Back			91		121
Profit on Sale of Assets			7		0
<b>TOTAL RECEIPTS (B)</b>			<b>417</b>		<b>333</b>
PRIOR PERIOD ADJUSTMENTS	26		38		33
<b>NET EXPENDITURE BEFORE TAXATION</b>			<b>21,301</b>		<b>15,449</b>
<b>PROVISION FOR TAXATION</b>	<b>27</b>				
Wealth Tax		27	27	9	9
<b>NET EXPENDITURE INCLUDING TAXATION</b>			<b>21,328</b>		<b>15,458</b>
Balance Brought Forward From Last Year			1,633		977
<b>TOTAL EDC</b>			<b>22,961</b>		<b>16,435</b>
<b>Less:-</b>					
EDC Allocated To CWIP / Asset		20,264		14,229	
EDC Of Projects Under Approval Charged To Profit & Loss Account		592	20,856	573	14,802
<b>Balance Carried Forward To CWIP</b>			<b>2,105</b>		<b>1,633</b>

Note :-12

## DEFERRED TAX ASSET

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
Deferred Tax Liability		(2,975)		(2,975)	
Deferred Tax Asset		55,082	52,107	41,396	38,421
Deferred Tax Adjustment			(6,313)		(6,313)
<b>Total</b>			<b>45,794</b>		<b>32,108</b>



**Note :-13**
**LONG TERM LOANS AND ADVANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Capital Advances</b>					
Unsecured					
i) Against Bank Guarantee		17,871		12,430	
ii) Rehabilitation & Resettlement (Govt. of Uttarakhand / SLAO)		6,626		8,054	
iii) Others		20,215		23,173	
iv) Accrued Interest On Advances		179	44,891	2	43,659
Less: Provision for Doubtful Advances			12,576		0
<b>SUB TOTAL - CAPITAL ADVANCES</b>			<b>32,315</b>		<b>43,659</b>
<b>Loans To Employees</b>					
Secured		2,803		2,313	
Unsecured		1,452	4,255	1,542	3,855
<b>Interest Accrued On Loans To Employees</b>					
Secured		2,238		2,055	
Un secured		183	2,421	172	2,227
<b>Loans To Directors</b>					
Secured		1		2	
Unsecured		0	1	0	2
<b>Interest Accrued On Loans To Directors</b>					
Secured		3		3	
Unsecured		0	3	0	3
<b>Other Advances ( Un Secured)</b> (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		184		212	
To Directors		0		0	
For Purchases		0		0	
To Others		1,423	1,607	7,161	7,373
<b>Deposits</b>					
Security Deposit		189		191	
Deposit with Govt/Court		389		391	
Other Deposit		1	579	1	583
<b>SUB-TOTAL</b>			<b>8,866</b>		<b>14,043</b>
LESS:- Provision For Bad & Doubtful Advances			0		0
<b>SUB TOTAL - ADVANCES</b>			<b>8,866</b>		<b>14,043</b>
<b>TOTAL LOANS AND ADVANCES</b>			<b>41,181</b>		<b>57,702</b>
<b>Note :- Due From Directors</b>					
Principal			1		2
Interest			3		3
<b>TOTAL</b>			<b>4</b>		<b>5</b>
<b>Note :- Due From Officers</b>					
Principal			4		4
Interest			5		5
<b>TOTAL</b>			<b>9</b>		<b>9</b>

**Note :-14**

**OTHER NON CURRENT ASSETS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Construction Stores</b> (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Materials		0		2	
Others		0		17	
Material Under Inspection (Valued At Cost)		0	0	0	19
<b>Sub Total</b>			<b>0</b>		<b>19</b>
Prepaid Expenses		143		143	
Interest Accrued but not due		0	143	0	143
<b>Sub Total</b>			<b>143</b>		<b>143</b>
<b>TOTAL</b>			<b>143</b>		<b>162</b>

**Note :-15**

**INVENTORIES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Inventories</b> (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Material		722		185	
Mechanical and Electrical Stores & Spares		4,384		3,288	
Others (including Stores & Spares)		299		204	
Material In Transit (Valued At Cost)		0		8	
Material Under Inspection (Valued At Cost)		0	5,405	6	3,691
Less: Provision For other stores			311		310
<b>TOTAL</b>			<b>5,094</b>		<b>3,381</b>

**Note :-16**

**TRADE RECEIVABLES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>(i) Debts Outstanding Over Six Months</b>					
Unsecured, Considered Good		26,493		11,629	
Considered Doubtful		0	26,493	0	11,629
<b>(ii) Other Debts</b>					
Unsecured, Considered Good		2,09,082		52,725	
Considered Doubtful		0	2,09,082	0	52,725
<b>(iii) Regulatory Asset Debtors (Net)</b>					
Unsecured, Considered Good		3,144		1,08,062	
Considered Doubtful		0	3,144	0	1,08,062
<b>TOTAL</b>			<b>2,38,719</b>		<b>1,72,416</b>

16.1 Trade Receivable includes Net Regulatory Asset Debtors of ₹3144 Lacs (Regulatory Assets ₹32666 Lacs and Regulatory Liabilities ₹29522 Lacs) [P.Y. ₹108062 Lacs (Regulatory Assets ₹123253 Lacs and Regulatory Liabilities ₹15191 Lacs)].

**Note :-17**
**CASH AND BANK BALANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Cash &amp; Cash Equivalents</b>					
Balances With Banks (Including Auto sweep, Flexi Deposit with Banks)			4,095		7,690
Cheques, Drafts, Stamps on hand			0		0
Cash on Hand			3		2
<b>Other Bank Balances</b>					
Others (Balance with Bank under Lien not available for use by the company)			37		50
<b>TOTAL</b>			<b>4,135</b>		<b>7,742</b>

**Note :-18**
**SHORT TERM LOANS AND ADVANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
<b>Loans To Employees</b>					
Secured		742		630	
Unsecured		145	887	158	788
<b>Interest Accrued On Loans To Employees</b>					
Secured		155		129	
Un secured		3	158	2	131
<b>Loans To Directors</b>					
Secured		3		3	
Unsecured		0	3	0	3
<b>Interest Accrued On Loans To Directors</b>					
Secured		1		1	
Unsecured		0	1	0	1
<b>Other Advances (Un Secured)</b> (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		419		351	
To Directors		0		0	
For Purchases		1,177		404	
To Others		357	1,953	967	1,722
<b>Deposits</b>					
Security Deposit		167		145	
Tax Deposit		2,446		2,446	
Deposit with Govt/Court		2,104		209	
Other Deposit		0	4,717	0	2,800
<b>SUB-TOTAL</b>			<b>7,719</b>		<b>5,445</b>
LESS:- Provision For Bad & Doubtful Advances			8		8
<b>TOTAL ADVANCES</b>			<b>7,711</b>		<b>5,437</b>
<b>TOTAL LOANS AND ADVANCES</b>			<b>7,711</b>		<b>5,437</b>
<b>Note :- Due From Directors</b>					
Principal			3		3
Interest			1		1
<b>TOTAL</b>			<b>4</b>		<b>4</b>
<b>Note :- Due From Officers</b>					
Principal			2		2
Interest			1		0
<b>TOTAL</b>			<b>3</b>		<b>2</b>

**Note :-19**

**OTHER CURRENT ASSETS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2015		As at 31-Mar-2014	
Prepaid Expenses			1,760		1,168
Interest Accrued			15		3
<b>TOTAL</b>			<b>1,775</b>		<b>1,171</b>

**Note :-20**

**REVENUE FROM OPERATIONS**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2015		For The Year Ended 31-Mar-2014	
Energy Sales		2,37,567		2,12,783	
<b>Add:</b>					
Advance Against Depreciation		0		1,619	
<b>Less :</b>					
Advance Against Depreciation- Deferred		0	2,37,567	0	2,14,402
FERV Recovery From Beneficiaries			0		934
U.I. / Congestion Charges			1,578		1,359
Consultancy Income			571		681
<b>TOTAL</b>			<b>2,39,716</b>		<b>2,17,376</b>

20.1 The company has filed tariff petition before the Hon'ble CERC for Tehri HEP & KHEP for fixation of Tariff for the period 2014 -19. Pending tariff determination for 2014-19, sales revenue has been recognized on the basis of Audited & Certified AFC of FY 2014-15 worked out as per the principles enunciated in CERC tariff regulations, 2014 applicable for the period 2014-19.

₹114035 Lac is recoverable as arrear from the DISCOMs against Tehri HPP for the tariff period 2009-14 based on CERC order dated 27.01.2015. THDCIL has already recognized ₹106200 Lac against the aforesaid arrear in the said tariff period as per Significant Accounting Policy 10.(1).

Differential amount of ₹7800 Lac has been accounted for as revenue in the current financial year. Total impact of the said order inclusive of regulatory interest is ₹25800 Lac has been recognised based on above tariff order. Similarly Regulatory Liability of ₹14331 Lacs has also been provided as prior period item for KHEP relying upon order of Hon'ble CERC.

The company has filed truing up petition before CERC for both Tehri HPP and KHEP for the period 2009-14. Based on the order to be issued by CERC, effect of the order shall be accounted for in the year in which order will be received. Pending receipt of final tariff order revenue for KHEP is recognized based on provisional order of the CERC.”

**Note :-21**
**OTHER INCOME**

Amount in lac ₹

Particulars	Note No.	For the Year Ended	
		31-Mar-2015	31-Mar-2014
<b>Interest</b>			
On Bank Deposits (Includes TDS ₹ 91934.00 Previous year ₹ 30559.00)		43	26
From Employees		397	348
Others		20	29
Machine Hire Charges			15
Rent Receipts			129
Sundry Receipts			514
Excess Provision Written Back			319
Profit on Sale of Assets			57
<b>TOTAL</b>			<b>1,494</b>
Less :			
Transferred To EDC	11.1		417
<b>TOTAL</b>			<b>1,077</b>

**Note :-22**
**EMPLOYEE BENEFITS EXPENSES**

Amount in lac ₹

Particulars	Note No.	For the Year Ended	
		31-Mar-2015	31-Mar-2014
Salaries, Wages, Allowances & Benefits			32,083
Contribution to Provident & Other Funds			1,982
Pension Fund			1,486
Gratuity			3,388
Welfare Expense			563
<b>TOTAL</b>			<b>39,502</b>
Less :			
Transferred To EDC	11.1		17,064
<b>TOTAL</b>			<b>22,438</b>

**Note :-23**
**FINANCE COSTS**

Amount in lac ₹

Particulars	Note No.	For the Year Ended	
		31-Mar-2015	31-Mar-2014
<b>Finance Costs</b>			
Interest On Loans			49,325
<b>TOTAL</b>			<b>49,325</b>
LESS:-			
Transferred And Capitalised With CWIP Account	11.1		5,447
<b>TOTAL</b>			<b>43,878</b>

**Note :-24**

**GENERATION ADMINISTRATION AND OTHER EXPENSES**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2015		For the Year Ended 31-Mar-2014	
<b>Rent</b>					
Rent for office		154		143	
Rent for Employees Residence		718	872	724	867
Rate and taxes			132		175
Power & Fuel			1,458		1,379
Insurance			1,833		1,298
Communication			342		345
<b>Repair &amp; Maintenance</b>					
Plant & Machinery		2,304		1,367	
Consumption of Stores & Spare Parts		628		617	
Buildings		1,112		680	
Others		2,290	6,334	1,440	4,104
Travelling & Conveyance			913		886
Vehicle Hire & Running			953		889
Security			2,227		2,101
Publicity & Public relation			322		172
Other General Expenses			2,376		4,788
Loss on sale of assets			68		17
Survey And Investigation Expenses			593		576
Research & Development			154		241
Expenses on Consultancy Project/ Contract			22		35
Expenditure On CSR & S.D. Activities			2,909		1,063
Rebate to Customers			191		252
<b>TOTAL</b>			<b>21,699</b>		<b>19,188</b>
LESS:-					
Transferred To EDC	11.1		3,844		3,818
<b>TOTAL</b>			<b>17,855</b>		<b>15,370</b>

**Note :-25**

**PROVISIONS**

Amount in lac ₹

Particulars	Note No.	For the Year Ended 31-Mar-2015		For the Year Ended 31-Mar-2014	
Provisions For Doubtful Debts, Loans & Advances			12,576		0
Provisions For Stores & Spares			62		0
<b>TOTAL</b>			<b>12,638</b>		<b>0</b>
LESS:-					
Transferred To EDC	11.1		0		0
<b>TOTAL</b>			<b>12,638</b>		<b>0</b>

**Note :-26**
**PRIOR PERIOD INCOME/EXPENDITURE (NET)**

Amount in lac ₹

Particulars	Note No.	For the Year Ended		For the Year Ended	
		31-Mar-2015	31-Mar-2014	31-Mar-2015	31-Mar-2014
<b>INCOME</b>					
Misc Receipt		27	27	1	1
<b>EXPENDITURE</b>					
Employee Benefits Expenses		1		6	
Repair and Maintenance		18		178	
Other General Expenses		13		1	
Depreciation		(305)		911	
Advertisement & Publicity		0		5	
Regulatory Adjustment		14,330		0	
Misc- Others		0	14,057	9	1,110
<b>Sub Total</b>			<b>14,030</b>		<b>1,109</b>
LESS:-					
Transferred To EDC	11.1		38		33
<b>TOTAL</b>			<b>13,992</b>		<b>1,076</b>

**Note :-27**
**PROVISION FOR TAXATION**

Amount in lac ₹

Particulars	Note No.	For the Year Ended		For the Year Ended	
		31-Mar-2015	31-Mar-2014	31-Mar-2015	31-Mar-2014
<b>INCOME TAX</b>					
Current Year			18,323		13,952
<b>Sub Total</b>			<b>18,323</b>		<b>13,952</b>
<b>TOTAL</b>			<b>18,323</b>		<b>13,952</b>
<b>WEALTH TAX</b>					
Current Year			80		42
<b>Sub Total</b>			<b>80</b>		<b>42</b>
LESS:-					
Transferred To EDC	11.1		27		9
<b>TOTAL</b>			<b>53</b>		<b>33</b>

28. The Accounting Standards issued by ICAI have been complied with as under:

A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 1	DISCLOSURE OF ACCOUNTING POLICIES.	<ul style="list-style-type: none"> <li>• Significant Accounting Policies adopted in the preparation and presentation of financial statements has been disclosed in the Financial Statements.</li> <li>• Accounting policy in relation to CSR and SD expenditures have been changed to align with the Companies Act 2013.</li> <li>• The company has introduced a new Accounting Policy on Provisions for Bad &amp; Doubtful Debtors/receivables etc.</li> </ul>
AS 2	VALUATION OF INVENTORIES.	<ul style="list-style-type: none"> <li>• The company is engaged in generation of Hydro Electric Power, thus does not possess raw materials/WIP, construction stores, spare parts and consumables held for Construction activity /supply and consumption in course of generation process is valued at cost determined on weighted average basis or net realizable value whichever is lower.</li> </ul>
AS 3	CASH FLOW STATEMENTS.	<ul style="list-style-type: none"> <li>• Cash Flow statement is being prepared as a part of Financial Statements using indirect method as per para 18 (b) of AS-3 as disclosed in Significant Accounting Policy No. 14.</li> </ul>
AS 4	CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE	<ul style="list-style-type: none"> <li>• There is no such major reportable events occurring after balance sheet date.</li> </ul>
AS 5	NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGE IN ACCOUNTING POLICIES.	<ul style="list-style-type: none"> <li>• There is no extra ordinary income / expenditure for which disclosure is required under AS 5. Prior period items (income /expenditure) have been disclosed in Note 26.</li> </ul>
AS 6	DEPRECIATION ACCOUNTING.	<ul style="list-style-type: none"> <li>• Depreciation has been provided as per CERC Regulations as stated in accounting policy no. 8. Necessary disclosures such as Historical Cost, Depreciation for the year, accumulated depreciation etc. as required under AS 6 have been disclosed in Note No. 10 – Fixed Assets.</li> </ul>
AS 7	ACCOUNTING FOR CONSTRUCTION CONTRACTS.	<ul style="list-style-type: none"> <li>• The company has not undertaken any construction contracts during the reporting period. Thus not applicable.</li> </ul>
AS 8	ACCOUNTING FOR RESEARCH AND DEVELOPMENT.	<ul style="list-style-type: none"> <li>• This AS stands withdrawn.</li> </ul>
AS 9	REVENUE RECOGNITION.	<ul style="list-style-type: none"> <li>• The Company has been recognising sales revenue on the basis of final tariff allowed by CERC and AFC (Annual Fixed Cost) determined based on tariff regulation pending final tariff order to be issued by CERC. Significant Accounting Policy no. 10(i) to 10(iv) explains sales revenue mechanism followed by Company.</li> </ul>





A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 10	ACCOUNTING FOR FIXED ASSETS.	<ul style="list-style-type: none"><li>• Cost of Fixed Assets, purchased/ self constructed have been accounted for in accordance with AS-10.</li><li>• Necessary disclosure in respect of Gross/ Net Book Value of Assets at the beginning and at the end of accounting period showing details of additions made, assets discarded/ sold have been disclosed in Financial Statements.</li></ul>
AS 11	ACCOUNTING FOR THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES.	<ul style="list-style-type: none"><li>• Accounting Policies relating to Foreign Transactions has been disclosed vide Significant Accounting Policies No. 7(i) to 7(iv).</li></ul>
AS 12	ACCOUNTING FOR GOVERNMENT GRANTS.	<ul style="list-style-type: none"><li>• Company has received consumer contribution from GOUP toward Irrigation Component &amp; PHRD grant from World Bank for VPHEP project, accounting treatment has been given in accordance with AS 12 and disclosed in Significant Accounting policy No. 3.</li></ul>
AS 13	ACCOUNTING FOR INVESTMENTS.	<ul style="list-style-type: none"><li>• The Company has not made any investment hence this AS is not applicable .</li></ul>
As 14	ACCOUNTING FOR AMALGAMATIONS	<ul style="list-style-type: none"><li>• Not Applicable.</li></ul>
AS 15	EMPLOYEE BENEFITS	<ul style="list-style-type: none"><li>• The company has various employees welfare schemes both under Defined Benefit Plan and Defined Contribution Schemes.</li><li>• <u>Defined Contribution Plan</u><ol style="list-style-type: none"><li>a. CPF</li><li>b. Superannuation Pension Fund</li></ol></li><li>• <u>Defined Benefit Plans</u><ol style="list-style-type: none"><li>a. Gratuity</li><li>b. Earned Leave , Half Pay Leave</li><li>c. Post Retirement Medical Benefit</li><li>d. Post Retirement Baggage Allowance.</li></ol></li></ul>
AS 16	BORROWING COSTS.	<ul style="list-style-type: none"><li>• Company has recognised ₹ 5447 lac as borrowing cost for CWIP during the year. Recognition of borrowing cost has been explained in accounting policy no. 6 (i) &amp; 6(ii).</li></ul>
AS 17	SEGMENT REPORTING.	<ul style="list-style-type: none"><li>• At present the Company is engaged in Generation of hydro power from Tehri &amp; Koteshwar HEP located in district Tehri Garhwal in the state of Uttarakhand. Hence, segment reporting is not applicable.</li></ul>
AS 18	RELATED PARTY DISCLOSURES.	<ul style="list-style-type: none"><li>• No related party transaction has been carried out during the year. However details of Remuneration of Key Managerial Personnel has been disclosed vide note no. 29.9.</li></ul>

A.S. NO.	NOMENCLATURE	DESCRIPTION
AS 19	LEASES.	<ul style="list-style-type: none"> <li>Company has not entered into any financial lease during the year. Operating lease transactions have been disclosed vide note no. 29.15.</li> </ul>
AS 20	EARNINGS PER SHARE.	<ul style="list-style-type: none"> <li>Company has not issued any potential Equity Share, hence both Basic and Diluted EPS remains same and has been disclosed in Statement of Profit &amp; Loss.</li> </ul>
AS 21	CONSOLIDATED FINANCIAL STATEMENTS.	<ul style="list-style-type: none"> <li>There is no subsidiary / holding company of THDCIL, therefore AS 21 is not applicable.</li> </ul>
AS 22	ACCOUNTING FOR TAXES ON INCOME.	<ul style="list-style-type: none"> <li>During the year 2014-15 Deferred Tax Asset amounting to ₹13686 lac has been accounted for.</li> </ul>
AS 23	ACCOUNTING FOR INVESTMENTS IN ASSOCIATES IN CONSOLIDATED FINANCIAL STATEMENTS.	<ul style="list-style-type: none"> <li>Company does not have any associates; therefore, this AS is not applicable.</li> </ul>
AS 24	DISCONTINUING OPERATIONS	<ul style="list-style-type: none"> <li>No operation/activities have been discontinued during the year, thus no disclosure is required.</li> </ul>
AS 25	INTERIM FINANCIAL REPORTING .	<ul style="list-style-type: none"> <li>The company has been preparing interim Financial Statements as a good governance practice even though not being a listed Company.</li> </ul>
AS 26	INTANGIBLE ASSETS.	<ul style="list-style-type: none"> <li>Company has been recognising the cost of computer application software as intangible asset and cost is being amortised over a period as explained in Significant Accounting Policy no. 8(vi).</li> </ul>
AS 27	FINANCIAL REPORTING OF INTERESTS IN JOINT VENTURES	<ul style="list-style-type: none"> <li>Company has no joint venture project. Hence this AS is not applicable.</li> </ul>
AS 28	IMPAIRMENT OF ASSETS .	<ul style="list-style-type: none"> <li>No impairment of assets has been carried out during the year.</li> </ul>
AS 29	PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.	<ul style="list-style-type: none"> <li>The Company makes best assessment taking into different factors such as possibility/ certainty of financial obligation on Company and probability of cash outflow and provides liability accordingly. Other cases are considered as Contingent Liability.</li> </ul>
AS 30	FINANCIAL INSTRUMENTS: RECOGNITION & MEASUREMENT	<ul style="list-style-type: none"> <li>Concerned Standards are in relation to Measurement, Presentation and disclosure of Financial Instruments. Hence these AS are not applicable to the company.</li> </ul>
AS 31	FINANCIAL INSTRUMENTS : PRESENTATION	
AS 32	FINANCIAL INSTRUMENTS: DISCLOSURES	

**NOTE NO.29 OTHER EXPLANATORY NOTES ON ACCOUNTS:**

1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 336848 lac [Previous year (P.Y. ₹ 328584 lac).

**2. CONTINGENT LIABILITIES**

	(₹ Lac)	
	2014-15	2013-14
(i) Claims against the Company, not Acknowledged as debts: Arbitration /Court cases includes:	191592	199281
(a) Bank Guarantee ₹ 371 Lac (P.Y. ₹ 3778 lac) Given by company		
(b) Decreed against the Company in different Arbitration/ Labour court Cases and deposited by The Company but Disputed in appeals. ₹ 351 Lac (P.Y. ₹ 351 lac)		
(ii) Disputed Income Tax, Trade Tax, Commercial Tax, Entry tax includes ₹173 lac (P.Y. ₹ 179 lac) Deposited by Company but disputed in appeal	186	180
(iii) Others (Contractors claims etc.)	428	218

3. Company has been receiving FDRs/CDRs with right to present before bank/ financial institutions for claiming face value only against EMD/ SD. The company has FDRs/ CDRs amounting to ₹1239 lac (P.Y. ₹1047 lac) besides the deposits retention money from contractors amounting to ₹4159 lac (P.Y. ₹4890 lac) as disclosed in Note 4 & Note 8.

4. Company constructed buildings for Govt offices and institutions including staff quarters at New Tehri Town for relocating the Govt offices and institutions from Tehri Town (Under submerge of Tehri reservoir ). ₹7800 Lakhs was claimed on the GoUK towards cost of extra space provided. The amount is finally written off as unrealizable with due approval of the Board.

5. The amount of borrowing cost capitalized during the year is ₹5447 lac (P.Y. ₹1493 lac) after adjustment of an amount of ₹Nil lac (P.Y. ₹Nil lac) towards interest earned on short term deposits of surplus borrowed funds during the year.

6. MoP, GoI has accorded approval for implementation of the Superannuation Pension Scheme as per DPE guidelines. Pending formation of trust and completion of other formalities, provisional amount @ 10 % of Basic + DA has been provided like past years.

7. (i) Pursuant to the Government of India, MOE & F, New Delhi's order no.FNo.8- 3/89-FC dated 17/23rd Oct., 2002- the Government of Uttarakhand vide its office order no. GI-186/7-1-2002-300(459)/88 dated 30 Oct., 2002 has issued order for diversion of 338.932 hectare Civil Soyam and Forest land at Koteshwar. Out of 338.932 hectare, lease deed for 337.057 hectare land has been executed and for balance 1.875 hectare forest land is pending for completion of legal formalities.

(ii) Initially land was acquired by the then UP Irrigation Dept. and land records were in the name of Tehri Dam. Subsequent to formation of the Tehri Hydro Development Corporation of India Ltd, land was acquired in the name of the company. Consequent upon change in the name of the company as THDC India Ltd, process of converting all the land records in the present name of the company is under process. Out of total land of 3255.11 Hac. acquired by the company, title has been changed in the present name of the company for 1866.18 Hac. Change of title for the balance land of 1388.93 Hac is under process.

(iii) Construction of Tehri Hydro Complex was commenced by the Irrigation Dept. of the then Uttarpradesh State Govt in mid seventies. As the project area is inclusive of forest area, clearance for diversion of forest land for non forest use was sought from the MoEF, Govt. of India. The MoEF, GoI 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 Uttarpradesh 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.

8. 30 Flats (PY. 43 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.

9. a) Related Parties – Key Management Personnel:

Whole time Directors:

1. Shri R. S. T. Sai	Chairman & Managing Director
2. Shri D.V.Singh	Director (Technical)
3. Shri S.K. Biswas	Director (Personnel)
4. Shri Sridhar Patra	Director (Finance)

b) Summary of transactions with related parties (other than for contractual obligations) – Nil.

c) Remuneration and allowances, contribution to provident fund, other benefits and expenses to whole time Directors including Chairman & Managing Director and Independent director's fees & expenses is ₹ 250 Lac (PY ₹248 Lac).

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:

	2014-15	2013-14
Net profit after tax used as numerator (₹ In lac)	₹ 69115	₹ 59532
Weighted average no. of equity shares used as denominator	Basic : 34978077 Diluted : 34978077	Basic : 34435027 Diluted : 34435027
Earning per share ₹	Basic Diluted	172.88 172.88
Face Value per share ₹	1000	1000

11. In compliance to the Accounting Standard 22 on “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, The net increase in the deferred tax assets of ₹13686 Lac (P.Y. ₹ 6920 Lac) has been booked to Profit and Loss Account. The deferred tax assets pertaining to the period up to 31st March 2009 is refundable to the beneficiaries, thereafter, it is a part of the current tax as per CERC Regulations 2009-2014 and not refundable. The item-wise detail of cumulative Deferred Tax Liability/Assets is as under:

₹ in lac

Sl. no		31.03.2015	31.03.2014
	<b>Deferred Tax Liability (A)</b>		
i)	Difference of Book Depreciation and Tax Depreciation	0	0
	<b>Deferred Tax Assets (B)</b>		
ii)	Difference of Book Depreciation and Tax Depreciation	33644	26631
iii)	Advance against Depreciation to be considered as income in tax computation	7309	7309
iv)	Provision for Doubtful Debts & Stores	4461	166
v)	Provision for employee benefit schemes	6693	4315
	<b>Net Deferred Tax Liability/(Assets) (A-B)</b>	<b>(52107)</b>	<b>(38421)</b>

12. (i) The company has incurred an amount of ₹2909 Lac towards CSR expenditure during the current financial year 2014-15 as against permissible amount of ₹1377 lakhs as per provisions of Section 135 of the Companies Act 2013.

(ii) The Company has incurred an amount of ₹390 lac (PY ₹266 lac) towards Research & Development expenditure during the current financial year 2014-15 as per the R&D plan approved by the Board for the FY. 2014-15.

13. There is no outstanding amount as payable to Suppliers/Service providers registered under MSMED Act 2006.

14. The management carried out the construction works of Koteswar HEP through the contractor M/s. PCL Intratech Lenhydro Consortium under Risk & Cost mechanism to expedite project completion. Payment made by the company in excess of amount payable under the contract had been debited to Risk & Cost Account and shown as receivable from the contractor. The contractor has gone for arbitration and the award is under dispute.

Being aggrieved, the company has filed writ in the Hon'ble High Court, New Delhi challenging the award. Matter is subjudice. Pending disposal, provision has been made for ₹11947 Lac as appearing under Risk & Cost Account.

15. The Company has taken on lease / rent premises for employees / offices / Guest Houses/Transit camps & Vehicles. These lease arrangements are usually renewable on mutually agreed terms. Rent/Lease include ₹829 lac (P.Y. ₹901 lac) towards lease payment (net off recoveries).

16. i) Company pays fixed contribution to provident fund at pre-determined rates to a separate trust, which invests the funds in permitted securities. The Contribution to Family Pension scheme is paid to the appropriate authorities. The contribution of ₹218 lac (PY ₹ 129 lac) to the fund for the period is recognized as expense and is charged to statement of Profit & Loss. The obligation of the company is to make such fixed contribution to ensure minimum rate of return to the member as specified by GOI. As per Actuarial valuation the liability due to statutory interest rates guaranteed for provident fund as on 31.03.2015 as per AS-15 (Revised) comes to ₹363 lac (P.Y. ₹125 lac) as against the revenue surplus of ₹142 lac (P.Y. ₹102 lac).

ii) Disclosure under the provisions of AS-15 on "Employees Benefits".

Provision for employee benefits has been made for the current period using the Actuarial Valuation done as at 31.03.2015. Accordingly, disclosure under the provision of Accounting Standard 15 on "Employee Benefits" for the Financial Year ended 31.03.2015 is given below:

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

Particular	31.03.2015	31.03.2014
Mortality Table	IALM(2006-08)	LIC (1994-96) Duly modified
Discount Rate	8.0%	8.5%
Future Salary Increase	8.0%	6.5%

**Table - 2 : Change in Present Value of Obligations (PVO)**

₹ in lac

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
PVO at Beginning of year	11049	4909	2326	4664	632
Interest cost	939	417	198	396	53
Past service cost					
Current service cost	675	328	117	462	44
Benefit paid	(1188)	(1910)	(67)	(428)	(58)
Actuarial (Gain)/loss	2266	2131	1118	4288	64
PVO at end of year	13741	5875	3692	9382	735

**Table - 3: Amount Recognised in Balance Sheet**

₹ in lac

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
PVO at end of year	13741	5875	3692	9382	735
Fair Value of Plan Assets at the end of year					
Funded Status	(13741)	(5875)	(3692)	(9382)	(735)
Unrecognised actuarial gain/loss					
Net liability recognized in Balance Sheet	(13741)	(5875)	(3692)	(9382)	(735)

**Table - 4: Amount recognized in profit & loss Account/EDC Account.**

₹ in lac

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
Current Service Cost	675	328	117	462	44
Interest Cost	939	417	198	396	53
Past Service Cost					
Expected return on Plan Assets					
Net Actuarial (gain)/loss recognized for the year	2266	2131	1118	4288	64
Expense recognized in Profit & Loss/EDC for the year.	3880	2876	1433	5146	161

**17. Change in Accounting Policy:**

Sl.No.	Policy	Impact
1.	Policy No. 1 modified by adding the words "provisions of Electricity Act 2013, applicable CERC Regulations"	No Impact
2.	Policy No. 4 (ii) modified by adding the words " but under the control and possession of the Company"	No Impact
3.	Policy No.10 (xii) on Research & Development to set aside prescribe % of Profit as non lapsable fund as per DPE Guideline	No Impact
4.	Policy No.10(xiii) Expenditure on CSR activities shall be made as per provisions of Sec.135 of the Companies Act 2013	Increase in Expenditure on CSR ₹ 187 lac and corresponding decrease in profit.
5.	Policy No.10(xiv) on Provisions for Bad & Doubtful Debts	Decrease in Profit to the extent of Provisions made and Bad debts written off during the Current year ₹20438 lac and corresponding increase in provision for bad & doubtful debts by ₹12638 lac and decrease in amount recoverable/ receivable by ₹7800 lac.

18. Payment to Auditors (including service tax)

₹ in lac

		2014-15	2013-14
I.	Statutory Audit Fees	8*	8
II.	For Taxation matter (Tax Audit)	2	2
III.	For Company Law matter	-----	-----
IV.	For Management services	-----	-----
V.	For other Services (Certification)	5	3
VI.	For Reimbursement of expenditure	2	3

\*Subject to approval in Annual General Meeting.

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

₹ in lac

	PARTICULARS	2014-15	2013-14
<b>A</b>	<b>Expenditure in Foreign Currency (on cash basis)</b>		
	Travelling	27	15
	Consultancy & Professional Expenditures	17591	5060
	Management/Commitment fee	257	0
	Repayment of loan & Interest	0	2802
	Import of goods	0	342
	Others (Advance)	4	2818
	Nomination for Conference		0
	Purchase of Software		0
	Others	1271	
	<b>TOTAL</b>	<b>19149</b>	<b>11036</b>
<b>B</b>	<b>Earnings in Foreign Currency (on cash Basis)</b>	<b>0</b>	<b>0</b>
<b>C</b>	<b>Value of Imports calculated on CIF basis</b>		
i)	Capital Goods	0	470
ii)	Spare parts		
	<b>TOTAL</b>	<b>0</b>	<b>470</b>
<b>D</b>	<b>Value of Components, Stores &amp; Spare parts Consumed</b>		
i)	Imported (in lacs Rupees)	60	1
	(%)	9.55	0.14
ii)	Indigenous (in lacs Rupees)	568	617
	(%)	90.45	99.86
<b>E</b>	<b>Value of Export</b>	<b>0.00</b>	<b>0.00</b>



20. Licensed and Installed Capacities:-

Sl. No	PARTICULARS	2014-15	2013-14
(i)	Licensed Capacity (M.W)	Not Applicable**	Not Applicable**
(ii)	Installed Capacity (M.W)	1400MW	1400MW
(iii)	Approved Capacity(M.W) Based on investment approval by CCEA)	2844 MW	2844 MW
(iv)	Quantitative information in respect of Generation and sale of Electricity (In Million Units)		
(a)	Pre Commercial Production		
	Generation	NIL	NIL
	Sales	NIL	NIL
(b)	Commercial Production		
	Generation Total	4214.182866	5582.264162
	Sales (net of free power to home state, auxiliary consumption and transformation losses)	3690.1711231	4887.0780941

\*\* 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.

21. Previous year figures have been regrouped/ reclassified wherever necessary to make the figures comparable with the figures of the current year.

**For and on Behalf of Board of Directors**

(S. Q. Ahmad)  
Company Secretary  
Membership No. F6445

(Sridhar Patra)  
Director (Finance)  
DIN : 06500954

(R.S.T. Sai)  
Chairman & Managing Director  
DIN : 00171920

As Per Our Report of Even Date Attached  
For **BHATIA & BHATIA**  
Chartered Accountants  
FRN 003202N of ICAI

(Anant Bhatia)  
Partner  
Membership No.:- 507832

Date : 31.07.2015

Place : New Delhi

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**THDC INDIA LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of THDC India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and significant accounting policies and other explanatory information.

### Managements' Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required

to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

- b) in the case of the Statement Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the **Annexure I** a statement on the matters specified in the paragraph 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 II**.
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 it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
  - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 29.2 to the financial statements;
  - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
  - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For Bhatia & Bhatia  
Chartered Accountants  
FRN: 003202N OF ICAI

(Anant Bhatia)  
FCA, Partner  
Membership No. : 507832

Place : New Delhi  
Date : 31.07.2015

## ANNEXURE I FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(ANNEXURE I REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

We report that: -

- i) (a) The Company has generally maintained records of Fixed Assets, showing full particulars including quantitative details and situation of Fixed Assets. The records for movement of the assets have been properly maintained.
- (b) The assets have been physically verified by Independent Firm 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.
- ii) (a) Physical verification of inventory has been conducted by Independent Firm of Chartered Accountants. In our opinion frequency of physical verification is reasonable.
- (b) The procedures of physical verification of inventory, followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory and no material discrepancies were noticed during physical verification of Inventories.
- iii) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, Clause (iii) of paragraph 3 of the Order is not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems, commensurate with the size of company and nature of its business, with regard to purchase of inventory and fixed assets, and for the revenues of the Company. During the course of our audit we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the underlying internal control systems.
- 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. The Cost Audit for the year 2013-14 is completed and appointment of Cost Auditors for 2014 — 15 has already been made and Cost Audit for the F.Y. 2014-15 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, and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as on 31.3.2015 for a period of more than six months from the date they became payable. As informed, the provisions of the Employees State Insurance Act are not applicable to the Company.
- b) According to information and explanation given to us, following disputed trade tax dues have not been deposited.

Assessment year	Amount (₹ In Lac)	Nature of Dues	Present Status
2007-08	1.11	Trade Tax	THDCIL has filed appeal against the demand raised in assessment order dated 28.02.2011 and the appeal is still to be heard.



- c) No amount is required to be transferred to Investors Education and Protection Fund in accordance with the relevant provision of the Companies Act 1956 (1 of 1956) and the rules made there under.
- viii) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash loss in the financial year under audit, and also in the immediately preceding financial year.
- ix) On the basis of audit procedures adopted by us and according to the records, the Company has not defaulted in repayment of dues to any Financial Institution or bank during the year.
- x) As informed to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi) In our opinion, and according to the information and explanations given to us, the company has applied the term loans for the purpose; they were raised during the year.
- xii) 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 on or by the company, nor have we been informed of such cases by the Management.

For Bhatia & Bhatia  
**Chartered Accountants**  
FRN: 003202N OF ICAI

(Anant Bhatia)  
**FCA, Partner**  
Membership No. : 507832

**Place :** New Delhi

**Date :** 31.07.2015

## FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

(Annexure II referred to in Paragraph 2 of our report of even date)

Sl. No	Directions	Our Report	Action Taken	Impact on the accounts & Financial Statements								
1.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	THDC India Ltd has not been selected for disinvestment. However it is under consideration for disinvestment by the Govt. As a pre requisite, efforts have been made to amend the AoA and MoA. Draft revised AoA and MoA have been forwarded to GoUP and Govt seeking consent for taking further action to amend the said documents and split the shares. Hence stage for valuation of assets and liabilities has not yet reached.	No Action is required	NIL								
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	Yes. The company has written off Rs. 78.01 Crore with due approval of the BoD in their 175th meeting held on 23.05.2015. Reasons for write off are briefly explained below: Construction of buildings to relocate the Govt offices/ institutions and staff quarters was carried out by the Irrigation dept of the then UP Govt. The construction work was handed over to THDCIL by the then UP Govt with advice to carry out the work and assurance to release funds after completion of shifting of Govt offices/ institutions. Construction, shifting and relocating continued in phased manner till 1998-99. In the year 2000 consequent upon reorganising of the state, the property was vested with GoUK. Hence demands were raised on GoUK which the GoUK denied advancing the contention that the property was transferred by the then UP Govt to them consequent upon reorganisation of the state. Hence THDCIL does not have any right to claim. Matter was taken up at various forums and discussed in several occasions in the meeting chaired by Secy. Power/Jt. Secy. Power. Neither any firm assurance / commitment was given nor payment released. The amount proved to be unrealisable. Hence the matter was placed before the BoD in their 175th meeting and written off in the books of the current financial year 2014-15.	Amount debited to Profit and Loss Account	Net Profit is reduced by INR 78.01 crore.								
3.	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Govt. or other authorities.	Proper records are being maintained with regard to inventories lying with third parties. No assets are received as Gift from Govt./any other authorities.	No Action is required	NIL								
4.	A report on age-wise analysis of pending legal / arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	Details of age-wise pending legal cases as on 31 <sup>st</sup> March 2015 are mentioned below: <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Period</th> <th style="text-align: left;">No. of cases</th> </tr> </thead> <tbody> <tr> <td>0-1 year</td> <td style="text-align: right;">242</td> </tr> <tr> <td>1-3 years</td> <td style="text-align: right;">97</td> </tr> <tr> <td>3 years &amp; above</td> <td style="text-align: right;">134</td> </tr> </tbody> </table> The professional fee relating to these legal cases is decided by the Company on case to case basis with due approval of Competent Authority. The main reason for pendency of legal cases beyond 3 years is that hearings are not yet completed. As the cases are pending for disposal before different legal forums since a considerable time, it needs close persuasion for expeditious disposal.	Period	No. of cases	0-1 year	242	1-3 years	97	3 years & above	134	Proper Contingent Liability has been disclosed in the Note No. 29.2 attached with the Financial Statements.	NIL
Period	No. of cases											
0-1 year	242											
1-3 years	97											
3 years & above	134											

Place : New Delhi  
Date : 31.07.2015

(Anant Bhatia) FCA, Partner  
Membership No. : 507832  
For Bhatia & Bhatia  
Chartered Accountants, FRN: 003202N OF ICAI

गोपनीय

सख्या: **No. MAB-III/Rep/01-17/A/cs-THDC/2015-16/Vol.V/927**

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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 09<sup>th</sup> September, 2015

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,  
टीएचडीसी इंडिया लिमिटेड,  
ऋषिकेश।

**विषय:** 31 मार्च 2015 को समाप्त वर्ष के लिये टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कंपनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं, टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के 31 मार्च 2015 को समाप्त वर्ष के लेखों पर कंपनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्न: यथोपरि।

भवदीया,

ह./-  
(तनुजा एस. मित्तल)  
प्रधान निदेशक

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THDC INDIA LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

The preparation of financial statements of THDC India Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statement under Section 143 of the Act based on independent audit in accordance with Standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 31 July, 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of THDC India Limited of the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

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

Sd/-  
(**Tanuja. S. Mittal**)  
Principal Director of Commercial Audit &  
Ex-officio Member, Audit Board – III.  
New Delhi

**Place :** New Delhi

**Dated :** 09<sup>th</sup> September, 2015





टीएचडीसी इंडिया लिमिटेड  
THDC INDIA LIMITED

# Computerised Control System

टिहरी एचपीपी के भूमिगत पावर हाउस की कंप्यूटरीकृत नियंत्रण प्रणाली  
Computerised Control System of Underground Power House of Tehri HPP



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

(भारत सरकार व उत्तर प्रदेश सरकार का संयुक्त उपक्रम)  
(A Joint Venture of Govt. of India & Govt. of U.P.)

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CIN: U45203UR1988GOI009822 Website : <http://www.thdc.gov.in>