Financial Statements 2018-19

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- Statement of Profit & Loss
- Cash Flow Statement
- Notes on Accounts
- Independent Auditor’s Report on the Financial Statements
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BALANCE SHEET AS AT 31-March-2019

Amount In lakh ₹

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

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019
Place: Rishikesh

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

Amount In lakh ₹

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

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019
Place: Rishikesh

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

Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

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

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

Note:

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

For and on Behalf of Board of Directors

(Rashmi Sharma)	**(J. Behera)**	**(D.V. Singh)**
Company Secretary	Director (Finance)	Chairman & Managing Director
Membership No.26692	DIN:08536589	DIN:03107819

As Per Our Report Of Even Date Attached

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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019
Place: Rishikesh

STATEMENT OF CHANGES IN EQUITY -

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

Amount In lakh ₹

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

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

Amount In lakh ₹

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019
Place: Rishikesh

NOTE NO:- 1

SIGNIFICANT ACCOUNTING POLICIES 2018-19

1 General

The accompanying financial statements have been prepared in conformity with the statutory provisions of the Companies Act, 2013, provisions of Electricity Act 2013, applicable CERC Regulations, Indian Accounting Standards (Ind AS), notified by MCA and subsequent amendments thereto and the Statements and Guidance Notes issued by the Institute of Chartered Accountants of India from time to time.

2 Estimates & Assumptions

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

3 Property Plant & Equipment (PP&E)

3.1 Property, Plant and Equipment **(PP&E)** up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail exemption as granted by the Ind AS 101- First time adoption of Ind AS to regard these amounts as deemed cost at the date of the transition to Ind AS (i.e. as on April 1, 2015) for the purpose of fair value as prescribed in the Ind AS.

3.2 PP&E are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/ assessments. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments, in the year of final settlement.

3.3 Spares parts procured along with the Plant & Machinery or subsequently meeting the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as “Stores & Spares” forming part of the inventory.

3.4 If the cost of the replaced part or earlier major inspection is not available, the estimated cost of similar new parts/major inspection is used as an indication to arrive at cost of the existing part/inspection component at the time it was acquired or inspection carried out.

3.5 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss for the year in which the asset is derecognized.

3.6 PP&E created on land not belonging to the Company, but under the control and possession of the Company, are included in PP&E.

3.7 In respect of land acquired through Special Land Acquisition Officer (SLAO)/on lease, those portions of land are capitalized which are utilized/intended to be utilized for construction of buildings and infrastructural facilities of the Company. Cost of land acquired through SLAO is capitalized on the basis of compensation paid through SLAO or directly by the Company. Payments made/liabilities created provisionally towards compensation, rehabilitation of the outsees and other expenses relatable 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 comprises purchase price of asset including import duties, non-refundable taxes (after deducting trade discounts and rebates) and costs that are directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

4.2 Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is carried under Capital work in progress and subsequently allocated on systematic basis. Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.

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

4.4 Deposit works are accounted for on the basis of statements of account received from the Agencies concerned.

4.5 In respect of supply-cum-erection contracts, the value of supplies received at site is treated as Capital-Work-in-Progress.

4.6 Claims for price variation in case of contracts are accounted for on acceptance.

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

5 Intangible Assets

5.1 Upto March 31, 2015, Intangible assets were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted under Ind AS 101, “First time adoption of Ind AS” to regard those amounts as deemed cost at the date of the transition to Ind AS (i.e. as on April 1, 2015).

5.2 Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

5.3 Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses if any.

5.4 An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are recognised in the Statement of Profit and Loss of the year in 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). Incase reduction of the carrying amount, suitable adjustment is made by reducing the carrying amount of the inventory to recognize at NRV and such amount reduced is also recognized as expenses in the Profit Loss Statement. Subsequent to reduction in the inventory value in case the NRV increases (upto the original cost), value of inventory is enhanced to recognize at NRV and incremental amount is recognized as income in the Profit Loss Statement. All inventory losses occur in natural course of business is recognized as expenses in the Profit Loss Statement.

10 Financial liabilities

10.1 Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

10.2 The Company's financial liabilities include loans & borrowings, trade and other payables.

10.3 Classification, initial recognition and measurement

10.3.1 Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities and subsequently measured at amortized cost. Difference arising if any, between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

10.3.2 Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

10.4 **Subsequent measurement**

10.4.1 After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. EIR is calculated at the end of every reporting period Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

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

11 Government Grants

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

12 Provisions, Contingent Liabilities and Contingent Assets

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

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

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

13 Revenue Recognition and Other Income

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

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

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

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

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

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

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

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

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

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

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

14 Expenditure

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

14.2 Prepaid expenses of ₹ 5,00,000/- or below in each case, are accounted for in their natural heads of accounts.Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which error occurred. If the error occurred before the earliest period presented, opening balances of assets, liabilities and equity for the earliest period presented, are restated.

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

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

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

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

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

15 Employee benefits

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

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

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

16 Borrowing Cost

16.1 Borrowing costs directly relatable to acquisition and construction of specific qualifying assets are capitalized as a part of the cost of such asset upto the date when such asset is ready for its intended use.

16.2 Borrowing costs in respect of funds borrowed generally and used for the purpose of obtaining a qualifying asset but not directly relatable to specific PP&E during their construction are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as expenses in the period in which they are incurred.

17 Depreciation & Amortisation

17.1 Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is ready for use / disposal.

17.2 Depreciation is charged on straight-line method following the rates notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff. In respect of assets, where rate has not been notified by CERC, depreciation is provided on straight line method as per rates prescribed under the Companies Act in force. In case of addition and change in cost of asset due to increase/decrease in long-term liability on account of exchange fluctuations, award of Courts, etc, revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset.

17.3 Laptops provided to employees under Laptop scheme for official purpose are being written off over a period of four year with nil salvage value. The Depreciation on these items is charged @25% pa on straight line basis.

17.4 Temporary erections are depreciated fully (100%) in the year of acquisition / capitalization by retaining ₹ 1/- as WDV.

17.5 In respect of Assets costing up to ₹ 5000/- but more than ₹ 1500/-(excluding immovable assets) 100% depreciation is provided in the year of purchase.

17.6 Low value items costing up to ₹ 1500/, which are in the nature of assets are not capitalized and charged to revenue.

17.7 Cost of Leasehold Land is amortized over the lease period.

17.8 Cost of computer Software is recognized as intangible asset and amortised on straight line method over a period of legal right to use or 5 years, whichever is earlier.

17.9 Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.

18 Impairment of non-financial assets other than inventories

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

19 Income taxes

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

19.1 **Current income tax-** The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences). The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in India where the Company operates and generates taxable income.

19.2 Deferred Tax

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

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

20 Statement of Cash Flows

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

21 Current versus non-current classification-

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

21.1 An asset is considered as current when it is:

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

All other assets are classified as non-current.

21.2 A liability is considered as current when it is :

- Expected to be settled in the normal operating cycle

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

All other liabilities are classified as non-current.

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

22 Rate Regulated Activities -Regulatory deferral account balances

22.1 Expense/Income recognized in the statement of Profit and Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff regulations are recognized as "Regulatory Deferral Account Balances".

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

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

23 Dividend Distribution

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

24 Segment Reporting

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

25. Miscellaneous

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

NOTE:- 2
PROPERTY PLANT & EQUIPMENT & INTANGIBLE ASSETS

Amount In lakh ₹

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-2018	Addition During the Period	Sales / Adjustment During the Period	As at 31-Mar-2019	As at 01-Apr-2018	For The Period 01-Apr-2018 To 31-Mar-2019	Sales/ Adjustment During the Period	As at 31-Mar-2019	As at 31-Mar-2019	As at 31-Mar-2018
A. Prpoerty Plant & Equipment										
Lease Hold Assets										
1. Land Lease Hold	3,905	-	-	3,905	382	186	-	568	3,337	3,523
Other Assets										
2 Land Free Hold	3,825	-	-	3,825	-	-	-	-	3,825	3,825
3. Land Under Submergence	165,069	63	-	165,132	55,551	5,879	-	61,430	103,702	109,518
4. Buildings	89,045	11,470	-	100,515	21,041	4,249	-	25,290	75,225	68,004
5. Building Temp. Structures	2,360	58	-	2,418	2,360	58	-	2,418	-	-
6. Road, Bridge & Culverts	16,034	224	-	16,258	3,278	562	-	3,840	12,418	12,756
7. Drainage, Sewerage & Water Supply	2,140	95	-	2,235	665	94	-	759	1,476	1,475
8. Construction Plant & Machinery	2,149	103	(7)	2,245	1,290	61	(2)	1,349	896	859
9. Generation Plant & Machinery	304,911	217	-	305,128	117,045	16,457	-	133,502	171,626	187,866
10. EDP Machines	1,418	435	(244)	1,609	1,104	120	(219)	1,005	604	314
11. Electrical Installations	4,570	7	-	4,577	670	244	-	914	3,663	3,900
12. Transmission Lines	2,461	123	-	2,584	1,042	132	-	1,174	1,410	1,419
13. Office & Other Equipment	5,675	195	(4)	5,866	2,561	344	(2)	2,903	2,963	3,114
14. Furniture & Fixtures	2,490	179	-	2,669	1,069	161	-	1,230	1,439	1,421
15. Vehicles	1,546	556	(29)	2,073	765	131	(22)	874	1,199	781
16. Railway Sidings	122	-	-	122	41	4	-	45	77	81
17. Hydraulic Works- Dam & Spillways	518,190	225	-	518,415	251,394	27,531	-	278,925	239,490	266,796
18. Hydraulic Works- Tunnel,Penstock,Canals etc	139,980	-	-	139,980	72,876	7,440	-	80,316	59,664	67,104
19. Unservisable/ Obsolete Assets at net book value or net realisable value whichever is lower.	12	-	4	16	-	-	-	-	16	12
Sub Total	**1,265,902**	**13,950**	**(280)**	**1,279,572**	**533,134**	**63,653**	**(245)**	**596,542**	**683,030**	**732,768**
Figures For Previous Year	**1,247,126**	**19,363**	**(587)**	**1,265,902**	**466,484**	**66,428**	**222**	**533,134**	**732,768**	**780,642**
B. Intagible Assets										
1. Intangible Assets-Software	397	74	-	471	364	22	-	386	85	33
Sub Total	**397**	**74**	**-**	**471**	**364**	**22**	**-**	**386**	**85**	**33**
Figures For Previous Year	**395**	**2**	**-**	**397**	**350**	**14**	**-**	**364**	**33**	**45**
Detail of Depreciation					**Current Year**		**Previous Year**			
Depreciation transferred to EDC					1,260		2,168			
Depreciation transferred to statement of P&L					55,500		57,452			
Depreciation transferred to statement of P&L -Irrigation Contribution from GOUP					6,915	63,675	6,822	66,442		
Fixed Assets Costing More Than ₹ 1500.00 But Less Than ₹ 5000.00 Procured and Depreciated Fully During The Year					29		10			

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

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

NOTE :- 3

CAPITAL WORK IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT

Amount In lakh ₹

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

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

NOTE :- 4

NON CURRENT- FINANCIAL ASSETS- LOANS AND ADVANCES

Amount In lakh ₹

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

NOTE :- 5
NON CURRENT- FINANCIAL ASSETS-OTHERS

Amount In lakh ₹

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

NOTE :- 6
DEFERRED TAX ASSET

Amount In lakh ₹

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

NOTE :- 7
OTHER NON CURRENT ASSETS

Amount In lakh ₹

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

NOTE :- 8
INVENTORIES

Amount In lakh ₹

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

NOTE :- 9
TRADE RECEIVABLES

Amount In lakh ₹

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

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

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

NOTE :- 10
CASH AND CASH EQUIVALENTS

Amount In lakh ₹

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

NOTE :- 11
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Amount In lakh ₹

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

NOTE :- 12
CURRENT- FINANCIAL ASSETS- LOANS AND ADVANCES

Amount In lakh ₹

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

NOTE :- 13
CURRENT- FINANCIAL ASSETS- OTHERS

Amount In lakh ₹

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

NOTE :- 14
CURRENT TAX ASSETS (NET)

Amount In lakh ₹

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

NOTE :- 15
OTHER CURRENT ASSETS

Amount In lakh ₹

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

NOTE :- 16
REGULATORY DEFERRAL ACCOUNT DEBIT BALANCE

Amount In lakh ₹

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

NOTE :- 17
SHARE CAPITAL

Amount In lakh ₹

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

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

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

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

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

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

NOTE :- 18
NON CURRENT- FINANCIAL LIABILITIES- BORROWINGS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2019		As at 31-Mar-2018	
A. BONDS					
BOND ISSUE SERIES-I- SECURED*					
(7.59% p.a. 10 Years Secured Redeemable Non-Convertible Bonds of ₹ 1000000/- each). (Date of redemption 03.10.2026)			60,000		60,000
TOTAL (A)			**60,000**		**60,000**
B. SECURED					
POWER FINANCE CORPORATION Ltd. (PFC)-78302003 (For Tehri HPP)**					
(Repayable within 15 years on Quarterly instalment from 15th october 2008 to 15th July 2023, presently carrying floating interest rate @9.50%)			31,597		40,625
POWER FINANCE CORPORATION Ltd. (PFC) -78302002 (For KHEP) #					
(Repayable within 10 years on Quarterly instalment from 15th January2012 to 15th october 2021, presently carrying floating interest rate @9.50 % p.a.)			20,475		32,175
Rural Electrification Corporation Ltd. (REC) (For KHEP)#					
(UA-GE-PSU-033-2010-3754)					
(Repayable within 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate @ 9.35% p.a.)			15,767		22,774
Rural Electrification Corporation Ltd. (REC)-330001-(For Tehri HPP)**					
(Repayable within 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate @ 9.35% p.a.)			19,036		28,554
Punjab National Bank (For PSP) @					
PNB (Repayable within 5 years on Quarterly Installments from 30.06.2019 to 31.03.2024 Carrying Floating Interest rate @ 1 year MCLR p.a. i.e. presently 8.45%)			56,000		0
TOTAL (B)			**142,875**		**124,128**
C. UNSECURED					
Foreign currency Loans					
(Guaranteed by Govt. of India)					
World Bank Loan -8078-IN (For VPHEP)$					

Particulars	Note No.	As at 31-Mar-2019		As at 31-Mar-2018	
(repayable within 23 years on half yearly instalment from 15th Nov. 2017 to 15th May 2040, carrying interest rate @LIBOR +variable spread.p.a. i.e. presently 3.55%)			62,326		57,402
TOTAL (C)			**62,326**		**57,402**
TOTAL (A+B+C)			**265,201**		**241,530**

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

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

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

** The Bonds are secured by a first/ paripassu first charge on the existing assets of Tehri HPP Stage-I*

@ Medium Term Loan secured aginst hypothecation signed for first charge on Pari Passu basis on assets of Tehri PSP.

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

NOTE :- 19
NON CURRENT FINANCIAL LIABILITIES

Amount In lakh ₹

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

NOTE :- 20
NON CURRENT- FINANCIAL LIABILITIES- OTHERS

Amount In lakh ₹

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

NOTE :- 21
OTHER NON CURRENT LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2019		As at 31-Mar-2018	
Deferred Revenue On Account of Advance Against Depreciation					
As Per Last Balance Sheet		21,271		21,271	
Add:-Revenue Deferred During The year		0		0	
Less:- Adjusted During The Year		0	21,271	0	21,271
Contribution Towards Irrigation Component					
Contribution Received From Government of Uttar Pradesh Towards Irrigation Sector		144,118		144,118	
LESS:-					
Adjustment Towards Depreciation		74,397	69,721	67,482	76,636
Other Liabilities			0		0
TOTAL			**90,992**		**97,907**

NOTE :- 22
NON CURRENT PROVISIONS

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2018	For the Period Ended 31-Mar-2019			As at 31-Mar-2019
			Addition	Adjustment	Utilisation	
I. Employee Related		34,118	4,651	3,649	(3,747)	38,671
II. Others		969	0	(157)	0	812
TOTAL		**35,087**	**4,651**	**3,492**	**(3,747)**	**39,483**
Figure for Previous Year		**38,970**	**4,729**	**(2,390)**	**(6,222)**	**35,087**
22.1 Disclosure required by Ind AS-19 on employee benefit has been made in Note No 39.15						

NOTE :- 23
CURRENT- FINANCIAL LIABILITIES- BORROWINGS

Amount In lakh ₹

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

* *O.D. amounting to ₹ 61882 Lakh is secured by way of 2nd Charge on Block of Assets of Tehri Stage-1 and Koteshwar HEP including machinery spares, tools & accsesories, fuel stock, spares & material at project site.*

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

NOTE :- 24
CURRENT- FINANCIAL LIABILITIES- OTHERS

Amount In lakh ₹

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

Particulars	Note No.	As at 31-Mar-2019		As at 31-Mar-2018	
Less: Fair Value Adjustment- Security Deposit/ Retention Money		0	6,404	0	7,165
Defered Fair Valuation Gain- Security Deposit/ Retention Money			0		0
Interest Accrued But Not Due					
Financial Institutions		4,665		5,532	
Other Liabilities		0	4,665	0	5,532
TOTAL			**11,069**		**12,697**
TOTAL LIABILITIES			**65,506**		**113,980**

* *Detail in respect of Rate of Interest and Terms of repayment of Current Maturity of Secured and unsecured Long Term Debt indicated above are disclosed in Note-18. Previous Year includes ₹ 61365 Lakh of State bank of India secured by first charge on Pari Passu basis on assets of Tehri PSP*

NOTE :- 25
OTHER CURRENT LIABILITIES

Amount In lakh ₹

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

NOTE :- 26
CURRENT PROVISIONS

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

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

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

NOTE :- 27
CURRENT TAX LIABILITIES (NET)

Amount In lakh ₹

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

NOTE :- 28
REGULATORY DEFERRAL ACCOUNT CREDIT BALANCE

Amount In lakh ₹

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

NOTE :- 28.1
EXPENDITURE DURING CONSTRUCTION

Amount In lakh ₹

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

Particulars	Note No.	For the Period Ended 31-Mar-2019		For the Period Ended 31-Mar-2018	
Interest on Security deposit/ Retention money on account of Effecive Interest Rate			87		149
DEPRECIATION	2		1,260		2,168
TOTAL EXPENDITURE (A)			**23,090**		**19,974**
RECEIPTS					
OTHER INCOME	30				
Interest					
From Bank Deposit		5		3	
From Employees		84		98	
Employee Loans & Advances- Adjustment on Account of Effective Interest		10		36	
From Others		4	103	4	141
Machine Hire Charges			1		0
Rent Receipts			67		70
Sundry Receipts			146		80
Excess Provision Written Back			41		219
Fair Value Gain- Security Deposit/ Retention Money			88		149
TOTAL RECEIPTS (B)			**446**		**659**
NET EXPENDITURE BEFORE TAXATION			**22,644**		**19,315**
PROVISION FOR TAXATION	**35**				
NET EXPENDITURE INCLUDING TAXATION			**22,644**		**19,315**
Change in Accounting policy and Prior Period Items	37		0		136
Acturial Gain/ (Loss) through OCI	36		(45)		113
Balance Brought Forward From Last Year			4,023		2,370
TOTAL EDC			**26,712**		**21,708**
Less:-					
EDC Allocated To CWIP / Asset		23,368		17,292	
EDC Of Projects Under Approval Charged To Profit & Loss Account		488	23,856	393	17,685
Balance Carried Forward To CWIP			**2,856**		**4,023**

NOTE :- 29
REVENUE FROM CONTINUING OPERATIONS

Amount In lakh ₹

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

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

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

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

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

NOTE :- 30
OTHER INCOME

Amount In lakh ₹

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

NOTE :- 31
EMPLOYEE BENEFITS EXPENSES

Amount In lakh ₹

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

NOTE :- 32
FINANCE COSTS

Amount In lakh ₹

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

NOTE :- 33
GENERATION ADMINISTRATION AND OTHER EXPENSES

Amount In lakh ₹

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

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

NOTE :- 34
PROVISIONS

Amount In lakh ₹

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

NOTE :- 35
PROVISION FOR TAXATION

Amount In lakh ₹

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

NOTE :- 36
RE- MEASUREMENTS OF THE DEFINED BENEFIT PLANS

Amount In lakh ₹

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

NOTE :- 37
CHANGES IN ACCOUNTING POLICY AND PRIOR PERIOD ITEMS

Amount In lakh ₹

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

38.1 Disclosures on Financial Instruments and Risk Management:

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

i) Credit risk

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

ii) Liquidity risk

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

iii) Market risk

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

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

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

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

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

Management of those Risks (mitigate)-

1. The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored and any expected losses are provided for as well.
2. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly state owned PSU DISCOM's.
3. CERC tariff regulations 2014-19 allows the Company to raise bills on beneficiaries for late-payment surcharge, which adequately compensates the Company for time value of money arising due to delay in payment.

4. Further, the fact that beneficiaries are primarily State Governments/ State DISCOM's and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables.

5. The Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment behavior and provides for expected credit loss on case-to-case basis.

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

38.2 Impairment of financial assets:

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

a) Financial assets that are debt instruments and are measured at amortized cost.

b) Financial assets that are debt instruments and are measured as at FVTOCI.

c) Trade Receivables under Ind AS 115, Revenue Recognition.

d) Lease Receivable under Ind AS 17, Leases.

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

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

38.3 Recent Accounting pronouncements:

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

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

39. OTHER EXPLANATORY NOTES ON ACCOUNTS:

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

2. CONTINGENT LIABILITIES-

(₹ in lakh)

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

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

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

3. Company has been receiving FDRs/ CDRs with right to present before bank / financial institutions for claiming face value only against EMD/ SD. The company has FDRs/ CDRs amounting to ₹ 145 Lakh and ₹ 568 Lakh. (PY ₹ 106 Lakh and ₹ 606 Lakh) towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 8445 Lakh (PY ₹ 9649 Lakh) as disclosed in Note 19 & Note 24. The same have been fair valued on the basis of effective interest rate and the same are accounted as well.

4. The amount of borrowing cost capitalized during the year is ₹ 18532 Lakh (PY ₹ 14572 Lakh) after adjustment of an amount of ₹ 58 Lakh (PY ₹ 40 Lakh) towards interest earned on short term deposit of surplus borrowed funds during the year.

5. (i) Pursuant to the Government of India, MOE&F, New Delhi's order no.F.No.8-3/89-FC dated 17/23rd Oct., 2002- the Government of Uttarakhand vide its office order no. GI-186/7-1-2002-300(459)/88 dated 30 Oct., 2002 has issued order for diversion of 338.932 hectare Civil Soyam and Forest land at Koteshwar and execution of title deeds in the name of company for the same has also completed.

(ii) Initially land was acquired by the then UP Irrigation Dept. and land records were in the name of Tehri Dam. Oustees handed over the land to the then UP Irrigation Department as mutation was not completed. Subsequent to formation of the Tehri Hydro Development Corporation of India Ltd, land was acquired in the name of the company. Consequent upon change in the name of the company as THDC India Ltd, process of converting all the land records in the present name of the company is under process. Out of total land of 2547.83 Hac. (PY 2547.83 Hac.) acquired by the company, title has been changed in the present name of the company for 2042.14 Hac. Change of title for the balance land of 505.69 Hac is under process.

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

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

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

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

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

6. 24 Flats (PY 25 Flats,) on the land acquired by the company are in unauthorized occupation of various persons. Freehold land includes 0.458 Hectares located at Sautiyal village encroached by unauthorized occupants.

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

Due to above, loan of US$ 101 Million has been drawn as on 31st March 2019 from the World Bank as against original loan sanction amount of US $ 648 Million. The company requested to the World Bank for extending the disbursement schedule up to December 2020 as against original schedule December 2017 and realign the repayment schedule accordingly. The World Bank has extended the disbursement schedule up to June 2019. Realigning of the repayment schedule has not been finalised. In view of this debt servicing has been made as per original contract terms.

(ii) Due to slow progress of Tehri PSP project owing the various factors beyond control of company i.e. adverse geological conditions, delay in permission for mining of aggregate from Asena Quarry, obstruction in dumping of muck, financial crises of civil work etc. contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crises of contractor Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of PSP project. Under this arrangement, for the time being recovery of advances including interest thereon have been suspended till project cash flow permits for the same. In view of this now the project is expected to be commissioned by June 2022.

(iii) Investment approval for 1320 MW Khurja Super Thermal Power Plant (STPP) in Dist. Bulanshahar, UP and Amelia Coal Mine in Distt.Singaurali, MP at an estimated cost of ₹ 1108942 Lakh and ₹ 158716 Lakh at Dec-2017 PL respectively has been accorded on 07.03.2019 and project is expected to be commissioned during the FY 2023-24.

8. (i) 65 MW Maleri Jhelam and 108 MW Jhelam Tamak Hydro Electric Projects in Chamoli District of Uttarakhand were being affected by the Hon'ble Supreme Court order dated 13th August 2013 directing MoEF and State of Uttarakhand not to grant any Environment or Forest Clearance for any new hydro electric project of Uttarakhand until further orders. Considering the fact as above and uncertainty involved with respect to execution of the projects, a provision of ₹ 1251 Lakh and ₹ 2232 Lakh in respect of expenditure incurred on Maleri Jhelam and Jhelam Tamak projects has been made.

(ii) Malshej Ghat PSS (600MW) was proposed to be taken up in Joint Venture mode by THDCIL and NPCIL. An amount of ₹ 1441 Lakh was incurred on behalf of NPCIL and the same was to be adjusted on the formation of JV. This amount was shown as advance recoverable from NPCIL in the books of account. However the project had been kept in abeyance by the Govt. of Maharashtra as intimated vide letter no. HEP-(61/2016/Lb1)/HP dated 26.10.2017 and the JV has also not been formed till date. In view of these facts and uncertainty of realization/ adjustment of advance, a provision of ₹ 1441 Lakh in respect of advance has been made in the books of accounts.

9. Related Parties Disclosures :

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

a) List of Related Parties:

i) Key Managerial Personnel:

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

(*) up to 31.08.2018

(**) W.e.f.16.08.2019

ii) Others

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

b) Summary of transactions with related parties (other than for contractual obligations) – ₹ 1735 Lakh disbursed to SEWA-THDC for CSR activities

c) Remuneration and allowances, other benefits and expenses to key managerial personnel including Independent director's fees & expenses are ₹ 365 Lakh (PY ₹ 177 Lakh).

(₹ in lakh)

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

d) Joint Venture companies - Nil.

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

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

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

11. In compliance to the Ind AS 12 "Income Taxes" issued by the Ministry of Company Affairs.The net increase in the deferred tax assets of ₹ 6572 Lakh (PY ₹ 5279 Lakh and) has been booked to Statement of Profit & Loss. The deferred tax assets pertaining to the period up to 31st March 2009 is refundable to the beneficiaries, thereafter, it is a part of the current tax as per CERC Regulations 2009-2014 and not refundable. The item-wise detail of cumulative Deferred Tax Liability/Assets is as under:

(₹ in lakh)

Sl. No.		31.03.2019	31.03.2018
	Deferred Tax Assets (A)		
i)	Difference of Book Depreciation and Tax Depreciation	68374	59703
ii)	Opening Ind As adjustment	487	487
iii)	Act.Gain/loss classified to OCI	234	338
iv)	"Advance against Depreciation to be considered as income in tax computation"	6837	6837
v)	Provision for Doubtful Debts & Stores	10007	11626
vi)	Provision for employee benefit schemes	6140	6516
	Total Deferred Tax Assets (A)	**92079**	**85507**
	Deferred Tax Liability (B)		
i)	Difference of Book Depreciation and Tax Depreciation	3572	3572
ii)	"Advance against Depreciation to be considered as income in tax computation"	-472	-472
iii)	Provision for Doubtful Debts & Stores	-1	-1
iv)	Provision for employee benefit schemes	-124	-124
	Total Deferred Tax Liability(B)	**2975**	**2975**
	Net Deferred Tax (Liability)/Assets(A)-(B)	**89104**	**82532**

12. (i) Disclosure related to Corporate Social Responsibility (CSR)

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

Sl. No.	Heads of Expenses constituting CSR expenses	₹ in Lakh
01	Sanitation,Health Care & Drinking Water	363
02	Education & Skill Development	809
03	Social Welfare	27
04	Forest & Environment, animal welfare etc.	40
05	Art & Culture,Public libraries	81
06	Rural Development Projects	353
07	Promotion of Sports	9
08	Disaster Management	4
09	Others	65
Total		**1751**

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

b. The company has incurred an amount of ₹ 1735 Lakh (PY ₹ 1620 Lakh) towards CSR expenditure during the current financial year 2018-19 as against stipulated amount of ₹ 1735 Lakh (PY ₹ 1617 Lakh) equivalent to 2% of average net profit of preceding three Financial years in terms of Section 135 of the Companies Act 2013.

c. Details of expenditure during FY 2018-19 in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue) is as under:

(₹ in lakh)

		In cash	Yet to be paid	Total
(i)	Const./Acquistion of any assets	0	0	0
(ii)	On purpose other than (i)	1735	0.00	1735

(ii) Disclosure related to Research & Development Expenditure

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

13. Principal amount remaining unpaid to suppliers, service providers registered under MSMED Act 2006 ₹ 43 Lakh.(PY ₹ 41 Lakh). The said outstanding is less than 45 days.

14. The Company has taken on operating lease / rent premises for employees / offices / Guest Houses/ Transit camps & Vehicles. These lease arrangements are usually renewable on mutually agreed terms. Rent/Lease include ₹ 659 Lakh (PY ₹ 952 Lakh) towards lease payment (net off recoveries)

15. Disclosures under the provisions of IND AS 19 – Employee Benefits are as under:

a. Defined contribution plan:- Pension

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

b. Defined benefit plans:

(i) Employers contribution to Provident Fund:

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

(ii) Gratuity:

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

(iii) Leave encashment:

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

(iv) Post Retirement Medical Benefit (PRMB):

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

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

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

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

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

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

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

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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

(₹ in lakh)

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/ Long Service Award/FBS
PVO at Beginning of year	17486 {17003}	2772 {5398}	8881 {12388}	6270 {5639}	892 {862}
Interest cost	1329 {1275}	210 {337}	675 {(929)}	477 {423}	65 {65}
Past service cost					338
Current service cost	606 {684}	1236 {213}	427 {402}	217 {221}	111 {73}
Benefit paid	(1516) {(691)}	(1052) {(3628)}	(277) {(223)}	(347) {(135)}	(135) {(82)}
Actuarial (Gain)/loss	(12) {(785)}	1138 {452}	177 {(4615)}	385 {122}	(28) {(26)}
PVO at the end of year	17893 {17486}	4304 {2772}	9883 {8881}	7002 {6270}	1243 {892}

Table – 3: Amount recognized in Balance Sheet

(₹ in lakh)

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/ Long Service Award/FBS
PVO at end of year	17893 {17486}	4304 {2772}	9883 {8881}	7002 {6270}	1243 {892}
Fair Value of Plan Assets at the end of year	NA	NA	NA	NA	NA
Funded Liab./Prov	Nil	Nil	Nil	3320	Nil
Unfunded Liab./Prov	17893 {17486}	4304 {2772}	9883 {8881}	3682 {6270}	1243 {892}
Unrecognised actuarial gain/loss					
Net liability recognized in Balance Sheet	17893 {17486}	4304 {2772}	9883 {8881}	3682 {6270}	1243 {892}

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

(₹ in lakh)

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/ Long Service Award/FBS
Current Service Cost	606 {684}	1236 {213}	427 {402}	217 {221}	111 {73}
Past Service Cost					337.70
Interest Cost	1329 {1275}	210 {337}	675 {929}	477 {423}	65 {65}
Net Actuarial (gain)/ loss recognized for the year in OCI	(12) {(785)}	1138 {452}	177 {(4615)}	385 {122}	(28) {(26)}
Expense recognized Statement in Profit & Loss/EDC for the year.	1935 {1959}	2585 {1003}	(1279) {3284}	694 {644}	516 {138}

Table – 5: Sensitivity analysis

(₹ in lakh)

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

Other disclosures:

(₹ in lakh)

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

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

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

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

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

16. Change in Accounting Policy :

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

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

17. a) The company is mainly engaged in generation and sale of electricity. The price to be charged by the company for electricity sold to its customers is determined by the CERC which provided extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operations & maintenance expenses etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provides the company to recover its costs of providing the goods or services plus a fair return.

b) Revision of pay scales of employees of PSEs was due w.e.f. 01.01.17. Based on the recommendations of the constituted committee to the Government inter-alia includes superannuation benefits @ 30% of basic + DA to be provided to the employees of CPSEs which includes gratuity at the enhanced ceiling of ₹ 20 Lakh from the existing ceiling of ₹ 10 Lakh. As per proviso 8(3) of Terms and Conditions of Tariff Regulations 2014 applicable for the period 2014-19, truing up exercise in respect of Change in Law or compliance of existing law will be taken up by CERC. The increase in gratuity from ₹ 10 Lakh to ₹ 20 Lakh falls under the category of 'Change in law' and a regulatory deferral account is created in the year.

c) Considering the methodology followed by the CERC for allowing impact of the pervious pay revision, various tariff orders issued by the CERC under Regulation, 2014 and the above mentioned provision related to the change in law of CERC Tariff Regulations, 2014, a regulatory asset has been created (Regulatory deferral account balance) towards the increase in O&M) expenditure due to the pay revision. This will be taken up with CERC through truing up exercise.

d) In the current year, the pay revisions have been implemented from 1.1.2017. Regulatory deferral balance of ₹ 4060 Lakh towards impact of pay revision from 2016-17 to 2017-18 have been recognized during the year considering the amount as immaterial in line with company's accounting policy and Ind AS-8. Further an amount of ₹ 3441 Lakh. relating to 2018-19 have been accounted for as 'Regulatory deferral account balance thus total regulatory deferral balance of ₹ 7501 Lakh has been recognized during the year.

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

(₹ in lakh)

		2018-19	2017-18
I.	Statutory Audit Fees	10	10
II.	For Taxation matter (Tax Audit)	2	2
III.	For Company Law matter	------	------
IV.	For Management services	------	------
V.	For other Services(Certification)	4	6
VI.	For Reimbursement of expenditure	2	2

*Subject to approval in Annual General Meeting.

19. Licensed and Installed Capacities:

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

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

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

(₹ in lakh)

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

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

(₹ in lakh)

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

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

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

(₹ in lakh)

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

22. a) The confirmation from external parties in respect of Trade Receivables Trade Payables Deposits Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5 Lakh or above in respect of each party once in a year preferably as at 31st December of respective financial year. Status of confirmation of balances as at December 31, 2018 as well as outstanding as on 31.03.2019 is as under:

(₹ in lakh)

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

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

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

For and on Behalf of Board of Directors

(Rashmi Sharma)	**(J. Behera)**	**(D.V. Singh)**
Company Secretary	Director (Finance)	Chairman & Managing Director
Membership No. 26692	DIN:08536589	DIN:03107819

As Per Our Report Of Even Date Attached

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

(Sanjeev Agrawal)
Partner
Membership No.:- 071427

Date: 27.08.2019
Place: Rishikesh

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

THDC INDIA LIMITED

Opinion

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

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

Basis for opinion

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

Key Audit Matters

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

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

	This is considered as key audit matter due to the nature and extent of estimates made as per the CERC Tariff Regulations, which leads to recognition and measurement of revenue from sale of energy being complex and judgmental. (Refer Note No. 29.1 to the Financial Statements, read with the Significant Accounting Policy No. 13)	- Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. - Verified the accounting of revenue from sale of energy based on tariff rates approved by the CERC. Based on the above procedure performed, the recognition and measurement of revenue from sale of energy are considered to be adequate and reasonable.
2	**Contingent Liabilities** There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgment in interpreting the cases and it may be subject to management bias. (Refer Note No. 39.2 to the Financial Statements, read with the Significant Accounting Policy No. 12)	We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures: - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.

Emphasis of Matter

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

a) Accounting Policy No.13 on Revenue Recognition and Other Income read with Note No. 29.1 of Ind AS, Financial Statement in respect of accounting on sales. Sales has been recognized based on provisionally approved tariff for 2014-19 period.

b) Para 2 of Note No. 39 of the Financial Statement regarding Contingent Liability describes the uncertainty related to outcome of the claims/arbitration proceedings and cases filed in Courts by/against the company on/by contractors and others.

c) Para 18(a) of Note No. 39 of the Financial Statement regarding the Outstanding Balances of Trade Receivables excluding Regulatory Debtors, Advances to Suppliers, Contractors & Sundry Deposits, Security Deposit/Retention Money, Trade Payables and Creditors as on 31st March, 2019 have been confirmed once in a year as at 31st December, 2018 through THDCIL, however direct confirmations sent but not received.

d) Para 7 (i) and (ii) of Note No. 39 of the Financial Statement regarding delay in completion of VPHEP and Tehri PSP projects owing to factors beyond control of company there is extension in the commissioning of project up to December 2022 and June 2022 for VPHEP and Tehri PSP projects respectively. Further, considering the acute financial crisis of M/s HCC, Board of Directors of the Company have approved arrangement of gap funding to contractor for expeditious completion of projects with financial regulation.

e) Para 5 (v) of Note No. 39 regarding 485.9639 Hac (1200.483 Acre) land acquired for Khurja Super Thermal Power Project is being used for project works by THDCIL. The title deed of the land is yet to be executed pending fulfillment of requisite conditions.

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

Our opinion is not modified in respect of these matters.

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

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

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

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

If, based on the work we have performed on the other information included in the CG report that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the 'Other reports', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Management's Responsibility for Financial Statements

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

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

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order,2016 ("the Order") issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller & Auditor-General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act 2013, the compliance of which is set out in **"Annexure B".**
3. As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) ,Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) In terms of Notification No. G.S.R. 463E dated 05th June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Act regarding disqualification of directors, are not applicable to the Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C"; and

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

    i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39.2 to the financial statements:

    ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

The financial statements for the year ended March 31,2019 (the financial statements) have been approved by the Board of Directors of the Company on August 26,2019 and our report of August 27,2019 (earlier report) on the same was issued.

This Independent Auditors; Report (the report) has been issued in supersession of earlier report dated 27.08.2019 pursuant to provisional comments made by Comptroller and Auditor General of India (C&AG) on the Financial Statements after revising the Para related to Key Audit Matters in Independent Auditors' Report, Para i(c) related to land and Para vii (b) related the amount of disputed statutory dues, of the Annexure "A" [a statement on the matters specified the Companies (Auditors' Report) Order 2016] forming part of Other Legal and Regulatory requirements section of earlier report. Except the revisions as mentioned herein, our opinion on the financial statement as given in the earlier report remain unaltered and our audit procedure on subsequent event remain restricted to the date of our earlier report.

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

(Sanjeev Agrawal)
Partner
Membership No.: 071427
UDIN: 19071427AAAAAJ7403

Place: Rishikesh
Dated:12.09.2019

"ANNEXURE- A"

FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

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

We report that:-

i. (a) The Company has generally maintained records of Property, Plant and Equipment showing full particulars including quantitative details and situation of Property, Plant and Equipment. The records for movement of the assets have been properly maintained.

(b) The Property, Plant and Equipment have been physically verified by Independent Firms of Chartered Accountants during the year and discrepancies, though not material, noticed on such verification, have been dealt properly in the books of account. In our opinion, frequency of verification is reasonable having regard to the size of the Company and the nature of its business. It is further informed that physical verification of Generation Plant & Machinery, irrespective of their location (Tehri/Koteshwar/Patan/Devebhoomi) is not done due to their immovable nature.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, Freehold land and Lease hold land acquired prior to change in name of company as THDC India Ltd. are either in the name of Tehri Dam Project or Tehri Hydro Development Corporation. Action has been initiated for changing old name to new name in title deeds w.r.t. Freehold land measuring 505.69Hac. as disclosed vide Note No. 39.5 (ii)and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 39.5 (iii). And 0.757 hac part of Freehold Land & 4.668 hac Lease hold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no. 39.5 (iv) and 485.9639 Hac. Land of which title deed is yet to be executed in the name of the Company as disclosed vide Note No. 39.5(v). As informed by the Management, value of the above referred land is yet to be ascertained.

ii. Physical Verification of Inventory has been conducted by Independent Firms of Chartered Accountants. In our opinion frequency of physical verification is reasonable. No material discrepancies were noticed during physical verification of Inventories.

iii. The company has not granted any loans,secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause (iii) (a), (b) and (c) of paragraph 3 of the Order is not applicable.

iv. In our opinion and according to information and explanation given to us the company has in respect of loans, investments, guarantees, and security, complied with the provision of section 185 and 186 of the Companies Act, 2013.

v. Since the Company has not accepted any deposits from the public, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of Companies Act 2013, and rules framed there under, does not arise.

vi. The Central Government has prescribed maintenance of Cost Records under Section 148(1) of the Companies Act, 2013. The company is maintaining the required Cost Records. Cost Audit for the F.Y. 2018-19 is under process.

vii. (a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, other statutory dues applicable to the company and that there are no undisputed statutory dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable. As informed, the provisions of the Employees State Insurance Act are not applicable to the Company.

(b) According to the information and explanation given to us, details of disputed dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax and cess , if any as at March 31, 2019 are as follows:

Name of Statute	Nature of Duties	Amount (₹ in Lakh)	Financial year to which it pertains	Deposit under protest (₹ in Lakh)	Forum at which , case is pending
Uttarakhand Water Tax on Electricity Generation Act , 2012	Water Cess	40097	2015-16 to 2018-19	Nil	High Court of Uttarakhand, Nainital
Uttarakhand Green Energy Cess Act, 2014	Green Energy Cess	12620	2015-16 to 2018-19	Nil	High Court of Uttarakhand, Nainital

viii. On the basis of audit procedures adopted by us and according to the records and as per the information and explanation given to us by the management, the company has not defaulted in repayment of loans and borrowings to any financial institution, bank.

ix. In our opinion and as per the information and explanation given to us by the management, the Company has applied the money raised during the year by way of term loans for the purposes for which they were raised.

x. During the course of our examination of books and records of the company for the year, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud by the company or on the company by its officers or employees, nor any such case have been noticed or reported by the management during the year.

xi. In view of exemption given vide in terms of notification No. G.S.R. 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, the provisions of section 197 read with schedule V of the Act regarding managerial remuneration, are not applicable to the company.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

xiii. In our opinion and as per the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Notes to the Financial Statements as required by the applicable accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.

xv. In our opinion and as per the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

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

(Sanjeev Agrawal)
Partner
Membership No.: 071427

Place: Rishikesh
Dated:12.09.2019

"ANNEXURE-B"

FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

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

Sl.	Directions	Auditor's comments	Impact on Financial statements
1.	Whether the Company has system in place to process all the accounting transactions through IT system ?If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any ,may be stated.	Yes. Based on our verification, no accounting transaction is being recorded/processed other than through the FMS system in place.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Based on our verification and explanations and information given to us, there were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.	Nil
3.	Whether funds received/receivable for specific schemes from Central/ State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us, the funds (Equity) received for specific schemes (projects) from Central Government were properly accounted for/utilized as per the respective terms and conditions.	Nil

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

(Sanjeev Agrawal)
Partner
Membership No.: 071427

Place: Rishikesh
Dated:12.09.2019

"ANNEXURE- C"

FORMING PART OF THE AUDITORS' REPORT OF THDC INDIA LTD

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

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

We have audited the internal financial controls over financial reporting of **THDC INDIA LTD**. ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Controls over Financial Reporting

Because of the inherent limitations financial controls over financial reporting including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31stMarch 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the ICAI.

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

(Sanjeev Agrawal)
Partner
Membership No.: 071427

Place: Rishikesh
Dated:12.09.2019

No. MAB-III/62/REP/01-107/Acs-Ph. III-THDC/2019-20/571

सत्यमेव जयते

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय
प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड–III
नई दिल्ली

Indian Audit & Accounts Department
OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-III
NEW DELHI

दिनांक / Dated: 18/09/2019

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,
टीएचडीसी इंडिया लिमिटेड,
ऋषिकेश।

विषयः 31 मार्च 2019 को समाप्त वर्ष के लिए टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, टीएचडीसी इंडिया लिमिटेड, ऋषिकेश के 31 मार्च 2019 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्नकः– यथोपरि।

भवदीया,
ह. / –
(रिना अकोइजम)
प्रधान निदेशक

छठा एवं सातवां तल, एनेक्सी बिल्डिंग,10 बहादुरशाह ज़फर मार्ग, नई दिल्ली–110002
6th & 7th Floor, Annexe Building, 10, Bahadurshah Zafar Marg, New Delhi -110 002
Ph.: 23239227; Fax: 23239211; e-mail: mabnewdelhi3@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THDC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of THDC India Limited for the year ended 31 march 2019 in accordnace 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 udner section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 12.09.2019, which supersedes their earlier Audit Report dated 27.08.2019.

I, on behalf of the Comtroller and Auditor General of India, have conducted a supplementary audit of the financial statements of THDC India Limited for the year ended 31 March, 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company pesonnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

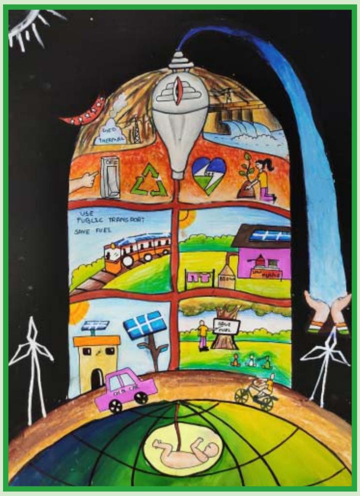
On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any commnet upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

Sd/-
(Rina Akoijam)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-III,
New Delhi

Place : New Delhi
Dated : 18.09.2019

Koteshwar Dam Lake



The paintings are done by students in State Level drawing competition 2018 on "**Energy Conservation**" organized by THDC India Limited

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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