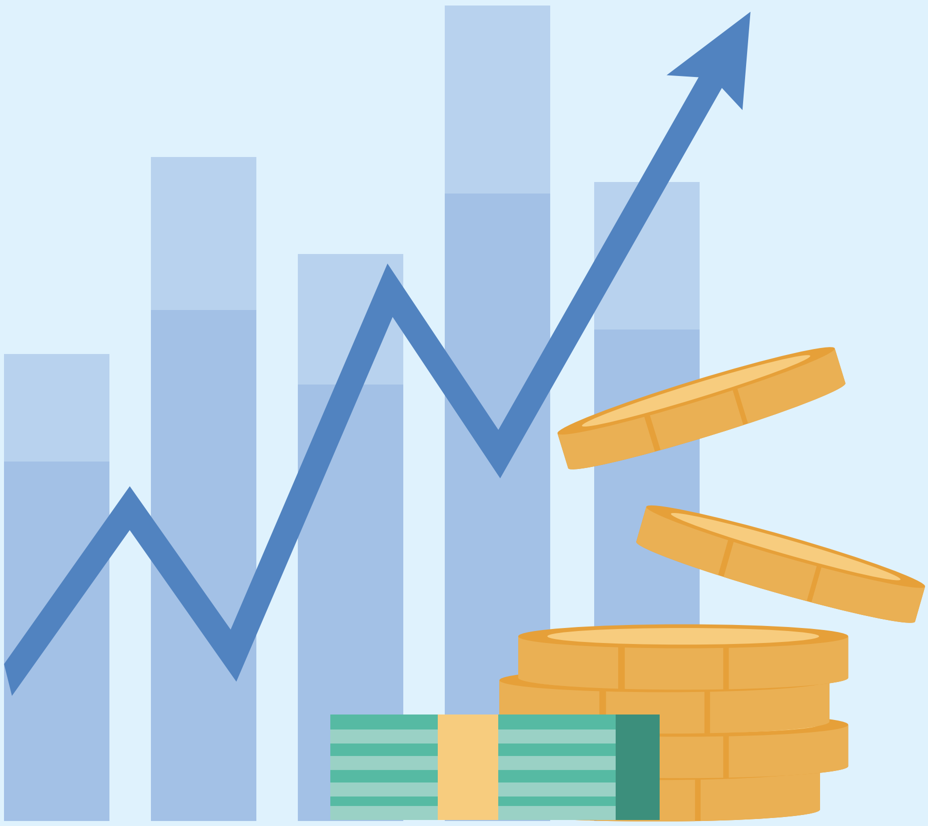


FINANCIAL STATEMENTS 2019-20

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

BALANCE SHEET AS AT 31-March-2020

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019		As at 01-Apr-2018	
ASSETS							
Non-Current Assets							
(a) Property, Plant and Equipment	2		6,59,199		6,83,014		7,32,756
(b) Capital work-in- progress	3		4,98,980		4,54,434		3,95,640
(c) Other Intangible Assets	2		20		85		33
(d) Right of Use Assets	2		38,071				
(e) Intangible Assets Under Development	3		0		0		33
(f) Financial Assets							
(i) Loans	4	3,889		4,079		4,483	
(ii) Advances	5	1	3,890	0	4,079	0	4,483
(g) Deferred Tax Assets (Net)	6		93,971		89,104		82,532
(h) Non Current Tax Assets Net	7		2,455		6,785		0
(i) Other Non-Current Assets	8		1,58,289		1,20,942		71,547
Current Assets							
(a) Inventories	9		3,242		3,060		3,000
(b) Financial Assets							
(i) Trade Receivables	10	1,86,894		1,58,373		76,118	
(ii) Cash and Cash Equivalents	11	2,520		4,577		6,102	
(iii) Bank Balances other than (ii) above	12	58		676		37	
(iv) Loans	13	836		979		1,042	
(v) Advances	14	50,099		4,313		3,536	
(vi) Others	15	25,706	2,66,113	11,755	1,80,673	54,608	1,41,443
(c) Current Tax Assets (Net)	16		6,037		2,264		9,047
(d) Other Current Assets	17		5,973		4,562		6,162
Regulatory Deferral Account Debit Balance	18		18,622		8,781		0
Total			**17,54,862**		**15,57,783**		**14,46,676**
EQUITY AND LIABILITIES							
Equity							
(a) Equity Share Capital	19	3,66,588		3,65,488		3,62,743	
(b) Other Equity	20	5,86,659	9,53,247	5,11,906	8,77,394	4,44,272	8,07,015
Non-Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	21	3,95,696		2,65,201		2,41,530	
(ii) Non current Financial Liabilities	22	2,538	3,98,234	1,794	2,66,995	2,200	2,43,730
(b) Other Non Current Liabilities	23		84,077		91,240		98,191
(c) Provisions	24		34,353		39,483		35,087

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019		As at 01-Apr-2018	
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	25	1,11,506		1,21,840		64,663	
(ii) Trade Payables							
A. Total outstanding dues of micro enterprises and small enterprises		66		21		26	
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		2,137		2,026		1,452	
(iii) Others	26	89,154	2,02,863	81,143	2,05,030	1,19,997	1,86,138
(b) Other Current Liabilites	27		7,546		3,857		4,429
(c) Provisions	28		12,679		12,293		21,015
(d) Current Tax Liabilities (Net)	29		0		4,494		0
Regulatory Deferral Account Credit Balance	30		61,863		56,997		51,071
TOTAL			**17,54,862**		**15,57,783**		**14,46,676**
Significant Accounting Policies	1						
Disclosures on Financial Instruments and Risk Management	40						
Other Explanatory Notes to Accounts	41						
Note 1 to 40 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)/CFO
DIN:08536589

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

As Per Our Report Of Even Date Attached

FOR S.N. Kapur & Associates
Chartered Accountants
FRN 001545C of ICAI

(S.N. Kapur)
Partner
Membership No.:-014335

Date :- 24.06.2020
Place :- Lucknow
UDIN :- 20014335AAAADM3666

STATEMENT OF PROFIT & LOSS
FOR THE PERIOD ENDED 31-March-2020

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
INCOME					
Revenue from Continuing Operations	31		2,12,310		2,44,926
Other Income	32		28,226		39,409
Deferred Revenue on account of Irrigation Component		6,374		6,915	
Less: Depreciation on Irrigation Component	2	6,374	0	6,915	0
Total Revenue			**2,40,536**		**2,84,335**
EXPENSES					
Employee Benefits Expense	33		36,030		41,183
Finance Costs	34		24,034		19,954
Depreciation & Amortisation	2		57,610		55,500
Generation Administration and Other Expenses	35		23,933		20,978
Provision for Bad & Doubtful Debts, CWIP and Stores & Spares	36		0		4,985
Total Expenses			**1,41,607**		**1,42,600**
Profit Before Tax and regulatory deferral account balances			**98,929**		**1,41,735**
Tax Expenses	**37**				
Current Tax					
Income Tax			16,312		30,659
Deferred tax- Asset			(5,302)		(6,676)
I Profit For The Period before regulatory deferral account balances			**87,919**		**1,17,752**
Net Movement in Regulatory Deferral Account Balance Income/ (Expense)- Net of Tax	38		4,106		1,239
I Profit For The Period from continuing operations			**92,025**		**1,18,991**
II OTHER COMPREHENSIVE INCOME					
(i) Items that will not be classified to Profit or Loss:					
Re-measurements of the Defined Benefit Plans	39		(1,247)		(299)
Deferred tax on Re-measurements of the Defined Benefit Plans-Deferred Tax Asset/ Liability			(435)		(104)

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Other Comprehensive Income			**(1,682)**		**(403)**
Total Comprehensive Income (I+II)			**90,343**		**1,18,588**
Earning per Equity Share (including net movement in regulatory deferral account)					
Basic (₹)			251.22		326.35
Diluted (₹)			251.14		326.32
Earning per Equity Share (excluding net movement in regulatory deferral account)					
Basic (₹)			240.01		322.96
Diluted (₹)			239.94		322.93
Significant Accounting Policies	1				
Disclosures on Financial Instruments and Risk Management	40				
Other Explanatory Notes to Accounts	41				
Note 1 to 40 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)/CFO
DIN:08536589

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

As Per Our Report Of Even Date Attached

FOR S.N. Kapur & Associates
Chartered Accountants
FRN 001545C of ICAI

(S.N. Kapur)
Partner
Membership No.:-014335

Date :- 24.06.2020
Place :- Lucknow

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31-March-2020

Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

Particulars	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax		98,929		1,41,735
Adjustments for:-				
Depreciation	57,610		55,500	
Depreciation- Irrigation Component	6,374		6,915	
Provisions	-		4,985	
Finance Cost	24,034		19,954	
Other Comprehensive Income (OCI)	(1,247)		(299)	
Prior Period Adjustments through SOCIE	-		-	
Net Movement in Regulatory Deferal Account Balance	(4,106)		(1,239)	
Tax on Net Movement in Regulatory Deferal Account Balance	(869)		(1,616)	
Exceptional Items	-	81,796	-	84,200
Cash Flow from Operating profit activities Before Working Capital Changes		**1,80,725**		**2,25,935**
Adjustment For :-				
Inventories	(182)		(121)	
Trade Receivables (including unbilled revenue)	(42,472)		(39,402)	
Other Assets	(47,159)		948	
Loans and Advances (Current + Non Current)	890		(4,459)	
Trade Payable and Liabilities	(4,697)		5,126	
Provisions (Current + Non Current)	(4,744)		(4,326)	
Net Movement in Regulatory Deferal Account Balance	4,106	(94,258)	1,239	(40,995)
Cash Flow From Operative Activities Before Taxes		**86,467**		**1,84,940**
Corporate Tax		(16,312)		(30,659)
Net Cash From Operations (A)		**70,155**		**1,54,281**

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

Particulars	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
B. CASH FLOW FROM INVESTING ACTIVITIES				
Change in:-				
Property, Plant & Equipment and CWIP	(1,22,721)		(71,486)	
Capital Advances	(37,386)		(49,520)	
Net Cash Flow From Investing Activities (B)		**(1,60,107)**		**(1,21,006)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Share Capital (Including Pending Allotment)	700		2,800	
Borrowings	1,34,547		(23,175)	
Lease Obligations	1,588		-	
Interest and Finance Charges	(24,034)		(19,954)	
Dividend & Tax on Dividend	(15,190)		(51,009)	
Net Cash Flow From Financing Activities (C)		**97,611**		**(91,338)**
D. NET CASH FLOW DURING THE YEAR (A+B+C)		**7,659**		**(58,063)**
E. OPENING CASH & CASH EQUIVALENTS		**(1,16,587)**		**(58,524)**
F. CLOSING CASH & CASH EQUIVALENTS (D+E)		**(1,08,928)**		**(1,16,587)**

Note:

1. *Cash and Cash Equivalents includes Balance with Banks of ₹ 58Lakh (Previous year ₹ 676 Lakh)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 41.20 (a)*

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached
FOR S.N. Kapur & Associates
Chartered Accountants
FRN 001545C of ICAI

(S.N. Kapur)
Partner
Membership No.:-014335

Date :- 24.06.2020
Place :- Lucknow

STATEMENT OF CHANGES IN EQUITY -

A. Equity Share Capital For The Period Ended 31-March-2020

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020
		Amount
Balance at the beginning of reporting period		3,65,488
Changes in equity share capital during the period		1,100
Closing Balance at the end of the reporting period		**3,66,588**

B. Other Equity For The Period Ended 31-March-2020

Amount In lakh ₹

			Reserve & Surplus 01-Apr-2019 To 31-Mar-2020		Other Comprehensive Income	
Particulars	**Note No.**	**Share Application Money Pending Allottment**	**Retained Earnings**	**Debenture Redemption Reserve & Others**	**Acturial Gain/ (Loss)**	**Total**
Opening Balance (I)		**400**	**5,07,118**	**4,500**	**(112)**	**5,11,906**
Profit For The period			92,025			92,025
Other Comprehensive Income					(1,682)	(1,682)
Total Comprehensive Income			**92,025**		**(1,682)**	**90,343**
Dividend			12,600			12,600
Tax On Dividend			2,590			2,590
Transfer to Retained Earnings (II)			**76,835**			**75,153**
Transferred/ Adjustment to/from Debenture Redemption Resreve (III)			600			600
Debenture Redemption Reserve Addition/ (Utilised/ Adjusted) during the period (V)				(600)		(600)
Share Capital Pending Allotment Deposited during the period (VI)		700				700
Share Capital Pending Allotment (Allotted) during the period (VII)		(1,100)				(1,100)
Closing Balance (I+II+III+IV+V+VI+VII)		**0**	**5,84,553**	**3,900**	**(1,794)**	**5,86,659**

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

FOR S.N. Kapur & Associates
Chartered Accountants
FRN 001545C of ICAI

(S.N. Kapur)
Partner
Membership No.:-014335

Date :- 24.06.2020
Place :- Lucknow

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

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2019
		Amount
Balance at the beginning of reporting period		3,62,743
Changes in equity share capital during the period		2,745
Closing Balance at the end of the reporting period		**3,65,488**

B. Other Equity For The Period 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 (I)		**345**	**4,40,636**	**3,000**	**291**	**4,44,272**
Profit For The Year			1,18,991			1,18,991
Other Comprehensive Income					(403)	(403)
Total Comprehensive Income			**1,18,991**		**(403)**	**1,18,588**
Dividend			42,312			42,312
Tax On Dividend			8,697			8,697
Transfer to Retained Earnings (II)			**67,982**			**67,579**
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/ (Allotted) during the Year (V) (Net)		55				55
Closing Balance (I+II+III+IV+V)		**400**	**507,118**	**4,500**	**(112)**	**5,11,906**

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

FOR S.N. Kapur & Associates
Chartered Accountants
FRN 001545C of ICAI

(S.N. Kapur)
Partner
Membership No.:-014335

Date **:-** 24.06.2020
Place **:-** Lucknow

NOTE NO:- 1

SIGNIFICANT ACCOUNTING POLICIES 2019-20

1. General

1.1 THDC Limited (the "Company") is a company domiciled in India and limited by shares (CIN: U45203UR1988GOI009822) and is a Subsidiary of NTPC Limited. The shares of the Company are held by NTPC Limited (74.496%) and Government of Uttar Pradesh (25.504%). The Bonds of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited in India. The address of the Company's registered office is Bhagirathi Bhawan (Top Terrace) Bhagirathipuram, Tehri, Tehri Garhwal -249001, Uttarakhand. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy services.

1.2 These financial statements have been prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other provisions of the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorized for issue by the Board of Directors on 24.06.2020.

1.3 These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs, except as stated otherwise.

2. Estimates &Assumptions

2.1 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 (PPE)

3.1 Property, Plant and Equipment (PPE) 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 PPE 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, stand-by equipment and servicing equipment meeting the recognition criteria are capitalized. 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 spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

3.4 Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

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

3.5 An item of PPE 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 PPE created on land not belonging to the Company, but under the control and possession of the Company, are included in PPE.

3.7 In respect of land acquired through Special Land Acquisition Officer (SLAO)/ on right to use, those portions of land are capitalized which are utilized/intended to be utilized for construction of buildings and infrastructural facilities of the Company. Other lands acquired including lands under submergence are accounted for as per their use.

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 comprise purchase price of asset including import duties, non-refundable taxes (after deducting trade discounts and rebates) and costs that are directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

4.2 Cost incurred towards lease amount and rent on right-of-use 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.

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

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

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

4.6 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, depreciation on assets used in construction of project, and other costs attributable to construction of projects. Such costs are allocated on systematic basis over Construction projects/Capital Work in Progress.

5. Development expenditure on coalmines

5.1 Once proved reserves are determined and development of mines/project is sanctioned, exploration and evaluation assets are transferred to 'Development of coal mines' under Capital work-in progress.

6. Intangible Assets

6.1 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).

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

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

6.4 An item of Intangible asset is derecognized 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 recognized in the Statement of Profit and Loss of the year in when the asset is derecognized.

7. Foreign Currency Transactions

7.1 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. Accordingly, exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of PPE.

7.2 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.

8. Fair Value Measurement

8.1 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.

8.2 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.

8.3 All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This categorization 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.

8.4 Financial assets and financial liabilities are recognized 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.

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

9.1 A financial asset includes inter-alia any asset that is cash, contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favorable to the Company. A financial asset is recognized under the circumstances when the Company becomes a party to the contractual provisions of the instrument.

9.2 Financial assets of the Company comprise cash and cash equivalents, Bank Balances, Advances to employees, security deposit, claims recoverable etc.

9.3 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 amortized cost,

2.) Financial Assets at fair value through other comprehensive income, and

3.) Financial Assets at fair value through Profit/ Loss

9.4 Initial recognition and measurement:- All financial assets except trade receivables are recognized 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 and 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 and 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.

9.5 The company measures the trade receivables at their transaction price as it does not contain a significant financing component.

9.6 Subsequent measurement:- After initial measurement, financial assets classified at amortized cost are subsequently measured at amortized cost using EIR method. Amortized 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 amortization is included in finance income in the profit or loss.

9.7 **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.

10. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

11. Inventories

11.1 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.

11.2 Carrying amount of inventory is assessed on each reporting date to reflect the same at NRV (Net Realizable 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 Statement of Profit and Loss. 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 Statement of Profit and Loss. All inventory losses occur in natural course of business is recognized as expenses in the Statement of Profit and Loss.

12. Financial liabilities

12.1 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 unfavorable to the Company.

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

12.3 Classification, initial recognition and measurement.

12.3.1 Financial liabilities are recognized 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 recognized 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.

12.3.2 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.

12.4 Subsequent measurement

12.4.1 After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. EIR is calculated at the end of every reporting period Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

12.4.2 Amortized 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

amortization is included as finance costs in the statement of profit and loss.

12.5 De-recognition A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

13. Government Grants

13.1 Grants-in-Aid received from the Central/ State Government/ other authorities towards capital expenditure is treated initially as non-operating deferred income under noncurrent 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.

14. Provisions, Contingent Liabilities and Contingent Assets

14.1 Provisions are recognized 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.

14.2 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.

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

15. Revenue Recognition and Other Income

15.1 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.

15.2 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.

15.3 Amount realized from sale of power as generated from Wind Power Projects has been recognized as Revenue from operation in compliance with Ind AS 115 and Assets have been recognized as owned assets of the company in compliance with Ind AS16.

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

15.5 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.

15.6 Advance against depreciation being considered as deferred income up to 31 March 2009 is recognised as sales on straight line basis over balance useful life of 28 years after completion of 12 years from the date of commercial operation of the project, considering the total useful life of the project as 40 years.

15.7 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.

15.8 Late Payment Surcharge recoverable from trade receivables for sale of energy and liquidated damages/warranty claims are recognized when no significant uncertainty as to measurability or collectivity exists.

15.9 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.

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

15.11 Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

16. Expenditure

16.1 Prepaid expenses of ₹ 5,00,000/- or below in each case, are accounted for in their natural heads of accounts.

16.2 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.

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

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

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

16.6 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.

16.7 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.

17. Employee benefits

17.1 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 yearend.

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

17.3 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 recognized immediately in the OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

18. Borrowing Cost

18.1 Borrowing costs that are directly attributable to the acquisition, construction/ exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

18.2 When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

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.

19. Depreciation & Amortization

19.1 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.

19.2 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 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.

19.3 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.

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

19.5 In respect of Assets costing up to ₹ 5,000/- but more than ₹ 1,500/- (excluding immovable assets) 100% depreciation is provided in the year of purchase.

19.6 Low value items costing up to ₹ 1,500/-, which are in the nature of assets are not capitalized and charged to revenue

19.7 Cost of Right-of-use Land is amortized over the lease period or life of related project, whichever is less.

19.8 Cost of computer Software is recognized as intangible asset and amortized on straight line method over a period of legal right to use or 3 years, whichever is earlier.

19.9 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.

20. Impairment of non-financial assets other than inventories

20.1 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.

21. Leases

21.1 Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate applicable at the date of initial application and the right of use asset has been recognized at an amount equal to lease liability. Comparatives as at and for the year ended 31 March 2019 have not been adjusted and therefore will continue to be reported as per Ind AS 17. The details of accounting policies as per Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(1) the contact involves the use of an identified asset

(2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for:

a) leases with a term of twelve months or less (short-term leases) and

b) low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated /amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

22. Income taxes

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

22.1 Current Income Tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. 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.

22.2 Deferred Tax

22.2.1 Deferred tax is recognized 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 recognized for all taxable temporary differences, and deferred tax assets are generally recognized 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 utilized. Such assets and liabilities are not recognized 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.

22.2.2 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 utilized.

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 realized, 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.

22.2.3 Deferred tax is recognized 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 recognized 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.

The deferred tax for the current period to the extent it forms part of current tax in the future years and affects the computation of return on equity (ROE), an element of tariff computation as per CERC Regulation is debited / credited to regulatory deferral account balance.

22.2.4 When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

23. Statement of Cash Flows

23.1 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 Statement of cash flows 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.

24. Current versus non-current classification-

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

24.1 An asset is classified 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.

24.2 A liability is classified 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.

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

25. Regulatory deferral account balances

25.1 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”.

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

25.3 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.

26. Earnings per share

26.1 Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year. Basic and diluted earnings per equity share are also computed using the earnings amounts excluding the movements in regulatory deferral account balances.

27. Dividends

27.1 Dividends and interim dividends payable to the Company’s shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

28. Operating Segments

28.1 In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company’s management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company’s ‘Chief Operating Decision Maker’ or ‘CODM’ within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance costs, income tax expenses and corporate income.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

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'.

29. Miscellaneous

29.1 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-2019	Addition During the Period	Sales / Adjustment During the Period	As at 31-Mar-2020	As at 01-Apr-2019	For The Period 01-Apr-2019 To 31-Mar-2020	Sales/ Adjustment During the Period	As at 31-Mar-2020	As at 31-Mar-2020	As at 31-Mar-2019
A. Property Plant & Equipment										
Other Assets										
1. Land Free Hold	3,825	-	-	3,825	-	-	-	-	3,825	3,825
2. Land Under Submergence	1,65,132	3,618	-	1,68,750	61,430	5,532	-	66,962	1,01,788	1,03,702
3. Buildings	1,00,515	4,423	-	1,04,938	25,290	3,419	-	28,709	76,229	75,225
4. Building Temp. Structures	2,418	21	-	2,439	2,418	21	-	2,439	-	-
5. Road, Bridge & Culverts	16,258	1,107	-	17,365	3,840	599	-	4,439	12,926	12,418
6. Drainage, Sewerage & Water Supply	2,235	-	-	2,235	759	155	-	914	1,321	1,476
7. Construction Plant & Machinery	2,245	217	(16)	2,446	1,349	131	(10)	1,470	976	896
8. Generation Plant & Machinery	3,05,128	12,714	(49)	3,17,793	1,33,502	16,711	(31)	1,50,182	1,67,611	1,71,626
9. EDP Machines	1,609	346	(138)	1,817	1,005	245	(119)	1,131	686	604
10. Electrical Installations	4,577	-	-	4,577	914	128	-	1,042	3,535	3,663
11. Transmission Lines	2,584	82	-	2,666	1,174	438	-	1,612	1,054	1,410
12. Office & Other Equipment	5,866	258	(7)	6,117	2,903	1,800	(5)	4,698	1,419	2,963
13. Furniture & Fixtures	2,669	240	(2)	2,907	1,230	431	-	1,661	1,246	1,439
14. Vehicles	2,073	186	(6)	2,253	874	205	(2)	1,077	1,176	1,199
15. Railway Sidings	122	-	-	122	45	7	-	52	70	77
16. Hydraulic Works- Dam & Spillways	5,18,415	647	-	5,19,062	2,78,925	27,404	-	3,06,329	2,12,733	2,39,490
17. Hydraulic Works- Tunnel,Penstock,Canals etc	1,39,980	20,640	-	1,60,620	80,316	7,700	-	88,016	72,604	59,664
Sub Total	**12,75,651**	**44,499**	**(218)**	**13,19,932**	**5,95,974**	**64,926**	**(167)**	**6,60,733**	**6,59,199**	**6,79,677**
Figures For Previous Period	**12,61,985**	**13,950**	**(284)**	**12,75,651**	**5,32,752**	**63,467**	**(245)**	**5,95,974**	**6,79,677**	**7,29,233**
B. Intagible Assets										
1. Intangible Assets-Software	471	-	-	471	386	65	-	451	20	85
Sub Total	**471**	**-**	**-**	**471**	**386**	**65**	**-**	**451**	**20**	**85**
Figures For Previous Period	**397**	**74**	**-**	**471**	**364**	**22**	**-**	**386**	**85**	**33**
C. Right of Use Assets										
1. Right of Use - Land	3,905	34,496	-	38,401	568	677	-	1,245	37,156	3,337
2. Right of Use - Building	-	385	-	385	-	121	-	121	264	-
3. Right of Use - Vehicle	-	735	-	735	-	84	-	84	651	-
Sub Total	**3,905**	**35,616**	**-**	**39,521**	**568**	**882**	**-**	**1,450**	**38,071**	**3,337**
Figures For Previous Period	**3,905**	**-**	**-**	**3,905**	**382**	**186**	**-**	**568**	**3,337**	**3,523**
Detail of Depreciation					**Current Year**		**Previous Year**			
Depreciation transferred to EDC					1,889		1,260			
Depreciation transferred to statement of P&L					57,610		55,500			
Depreciation transferred to statement of P&L -Irrigation Contribution from GOUP					6,374	65,873	6,915	63,675		
Fixed Assets Costing More Than ₹ 1500.00 But Less Than ₹ 5000.00 Procured and Depreciated Fully During The Year					21		29			

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.

2.3 Details regarding title deeds of the land owned by the Company are disclosed vide Note No. 41.5

2.4 Details regarding unauthorized of the occupants on the land owned by the Company is disclosed vide Note No. 41.6

NOTE :- 3

CAPITAL WORK IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT

Amount In lakh ₹

Particulars	Note No.	As at 01-Apr-2019	For the Period Ended 31-Mar-2020			As at 31-Mar-2020
			Addition During The Period 01-Apr-2019 To 31-Mar-2020	Adjustment During the Period 01-Apr-2019 To 31-Mar-2020	Capitalisation During The Period 01-Apr-2019 To 31-Mar-2020	
A. Construction Work In Progress						
Building & Other Civil Works		6,913	8,853	(407)	(3,587)	11,772
Roads, Bridges & Culverts		2,139	1,492	-	(1,127)	2,504
Water Supply,Sewerage & Drainage		240	264	-	-	504
Generation Plant And Machinery		1,43,787	35,716	(14)	(12,234)	1,67,255
Hydraulic Works,Dam,Spillway, Water Channels, Weirs,Service Gate & Other Hydraulic Works		2,45,270	61,459	1,280	(21,370)	2,86,639
Afforestation Catchment Area		8,999	762	(112)	(849)	8,800
Electrical Installation & Sub-Station Equipments		21	746	(4)	(677)	86
Development of Coal Mine		3,761	0	0	0	3,761
Development of Solar Power		2,583	0	0	(2,583)	0
Others		182	233	-	(28)	387
Expenditure Pending Allocation						
Survey & Development Expenses		9,816	25	-	(32)	9,809
Expenditure During Construction	30.1	2,856	26,239			29,095
Less: Expenditure During Construction allocated/ charged to P&L	30.1		24,896			24,896
Rehabilitation						
Rehabilitation Expenses		31,350	4,473	-	(29,076)	6,747
Less: Provision for CWIP		3,483	0	0	0	3,483
Total		**4,54,434**	**1,15,366**	**743**	**(71,563)**	**4,98,980**
Figures For Previous Period		**3,95,640**	**72,975**	**(1,845)**	**(12,336)**	**4,54,434**
Intangible asset Under Development		0	0	0	0	0
Figures For Previous Period		**33**	**65**	**(29)**	**(69)**	**0**

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

NOTE :- 4

NON CURRENT- FINANCIAL ASSETS- LOANS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Loans To Employees					
Considered Good- Secured		1,650		1,924	
Considered Good- Unsecured		945		762	
Interest Accrued On Loans To Employees					
Considered Good- Secured		2,549		2,665	
Considered Good- Un secured		189		180	
Total Loans to Employees		**5,333**		**5,531**	
Less: Fair valuation Adjustment of secured loans		1,186		1,238	
Less: Fair valuation Adjustment of unsecured loans		266	3,881	214	4,079
Loans To Directors					
Considered Good- Secured		0		0	
Considered Good- Unsecured		8		0	
Interest Accrued On Loans To Directors					
Considered Good- Secured		0		0	
Considered Good- Unsecured		1		0	
Total Loans to Directors		**9**		**0**	
Less: Fair valuation Adjustment of secured loans		0		0	
Less: Fair valuation Adjustment of unsecured loans		1	8	0	0
SUB-TOTAL			**3,889**		**4,079**
LESS:- Provision For Bad & Doubtful Advances			0		0
TOTAL - ADVANCES			**3,889**		**4,079**
Note :- Due From Directors					
Principal		8		0	
Interest		1		0	
TOTAL		**9**		**0**	
Less: Fair Valuation Adjustment		1	8	0	0
Note :- Due From Officers					
Principal		1		1	
Interest		1		1	
TOTAL		**2**		**2**	
Less: Fair Valuation Adjustment		0	2	0	2

NOTE :- 5
NON CURRENT- FINANCIAL ASSETS-ADVANCES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Advances					
Other Advances (Un Secured)					
(Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		1		0	
To Others		0	1	0	0
Deposits					
Other Deposit		0	0	0	0
TOTAL			**1**		**0**

NOTE :- 6
DEFERRED TAX ASSET

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Deferred Tax Liability		(2,975)		(2,975)	
Deferred Tax Asset		96,946	93,971	92,079	89,104
Total			**93,971**		**89,104**

NOTE :- 7
NON CURRENT TAX ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Tax Deposited			2,455		6,785
TOTAL			**2,455**		**6,785**

NOTE :- 8
OTHER NON CURRENT ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Prepaid Expenses		0		40	
Interest Accrued but not due		0	0	0	40
Deferred Employee Cost due to Fair Valuation			1,453		1,452
Sub Total			**1,453**		**1,492**
Capital Advances					
Unsecured					
i) Against Bank Guarantee (Bank Guarantee of ₹ 101893 Lakh)		93,355		59,337	
ii) Rehabilitation & Resettlement and payment to various Government agencies		28,746		26,552	
iii) Others		39,388		40,435	
iv) Accrued Interest On Advances		7,749	1,69,238	5,528	1,31,852
Less: Provision for Doubtful Advances			12,402		12,402
SUB TOTAL - CAPITAL ADVANCES			**1,56,836**		**1,19,450**
TOTAL			**1,58,289**		**1,20,942**

NOTE :- 9
INVENTORIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Inventories					
(At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Material		100		104	
Mechanical and Electrical Stores & Spares		2,835		2,694	
Others (including Stores & Spares)		301		287	
Material Under Inspection (Valued At Cost)		9	3,245	25	3,110
Less: Provision For other stores			3		50
TOTAL			**3,242**		**3,060**

NOTE :- 10
TRADE RECEIVABLES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
(i) Debts Outstanding Over Six Months (Net)					
Unsecured, Considered Good		1,25,714		41,692	
Credit Impaired		10,076	1,35,790	14,576	56,268
Less:- Provision For Bad And Doubtful Debts			10,076		14,576
(ii) Other Debts (Net)					
Unsecured, Considered Good		61,180		1,16,681	
Credit Impaired		0	61,180	0	1,16,681
TOTAL			**1,86,894**		**1,58,373**

NOTE :- 11
CASH AND CASH EQUIVALENTS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Cash & Cash Equivalents					
Balances With Banks (Including Auto sweep, Deposit with Banks)			2,518		4,576
Cheques,Drafts on hand			2		1
TOTAL			**2,520**		**4,577**

NOTE :- 12
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Other Bank Balances					
Others (Balance with Bank not available for use by the company)			58		676
TOTAL			**58**		**676**

12.1 Balance with Bank not available for use by the company includes lien balances against LC/ Court Order

NOTE :- 13

CURRENT- FINANCIAL ASSETS- LOANS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Loans To Employees					
Considered Good- Secured		616		702	
Considered Good- Unsecured		271		262	
Interest Accrued On Loans To Employees					
Considered Good- Secured		174		196	
Considered Good- Un secured		9		5	
Total loan to Employees		**1,070**		**1,165**	
Less: Fair valuation Adjustment of Secured Loans		187		147	
Less: Fair valuation Adjustment of Unsecured Loans		41	842	31	987
Loans To Directors					
Considered Good- Secured		0		0	
Considered Good- Unsecured		2		0	
Interest Accrued On Loans To Directors					
Considered Good- Secured		0		0	
Considered Good- Unsecured		0		0	
Total loan to Directors		**2**		**0**	
Less: Fair valuation Adjustment of Secured Loans		0		0	
Less: Fair valuation Adjustment of Unsecured Loans		0	2	0	0
SUB-TOTAL			**844**		**987**
LESS:- Provision For Bad & Doubtful Advances			8		8
TOTAL ADVANCES			**836**		**979**
Note :- Due From Directors					
Principal		2		0	
Interest		0		0	
TOTAL		**2**		**0**	
Less: fair Valuation Adjustment		0	2	0	0
Note :- Due From Officers					
Principal		0		0	
Interest		0		0	
TOTAL		**0**		**0**	
Less: fair Valuation Adjustment		0	0	0	0

NOTE :- 14
CURRENT- FINANCIAL ASSETS- ADVANCES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Other Advances (Un Secured)					
(Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		478		251	
To Others		35	513	35	286
Deposits					
Security Deposit		1,272		915	
Deposit with Govt/Court		48,312		3,088	
Other Deposit		2	49,586	24	4,027
TOTAL			**50,099**		**4,313**

NOTE :- 15
CURRENT- FINANCIAL ASSETS- OTHERS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Others					
Unbilled Revenue			25,706		11,755
TOTAL			**25,706**		**11,755**

15.1 Unbilled revenue includes sales for the month of March, 2020 billed in April, 2020 of ₹ 11,158 Lakh (P.Y. ₹ 11755 Lakh) and balances of beneficiaries against pending tariff petition of ₹ 14,548 Lakh (Recoverable ₹ 16,196 Lakh and Payable ₹ 1,648 Lakh) [P.Y. NIL (Rcoverable NIL and Payable Nil)].

NOTE :- 16
CURRENT TAX ASSETS (NET)

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Tax Deposited			6,037		2,264
TOTAL			**6,037**		**2,264**

NOTE :- 17
OTHER CURRENT ASSETS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020	As at 31-Mar-2019
Prepaid Expenses		4,007	2,971
Interest Accrued		6	16
BER Assets held for disposal		44	16
Deferred Employee Cost due to Fair Valuation		228	178
SUB-TOTAL		**4,285**	**3,181**
Other Advances (Un Secured)			
To Employees		18	35
For Purchases		1,240	1,255
To Others		1,871	1,532
		3,129	**2,822**
Less: Provision for Misc. Recoveries		1,441	1,441
SUB TOTAL -OTHER ADVANCES		**1,688**	**1,381**
TOTAL		**5,973**	**4,562**

NOTE :- 18
REGULATORY DEFERRAL ACCOUNT DEBIT BALANCE

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020	As at 31-Mar-2019
Opening Balance		8,781	0
Net movement during the year		9,841	8,781
Closing Balance		**18,622**	**8,781**
Less: Tax on net movement of Regulatory deferal account balances		869	1,616
TOTAL		**17,753**	**7,165**

18.1 Regulatory deferral account debit balance is due to impact of pay arrears due to pay revision w.e.f. 01.01.2017 of ₹ 12,508 Lakh, Exchange Rate Variation of ₹ 5,870 Lakh and tax & others of ₹ 244 Lakh

NOTE :- 19
SHARE CAPITAL

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
		Number of Shares	Amount	Number of Shares	Amount
Authorised					
Equity Shares of ₹ 1000 /= each		4,00,00,000	40,00,00.00	4,00,00,000	40,00,00.00
Issued Subscribed & Paid-up		3,66,58,817	3,66,588	3,65,48,817	3,65,488
Equity Shares of ₹ 1000 /= each Fully Paid up					
TOTAL		**3,66,58,817**	**3,66,588**	**3,65,48,817**	**3,65,488**

NOTE :- 19.1
DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
		Number of Shares	%	Number of Shares	%
Share holding more than 5 %					
I. NTPC Ltd. (Including Nominee Shares)		2,73,09,412	74.496	0	0
II. GOI (Including Nominee Shares)		0	0	2,71,99,412	74.419
III. GOUP (Including Nominee Shares)		93,49,405	25.504	93,49,405	25.581
TOTAL		**3,66,58,817**	**100**	**3,65,48,817**	**100**

NOTE :- 19.2
RECONCILIATION OF NO. OF SHARES & SHARE CAPITAL OUTSTANDING

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
		Number of Shares	Amount	Number of Shares	Amount
Opening		3,65,48,817	3,65,488	3,62,74,317	3,62,743
Issued		1,10,000	1,100	2,74,500	2,745
Closing		**3,66,58,817**	**3,66,588**	**3,65,48,817**	**3,65,488**

19.3 The Company has only one class of shares having a par value of ₹ 1,000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

NOTE :- 20
OTHER EQUITY

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Share Application Money Pending Allottment			0		400
Retained Earnings			5,84,553		5,07,118
Debenture Redemption Reserve			3,900		4,500
Other Comprehensive Income			(1,794)		(112)
TOTAL			**5,86,659**		**5,11,906**

20.1 In accordance with the applicable provisions of the Companies Act, 2013 read with rules and in line with MCA Notification No. G.S.R. 574 (E) dated 16.08.2019, the Company has created Debenture Redemption Resreve out of profits of the Company @ 10% of the value of bonds on a prudent basis, every year in equal installments till the year prior to the year of redemption of bonds for the purpose of redemption of bonds.

NOTE :- 21
NON CURRENT- FINANCIAL LIABILITIES- BORROWINGS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
A.BONDS					
***BOND ISSUE SERIES-I- SECURED**					
(7.59% p.a. 10 Years Secured Redeemable Non-Convertible Bonds of ₹ 10,00,000/- each). (Date of redemption 03.10.2026)			60,000		60,000
**BOND ISSUE SERIES-II- SECURED					
(8.75% p.a. 10 Years Secured Redeemable Non-Convertible Bonds of ₹ 10,00,000/- each). (Date of redemption 05.09.2029)			1,50,000		0
TOTAL (A)			**2,10,000**		**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%)			22,569		31,597
#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.)			8,775		20,475
#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.)			8,759		15,767
*****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.)			9,518		19,036
@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 8.05%)			42,000		56,000
TOTAL (B)			**91,621**		**1,42,875**

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
C.UNSECURED					
Foreign currency Loans					
(Guaranteed by Govt. of India)					
$World Bank Loan -8078-IN (For VPHEP)					
(repayable within 23 years on half yearly instalment from 15th Nov. 2017 to 15th May 2040 , carrying interest rate @LIBOR +variable spread.p.a. i.e. presently 2.61%)			93,049		62,326
TOTAL (C)			**93,049**		**62,326**
D. LEASE OBLIGATIONS					
Unsecured			1,026		0
TOTAL (A+B+C+D)			**3,95,696**		**2,65,201**

* *The Bonds series I are secured by first charge on paripassu basis on movable assets of Tehri HPP Stage-I*

** *The Bonds Series II are secured by first charge on paripassu basis on movable assets of Tehri HPP Stage-I including book debts.*

*** *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.

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

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

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

21.2 Details regarding moratorium facilities availed in respect of borrowings has been disclosed vide note no. 41.8.

NOTE :- 22
NON CURRENT FINANCIAL LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Liabilities					
Deposits, Retention Money From Contractor etc.		2,757		2,042	
Less: Fair Value Adjustment- Security Deposit/ Retention Money		219	2,538	248	1,794
TOTAL			**2,538**		**1,794**

NOTE :- 23
OTHER NON CURRENT LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Deferred Revenue On Account of Advance Against Depreciation			20,511		21,271
Contribution Towards Irrigation Component					
Contribution Received From Government of Uttar Pradesh Towards Irrigation Sector		1,44,118		1,44,118	
LESS:-					
Adjustment Towards Depreciation		80,771	63,347	74,397	69,721
Other Liabilities			0		0
Defered Fair Valuation Gain- Security Deposit/ Retention Money			219		248
TOTAL			**84,077**		**91,240**

NOTE :- 24
NON CURRENT PROVISIONS

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

			For the Period Ended 31-Mar-2020			
Particulars	**Note No.**	**As at 01-Apr-2019**	**Addition**	**Adjustment**	**Utilisation**	**As at 31-Mar-2020**
I. Employee Related		38,671	2,556	(3,838)	(3,702)	33,687
II. Others		812	0	(134)	(12)	666
TOTAL		**39,483**	**2,556**	**(3,972)**	**(3,714)**	**34,353**
Figure for Previous Period		**35,087**	**4,651**	**3,492**	**(3,747)**	**39,483**

24.1 Disclosure required by Ind AS-19 on employee benefit has been made in Note No 41.17

24.2 Provision for others mainly includes provision for rehabilitation expenses

NOTE :- 25
CURRENT- FINANCIAL LIABILITIES- BORROWINGS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Short term Loan From Banks and Financial Institutions					
A. Secured loans:					
#Bank of India (Carrying Floating Interest Rate @ 1 month MCLR- 8.30%+0.10% margin presently 8.40%)			0		59,958
& State Bank of India (Carrying Floating Interest Rate with one month MCLR+0.15% presently 7.6%)			16,000		0
@Punjab National Bank (Carrying Floating Interest Rate @ 6 month MCLR presently 7.85%)			23,500		0
***Over Draft (OD) From Banks**					
Punjab National Bank (Carrying Floating Interest Rate @ one year MCLR i.e. presently 8.05%)			72,006		61,882
TOTAL			**1,11,506**		**1,21,840**

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

& Short Term Loan from State Bank of India is secured by way of Trade receivables of Koteshwar HEP

@ Short Term Loan from PNB is Secured by way of 2nd charge on Block of Assets of Teheri Stage-I and Koteshwar HEP

** O.D. 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.*

25.1 Details regarding moratorium facilities availed in respect of borrowings has been disclosed vide note no. 41.8.

NOTE :- 26
CURRENT- FINANCIAL LIABILITIES- OTHERS

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Current maturity of Long Term Debt					
A.SECURED *			54,753		51,253
(Indian Currency Loan)					
TOTAL (A)			**54,753**		**51,253**
B.UNSECURED *			4,762		3,184
TOTAL (B)			**4,762**		**3,184**
Current Maturities of Lease Obligations- Unsecured			562		0
TOTAL			**60,077**		**54,437**
Liabilities					
For Expenditure					
For Micro And Small Enterprises.		5		22	
For Others		10,099	10,104	15,615	15,637
Deposits, Retention Money From Contractors etc.		6,822		6,404	
Less: Fair Value Adjustment- Security Deposit/ Retention Money		0	6,822	0	6,404
Defered Fair Valuation Gain- Security Deposit/ Retention Money			0		0
Interest Accrued But Not Due					
Bondholders and Financial Institutions		12,151		4,665	
Other Liabilities		0	12,151	0	4,665
TOTAL			**29,077**		**26,706**
TOTAL LIABILITIES			**89,154**		**81,143**
** 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-21.*					

NOTE :- 27
OTHER CURRENT LIABILITIES

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Liabilities					
Deferred revenue on Account of Advance Against Depreciation			760		0
Other Liabilities			6,786		3,857
TOTAL			**7,546**		**3,857**

NOTE :- 28
CURRENT PROVISIONS

Amount In lakh ₹
(Figures in Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2019	For the Period Ended 31-Mar-2020 Addition	Adjustment	Utilisation	As at 31-Mar-2020
I. Works		563	1,755	0	(487)	1,831
II. Employee Related		10,384	9,118	(897)	(9,419)	9,186
III. Others		1,346	515	(38)	(161)	1,662
TOTAL		**12,293**	**11,388**	**(935)**	**(10,067)**	**12,679**
Figure for Previous Period		**21,015**	**14,146**	**(4,822)**	**(18,046)**	**12,293**

28.1 Disclosure required by Ind AS-19 on employee benefit has been made in Note No 41.17

28.2 Provision for others mainly includes provision for rehabilitation expenses and works.

NOTE :- 29
CURRENT TAX LIABILITIES (NET)

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
INCOME TAX					
Opening Balance			4,494		0
Addition during the period			17,255		32,557
Adjustment during the period			0		0
Utilised during the period			(21,749)		(28,063)
Closing Balance			**0**		**4,494**

NOTE :- 30
REGULATORY DEFERRAL ACCOUNT CREDIT BALANCE

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
Opening Balance			56,997		51,071
Net movement during the year			4,866		5,926
Closing Balance			**61,863**		**56,997**

30.1 Regulatory deferral account credit balance is due to deferred tax adjustment recoverable from beneficiaries.

NOTE :- 30.1
EXPENDITURE DURING CONSTRUCTION

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
EXPENDITURE					
EMPLOYEE BENEFITS EXPENSES	31				
Salaries, Wages, Allowances & Benefits		14,720		15,319	
Contribution to Provident & Other Funds		995		954	
Pension Fund		1,341		707	
Gratuity		599		494	
Welfare		410		258	
Amortisation Expenses of Deferred Employee Cost		2	18,067	10	17,742
OTHER EXPENSES	33				
Rent					
Rent for office		15		63	
Rent for Employee Residence		101	116	202	265
Rate and taxes			130		22
Power & Fuel			927		510
Insurance			28		35
Communication			97		127
Repair & Maintenance					
Plant & Machinery		2		2	
Consumption of Stores & Spare Parts		0		0	
Buildings		397		323	
Others		181	580	228	553
Travelling & Conveyance			160		226
Vehicle Hire & Running			464		543
Security			198		305
Publicity & Public relation			19		93
Other General Expenses			3,506		1,306
Loss on sale of assets			2		3
Survey And Investigation Expenses			282		13
Interest others			156		87
DEPRECIATION	2		1,889		1,260
TOTAL EXPENDITURE (A)			**26,621**		**23,090**
RECEIPTS					
OTHER INCOME	**32**				
Interest					
From Bank Deposit		11		5	
From Employees		61		84	
Employee Loans & Advances- Adjustment on Account of Effective Interest		2		10	
From Others		0	74	4	103
Machine Hire Charges			1		1
Rent Receipts			75		67

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Sundry Receipts			335		146
Excess Provision Written Back			1		41
Fair Value Gain- Security Deposit/ Retention Money			128		88
TOTAL RECEIPTS (B)			**614**		**446**
NET EXPENDITURE BEFORE TAXATION			**26,007**		**22,644**
PROVISION FOR TAXATION	**37**				
NET EXPENDITURE INCLUDING TAXATION			**26,007**		**22,644**
Acturial Gain/ (Loss) through OCI	39		(232)		(45)
Balance Brought Forward From Last Year			2,856		4,023
TOTAL EDC			**29,095**		**26,712**
Less:-					
EDC Allocated To CWIP / Asset		24,184		23,368	
EDC Of Projects Under Approval Charged To Profit & Loss Account		712	24,896	488	23,856
Balance Carried Forward To CWIP			**4,199**		**2,856**

NOTE :- 31
REVENUE FROM CONTINUING OPERATIONS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Income from Beneficiaries against Sale of Power		2,07,479		1,97,656	
Income from Beneficiaries against Sale of Power due to Tariff Adjustment		2,851		44,877	
Less :					
Rebate to Customers		379	2,09,951	694	2,41,839
Deviation Settlement/ Congestion Charges			2,344		3,002
Consultancy Income			15		85
TOTAL			**2,12,310**		**2,44,926**

31.1 The Company has filed tariff petitions before the Hon'ble CERC for Tehri HEP & Koteshwar HEP for determination of Tariff for the period 2019-24. Pending tariff determination for 2019-24, sales revenue for current financial year has been recognized based on Audited & Certified AFCs of FY 2019-20 worked out as per the principles enunciated in CERC Tariff Regulations, 2019 applicable for the period 2019-24.

The Company has also filed tariff truing up petitions before the Hon'ble CERC for Tehri HEP & Koteshwar HEP for determination of trued up tariff for the period 2014-19. Pending the above tariff determination for 2014-19, sales revenue has also been recognized on the basis of Audited & Certified AFCs for the period 2014-19 worked out in truing up petition as per the principles enunciated in CERC Tariff Regulations, 2014 applicable for the period 2014-19.

Besides, Hon'ble CERC has disposed off the review tariff petitions of Koteshwar HEP for the period 2011-14 & 2014-19 and granted modified tariff vide its Orders dated 16.04.2019 and 04.06.2019 respectively. Impact of said Tariff Orders and truing up petitions relating to previous years amounting to ₹ 2,851 Lakh has been shown as tariff adjustment.

Tariff adjustment includes interest due to tariff adjustment of ₹ 112 Lakh (P.Y. ₹ 26,908 Lakh)

31.2 In compliance of the opinion on late payment surcharge issued by Expert Advisory Committee (EAC) of Institute of Chartered Accountant of India, late payment surcharge of ₹ 22,568 Lakh. Previous year ₹ 31,176 Lakh has now been booked under other income instead of revenue of operation.

NOTE :- 32
OTHER INCOME

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Interest					
On Bank Deposits (Includes TDS ₹ 255932.00 Previous year ₹ 117652.00)		289		59	
From Employees		223		316	
Employee Loans & Advances- Adjustment on Account of Effective Interest		177		246	
Others		9	698	5	626
Machine Hire Charges			1		2
Rent Receipts			145		144
Sundry Receipts			559		339
Excess Provision Written Back			4,538		7,277
Profit on Sale of Assets			30		26
Late Payment Surcharge			22,568		31,176
Fair Value Gain- Security Deposit/ Retention Money			301		265
TOTAL			**28,840**		**39,855**
Less :					
Transferred To EDC	30.1		614		446
TOTAL			**28,226**		**39,409**

NOTE :- 33
EMPLOYEE BENEFITS EXPENSES

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Salaries, Wages, Allowances & Benefits			43,087		49,754
Contribution to Provident & Other Funds			3,020		3,284
Pension Fund			4,156		2,468
Gratuity			1,968		1,930
Welfare Expense			1,690		1,243
Amortisation Expenses of Deferred Employee Cost			176		246
TOTAL			**54,097**		**58,925**
Less :					
Transferred To EDC	30.1		18,067		17,742
TOTAL			**36,030**		**41,183**

NOTE :- 34
FINANCE COSTS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Finance Costs					
Interest On Bonds			12,013		4,554
Interest On Domestic Loans			19,078		24,681
Interest On Foreign Loans			2,467		2,215
Interest On Cash Credit			4,560		719
FERV			7,117		3,931
Payment as per Income Tax Act			195		282
Interest Others			453		265
TOTAL			**45,883**		**36,647**
LESS:-					
Transferred And Capitalised With CWIP Account			21,693		16,606
Interest others transferred to EDC			156		87
TOTAL			**24,034**		**19,954**

NOTE :- 35
GENERATION ADMINISTRATION AND OTHER EXPENSES

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Rent					
Rent for office		25		176	
Rent for Employees Residence		254	279	417	593
Rate and taxes			311		99
Power & Fuel			1,999		1,775
Insurance			2,122		2,169
Communication			312		318
Repair & Maintenance					
Plant & Machinery		3,348		2,228	
Consumption of Stores & Spare Parts		701		559	
Buildings		1,630		1,071	
Others		2,070	7,749	1,656	5,514
Travelling & Conveyance			636		770
Vehicle Hire & Running			1,185		1,448
Security			5,326		4,929
Publicity & Public relation			132		212
Other General Expenses			6,754		4,628
Loss on sale of assets			8		23
Survey And Investigation Expenses			995		501

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Research & Development			480		259
Expenses on Consultancy Project/ Contract			6		6
Expenditure On CSR & S.D. Activities			2,148		1,735
TOTAL			**30,442**		**24,979**
LESS:-					
Transferred To EDC	30.1		6,509		4,001
TOTAL			**23,933**		**20,978**

NOTE :- 36
PROVISIONS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
Provisions For Doubtful Debts, CWIP and Loans & Advances			0		4,924
Provisions For Stores & Spares			0		61
TOTAL			**0**		**4,985**
LESS:-					
Transferred To EDC	30.1		0		0
TOTAL			**0**		**4,985**

36.1 Provision of stores is mainly due to obsolescence

NOTE :- 37
PROVISION FOR TAXATION

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020		For the Period Ended 31-Mar-2019	
INCOME TAX					
Current Year			16,312		30,659
Sub Total			**16,312**		**30,659**
TOTAL			**16,312**		**30,659**

NOTE :- 38
NET MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCE

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020	For the Period Ended 31-Mar-2019
Net Movement in Regulatory Deferral Account Balances		4,975	2,855
Tax on Net Movement in Regulatory Deferral Account Balances		(869)	(1,616)
TOTAL		**4,106**	**1,239**

NOTE :- 39
RE- MEASUREMENTS OF THE DEFINED BENEFIT PLANS

Amount In lakh ₹

Particulars	Note No.	For the Period Ended 31-Mar-2020	For the Period Ended 31-Mar-2019
Acturial Gain/ (Loss) through OCI		(1,479)	(344)
Sub Total		(1,479)	(344)
LESS:-			
Transferred To EDC	30.1	(232)	(45)
TOTAL		(1,247)	(299)

40.1 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 financial 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. Covid-19 has generted an additional liquidity risk in the market segment

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 2019-24 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.

40.2 Impairment of financial assets:

In accordance with Ind AS-109, the Company has applied Expected Credit Loss (ECL) model in the FY 2018-19 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 116, 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.

40.3 COVID – 19 Risk

To contain the spread Covid-19 Nationwide lockdown was declared w.e.f., 22nd March. Due to this the Company's Operation & Construction activities have been adversely affected during lockdown period on account of shortage of workforce, restriction on inter-state transportation of material, equipment etc. Productivity was also affected due to reduced office hours as well as rostering of staff as per guideline.

The work of all under construction project of THDCIL i.e., Tehri PSP (1000MW), VPHEP (440MW), Khurja STPP (1320MW) & Solar Power Project, Kasargod (50MW) were halted during complete lockdown period. Subsequently, as per the guidelines and SOP issued by MHA , the work was partially started w.e.f., 20th April 2020 after taking all recommended safety measures with limited workforce & resources with supply constraints due to transportation bottleneck. This has badly impacted the progress of work which may delay the projects by approximately 6 months.

Regarding operational projects, generation during lockdown was less than the planned generation due to low demand. But the planned generation for 2020-21 has been revised and initial generation loss shall be made up in subsequent months. Hence there will not be generation loss on an annualized basis.

Hon'ble CERC relaxed the provisions of

Regulation 59 of 2019 Tariff Regulations. As per the above relaxation, for delayed payment by the distribution companies to the generating companies beyond 45 days from the date of the presentation of the bills falling between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 1% per month in place of 1.5%. This shall affect the revenue of the company on delayed payments.

MoP, GoI vide their letter 15.05.2020 and Corrigendum dated 16.05.2020 has advised that all Center Public Sector generating companies may consider to offer rebate to the extent of 20 to 25% to the Distribution Companies (Discoms) on power billed (Fixed Cost) for the lockdown period to be passed on to consumers by Discoms. Accordingly, THDCIL has examined the matter and proposes to offer rebate to Discoms amounting to approx. ₹ . 3,566 Lakh.

Due to COVID-19 and consequent lockdown in the country, revenue collection from electricity consumers has been adversely affected resulting into acute financial stress on Discoms. This has impaired the capability of Discoms to make payments to Generators for power purchased. Due to this, cash flow of THDCIL also been affected.

GoI under Atmanirbhar Bharat package has decided liquidity infusion of ₹ 90,000 Crore to Discoms against receivables and loans to be given against State guarantees for exclusive purpose of discharging liabilities of Discoms to power generating companies. This will facilitate in clearing significant part of the outstanding dues of the generating companies in coming months. This move of the Govt. will help in realizing the long pending outstanding dues from Discoms and improve liquidity of THDCIL.

41. 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 ₹ 6,80,551 Lakh (PY ₹ 1,99,727 Lakh).

2. Contingent Liabilities –

(₹ in lakh)

Sl. No.	Particulars	As at	
		31.03.2020	**31.03.2019**
A.	Capital Works	50,472	19,392
B	Land Compensation cases	6,458	6,362
C	State/Central Govt. deptt/Authorities	71,348	59,869
D	Others	2,82,011	2,64,892
E	Possible reimbursement in respect of A to D of above.	NIL	NIL
F	Disputed Tax Matters	824	757
G	**Total**	**4,11,113**	**3,51,272**
H	Amount deposited by the Company in different Arbitration / Court cases / Income Tax/ Trade Tax against the above	45,550	550

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 ₹ 141 Lakh and ₹ 332 Lakh. (PY ₹ 145 Lakh and ₹ 568 Lakh towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 9,579 Lakh (PY ₹ 8,445) as disclosed in Note 22 & Note 26 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 and transferred to EDC during the year ₹ 21,693 Lakh & ₹ 156 Lakh respectively as per note 34 (PY ₹ 16,606 Lakh & ₹ 88 Lakh) after adjustment of an amount of ₹ 46 Lakh (PY ₹ 58 lakh) towards interest earned on short term deposit of surplus borrowed funds during the year. Further as per provisions of Ind AS 21, Deferral Account Balances- Debit balance have been recognised ₹ 4,591 Lakh (PY ₹ 1,926 Lakh) on account of Exchnage Rate Variation.

5. (i) 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 3,135.26 Hac. (PY 3,033.79 Hac.) acquired by the company for various projects, title has been changed in the present name of the company for 2,143.84 Hac. Change of title for the balance land of 991.42 Hac is under process.

   (ii) 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 2,582.9 ha of forest land (2,311.4 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 Uttarakhand 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.

   (iii) 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.

6. 21 Flats (PY 24 Flats,) net valued ₹ 5 Lakh (PY ₹ 6 Lakh) on the land acquired by the company are in unauthorized occupation of various persons. Freehold land includes 0.458 Hectares costing ₹ 0.14 Lakh 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 crisis of civil work contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crisis of contractor THDC's Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of VPHEP project.

A loan of US$ 140.95 million has been drawn as on 31st March 2020 from the World Bank as against original loan sanction amount to US$ 648 million. Due to change in dollar conversion rate, an amount of US$ 100 million has been cancelled by World Bank on the request of the company. Therefore amount availabe for disbursement is US$ 548 million. The disbursement schedule has been extended by World Bank upto June 2021.However the debt servicing has been made as per original loan agreement.

(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 crisis of civil work contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crises of contractor. THDC's Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of PSP project.

(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 ₹ 11,08,942 Lakh and ₹ 1,58,716 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.

(iv) Three units of 24 MW (8MWX3) of Dhukwan Small Hyrod Electric Project have beencompleted Trial Run on 05.01.2020, 09.01.2020 and 12.01.2020 respectively. Accordingly project has been capitalised. The infirm energy 26,48,760 Units generated till date of commercial operation of Project i.e., upto 13.01.2020 and has not been billed pending finalisation of infirm energy rate by SERC/UPPCL.

8. (i) RBI vide Circular No. RBI 2019/186, DOR No. BP.BC/21.04.048/2019/20 Dt.27th March 2020 has permitted all commercial banks to grant moratorium for a period of 3 months on payment of all instalments and interest thereon between 1st March 2020 to 31st May 2020.THDC has availed the above moratorium facility against Medium Term Loan and Short Term Loan from PNB and working capital limit from SBI. Accordingly, the amount due against the instalments amounting to ₹ 3,500 Lakh and Interest of ₹ 506 Lakh have been shown under Current Financial Liabilities-Others vide Note No.26.

(ii) The Share Purchase Agreemnt (SPA) has been executed between Government of India and NTPC Ltd. on 25.03.2020.Govt. of India has accorded CCEA approval for the strategic sale of GOI Equity including nominee's shares to M/s NTPC Limited. Accordingly GOI Equity of ₹ 2,73,094 Lakh representing 74.496 % of total equity has been transferred to M/s NTPC Ltd. on dated 27.03.2020. Considering this THDCIL has become the subsidiary company of M/s NTPC Limited. Further THDC has received an amount of ₹ 1,400 Lakh on 26.03.2020 as equity infusion for GoI. However, considering the above facts, the matter has been referred to GoI vide letter no. THDC/Rksh/Fin./Budget/F-B-3/62 Dated 04.05.2020 for decision and the amount so received from GOI has been treated as deposit from Government of India and shown under Other Current Liabilities vide Note No.27.

9. Disclosures under Ind AS-24 “Related Party Disclosures”:-

(A) List of Related Parties:

(i) Parent:

Name of Companies/entity	Principle place of operation
NTPC Limited	India
Govt. of Uttar Pradesh	India

(ii) Joint Ventures : Nil

(iii) Functional Directors & Key Managerial Personnel:

Sl.	Name	Position held	Period
1	Shri D.V.Singh	Chairman & Managing Director	Continue
2	Shri. H.L.Arora	Director (Technical)	Upto 31.08.2019
3	Shri Vijay Goel	Director (Personnel)	Continue
4	Shri J.Behera	Director (Finance)	W.e.f.16.08.2019
5	Shri. R.K.Vishnoi	Director (Technical)	W.e.f.01.09.2019
6	Ms. Rashmi Sharma	Company Secretary	Continue

(iv) Post Employment Benefit Plans:

Name of Related Parties	**Principal place of operation**
THDC Employees Provident Fund Trust	India
THDCIL Employees Defined Contribution Superannuation Pension Trust	India
THDCIL Post Retirement Medical Facility Fund Trust	India

(v) Others

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

Summary of transactions with related parties (other than for contractual obligations) - ₹ 2,148 Lakh disbursed to SEWA-THDC for CSR activities.

(vi) Others entities with joint control or significant influence over the Company.

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) w.e.f. 27.03.2019 controlled by Central Government by holding majority of shares. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements.

Name and nature of relationship with Government

Sl.	Name of Related Parties	Nature of Relationship
1.	Government of India	Shareholder in Holding Company having control over company
2.	NTPC Limited	Holding Company (74.496%)
3.	Govt. of Uttar Pradesh	Shareholder (25.504%)

(i) Transactions with related parties are as follows:

(₹ in lakh)

Name of the Company	**Nature of Transactions by the Company**	**For the Year ended**	
		31.03.2020	**31.03.2019**
NTPC	Consultancy Service	1,371	285
BHEL	Purchase of Equipments & Spares	8,099	335
IOCL	Purchase of Fuel	232	280
BPCL	Purchase of Fuel	58	62
PGCIL	Power Line Diversion	32	1,996
CMPDIL	Consultancy	163	11
Utility Powertech Ltd. JV of NTPC & Reliance	Manpower Supply	52	37
BEML	Purchase of Spares	0.00	73
Others	Consultancy, Software etc.	90	26

(ii) Compensation to Functional Directors & Key Managerial Personnel: Remuneration and allowances, other benefits and expenses to key managerial personnel including Independent director's fees & expenses are ₹ 429 Lakh (PY ₹ 365 Lakh).

(₹ in lakh)

Sl.	**Description**	**Year ended 31.03.2020**	**Year ended 31.03.2019**
1	Short Term Employee Benefits	372	330
2	Post Retirement & Other long term Employee Benefits	57	35.00
3	Termination benefits		0
4	Share-based payment		0
	Total	**429**	**365**

(iii) Outstanding balances with related parties are as follows:

(₹ in lakh)

Sl.	**Particulars**	**For the Year ended**	
		31.03.2020	**31.03.2019**
1	Amount Recoverable for sale/purchase of goods and services		
	From NTPC	Nil	Nil
	Total	**0**	**0**

(iv) Terms and conditions of transactions with the related parties:

(a) Transactions with the related parties are made on normal commercial terms and condition and at market rates.

(b) The company has assigned consultancy jobs to parent company prior to strategic sale of GoI Equity to M/s NTPC Ltd. on 27.03.2020, for Khurja Super Thermal Power Project on cost plus basis after mutual discussion and after taking into account the prevailing market condition.

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

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

	2019-20	2018-19
Net Profit after Tax but excluding Regulatory Income used as numerator (₹ Lakh)	87,919	1,17,752
Net Profit after Tax including Regulatory Income used as numerator (₹ Lakh)	92,025	1,18,991
Weighted average no. of equity shares used as denominator	Basic : 3,66,31,822.46 Diluted : 3,66,42,751.43	Basic : 3,64,60,777.55 Diluted: 3,64,64,058.37
Earnings per Share excluding Regulatory Income ₹ Basic ₹ Diluted	240.01 239.94	322.96 322.93
Earnings per Share including Regulatory Income ₹ Basic ₹ Diluted	251.22 251.14	326.35 326.32
Face Value per share ₹	₹ 1,000	₹ 1,000

11. (a) Income tax expense

(i) Income tax recognized in the statement of profit and loss

(₹ in lakh)

Particulars	For the Year ended	
	31 March 2020	31 March 2019
Current tax expense		
Current year	17,181	32,275
Adjustment of earlier years	0.00	0.00
Pertaining to regulatory deferral account balances (A)	(869)	(1,616)
Total current tax expenses (B)	16,312	30,659

(b) Dividend distribution tax on proposed dividend not recognized at the end of the reporting period

In compliance with Department of Investment and Public Assets Management letter no. F.No.3/16/2019-DIPAM dated 13.03.2020, Directors have recommended the payment of dividend as on 31.03.2020 amounting to Rs. NIL (31 March 2019 : ₹ 12,600 Lakh). The dividend distribution tax on this dividend amounting to ₹ NIL Lakh (31 March 2019: ₹ 2,590 Lakh) has not been recognized since this proposed dividend is subject to the approval of shareholders in the ensuring Annual General Meeting.

(c) MAT credit available to the company in future but not recognized:

MAT credit available to the Company in future but not recognized as at 31 March 2020 is ₹ 71,291 Lakh (31 March 2019- ₹ 71,291 Lakh)

ii) 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 ₹ 4,867 Lakh (PY ₹ 6,572 Lakh and) has been booked to Statement of Profit & Loss.

(₹ in lakh)

Sl. No		31.03.2020	31.03.2019
	Deferred Tax Assets (A)		
i)	Difference of Book Depreciation and Tax Depreciation	76,302	68,374
ii)	Opening Ind As adjustment	487	487
iii)	Act.Gain/loss classified to OCI	-202	234
iv)	Advance against Depreciation to be considered as income in tax computation	6,837	6,837
v)	Provision for Doubtfl Debts & Stores	8,418	10,007
vi)	Provision for employee benefit schemes	5,104	6,140
	Total Deferred Tax Assets (A)	**96,946**	**92,079**
	Deferred Tax Liability (B)		
i)	Difference of Book Depreciation and Tax Depreciation	3,572	3,572.00
ii)	Advance against Depreciation to be considered as income in tax computation	-472	-472.00
iii)	Provision for Doubtfl Debts & Stores	-1	-1.00
iv)	Provision for employee benefit schemes	-124	-124.00
	Total Deferred Tax Liability(B)	**2,975**	**2,975**
	Net Deferred Tax (Liability)/Assets(A)-(B)	**93,971**	**89,104**

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.

(₹ in lakh)

Sl.No.	Heads of Expenses constituting CSR expenses	Amount
01	Sanitation,Health Care & Drinking Water	457
02	(i)Education & Skill Development	647
	(ii)Livelihood Programme	322
03	Social Welfare	32
04	Forest & Environment, animal welfare etc.	39
05	Art & Culture,Public libraries	206
06	Rural Development Projects	119
07	Promotion of Sports	8
08	Disaster Management	225
09	Others	107
	Total	**2,162**

Expenditure incurred by SEWA out of THDCIL's contribution of ₹ 2,148 Lakh and interest income earned/refund of revolving money during the year amounting to ₹ 14 Lakh.

b. The company has incurred an amount of ₹ 2,148 Lakh (PY ₹ 1,735 Lakh) towards CSR expenditure during the current financial year 2019-20 as against stipulated amount of ₹ 2,148 Lakh (PY ₹ 1,735 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 2019-20 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	0.00	0.00	0.00
(ii)	On purpose other than (i)	2,148		2,148

(ii) Disclosure related to Research & Development Expenditure

The Company has incurred an amount of ₹ 612 Lakh (Capital ₹ 132 Lakh & Revenue ₹ 480 Lakh) [PY ₹ 433 Lakh, (Capital ₹ 174 Lakh, Revenue ₹ 259 Lakh)] towards Research & Development expenditure during the current financial year 2019-20 as per the R&D plan approved by the Board for the FY 2019-20.

13. Information in respect of micro and small enterprises as at 31st March 2020 as required by Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) and the said outstanding is less than 45 days.

(₹ in lakh)

	2019-2020	2018-2019
a. Amount remaining unpaid to any supplier:		
i) Principal amount	71	43
ii) Interest due thereon	0	0
b. Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day	0	0
c. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified ubder the MSMED Act.	0	0
d. Amount of Interest accrued and remaining unpaid	0	0
e. Amount of further interest remaining due and payble even in the succeeding years, untill such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductable expenditure under Sectiob 23 of MSMED Act	0	0

14. Restatement for the year ended 31 March 2019 and as at 1 April 2018

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', THDC has retrospectively restated its Balance Sheet as at 31 March 2019 and 1 April 2018 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flows for the year ended 31 March 2019 for the reasons as stated in the notes below. Reconciliation of financial statement line items which are retrospectively restated are as under:

Reconciliation of restated items of Consolidated Balance Sheet as at 31 March 2019 and 1 April 2018

(₹ in lakh)

Particulars	Note	31st March 2019			1st April 2018		
		As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
Regulatory Deferral account-Credit Balance	30	6,313	50,684	56,997	6,313	44,757	51,070
Other Equity	20	5,62,590	-50,684	5,11,906	4,88,384	-44,111	4,44,272
CWIP	3	4,55,714	-1,280	4,54,434	3,94,994	646	3,95,640
Regulatory Deferral account-Debit Balance	18	7,501	1,280	8,781			

Reconciliation of restated items of Statement of Profit and Loss for the year ended 31 March 2019

(₹ in lakh)

Particulars	Note	As previously reported	Adjustments	As restated
Total Comprehensive Income		1,25,160	-6,572	1,18,588
Finance Cost*	34	17,568	1,926	19,495
Corporate Tax		32,275	-1,616	30,659
Net movement in regulatory deferral account balances (net of tax)	38	7,501	6,262	1,239

Reconciliation of Statement of Cash Flows for the year ended 31 March 2019

(₹ in lakh)

Particulars	Note	As previously reported	Adjustments	As restated
Cash Flow From Operating Activities		1,51,162	-9,427	1,41,735
Finance Cost*		17,568	1,926	19,495
Net movement in regulatory deferral account balances (net of tax)		7,501	-6,262	1,239
Tax on Net Movement in Reg. Deferral Account Balance		0	1,616	(1,616)
PPE and CWIP		73,416	-1,930	7,1486
Corporate Tax		32,275	-1,616	30,659

(*) Excluding regrouping of ₹ 459 Lakh

Reconciliation of Earnings per share:

(₹ in lakh)

Particulars	As previously reported	Adjustments	As restated
Net Profit after Tax but excluding Regulatory Income used as numerator (₹ Lakh)	1,18,062	-310	1,17,752
Net Profit after Tax but including Regulatory Income used as numerator (₹ Lakh)	1,25,563	-6,572	1,18,991
Weighted average no. of equity shares used as denominator			
Basic	3,64,60,777.55		3,64,60,777.55
Diluted	3,64,64,058.37		3,64,64,058.37
Earnings per Share excluding Regulatory Income			
₹ Basic	323.81		322.96
₹ Diluted	323.78		322.93
Earnings per Share including Regulatory Income			
₹ Basic	344.38		326.35
₹ Diluted	344.35		326.32
Face Value per share ₹	₹ 1,000		₹ 1,000

Notes :

Regulatory Deferral Account Balances :

Company has changed it's accounting policy relating to deferred tax accounting and classification to align with the treatment done by our parent company NTPC. Accordingly, Regulatory Deferral Account balance is credited with the amount of Deferred Tax assets created w.e.f., 2014-15 to the extent it forms a part of tax in future years and effects computation of ROE which is an element of tariff computation as per CERC Regulation.

FERV (foreign exchange rate variation) treatment – reclassification from CWIP to Regulatory assets

Company has changed it's accounting policy relating to treatment of FERV to align with the treatment done by parent company NTPC. Exchange differences arising from settlement/ translation of monetary item denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are now recognised on an undiscounted basis as 'Regulatory deferral account debit/credit balance' by credit/debit to 'Movements in Regulatory deferral account balances' during construction period, to be adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.

As a result of above

-Regulatory Deferral Account-Credit Balance has increased with corresponding decrease in other equity (Reserve & Surplus) as under:

As at 01st April 2018 – ₹ 44,757 Lakh

As at 31st March 2019- ₹ 50,683 Lakh

Further for the year ended March 2020, net movement in Regulatory deferral account balance on account of Deferred Tax has increased by

₹ 4,866 Lakh in statement of profit & loss account with corresponding decrease in Profit.

Regulatory Deferral Account Debit Balance has increased/(decreased) with corresponding decreased /(increased) in CWIP as under:

As at 01st April 2018 – (₹ 646 Lakh)

As at 31st March 2019- ₹1,280 Lakh

Further for the year ended March 2020, net movement in Regulatory deferral account balance on account of FERV has increased by ₹4,591 Lakh in corresponding increase in Finance Cost.

15. Disclosure as per Ind AS 116 'Leases'

(A) Transition to Ind AS 116

(a) Effective 1 April 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on 1 April 2019, using the modified retrospective method. Accordingly, the comparatives as at and for the year ended 31 March 2019 have not been restated. On the date of initial application, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and a corresponding right-of-use asset adjusted for the amount of prepaid or accrued payments on the lease.

(b) The Company has applied the following practical expedients on initial application of Ind AS 116:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and small value leases on the date of initial application.

(iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.

(iv) Elected to use the practical expedient not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under IndAS17.

(v) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

(c) On transition to Ind AS 116, the Company has recognised lease liabilities and equivalent amount of right-of-use assets amounting to ₹ 4,314 Lakh. Further, land, buildings, plant & equipment and vehicles amounting to ₹ 4,182 Lakh have been classified/reclassified and presented as Right-of-use assets on the Balance Sheet.

(d) On transition to Ind AS 116, the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 8.75%.

(e) The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019, as follows:

Particulars	Amount
Operating lease commitments as at 31 March 2019 (future minimum lease payments in respect of non-cancellable leases)	NIL
Less: Effect of discounting on above	NIL
Discounted recognised lease liabilities as at 1 April 2019	NIL
Discounted recognised lease liabilities as at 1 April 2019 (Pertaining to cancellable leases commitments as on 31 March 2019)**	NIL
Total lease liabilities recognised as at 1 April 2019	NIL

** The lease liability pertain to cancellable leases commitments as on 31 March 2019 which were not required to be disclosed under erstwhile Ind AS 17.

(B) Company as Lessee

(i) The Company's significant leasing arrangements are in respect of the following assets:

(a) Premises for residential use of employees. Offices and guest houses/ transit camps and on lease which are not non-cancellable and are usually renewable on mutually agreeable terms.

(b) The Company has taken certain vehicles (other than electrical) on lease for a period of three years, which can be further extended at mutually agreed terms. There are no escalations in the lease rentals as per terms of the agreement. However, the Company has purchase option for such vehicles at the end of the lease term.

(c) The Company acquires land on leasehold basis for a period generally ranging from 05 years to 99 years from the government authorities which can be renewed further based on mutually agreed terms and conditions. The leases are non cancellable. These leases are capitalized at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognized as 'Lease liabilities' at their present values. The Right-of-use land is amortized considering the significant accounting policies of the Company.

In respect of leases at (b) & (c) above, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17.

(ii) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in lakh)

Particulars	For the Year ended 31 March 2020
Opening Balance	0.00
- Additions in lease liabilities	4,314
- Interest cost during the year	152
- Payment of lease liabilities	2,878
Closing Balance	1,588
Current	562
Non Current	1,026

(iii) Maturity Analysis of the lease liabilities:

(₹ in lakh)

Contractual undiscounted cash flows	As at 31 March 2020
3 months or less	170
3-12 Months	506
1-2 Years	602
2-5 Years	213
More than 5 Years	789
Lease liabilities as at 31 March 2020	2,280

(iv) The following are the amounts recognized in profit or loss:

(₹ in lakh)

Particulars	As at 31 March 2020
Depreciation expense for right-of-use assets	882
Interest expense on lease liabilities	152
Expense relating to short-term leases	279

(v) The following are the amounts of cash flow against leases:

(₹ in lakh)

Particulars	For 31st March 2020
Cash Outflow against leases	2,878

16. Impact of changes in Significant Accounting Policy

Sl. No.	Policy Modifications	Impact / Remark
1.	In Accounting Policy No. 7.1 has been aligned with parent company and modified as under: The Company has continued with 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. Accordingly, exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of PPE.	Finance cost on account of FERV of construction project of ₹ 1,280 lakh has been transferred from CWIP to Regulatory Deferral Account Balance through Profit and Loss Account.
2.	In Accounting Policy No. 19.8 relating to amortization of computer software the word five years has been replaced with three years to align the policy with parent company NTPC.	Depreciation has been increased in by ₹ 43 lakh Corresponding decrease in WDV of intangible asset software.
3.	In Accounting Policy No. 21 relating to lease has been introduced to comply with Ind AS 116 relating to lease accounting	➢ Lease hold land is replaced with Right to use and additional asset under Right to use amounting to ₹ 35,176 lakh has been booked with corresponding liabilities. ➢ Amortized amount on these additional assets is ₹ 614 lakh against annual rental of ₹ 2,861 lakh which would have been booked to expense as per earlier provisions.
4.	Accounting Policy No. 22.2.3 IInd Para relating to Deferred Tax has been modified as under: The deferred tax for the current period to the extent it forms part of current tax in the future year and affects the computation of return on equity (ROE), a element of tariff computation as per CERC Regulation is debited / credited to regulatory deferral account balance.	Increase in Regulatory Deferral Account by ₹ 50,684 lakh & corresponding decrease in Other Equity (Reserve & surplus)
5.	New Accounting Policies / certain changes in existing Accenting Policy have been made in Policies No. 1.1, 1.2, 1.3, 3.3, 3.4, 3.7, 4.2, 4.7, 5.1, 10, 13.1, 15.8, 15.11, 17.2, 18.1, 18.2, 19.2, 19.7, 22.1, 22.2.4, 26, 27.1 & 28.1 have been made and Policy No. 4.2 of 2018-19 has been deleted to align the policies with parent company and improved disclosure.	No financial impact due to these changes.

17. 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 ₹ 373 Lakh (PY ₹ Nil) as the Present Value of Obligations exceeds the Fair Value of Plan Assets by ₹ 373 Lakh (PY ₹ Nil-as the Fair Value of Plan Assets exceeds the Present Value of obligations by ₹ 4,969 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 and fully functional.

(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 31.03.2020. Accordingly, disclosure under the provision of Ind AS 19 on “Employee Benefits” for the Financial Year ended 31.03.2020 is given below:

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

Particular	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Discount Rate	6.75%	7.75%	7.60%	7.50%	7.75%
Future Salary Increase	6.5%	8.00%	8.00%	8.00%	8.00%

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	17,893 {17,486}	4,304 {2,771}	9,883 {8,881}	7,002 {6,270}	1,243 {892}
Interest cost	1,387 {1,329}	333 {210}	766 {675}	543 {477}	96 {68}
Past service cost					
Current service cost	581 {606}	1,278 {1,236}	451 {427}	236 {217}	118 {448}
Benefit paid	(1,635) {(1,516)}	1,469 {(1,052)}	(278) {(277)}	(285) {(347)}	(151) {(135)}
Actuarial (Gain)/ loss	874 {(12)}	1160 {1,138}	83 {178}	276 {385}	44 {29}
PVO at the end of year	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	7,985 {7,002}	1,263 {1,243}

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	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	7,985 {7,002}	1,263 {1,243}
Fair Value of Plan Assets at the end of year	NA	NA	NA	7402	NA
Funded Laib./Prov	Nil	Nil	Nil	{3320}	Nil
Unfunded Laib./Prov	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	583 {3,682}	1,263 {1,243}
Unrecognised actuarial gain/loss					
Net liability recognized in Balance Sheet	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	583 {3,682}	1,263 {1,243}

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	581 {606}	1278 {1,236}	451 {427}	236 {217}	118 {448}
Past Service Cost					
Interest Cost	1387 {1,329}	333 {210}	766 {675}	543 {477}	96 {68}
Net Actuarial (gain)/ loss recognized for the year in OCI	874 {(12)}	1,160 {1,138}	83 {178}	276 {385}	44 {29}
Expense recognized Statement in Profit & Loss/EDC for the year.	1,968 {1,935}	2,771 {2,585}	1,300 {(1,279)}	307 {694}	214 {517}

Table – 5: Sensitivity analysis.

(₹ in lakh)

Impact due to	Gratuity		Earned Leave (EL)		Sick Leave (HPL)		PRMB		Others	
	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19
Discount rate										
Increase of 0.50%	(542)	(531)	(182)	(151)	(323)	(315)	(930)	(826)	(35)	(34)
Decrease of 0.50%	571	559	193	161	340	332	946	877	36	34
Salary rate										
Increase of 0.50%	146	132	193	160	339	315	NA	NA	18	17
Decrease of 0.50%	(156)	(144)	(183)	(151)	(333)	(332)	NA	NA	(17)	(17)
Medical cost /settlement cost rate										
Increase of 0.50%	NA	NA	NA	NA	NA	NA	949	906	NA	NA
Decrease of 0.50%	NA	NA	NA	NA	NA	NA	(933)	(847)	NA	NA

Other disclosures:

(₹ in lakh)

Gratuity	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present value of obligation at end of the year	19,101	17,893	17,486	17,003	14,637
Actuarial (Gain)/loss					
Actuarial (Gain)/loss recognized through Statement of OCI	874	(12)	(785)	(137)	(205)
Expense recognized in Statement of Profit & Loss/ EDC for the year	1,968	1,935	1,959	3,076	1,597

Earned Leave (EL)	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present value of obligation at end of the year	5,607	4,304	27,712	5,398	3,714
Actuarial (Gain)/loss	1,160	1,138	452	1,668	835
Expense recognized in Statement of Profit & Loss/EDC for the year	2,771	2,585	1,003	2,263	1,521

Sick Leave (HPL)	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present value of obligation at end of the year	10,906	9,883	8,881	12,388	10,330
Actuarial (Gain)/loss	83	178	(4,616)	861	(1)
Expense recognized in Statement of Profit & Loss/EDC for the year	1,300	1,279	(3,284)	2,234	1,242

Post Retirement Medical Benefit (PRMB)	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present value of obligation at the end of the year	7,985	7,002	6,270	5,639	4,598
Actuarial (Gain)/loss	276	385	122	643	616
Actuarial (Gain)/loss recognized through Statement of OCI	276	385	122	643	616
Expense recognized in Statement of Profit & Loss/EDC for the year	307	694	644	525	1,047

Others-Baggage Allowance/Long Service Award/FBS	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Present value of obligation at end of the year	1,263	1,243	892	862	805
Actuarial (Gain)/loss	44	(29)	(28)	38	12
Actuarial (Gain)/loss recognized through Statement of OCI	44	(29)	(28)	38	12
Expense recognized in Statement of Profit & Loss/EDC for the year	214	516	138	112	149

18. a) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipts of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers are generally done on 31st December. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters with the negative assertion as referred in the Standarad on Auditing (SA) 505 (Revised) “External Confirmatios”, were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

b) In the opinion of the management, the value of assetss, other than property, plant & equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

19. Payment to Auditors (including goods & service tax)

(₹ in lakh)

		2019-20	2018-19
I.	Statutory Audit Fees	13*	10*
II.	For Taxation matter (Tax Audit)	2	2
III.	For Company Law matter	------	------
IV.	For Management services	------	------
V.	For other Services(Certification)	10	4
VI.	For Reimbursement of expenditure	3	2

*Subject to approval in Annual General Meeting.

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

(₹ in lakh)

Particulars	Note No	31.03.2020	31.03.2019
Cash And Cash Equivalents	11	2,520	4,577
Add: Bank Balances under Lien	12	58	676
Less: Over Draft Balance	25	1,11,506	1,21,840
Cash & Cash Equivalent as per Cash Flow Statement		-1,08,928	-1,16,587

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 (2019-20)	Opening	Current Year	Closing	Change	Remarks
Share Capital Issued (Including pending allotment)	3,65,888		3,66,588	700	Equity received
Long term Borrowings (Bonds & other secured Loans)	3,19,639		4,55,774	1,36,135	Loan drawn incl. exchange rate ₹ 1,85,780 Lakh & loan repaid ₹ 51,233 Lakh. Net change ₹ 1,34,547 Lakh.Leases (Net) ₹ 1,588 Lakh.
Interest on Loans Finance costs paid Less capitalized –CWIP		47,163 (23,129)		(24,034)	Charged to P&L
Dividend paid and Dividend Distribution Tax		(15,190)		(15,190)	Payment of Dividend
Net Cash flow from financing				97,611	

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

FOR S.N. Kapur & Associates
Chartered Accountants
FRN 001545C of ICAI

(S.N. Kapur)
Partner
Membership No.:-014335

Date : 24.06.2020
Place : Lucknow

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
THDC INDIA LIMITED

Opinion

We have audited the accompanying Standalone Financial Statements of THDC India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, 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, 2020, 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 matter 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 :-

Sl. No.	Key Audit Matters	Addressing 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. 31 to the Financial Statements,read with the Significant Accounting Policy No. 15)	- 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 recognitionand 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 judgment 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. 41.2 to the Financial Statements,read with the Significant Accounting Policy No. 14)	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 Standalone Financial Statements:

a) Para 7 (i) and (ii) of Note No. 41 of the Standalone Financial Statements regarding delay in completion of VPHEP and Tehri PSP projects owing to factors beyond control of company. 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.

b) Para 5 (i) of Note No. 41 regarding 991.42 Hac land acquired for various projects is being used for project works by THDCIL. The title deed of such land is yet to be executed.

c) Note 40.1(ii), Note 40.3 and Note 41.8(i) of the Standalone Financial Statement regarding the management evaluation of COVID-19 impact on the performance of the company.

d) Note 41.8(ii) of the Standalone Financial Statements regarding the Share Purchase Agreemnt (SPA) which has been executed between Government of India and NTPC Ltd. on 25.03.2020. Govt. of India has accorded CCEA approval for the strategic sale of GOI Equity including nominee's shares to M/s NTPC Limited.Accordingly GOI total equity has been transferred to M/s NTPC Ltd.On 27.03.2020. Considering this THDCIL has become the subsidiary company of M/s NTPC Ltd. Further THDCIL has received an amount of Rs.1400 Lakh on 26.03.2020 as equity infusion for GOI. However, considering the above facts, the matter has been referred to GOI for decision and the amount so received from GOI has been shown under Other Current Liabilities vide Note No.27.

Our opinion is not modified in respect of these matters.

Other Matter

a) The Standalone Financial Statements of the Company for the year ended 31st March, 2019 were audited by another auditor who expressed an unmodified opinion on those Statements on 12.09.2019.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone 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 information included in the Corporate Governance Report, Director's Report including Annexures, Management Discussion and Analysis, Business Responsibility Report and other company related information, but does not include the Standalone Financial Statements and our Auditors Report thereon. The Other informations as stated above are expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone 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.

When we read the 'Other Information' as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

Responsibility of Management and Those Charged with Governance for the Standalone 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 agoing 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 Standalone 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 Standalone Financial Statements, including the disclosures, andwhether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fairpresentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 Standalone 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 ofdoing 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 ourknowledge 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 Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

e) In terms of Notification No. G.S.R. 463(E) 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 Standalone Financial Statements – Refer Note 41.2 to the Standalone Financial Statements;

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

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

For **S.N.KAPUR & ASSOCIATES**
Chartered Accountants
Firm's ICAI Reg. No. 001545C

(CA. S.N. KAPUR)
Partner
M.No.:014335

Place: Lucknow
Date: 24.06.2020
UDIN: 20014335AAAADM3666

ANNEXURE- "A"

TO THE INDEPENDENT AUDITORS' REPORT

(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/Dhukwan) 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. Out of total land of 3135.26 Hac. (PY 3033.79 Hac.) acquired by the company for various projects, title has been changed in the present name of the company for 2143.84 Hac. Change of title for the balance land of 991.42 Hac is under process as disclosed vide Note No. 41.5 (i)and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 41.5 (ii). And 0.757 hac part of Freehold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no 41.5(iii). As informed by the Management, value of the above referred land except 1128.41 Hac of land is yet to be ascertained.

ii. The Management has conducted the physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed during physical verification.

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. 2019-20 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, 2020 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, 2020 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	47,686	2015-16 to 2019-20	Nil	High Court of Uttarakhand, Nainital
Uttarakhand Green Energy Cess Act, 2014	Green Energy Cess	16,125	2015-16 to 2019-20	Nil	High Court of Uttarakhand, Nainital
Building & Other Construction Worker Welfare Cess Act,1996	Labour Cess	651.44	2004-05 to 2014-15	Nil	High Court of Uttarakhand, Nainital
Income Tax Act.1961	Int u/s 234 B,C	172.11	2006-07	172.11	ACIT,Dehradun

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. However, the Company has availed the moratorium facility against Medium Term Loan and Short Term Loan from PNB and working capital limit from SBI vide RBI Circular No. RBI 2019/186, DOR No. BP.BC/21.04.048/2019/20 dated 27th March 2020.

ix. As per the information and explanation given to us by the management, the Company has applied the money raised during the year by way ofequity, debt instruments i.e. Corporate Bonds (Series 2) on Private Placement Basis to meet out the Capital expenditure requirements of ongoing projects under construction including recoupment of expenditure already incurred and 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 **S.N.KAPUR & ASSOCIATES**
Chartered Accountants
Firm's ICAI Reg. No. 001545C

(CA. S.N. KAPUR)
Partner
M.No.:014335

Place: Lucknow
Date: 24.06.2020

ANNEXURE-“B”

FORMING PART OF THE INDEPENDENT AUDITORS’ REPORT

Directions issued by the Comptroller & Auditor General of India in Term of Section 143(5) of the Companies Act, 2013

(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	Reply
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.	According to the information and explanation given to us and based on our audit all accounting transactions are routed through FMS System implemented by the Company.
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.	According to the information and explanation given to us and based on our audit, there is no case of restructuring of an existing loan or case 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. However, Para 8(i) of Note 41 of the Standalone Financial Statements regarding RBI Circular No. RBI 2019/186, DOR No. BP.BC/21.04.048/2019/20 Dt.27th March, 2020 has permitted all commercial banks to grant moratorium for a period of 3 months on payment of all installments and interest thereon between 1st March 2020 to 31st May 2020. THDC India Ltd. has availed the above moratorium facility against Medium Term Loan and Short Term loan from PNB and working capital limit from SBI. Accordingly, the amount due against the installments amounting to Rs. 3500 Lakh and Interest of Rs. 506 Lakh have been shown under Current Financial Liabilities-Others vide Note No.26.

Sl.	Directions	Reply
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.	According to the information and explanation given to us and based on our audit, the funds (Equity) received for specific schemes (projects) from Central Government were properly accounted for/utilized as per the respective terms and conditions.

For **S.N.KAPUR & ASSOCIATES**
Chartered Accountants
Firm's ICAI Reg. No. 001545C

(CA. S.N. KAPUR)
Partner
M.No.:014335

Place: Lucknow
Date: 24.06.2020

ANNEXURE- "C"

TO THE INDEPENDENT AUDITORS' REPORT

(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 with reference to financial reporting of **THDC INDIA LTD.** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone 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 with reference to financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 StandaloneFinancial Statements.

Inherent Limitations of Internal Controls over Financial Reporting

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

Opinion

In our opinion, the company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, 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.

Reference is invited to Note 40.1(ii), Note 40.3 and Note 41.8(i) of the Standalone Financial Statement regarding the management evaluation of COVID-19 impact on the performance of the company and the same have been mentioned in Emphasis of Matter paragraph to the Independent Auditors' Report.

Our opinion is not modified in respect of this matter.

For **S.N.KAPUR & ASSOCIATES**
Chartered Accountants
Firm's ICAI Reg. No. 001545C

(CA. S.N. KAPUR)
Partner
M.No.:014335

Place: Lucknow
Date: 24.06.2020

गोपनीय

सत्यमेव जयते

संख्याः DGA (Energy)/Rep/Acs/THDC/2020-21/131

INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE
DIRECTOR GENERAL OF AUDIT (ENERGY)
DELHI

दिनांक / Dated: 20.08.2020

सेवा में,

अध्यक्ष एवं प्रबंध–निदेशक,
टीएचडीसी इंडिया लिमिटेड,
लखनऊ

विषयः 31 मार्च 2020 को समाप्त वर्ष के लिए टीएचडीसी इंडिया लिमिटेड, लखनऊ के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं टीएचडीसी इंडिया लिमिटेड, लखनऊ के 31 मार्च 2020 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

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

संलग्नकः– यथोपरि।

भवदीय,
ह. / –
(डी. के. शेखर)
महानिदेशक

छठा एवं सातवाँ तल, ऐनैक्सी बिल्डिंग, 10, बहादुरशाह ज़फर मार्ग, नई दिल्ली – 110002
6th & 7th Floor, Annexe Building, 10 Bahadur shah Zafar Marg, New Delhi -110002
Tel: 011-23239227, Fax: 011-23239211, E-mail: pdaenergydl@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 2020

The preparation of financial statements of THDC India Limited for the year ended 31 March 2020 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 under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 June 2020.

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, 2020 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.

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.

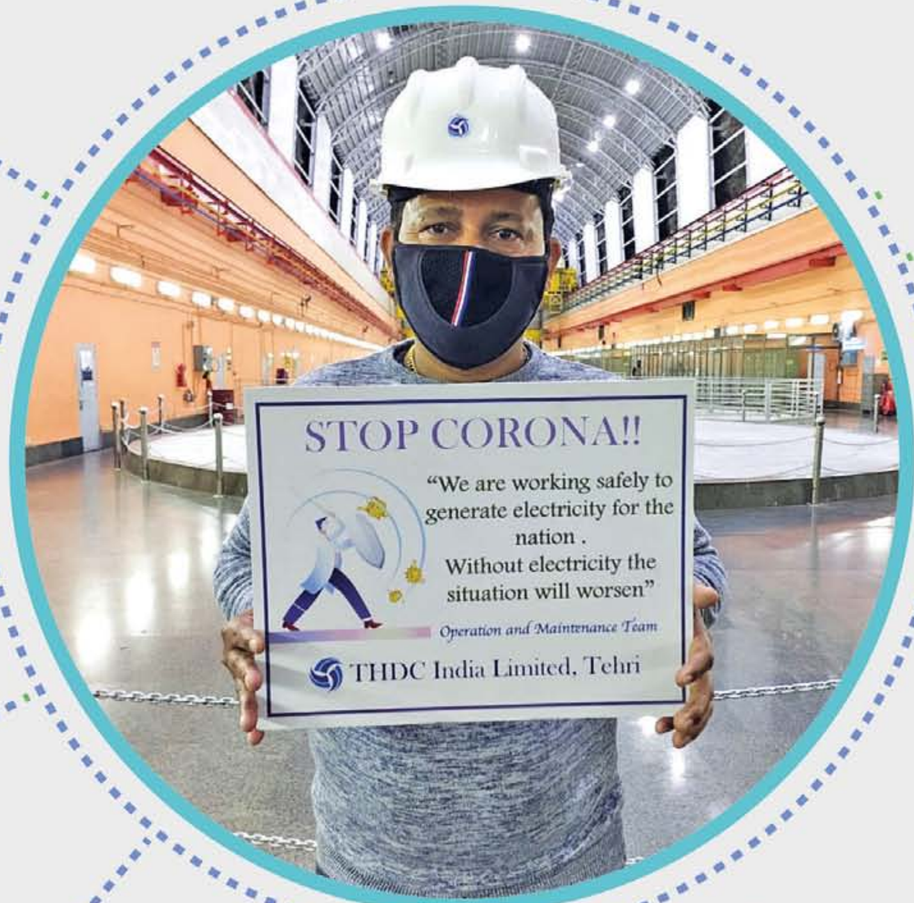
For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(D. K. Sekar)
Director General of Audit (Energy),
Delhi

Place : New Delhi
Dated : 20 August 2020

Notes


CERTIFICATE
OF AWARDS
Silver Award In
Main Stream CSR Health Projects (PSU)
Category to
THDC India Ltd.
4th
CSR
HEALTH
IMPACT
AWARDS
COVID-19 EDITION
21st & 22nd Aug 2020



टीएचडीसी इंडिया लिमिटेड

THDC INDIA LIMITED

Schedule- A Mini Ratna PSU

CIN : U45203UR1988GOI009822

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

Website : www.thdc.co.in

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