

# Financial Statements 2017-18

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



## SIGNIFICANT ACCOUNTING POLICIES 2017-18

### 1 General

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

### 2 Estimates & Assumptions

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

### 3 Property Plant & Equipment (PP&E)

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

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

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

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

#### 4 Capital work in progress

- 4.1 Expenditure incurred on assets under construction (including a project) is carried at cost under Capital work in Progress. Such costs comprise purchase price of asset including import duties, non-refundable taxes (after deducting trade discounts and rebates) and costs that are directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- 4.2 Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is carried under Capital work in progress and subsequently allocated on systematic basis. Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.
- 4.3 Cost incurred towards lease amount and rent on lease hold land and compensation for land and properties etc. used for submergence and other purposes (such as re-settlement of oustees, construction of new Township, afforestation, expenses on maintenance and other facilities in there-settlement colonies until takeover of the same by the local authorities etc.) and where construction of such alternative facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, is carried forward in the Capital Work in Progress ( Rehabilitation). The said asset is capitalized as Land under submergence from the date of commercial operation.
- 4.4 Deposit works are accounted for on the basis of statements of account received from the Agencies concerned.
- 4.5 In respect of supply-cum-erection contracts, the value of supplies received at site is treated as Capital-Work-in-Progress.

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

#### 5 Intangible Assets

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

#### 6 Foreign Currency Transactions

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

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

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

## 7 Fair Value Measurement

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

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

Level 2 - Valuation techniques for which the

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

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

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

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

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

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

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

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

## 9 Inventories

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

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

## 10 Financial liabilities

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



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

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

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

## 11 Government Grants

11.1 Grants-in-Aid received from the Central/State Government/ other authorities towards capital expenditure inclusive of contribution received from the Uttar Pradesh Govt towards irrigation component of the project cost of Tehri H.E.P. stage-I is treated initially as non operating deferred income under non current liability and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of such contribution/grants-in-aid.

## 12 Provisions, Contingent Liabilities and Contingent Assets

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

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

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

## 13 Revenue Recognition and Other Income

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

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

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

13.4 Incentive/disincentives are accounted for based on the applicable norms notified/ approved by the Central Electricity Regulatory Commission or agreements with the beneficiaries. In case of Power Stations where the same have not been notified / approved / agreed with beneficiaries, incentives/disincentives are accounted for on provisional basis.

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

13.6 Income from consultancy work is accounted for on the basis of actual progress/technical assessment of work executed or cost reimbursable in line with terms of respective consultancy contracts.

13.7 Surcharge recoverable from sundry debtors for sale of energy and liquidated damages/warranty claims are not treated as accrued due to uncertainty of its realization/acceptance, and are therefore, accounted for on the basis of receipt.

13.8 Interest earned on advances to contractors as per the terms of contract, are reduced from the cost incurred on construction of the respective asset by credit to related Capital Work-in-Progress Account.

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

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

#### 14 Expenditure

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

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

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

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

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

14.6 Expenditure on CSR activities shall be made as per the provisions of Section 135 of the Companies Act 2013. Any unspent amount shall be set aside as non-lapsable fund as per DPE guidelines.

14.7 Provision for doubtful debts / advances / claims outstanding over three years (except Government dues) is made unless the amount is considered recoverable as per management estimate. However, Debts / advances / claims shall be written off on case to case basis when unreliability is finally established.

#### 15 Employee benefits

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

15.2 Liability for retirement benefits to employees in respect of gratuity, leave encashment and post retirement medical benefits, baggage allowance, memento to retiring employees, financial package for dependent of deceased employees and funeral expenses etc. as defined in Ind AS-19 is accounted for on accrual basis based on actuarial valuation determined as at the year end.

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



profit or loss in subsequent periods.

## 16 Borrowing Cost

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

## 17 Depreciation & Amortisation

- 17.1 Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is ready for use / disposal.
- 17.2 Depreciation is charged on straight-line method following the rates notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff. In respect of assets, where rate has not been notified by CERC, depreciation is provided on straight line method as per rates prescribed under the Companies Act in force. In case of change in cost of asset due to increase/ decrease in long-term liability on account of exchange fluctuations, award of Courts, etc, revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset.
- 17.3 Laptops provided to employees under Laptop scheme for official purpose are being written off over a period of four year with nil salvage value. The Depreciation on these items is charged @25% pa on straight line basis.
- 17.4 Temporary erections are depreciated fully (100%) in the year of acquisition/ capitalization by retaining ₹ 1/- as WDV.
- 17.5 In respect of Assets costing up to ₹ 5000/- but

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

- 17.6 Low value items costing up to ₹ 1500/-, which are in the nature of assets are not capitalized and charged to revenue.
- 17.7 Cost of Leasehold Land is amortized over the lease period.
- 17.8 Cost of computer Software is recognized as intangible asset and amortised on straight line method over a period of legal right to use or 5 years, whichever is earlier.
- 17.9 Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.

## 18 Impairment of non-financial assets other than inventories

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

## 19 Income taxes

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

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

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

## 19.2 Deferred Tax

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

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

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

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

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

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

## 20 Statement of Cash Flows

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

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

21.1 An asset is considered as current when it is:

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

All other assets are classified as non-current.

21.2 A liability is considered as current when it is :

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

All other liabilities are classified as non-current.

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

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

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

## 23 **Dividend Distribution**

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

## 24 **Segment Reporting**

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

## BALANCE SHEET AS AT 31-March-2018

Amount In lakh ₹

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

Amount In lakh ₹

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

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

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

**(Rashmi Sharma)**  
 Company Secretary  
 Membership No.26692

**(Sridhar Patra)**  
 Director (Finance)  
 DIN: 06500954

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

As Per Our Report Of Even Date Attached

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

**(Piyush Agrawal)**  
 Partner  
 Membership No.:- 073695

**Date:** 11.08.2018  
**Place:** Rishikesh



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

Amount In lakh ₹

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

Amount In lakh ₹

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

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

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

**(Rashmi Sharma)**  
 Company Secretary  
 Membership No.26692

**(Sridhar Patra)**  
 Director (Finance)  
 DIN: 06500954

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

As Per Our Report Of Even Date Attached

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

**(Piyush Agrawal)**  
 Partner  
 Membership No.:- 073695

**Date:** 11.08.2018

**Place:** Rishikesh

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

Amount In lakh ₹  
(Figures In Parenthesis Represent Deduction)

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

**Amount In lakh ₹**  
(Figures In Parenthesis Represent Deduction)

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

Note:

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

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

**(Rashmi Sharma)**  
Company Secretary  
Membership No.26692

**(Sridhar Patra)**  
Director (Finance)  
DIN: 06500954

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

As Per Our Report Of Even Date Attached

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

**(Piyush Agrawal)**  
Partner  
Membership No.:- 073695

**Date:** 11.08.2018  
**Place:** Rishikesh

## STATEMENT OF CHANGES IN EQUITY -

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

Amount In lakh ₹

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

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

Amount In lakh ₹

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

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

#### For and on Behalf of Board of Directors

**(Rashmi Sharma)**  
Company Secretary  
Membership No.26692

**(Sridhar Patra)**  
Director (Finance)  
DIN: 06500954

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

As Per Our Report Of Even Date Attached

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

**(Piyush Agrawal)**  
Partner  
Membership No.:- 073695

**Date:** 11.08.2018

**Place:** Rishikesh



**Note :-1**
**PROPERTY PLANT & EQUIPMENT & INTANGIBLE ASSETS**

Particulars	Gross Block			Depreciation			Amount In lakh ₹	
	As at 01-Apr-2017	Addition During the Period	Sales / Adjustment During the Period	As at 31-Mar-2018	For The Period 01-Apr-2017 To 31-Mar-2018	Sales/ Adjustment During the Period	As at 31-Mar-2018	As at 31-Mar-2017
<b>A. Property Plant &amp; Equipment</b>								
<b>Lease Hold Assets</b>								
1. Land Lease Hold	3,905	-	-	3,905	196	-	382	3,523
<b>Other Assets</b>								
2. Land Free Hold	3,813	12	-	3,825	-	-	-	3,825
3. Land Under Submergence	1,60,625	4,444	-	1,65,069	48,165	-	55,551	1,09,518
4. Buildings	83,298	5,749	(2)	89,045	17,670	258	21,041	68,004
5. Building Temp. Structures	1,153	1,207	-	2,360	1,153	10	2,360	-
6. Road, Bridge & Culverts	13,908	2,126	-	16,034	2,749	9	3,278	11,159
7. Drainage, Sewerage & Water Supply	1,541	599	-	2,140	576	-	665	1,475
8. Construction Plant & Machinery	2,114	35	-	2,149	1,234	-	1,290	859
9. Generation Plant & Machinery	3,04,979	366	(434)	3,04,911	1,00,210	-	1,17,045	1,87,866
10. EDP Machines	1,412	48	(42)	1,418	950	(34)	1,104	314
11. Electrical Installations	4,166	404	-	4,570	428	-	670	3,900
12. Transmission Lines	2,436	25	-	2,461	915	-	1,042	1,419
13. Office & Other Equipment	5,293	397	(15)	5,675	2,252	(11)	2,561	3,114
14. Furniture & Fixtures	2,313	182	(5)	2,490	928	(3)	1,069	1,421
15. Vehicles	1,407	156	(17)	1,546	689	(7)	765	781
16. Railway Sidings	122	-	-	122	37	-	41	85
17. Hydraulic Works- Dam & Spillways	5,14,730	3,472	(12)	5,18,190	2,22,889	-	2,51,394	2,66,796
18. Hydraulic Works- Tunnel, Penstock, Canals etc	1,39,878	141	(39)	1,39,980	65,443	-	72,876	67,104
19. Unservisable/ Obsolete Assets at net book value or net realisable value whichever is lower.	33	-	(21)	12	-	-	-	12
<b>Sub Total</b>	<b>12,47,126</b>	<b>19,363</b>	<b>(587)</b>	<b>12,65,902</b>	<b>4,66,484</b>	<b>222</b>	<b>5,33,134</b>	<b>7,32,768</b>
<b>Figures For Previous Year</b>	<b>11,59,549</b>	<b>88,335</b>	<b>(758)</b>	<b>12,47,126</b>	<b>4,07,151</b>	<b>(484)</b>	<b>4,66,484</b>	<b>7,80,642</b>
<b>B. Intangible Assets</b>								
1. Intangible Assets-Software	395	2	-	397	350	-	364	33
<b>Sub Total</b>	<b>395</b>	<b>2</b>	<b>-</b>	<b>397</b>	<b>350</b>	<b>-</b>	<b>364</b>	<b>45</b>
<b>Figures For Previous Year</b>	<b>393</b>	<b>2</b>	<b>-</b>	<b>395</b>	<b>331</b>	<b>-</b>	<b>350</b>	<b>62</b>
<b>Detail of Depreciation</b>								
Depreciation transferred to EDC						Previous Year		
Depreciation transferred to statement of P&L					2,168	748		
Depreciation transferred to statement of P&L -Irrigation					57,452	52,557		
Contribution from GOUP					6,822	6,531		
Fixed Assets Costing More Than ₹1500.00 But Less Than ₹ 5000.00 Procured and Depreciated Fully During The Year					10	19		

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

**Note :-2**

**CAPITAL WORK IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT**

Amount In lakh ₹

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

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

**Note :-3**
**LONG TERM LOANS AND ADVANCES**

Amount In lakh ₹

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

**Note :-4**

**OTHER NON CURRENT FINANCIAL ASSETS**

Amount In lakh ₹

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

**Note :-5**

**DEFERRED TAX ASSET**

Amount In lakh ₹

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

**Note :-6**

**OTHER NON CURRENT ASSETS**

Amount In lakh ₹

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

**Note :-7**

**INVENTORIES**

Amount In lakh ₹

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

**Note :-8**
**TRADE RECEIVABLES**

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
<b>(i) Debts Outstanding Over Six Months (Net)</b>					
Unsecured, Considered Good		15,773		1,02,886	
Considered Doubtful		18,476	34,249	20,776	1,23,662
Less:- Provision For Bad And Doubtful Debts			18,476		20,776
<b>(ii) Other Debts (Net)</b>					
Unsecured, Considered Good		70,092		40,199	
Considered Doubtful		0	70,092	0	40,199
<b>(iii) Regulatory Asset Debtors (Net)</b>					
Unsecured, Considered Good		44,861		30,143	
Considered Doubtful		2,201	47,062	2,201	32,344
Less:- Provision For Bad And Doubtful Debts			2,201		2,201
<b>TOTAL</b>			<b>1,30,726</b>		<b>1,73,228</b>
8.1 Trade Receivable includes Net Regulatory Asset Debtors of ₹47062 Lakh (Regulatory Assets ₹76584 Lakh and Regulatory Liabilities ₹29522 Lakh) [P.Y. ₹32344 Lakh (Regulatory Assets ₹61866 Lakh and Regulatory Liabilities ₹29522 Lakh)].					
8.2 Trade receivable is inclusive of unbilled revenue of ₹849 Lakh [P.Y. ₹Nil].					

**Note :-9**
**CASH AND CASH EQUIVALENTS**

Amount In lakh ₹

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

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

Amount In lakh ₹

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



**Note :-11**

**SHORT TERM LOANS AND ADVANCES**

Amount In lakh ₹

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

**Note :-12**

**OTHER CURRENT FINANCIAL ASSETS**

Amount In lakh ₹

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

**Note :-13**
**CURRENT TAX ASSETS (NET)**

Amount In lakh ₹

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

**Note :-14**
**OTHER CURRENT ASSETS**

Amount In lakh ₹

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

**Note :-15**
**SHARE CAPITAL**

Amount In lakh ₹

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

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

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

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

**Note :-15.2**

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

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

**Note :-16**

**LONG TERM BORROWINGS**

Amount In lakh ₹

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

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
<b>C. UNSECURED</b>					
<b>Foreign currency Loans</b>					
<b>(Guaranteed by Govt. of India)</b>					
<b>World Bank Loan -8078-IN (For VPHEP)\$</b>					
(repayable within 23 years on half yearly instalment from 15th Nov. 2017 to 15th May 2040 , carrying interest rate @LIBOR +variable spread.p.a. i.e. 2.28%)			57,402		60,039
<b>TOTAL (C)</b>			<b>57,402</b>		<b>60,039</b>
<b>TOTAL (A+B+C)</b>			<b>2,41,530</b>		<b>4,04,185</b>
<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 &amp; Mechanical equipments not covered under other borrowings and Project township of Tehri Dam and HPP together with all rights and interest appertaining there to.</p> <p># Long Term Loan secured by first charge on Pari Passu basis on assets of Koteshwar HEP.</p> <p>## Long Term Loan secured by first charge on Pari Passu basis on assets of Tehri PSP.</p> <p>\$ With negative lien on the equipments financed under the respective loan ranking pari-passu.</p> <p>* The Bonds are secured by a first/ Pari Passu first charge on the existing assets of Tehri HPP Stage-I</p> <p>There has been no default in repayment of any of the Loans or interest thereon during the year.</p>					

**Note :-17**

**NON CURRENT FINANCIAL LIABILITIES**

Amount In lakh ₹

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

**Note :-18**

**OTHER NON CURRENT FINANCIAL LIABILITIES**

Amount In lakh ₹

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

**Note :-19**

**OTHER NON CURRENT LIABILITIES**

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
<b>Deferred Revenue On Account of Advance Against Depreciation</b>					
As Per Last Balance Sheet		21,271		21,271	
Add:-Revenue Deferred During The year		0		0	
Less:- Adjusted During The Year		0	21,271	0	21,271
<b>Contribution Towards Irrigation Component</b>					
Contribution Received From Government of Uttar Pradesh Towards Irrigation Sector		1,44,118		1,44,118	
<b>LESS:-</b>					
Adjustment Towards Depreciation		67,482	76,636	60,660	83,458
Other Liabilities			0		0
<b>TOTAL</b>			<b>97,907</b>		<b>1,04,729</b>

**Note :-20**

**LONG TERM PROVISIONS**

Amount In lakh ₹  
(Figures in Parenthesis Represent Deduction)

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

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

**Note :-21**

**SHORT TERM BORROWINGS**

Amount In lakh ₹

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

\* O.D. amounting to ₹ 64663 Lakh is secured by way of 2nd Charge on Block of Assets of Tehri Stage-1 and Koteshwar HEP including machinery spares, tools & accessories, fuel stock, spares & material at project site.

**Note :-22**

**TRADE PAYABLE**

Amount In lakh ₹

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



**Note :-23**
**OTHER CURRENT FINANCIAL LIABILITIES**

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2018		As at 31-Mar-2017	
<b>Current maturity of Long Term Debt</b>					
A.SECURED * (Indian Currency Loan)			98,618		37,503
<b>TOTAL (A)</b>			<b>98,618</b>		<b>37,503</b>
B.UNSECURED **			2,665		0
<b>TOTAL (B)</b>			<b>2,665</b>		<b>0</b>
<b>TOTAL</b>			<b>1,01,283</b>		<b>37,503</b>
<b>Liabilities</b>					
<b>For Expenditure</b>					
For Micro And Small Enterprises.		41		1	
For Others		7,401	7,442	19,419	19,420
Deposits, Retention Money From Contractors etc.		7,165		5,232	
Less: Fair Value Adjustment- Security Deposit/ Retention Money		0	7,165	0	5,232
Deferred Fair Valuation Gain- Security Deposit/ Retention Money			0		0
<b>Interest Accrued But Not Due</b>					
Financial Institutions		5,532		6,660	
Other Liabilities		0	5,532	0	6,660
<b>TOTAL</b>			<b>20,139</b>		<b>31,312</b>
<b>TOTAL LIABILITIES</b>			<b>1,21,422</b>		<b>68,815</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-16.

**Note :-24**
**OTHER CURRENT LIABILITIES**

Amount In lakh ₹

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

**Note :-25**
**SHORT TERM PROVISIONS**

Amount In lakh ₹

(Figures In Parenthesis Represent Deduction)

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

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

**Note :-26**

**CURRENT TAX LIABILITIES (NET)**

Amount In lakh ₹

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

**Note :-26.1**

**EXPENDITURE DURING CONSTRUCTION**

Amount In lakh ₹

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

Amount In lakh ₹

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

**Note :-27**

**REVENUE FROM CONTINUING OPERATIONS**

Amount In lakh ₹

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

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

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

**Note :-28**

**OTHER INCOME**

Amount In lakh ₹

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

**Note :-29**

**EMPLOYEE BENEFITS EXPENSES**

Amount In lakh ₹

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

**Note :-30**

**FINANCE COSTS**

Amount In lakh ₹

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

**Note :-31**
**GENERATION ADMINISTRATION AND OTHER EXPENSES**

Amount In lakh ₹

Particulars	Note No.	For the Period Ended	
		31-Mar-2018	31-Mar-2017
<b>Rent</b>			
Rent for office		185	174
Rent for Employees Residence		699	698
Rate and taxes			183
Power & Fuel			1,756
Insurance			2,252
Communication			381
<b>Repair &amp; Maintenance</b>			
Plant & Machinery		1,803	1,529
Consumption of Stores & Spare Parts		917	519
Buildings		1,350	1,105
Others		2,611	2,265
Travelling & Conveyance			637
Vehicle Hire & Running			1,378
Security			4,171
Publicity & Public Relations			296
Other General Expenses			4,282
Loss on sale of assets			17
Survey And Investigation Expenses			508
Research & Development			238
Expenses on Consultancy Project/ Contract			1
Expenditure On CSR & S.D. Activities			1,620
Rebate to Customers			382
Interest on Security deposit/ Retention money on account of Effective Interest Rate			114
<b>TOTAL</b>			<b>25,781</b>
<b>LESS:-</b>			
Transferred To EDC	26.1		5,439
<b>TOTAL</b>			<b>20,342</b>
			<b>19,513</b>

**Note :-32**

**PROVISIONS**

Amount In lakh ₹

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

**Note :-33**

**PROVISION FOR TAXATION**

Amount In lakh ₹

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

**Note :-34**

**RE- MEASUREMENTS OF THE DEFINED BENEFIT PLANS**

Amount In lakh ₹

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

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

Amount In lakh ₹

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



### 36.1 Disclosures on Financial Instruments and Risk Management:

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

#### i) Credit risk

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

#### ii) Liquidity risk

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

#### iii) Market risk

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

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

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

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

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

will fluctuate because of changes in market interest rates.

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

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

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

#### Management of those Risks (mitigate)-

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

money due to delay in realization of trade receivables.

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

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

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

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

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

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

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

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

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

### 37. OTHER EXPLANATORY NOTES ON ACCOUNTS:

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



## 2. CONTINGENT LIABILITIES -

(₹ in Lakh)

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

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

- Company has been receiving FDRs/ CDRs with right to present before bank / financial institutions for claiming face value only against EMD/ SD. The company has FDRs/ CDRs amounting to ₹ 106 Lakh and ₹ 606 Lakh. (PY ₹ 141 Lakh and ₹ 1033. towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 9649 Lakh (PY ₹ 6386) as disclosed in Note 17 & Note 23. The same have been fair valued on the basis of effective interest rate and the same are accounted as well.
- The amount of borrowing cost capitalized during the year is ₹14572 Lakh (PY ₹ 13498 Lakh) after adjustment of an amount of ₹ 40 Lakh (PY ₹ 10 lakh) towards interest earned on short term deposit of surplus borrowed funds during the year.
- Pursuant to the Government of India, MOE&F, New Delhi's order no. F.No.8-3/89-FC dated 17/23rd Oct., 2002- the Government of Uttarakhand vide its office order no. GI-186/7-1-2002-300(459)/88 dated 30 Oct., 2002 has issued order for diversion of 338.932 hectare Civil Soyam and Forest land at Koteshwar. Out of 338.932 hectare, lease deed for 337.057 hectare Civil Soyam land has been executed up to Previous Financial Year 2016-17 & for balance 1.875 hectare forest land lease deed has been executed in the current financial year i.e.2017-18.
  - Initially land was acquired by the then UP Irrigation Dept. and land records were in the name of Tehri Dam. Oustees handed over the land to the then UP Irrigation Department as mutation was



not completed. Subsequent to formation of the Tehri Hydro Development Corporation of India Ltd, land was acquired in the name of the company. Consequent upon change in the name of the company as THDC India Ltd, process of converting all the land records in the present name of the company is under process. Out of total land of 2547.83 Hac. (PY 2547.83 Hac.) acquired by the company, title has been changed in the present name of the company for 1937.48 Hac. Change of title for the balance land of 610.35 Hac is under process.

- (iii) Construction of Tehri Hydro Complex was commenced by the Irrigation Dept. of the then Uttar Pradesh State Govt in mid seventies. As the project area is inclusive of forest area, clearance for diversion of forest land for non forest use was sought from the MoEF, Govt. of India. The MoEF, Gol has conveyed clearance for diversion of 2582.9 ha of forest land (2311.4 ha Civil Soyam Land and 271.50 ha reserve forest land) vide their letter No. 8-32/06-FC dated 09th June 1987 addressed to Secretary Forest, Govt of Uttar Pradesh for construction of Tehri Dam. The said order was partially modified vide letter No. 8-32/86-FC, dated 24/25th June 2004 of MoEF, Govt of India with directives to the Principal Secretary of Forest, Govt. of Uttaranchal for declaring the non forest land cleared for submergence as Reserve Forest / Protected Forest U/s.4 or Sec 29 of the Indian Forest Act, 1927 or the State Forest Act. In view of the above facts the aforesaid land cannot be mutated in the name of the company. The said land remains the property of the State Govt. as Reserved Forest/ Protected Forest. Relying upon clearance of the MoEF, dam reservoir water has been allowed to submerge the said area which has been declared as Reserved Forest.

44.429 ha of Civil Soyam land subject to Forest Conservation Act on which stores, workshop, staff quarters and other utilities etc were constructed by the Irrigation Dept. of the then UP Govt as basic requirement forming integral part of the Tehri Hydro Project. Relying upon office order vide No. 585/Tehri Dam Project/23-C -4/T-18 dated 29.05.1989 issued by the Irrigation Dept of the then UP Govt. (issued for transferring assets of Irrigation Dept in favour of THDC India Ltd) the company has taken possession of the said assets. Lease deed is to be executed on completion of the formalities under process.

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

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

6. 25 Flats (PY 27 Flats,) on the land acquired by the company are in unauthorized occupation of various persons. Freehold land includes 0.458 Hectares located at Sautiyal village encroached by unauthorized occupants.
7. a. Due to slow progress of the Tehri PSP owing to factors beyond control of the company, ₹ 1,22,800 Lakh has been withdrawn from the SBI led Consortium as on 31<sup>st</sup> March 2018 as against ₹ 1,50,000 Lakh loan sanctioned. The project is likely to be commissioned by December 2020 as against original completion schedule of February 2016. The company requested the bank for extending the loan availment period. Bank has not extended the loan availment period. Consequently the company repaid ₹ 61,400 Lakh on 29.03.2018 and balance amount thereafter. The outstanding amount has been recognised and classified as Current Liabilities.
- b. Due to slow progress of the VPHEP Project owing to factors beyond control of the company, US \$ 94.37 Million has been drawn as on 31st March 2018 from the World Bank as against original

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

8. Related Parties Disclosures :

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

a) List of Related Parties:

i) Key Managerial Personnel:

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

(\* ) up to 31.01.2018

(\*\*) w.e.f 22.12.2017

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

ii) Others

SEWA-THDC, a Company Sponsored Not for Profit Society, registered under Societies Act 1860, to undertake THDCIL’s CSR obligation U/s 135 of Companies Act 2013.

b) Summary of transactions with related parties (other than for contractual obligations) – ₹1620 Lakh disbursed to SEWA-THDC for CSR activities.

c) Remuneration and allowances, other benefits and expenses to key managerial personnel including Independent director’s fees & expenses are ₹ 167 Lakh (PY ₹ 246 Lakh).

d) Joint Venture companies - Nil.

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

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

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

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

Statement of Profit & Loss. The deferred tax assets pertaining to the period up to 31st March 2009 is refundable to the beneficiaries, thereafter, it is a part of the current tax as per CERC Regulations 2009-2014 and not refundable. The item-wise detail of cumulative Deferred Tax Liability/Assets is as under:

(₹ in Lakh)

Sl.No.		31.03.2018	31.03.2017
	<b>Deferred Tax Assets (A)</b>		
i)	Difference of Book Depreciation and Tax Depreciation	59703	51988
ii)	Opening Ind AS adjustment	487	487
iii)	Act.Gain/loss classified to OCI	338	143
iv)	Advance against Depreciation to be considered as income in tax computation	6837	6837
v)	Provision for Doubtful Debts & Stores	11626	12453
vi)	Provision for employee benefit schemes	6516	8321
	<b>Total Deferred Tax Assets (A)</b>	<b>85507</b>	<b>80229</b>
	<b>Deferred Tax Liability (B)</b>		
i)	Difference of Book Depreciation and Tax Depreciation	3572	3572
ii)	Advance against Depreciation to be considered as income in tax computation	- 472	- 472
iii)	Provision for Doubtful Debts & Stores	- 1	- 1
iv)	Provision for employee benefit schemes	- 124	- 124
	<b>Total Deferred Tax Liability(B)</b>	<b>2975</b>	<b>2975</b>
	<b>Net Deferred Tax (Liability)/Assets(A)-(B)</b>	<b>82532</b>	<b>77254</b>

11. (i) Disclosure related to Corporate Social Responsibility (CSR)
- a. The breakup of CSR expenditure incurred through SEWA-THDC, a Company Sponsored Not for Profit Society, registered under Societies Act 1860, to undertake THDCIL's CSR obligation U/s 135 of Companies Act 2013.

Sl.No.	Heads of Expenses constituting CSR expenses	₹ in Lakh
01	Sanitation, Health Care & Drinking Water	191
02	Education & Skill Development	749
03	Social Welfare	26
04	Forest & Environment, animal welfare etc.	145
05	Art & Culture, Public libraries	196
06	Rural Development Projects	245
07	Promotion of Sports	20
08	Contribution to Technology Incubators	1
09	Others	48
	<b>Total</b>	<b>1621</b>

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

- b. The company has incurred an amount of ₹ 1620 Lakh (PY ₹1528 Lakh) towards CSR expenditure during the current financial year 2017-18 as against stipulated amount of ₹1617 Lakh (PY ₹1528 Lakh) equivalent to 2% of average net profit of preceding three Financial years in terms of Section 135 of the Companies Act 2013.
- c. Details of expenditure during FY 2017-18 in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue) is as under:

(₹ in Lakh)

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

(ii) Disclosure related to Research & Development Expenditure

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

12. Principal amount remaining unpaid to suppliers/service providers registered under MSMED Act 2006 ₹ 41 Lakh. (PY ₹ 1 Lakh). The said outstanding is less than 45 days.
13. The Company has taken on operating lease / rent premises for employees / offices / Guest Houses/ Transit camps & Vehicles. These lease arrangements are usually renewable on mutually agreed terms. Rent/Lease include ₹ 952 Lakh (PY ₹ 890 Lakh) towards lease payment (net off recoveries)
14. i) Company has been paying Employer's Share of Provident Fund inclusive of Family Pension at fixed % as declared by EPFO from time to time under Defined Contribution Scheme. Based on actuarial valuation ₹ Nil (PY ₹ Nil) as the Fair Value of Plan Assets exceeds the Present Value of Obligations ₹ **2528 Lakh (PY ₹ 208 Lakh)** has been provided in the books.

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

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

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

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

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

(Figures in Parenthesis represent in Negative Balance)

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

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

(Figures in Parenthesis represent in Negative Balance)

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

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

₹ in Lakh

(Figures in Parenthesis represent in Negative Balance)

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

**Other disclosure :**

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

Earned Leave (EL)	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	2772	5398	3714	5875	4909
Actuarial (Gain)/loss	452	1668	835	2131	938
Expense recognized in Statement of Profit & Loss/EDC for the year	1003	2263	1521	2876	1562

Sick Leave (HPL)	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Present value of obligation at end of the year	8881	12388	10330	9382	4664
Actuarial (Gain)/loss	(4616)	861	(1)	4288	(467)
Expense recognized in Statement of Profit & Loss/EDC for the year	(3284)	2234	1242	5147	146



<b>Post Retirement Medical Benefit (PRMB)</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Present value of obligation at end of the year	6270	5639	4598	3692	2326
Actuarial (Gain)/loss	122	643	616	1118	118
Actuarial (Gain)/loss recognized through Statement of OCI	122	643	616	-	-
Expense recognized in Statement of Profit & Loss/ EDC for the year	644	525	1047	1433	357

<b>Others- Baggage Allowance / Long Service Award / FBS</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Present value of obligation at end of the year	892	862	805	735	632
Actuarial (Gain)/loss	(28)	38	12	64	(86)
Actuarial (Gain)/loss recognized through Statement of OCI	(28)	38	12		
Expense recognized in Statement of Profit & Loss/EDC for the year	138	112	149	118	5

15. Considering the recommendations of 3rd PRC constituted by the Government of India, provision against pay revision of the employees of the company amounting to ₹ 10337 Lakh up to 31.03.2018 (PY ₹ 719 Lakh) has been accounted for.

16. Payment to Auditors (including Service tax/GST)

₹ in Lakh

		<b>2017-18</b>	<b>2016-17</b>
I.	Statutory Audit Fees	10*	10*
II.	For Taxation matter (Tax Audit)	2	2
III.	For Company Law matter	-----	-----
IV.	For Management services	-----	-----
V.	For other Services(Certification)	6	1
VI.	For Reimbursement of expenditure	2	2

\*Subject to approval in Annual General Meeting



**17. Licensed and Installed Capacities:**

Sl. No.	Particulars	2017-18	2016-17
(i)	Licensed Capacity (M.W)	Not Applicable**	Not Applicable**
(ii)	Installed Capacity (M.W)	1513 MW	1513 MW
(iii)	Approved Capacity(M.W)	2981 MW	2981 MW
(iv)	Quantitative information in respect of Generation and sale of Electricity (In Million Units)		
	Commercial Production		
	Generation Total	<b>4540.939605</b>	<b>4430.000424</b>
	Sales (net of free power to home state, auxiliary consumption and transformation losses)	<b>4004.091416</b>	<b>3890.6502761</b>

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

**18. Additional information required as per Schedule III of the Companies Act 2013 is as under**
**(₹ in Lakh)**

	PARTICULARS	2017-18	2016-17
<b>A</b>	<b>Expenditure in Foreign Currency (on cash basis)</b>		
	Travelling	20	14
	Consultancy & Professional Expenditures	236	293
	Management/Commitment fees		125.00
	Repayment of loan & Interest	1315	
	Import of goods	2571	12517
	Others (Advance)		
	Nomination for Conference		
	Purchase of Software		
	Others		
	<b>TOTAL</b>	<b>4142.00</b>	<b>12949.00</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	2602	13087
ii)	Spare parts		
	<b>Total</b>	<b>2602</b>	<b>13087</b>
<b>D</b>	<b>Value of Components, Stores &amp; Spare parts Consumed</b>		
i)	Imported (in lacs Rupees)	3	68
	(%)	0.32	14
ii)	Indigenous (in lacs Rupees)	915	444
	(%)	99.68	86
<b>E</b>	<b>Value of Export</b>	<b>0.00</b>	<b>0.00</b>

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

(₹ in Lakh)

Particulars	Note No	31.03.2018	31.03.2017
Cash and Cash Equivalents	9	6102	6707
Bank Balances under Lien	10	37	25037
Over Draft Balance	21	- 64663	- 38724
Cash & Cash Equivalent as per Cash Flow Statement		- 58524	- 6980

- b) In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 'Statement of cash flows'.

The amendments are applicable to the Company from April 1, 2017 and they introduce additional disclosures that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(₹ in lakh)

Cash flow from Financing Activities (2017-18)	Opening	Current Year	Closing	Change	Remarks
Share Capital Issued (Including pending allotment)	359888		363088	3200	Equity received from Gol for VPHEP
Long term Borrowings (Bonds & other secured Loans)	441688		342813	98875	Loan drawn incl. exchange rate 1343, Loan repaid 100218, Net change 98875
Interest on Loans Finance costs paid Less capitalized –CWIP		37359 (14572)		(22787)	Charged to Profit & Loss
Dividend paid and Dividend Distribution Tax				(40345)	Final Dividend for 2016-17 & Interim Dividend for 2017-18
Net Cash flow from financing				(158807)	

20. a) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5 Lakh or above in respect of each party once in a year preferably as at 31<sup>st</sup> December of respective financial year. Status of confirmation of balances as at December 31, 2017 as well as outstanding as on 31.03.2018 is as under:

(₹ in Lakh)

Sl.	Description	As on 31.12.2017			Confirmed out of B	As on 31.03.2018
		< ₹ 5 Lakh	> ₹ 5 Lakh	Total ₹ in Lakh		
		A	B	C=A+B		
1	Trade receivables excluding Regulatory Debtors	0	170392	170392	169924	130726
2	Advance To Suppliers, Contractors & Sundry Deposits	90	89265	89355	83109	83610
3	Security Deposit/ Retention Money, Trade Payable & Creditors	1082	14256	15338	10317	18260

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

## 21. Change in Accounting Policy :

S.No.	POLICY	IMPACT
1	Modification in accounting policy no. 1 relating to "General". The words " <b>Ind AS have been made mandatory w.e.f 01st April 2016 for certain prescribed companies</b> " have been replaced with " <b>w.e.f. 01st April 2016</b> ".	No financial impact. Modification has been done for better understanding.
2	Modification in accounting policy no. 3.5 relating to Property Plant & Equipment. The words " <b>(calculated as the difference between the net disposal proceeds and the carrying amount of the asset)</b> " has been added.	No financial impact. Modification has been done for better understanding.
3	Modification in accounting policy no. 4.3 relating to Capital work in progress. The words " <b>Land unclassified</b> " have been replaced with " <b>Land under submergence</b> ".	No financial impact. Modification has been done in view of Audit observation and CERC Regulation.
4	Modification in accounting policy no. 8.4 relating to Financial assets other than investment in subsidiaries and joint ventures. The words " <b>EIR is calculated at the end of every reporting period</b> " have been added.	No financial impact. Modification has been done for better understanding.
5	Modification in accounting policy no. 10.4.1 relating to Financial liabilities. The words " <b>EIR is calculated at the end of every reporting period</b> " have been added.	No financial impact. Modification has been done for better understanding.

S.No.	POLICY	IMPACT
6	Modification in accounting policy no. 11.1 relating to Government Grants. The words “ <b>capital reserve</b> ” have been replaced with “ <b>non operating deferred income under non current liability</b> ” .	Amortisation of irrigation component is routed through statement of profit and loss in compliance of Ind AS. ₹ 6822 Lakh has been shown as deferred revenue and depreciation on irrigation component. Therefore there is no net financial impact.
7	Modification in accounting policy no. 19.2.3 relating to Income Tax. The words “ <b>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</b> ” have been added.	No financial impact. Modification has been done for better understanding.

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

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

**( Rashmi Sharma )**  
Company Secretary  
M No.026692

**( Sridhar Patra )**  
Director (Finance)  
DIN : 06500954

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

As per our Report of Even Date Attached

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

**( Piyush Agrawal )**  
Partner  
Membership No. : 073695

**Date : 11.08.2018**

**Place : Rishikesh**

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**THDC INDIA LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of THDC India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March,2018;
- b) in the case of the Statement of Profit and Loss including Other Comprehensive Income, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.
- d) in the case of Statement of Changes in Equity , Changes in Equity for the year ended on that date

## Emphasis of Matter

We draw attention to the following matters in the Notes to the Ind AS financial statements:

- a) Accounting Policy No.13 on Revenue Recognition and Other Income read with Note No. 27.1 of Ind AS, Financial Statement in respect of accounting on sales. Sales has been recognized based on provisionally approved tariff for 2014-19 period.
- b) Para 2 of Note No. 37 of the Financial Statement regarding contingent liability which describes the uncertainty related to outcome of the claims/arbitration proceedings and cases filed in courts by/against the company on/by contractors and others.
- c) Para 20 of Note No. 37 of the Financial Statement regarding confirmation of outstanding balances as on 31<sup>st</sup> March, 2018 have been confirmed once in a year as at 31<sup>st</sup> December, 2017.
- d) Para 7 of Note No. 37 of the Financial Statement regarding delay in completion of Tehri PSP and VPHEP project owing to factors beyond control of the Company.

Our opinion is not modified in respect of these matters.

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order,2016 ("the Order") issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act,2013, we give in the "**Annexure A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller & Auditor-General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act 2013, the compliance of which is set out in "**Annexure B**".
3. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) ,Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) In terms of Notification No. G.S.R. 463E dated 05th June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Act regarding disqualification of directors, are not applicable to the Company.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure C**”; and
- g) With respect to the other matters included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37.2 to the financial statements:
- ii. The Company did not have any long term contracts including derivative contracts
- for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **P.D. Agrawal & Co.**  
Chartered Accountants  
Firm Reg. No. 001049C

**(Piyush Agrawal)**  
Partner  
Membership No.: 073695

**Place:** Rishikesh  
**Dated:** 11.08.2018



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

(Annexure-A referred to in paragraph 1 under the heading  
"Report on Other Legal and Regulatory Requirements" of our report of even date)

We report that:-

- i. (a) The Company has maintained records of Property, Plant and Equipment showing full particulars including quantitative details and situation of Property, Plant and Equipment. The records for movement of the assets have been properly maintained.
- (b) The Property, Plant and Equipment have been physically verified by Independent Firms of Chartered Accountants during the year and discrepancies, though not material, noticed on such verification, have been dealt properly in the books of account. In our opinion, frequency of verification is reasonable having regard to the size of the Company and the nature of its business.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, Freehold land and Lease hold land acquired prior to change in name of company as THDC India Ltd. are either in the name of Tehri Dam Project or Tehri Hydro Development Corporation. Action has been initiated for changing old name to new name in title deeds w.r.t. Freehold land measuring 610.35 Hac. as disclosed vide Note No. 37.5 (ii) and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 37.5 (iii). And 0.757 hac part of Freehold Land & 4.668 hac Lease hold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no. 37.5 (iv).
- ii. Physical Verification of Inventory has been conducted by Independent Firms of Chartered Accountants. In our opinion frequency of physical verification is reasonable. No material discrepancies were noticed during physical verification of Inventories.
- iii. The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause (iii) (a), (b) and (c) of paragraph 3 of the Order is not applicable.
- iv. In our opinion and according to information and explanation given to us the company has in respect of loans, investments, guarantees, and security, complied with the provision of section 185 and 186 of the Companies Act, 2013.
- v. Since the Company has not accepted any deposits from the public, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of Companies Act 2013, and rules framed there under, does not arise.
- vi. The Central Government has prescribed maintenance of Cost Records under Section 148(1) of the Companies Act, 2013. The company is maintaining the required Cost Records. Cost Audit for the F.Y. 2017-18 is under process.
- vii. (a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, other statutory dues applicable to the company and that there are no undisputed statutory dues were outstanding as at March 31, 2018 for a period of more than six months

from the date of becoming payable. As informed, the provisions of the Employees State Insurance Act are not applicable to the Company.

(b) According to the information and explanation given to us, following disputed trade tax dues have not been deposited.

Financial Year	Amount (₹ in Lacs)	Nature of Dues	Present Status
2012-13 to 2014-15	14.86	Service Tax	THDCIL has filed appeal against the demand to Tribunal.

- viii. On the basis of audit procedures adopted by us and according to the records and as per the information and explanation given to us by the management, the company has not defaulted in repayment of loans and borrowings to any financial institution, bank.
- ix. In our opinion and as per the information and explanation given to us by the management, the Company has applied the money raised during the year by way of term loans for the purposes for which they were raised.
- x. During the course of our examination of books and records of the company for the year, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud by the company or on the company by its officers or employees, nor any such case have been noticed or reported by the management during the year.
- xi. In view of exemption given vide in terms of notification No. G.S.R. 463(E) dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, the provisions of section 197 read with schedule V of the Act regarding managerial remuneration, are not applicable to the company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and as per the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013

and the details of such transactions have been disclosed in the Notes to the Financial Statements as required by the applicable accounting standards.

- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. In our opinion and as per the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **P.D. Agrawal & Co.**  
Chartered Accountants  
Firm Reg. No. 001049C

**(Piyush Agrawal)**  
Partner  
Membership No.: 073695

**Place:** Rishikesh  
**Dated:** 11.08.2018

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

(Annexure-B referred to in paragraph 2 under the heading  
"Report on Other Legal and Regulatory Requirements" of our report of even date)

Sl. No.	Directions	Auditor's comments	Action taken by management	Impact on Financial statements
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available.	According to the information and explanations given to us and on the basis of our examination of the records of the company, Freehold land and Lease hold land acquired prior to change in name of company as THDC India Ltd. are either in the name of Tehri Dam Project or Tehri Hydro Development Corporation. Action has been initiated for changing old name to new name in title deeds w.r.t. Freehold land measuring 610.35 Hac. as disclosed vide Note No. 37.5 (ii) and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 37.5 (iii). And 0.757 Hac part of Freehold Land & 4.668 Hac Lease hold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no. 37.5 (iv).	Matter has been taken up with revenue authorities for change of old name to new name.	Nil
2.	Whether there are any cases of waiver/write off of debts/loans /interest etc. If yes, the reasons thereof and amount involved.	According to the information and explanations given to us, there are no cases of waiver/write off of debts /loans/interest etc.	N.A.	Nil
3.	Whether proper records are maintained for inventories lying with third parties and assets received as gift/grant(s) from the Government or other authorities.	As per information and explanations given to us, the company is maintaining proper records for inventories lying with third parties. As informed, the company has not received any assets as gift/grant(s) from government or other authorities.	Proper records are maintained.	Nil

For **P.D. Agrawal & Co.**  
Chartered Accountants  
Firm Reg. No. 001049C

**(Piyush Agrawal)**  
Partner

Membership No.: 073695

**Place:** Rishikesh  
**Dated:** 11.08.2018

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

(Annexure-C referred to in paragraph 3(f) under the heading  
"Report on Other Legal and Regulatory Requirements" of our report of even date)

### Report on the Internal Financial Controls under Clause(i) of sub section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of **THDC INDIA LTD.** ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed

to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide designed to provide reasonable assurance regarding the reliability of financial reporting and

the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on financial statements.

### **Inherent Limitations of Internal Controls over Financial Reporting**

Because of the inherent limitations financial controls over financial reporting including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the ICAI.

For **P.D. Agrawal & Co.**  
Chartered Accountants  
Firm Reg. No. 001049C

**(Piyush Agrawal)**  
Partner  
Membership No.: 073695

**Place:** Rishikesh  
**Dated:** 11.08.2018





No.MAB-III/Rep/01-94/A/cs-THDC/2018-19/602

**भारतीय लेखापरीक्षा और लेखा विभाग**

कार्यालय प्रधान निदेशक, वाणिज्यिक लेखापरीक्षा  
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-III  
नई दिल्ली

**INDIAN AUDIT & ACCOUNTS DEPARTMENT**

Office of the Principal Director of Commercial Audit  
& Ex-Officio Member, Audit Board-III  
New Delhi

दिनांक-10/09/2018

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,  
टीएचडीसी इंडिया लिमिटेड,  
ऋषिकेश

**विषय :** 31 मार्च 2018 को समाप्त वर्ष के लिये टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के 31 मार्च 2018 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाएँ।

संलग्न : यथोपरि

भवदीय,

ह./—

(राज कुमार)  
प्रधान निदेशक

# COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THDC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of financial statements of THDC India Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 11.08.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of THDC India Limited for the year ended 31 March 2018 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

Sd/-  
**( Raj Kumar )**  
Principal Director of Commercial Audit &  
Ex-Officio Member, Audit Board-III  
New Delhi

**Place:** New Delhi

**Date:** 10.09.2018









A panoramic view of Tehri Dam Lake



"Shakti Dwar" - Entrance Gate of Koteshwar Power House,  
a replica of 'Kedareshwar Jyotirlinga'



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

(A Joint Venture of Govt. of India & Govt. of U.P.)

CIN : U45203UR1988GOI009822

Corporate Office: Ganga Bhawan, Pragatipuram, Bye-Pass Road, Rishikesh - 249201

Website : [www.thdc.co.in](http://www.thdc.co.in)