

8TH ANNUAL REPORT 2018-19

Annual General Meeting at 1.00 p.m. on Friday,
20th September, 2019 at Chenab Jal Shakti Bhavan
Opposite Saraswati Dham, Rail Head Complex
Jammu-180012 J&K



CHENAB VALLEY POWER PROJECTS [P] LIMITED

A Joint Venture of NHPC (A Govt. of India Enterprise), JKSPDC (A Govt. of J&K Undertaking) & PTC India Ltd.

CIN: U40105JK2011PTC003321

BOARD OF DIRECTORS

Shri Navin Kumar Choudhary	Chairman (w.e.f 19.06.2019)
Shri M.Y. Khan	Chairman *
Shri K.B.Agarwal	Chairman **
Shri Lokesh Dutt Jha	Chairman ***
Shri Hirdesh Kumar	Director (w.e.f 14.08.2018)
Shri M.K.Mittal	Director
Shri Shah Faesal	Director ****
Shri V.K.Rattan	Director *****
Shri Arun Kumar Mishra	Director (w.e.f 20.12.2018)
Shri M.S.Babu	Managing Director

- * Shri M.Y.Khan ceased to be Director and Chairman due to withdrawal of nomination by JKSPDCC on 31.07.2018.
** Shri K.B.Agarwal ceased to be Director and Chairman due to withdrawal of nomination by JKSPDCC on 11.10.2018.
*** Shri Lokesh Dutt Jha ceased to be Director and Chairman due to withdrawal of nomination by JKSPDCC on 19.06.2018.
**** Shri Shah Faesal ceased to be Director due to withdrawal of nomination by JKSPDCC on 14.08.2018.
***** Shri V.K.Rattan ceased to be director on superannuation from service of NHPC on 31.10.2018.

COMPANY SECRETARY

Shri Sudhir Anand

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- Annexure II – Comments of CAG
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- Annexure III – Form MGT – 9.
- Annexure IV – Annual Report on CSR & Sustainability Activities- 2018-19.

3. Auditors' Report

- Balance Sheet and Profit and Loss Account.

4. Proxy Form (MGT – 11).

REGISTERED OFFICE AND INVESTOR RELATION CELL

Chenab Jal Shakti Bhavan Opposite Saraswati Dham Railhead Complex Jammu-180012-J&K.

STATUTORY AUDITORS

M/S JSVP & Co, Chartered Accountant.



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NOTICE

Notice is hereby given that the 8th Annual general Meeting of Chenab Valley Power Projects Private Limited will be held on **Friday, 20th day of September, 2019 at 1.00 P.M** at CVPPPL registered Office, Chenab Jal Shakti Bhavan Opposite Saraswati Dham, Rail Head Complex Jammu -180012-J&K to transact the following business:

ORDINARY BUSINESS:

ITEM NO.1: ADOPTION OF ANNUAL ACCOUNTS FOR THE YEAR 2018-19.

To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March 2019 including Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss Account for the year ended on that date together with Report of Board of Directors and Auditors' thereon along with the comments of the Comptroller and Auditor General of India thereon, in terms of Section 143(6) of the Companies Act, 2013.

ITEM NO.2: TO TAKE NOTE OF APPOINTMENT OF STATUTORY AUDITORS FOR THE YEAR 2019-20 AND FIXATION OF THEIR REMUNERATION.

To consider and if thought fit to pass with or without modification the following resolution as Ordinary Resolutions:

“RESOLVED THAT appointment of M/S JSVP & Co, Chartered Accountants. duly appointed by Comptroller and Auditor General of India vide their letter No. CA.V/COY/Jammu & Kashmir.CVPPPL (0)/1331 dated 21-08-2019 as Statutory Auditors under section 139 of the Companies Act, 2013 for the year 2019-20, be and is hereby noted.

RESOLVED FURTHER THAT pursuant to the provisions of section 142 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including and statutory modification(s) or re-enactment thereof, for the time being in force), the Board of Directors be and is hereby authorised to fix the remuneration of Statutory Auditors for the year 2019-20.

Chenab Jal Shakti Bhavan Opposite Saraswati Dham Railhead Complex Jammu-180012-J&K.

E-mail: cscvpp@gmail.com; Log on to: www.cvppindia.com

Ph: 0191-2479531(T), 2477924 (F)



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RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

**By Order of the Board
For Chenab Valley Power Projects Private Limited**


(SUDHIR ANAND)
Company Secretary.

Place: Jammu

Date: 30-08-2019

Registered Office:

Chenab Jal Shakti Bhavan

Opposite Saraswati Dham, Rail Head Complex Jammu -180012-J&K

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. **Form of Proxy is enclosed.**
2. The instrument of proxy must be deposited at the registered office, Chenab Jal Shakti Bhavan Opposite Saraswati Dham Railhead Complex, Jammu-180012-J&K not less than 48 hours before the time fixed for holding the meeting.
3. Explanatory Statement pursuant to section 102(3) of the Act is annexed herewith.

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EXPLANATORY STATEMENT TO ITEM NO. 2.

The Statutory Auditors of our Company are being appointed by Comptroller and Auditor General of India.

For the year 2019-20, CAG has appointed the Chartered Accountant firm M/S JSVP & Co, Chartered Accountants, Jammu; as Statutory Auditors of our Company vide their letter No. CA.V/COY/Jammu & Kashmir.CVPPPL (0)/1331 dated 21-08-2019. Thus the information regarding their appointment for the year 2019-20 as Statutory Auditors is recommended. (Copy of CAG letter for the year 2019-20 is annexed)

**By Order of the Board
For Chenab Valley Power Projects Private Limited**

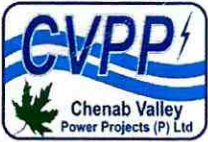
Place: Jammu
Date: 30-08-2019


(SUDHIR ANAND)
Company Secretary.

Registered Office:

Chenab Jal Shakti Bhavan

Opposite Saraswati Dham, Rail Head Complex Jammu -180012-J&K



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BOARD'S REPORT

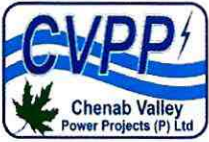
Dear Members,

Your Directors are pleased to present the 8th Annual Report on the performance of your Company along-with the audited financial statements, Auditors' Report and review of financial statements by the Comptroller and Auditor General of India (C&AG) for the financial year ended March 31, 2019. Financial year 2018-19 was quite significant for the Company as long awaited start of Construction of 1000MW Pakal Dul H.E Project is achieved by us after the award of contract for its Power House, Dam and E&M works. Hon'ble Prime Minister of India has laid the foundation stone of the Project on 19th May 2018.

Considerable Progress is also achieved in respect of 624 MW Kiru H.E project during last year after its recommendation by PIB and subsequent approval by CCEA on 08.03.2019. Prior to this, GoJK has accorded sanction for various concessions which paved the way for recommendation by MoP, Gol and Investment approval of Gol. Foundation stone of the Project is also laid by Hon'ble Prime Minister of India on 03.02.2019. The project is now ready in every aspect to start its Construction after award of contract for its major works, which will further enhance name and fame of your Company being the second project after 1000MW Pakal Dul HEP to take up for implementation.

Tendering of 540 MW Kwar H.E Project is also progressing, so as to start its construction after its Investment approval by Gol. GoJK is also considering to extend similar concessions as in the case of Pakal Dul and Kiru H.E projects to keep the Project cost and its tariff within commercially viable limits.

As your company is in the initial stage of construction of Hydro Power Projects, as such, there is no sales income and the revenue received is mainly from the interest earned on the fund available from Promoters in the shape of equity.



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1. FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March, 2019 are summarized below:

(Rs. in crores)

Particulars	2018-19	2017-18
Sales & Other Income	20.45	6.20
Profit before Tax	19.02	5.66
Tax Expenses	5.95	1.71
Net profit for the year	13.06	3.95
Appropriations	Nil	Nil
Balance carried forward to Reserve & Surplus	13.06	3.95

2. STATE OF AFFAIRS:

The Company has not yet started its commercial operation and earned only interest income on surplus equity fund invested in the form of short-term deposits of varying periods.

3. STATUS OF PROJECTS:

I. PAKAL DUL HYDROELECTRIC PROJECT (1000 MW):

Brief Introduction:

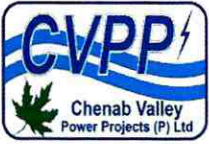
The Pakal Dul H E Project (1000 MW) is under construction on river Marusudar, a tributary of river Chenab in district Kishtwar of J&K State. The project envisages construction of a 167 m high Dam, 2 nos. of Head Race Tunnel of 7.20 mtr dia and 9.6 km length each, an underground Power House with 4 units of 250 MW each. The annual energy generation will be 3330 MU.

The status of the project is as under:

Status of the project:

i. CCEA Approval

Investment Approval of Cabinet Committee on Economic Affairs (CCEA), Govt. of



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India was accorded on 28.10.2014 at a sanctioned cost of Rs.8112.12 Cr at March 2013 price level taking into consideration subordinate debt of Rs.2500 Cr from Govt. of India and exemption from WCT/entry tax and waiver of 12% free power & water usage charges for first ten years from the completion of the project by GoJK.

The above sanction order has been modified vide MoP, Gol letter dated 19.10.2016 conveying that equity contribution to be infused by JKSPDC for implementation of Pakal Dul H.E Project would be in the form of grant to CVPPPL by Gol to be released in a phased manner. Rs 783 Cr has already has been received from MoP, Gol till date as equity contribution of JKSPDC.

ii. Statutory Clearances

Statutory clearances in respect of the project have been obtained from various departments of the Central/State Governments namely Techno- Economic Appraisal (TEA) by CEA, Environmental Clearance by MOEF, Forest Clearance by GoJK, Wildlife Clearance by GoJK, Indus Water Treaty Clearance by MoWR, Clearance from Fisheries department and Hydraulic Division (PHE & Irrigation) GoJK, NOC from Geology and Mining Department GoJK, Consent to Establish Pakal Dul project by J&K State Pollution Control Board etc.

Exemption from levy of WCT, Entry Tax and Levy of Toll tax has been granted by the GoJK. After implementation of GST in J&K, efforts are being made by the Company to get exemption of SGST from the GoJK.

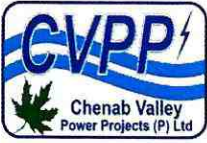
iii. Land Acquisition

Approval for acquisition of private land for Power House and Reservoir areas have been received from GoJK. Early disbursement of land compensation is being pursued with the district administration. Requisite forest land is also in possession of the Project for carrying out construction activities.

iv. Rehabilitation and Resettlement(R&R) plan

The Govt. of J&K has approved the Rehabilitation and Resettlement plan of the project vide order dated 22.02.2017. Enhancement of compensation has been further approved by GoJK vide order dated 07.03.2019.

Rs 39.09 Crs has been released so far for implementation of R&R plan and a



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payment of Rs 31.61 Crs to Project Affected Families (PAFs) has been made so far.

v. Award of Major Works

Out of five packages, LOA for Power House Package, Dam Package and E&M Package has been issued on 21.02.2018, 21.06.2018 and 02.01.2019 respectively.

The construction work at power house and Dam site is in progress. Detailed Engineering of E&M equipment's including submission/checking of drawings, layout plan and procedure for model testing of turbine of E&M package is in progress.

Hon'ble Prime Minister of India has laid the Foundation stone of the project on 19th May 2018.

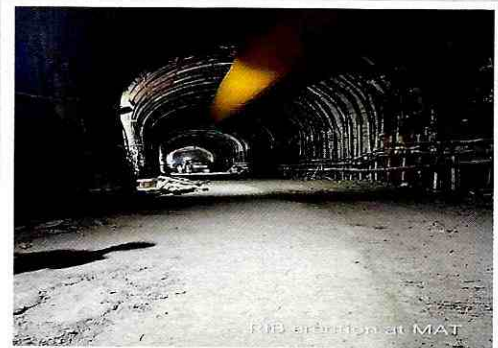
Proposal for award of the Hydro Mechanical Package has been approved by the Board in its 48th meeting held on 10.08.2019 and LOA is being issued.

After the retender of HRT-TBM package, technical evaluation of the bids is completed and price bid is being opened on 26.08.2019 for further evaluation.

vi. Progress of Major Works:

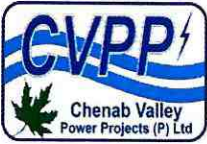
Power House Package: LOA issued on 21.02.2018

- Excavation of Main Access Tunnel to Power House of 166m length and 8m Dia completed on **19.12.2018** thereby achieving the first milestone of the package.



- Construction of Adit to Power House (CAP) of 160m length completed on **13.12.2018**





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- Excavation of Adit to Transformer Hall from Adit to PH crown (74m) completed on **31.03.2019**.



- Excavation of Pilot in Power House Cavern of 166m length completed on **19.06.2019**



- Excavation of Adit from MAT Junction to MIV Chamber Top is in progress
 - **A progress of 68m achieved against total length of 159.28m**

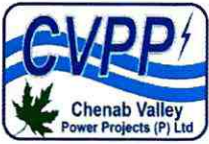


- Construction of Access adit to Valve House is in progress
 - **A progress of 148m achieved against total length of 585m**



- Excavation of Pilot to Transformer Hall is in progress
 - **A progress of 85m achieved against total length of 123.60m**





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- Excavation of Adit to Pressure Shaft bottom is in progress
 - A progress of 18.2m achieved against total length of 238.7m

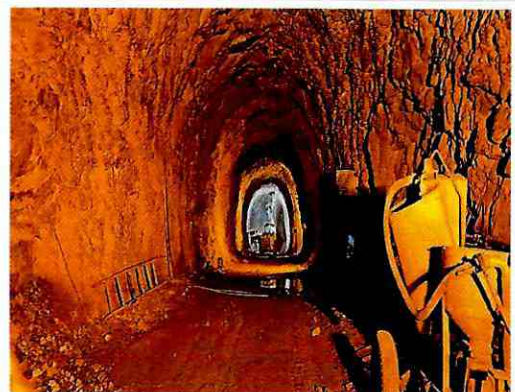


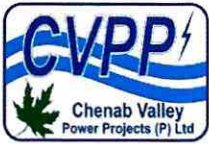
- Excavation for enlargement of PH Crown is in progress
 - A progress of 125m achieved against total length of 166m (Right side slashing)
 - A progress of 83m achieved against total length of 166m (Left side 1B slashing)
 - A progress of 49.5m achieved against total length of 166m (Right side 2 slashing)



Dam Package: LOA issued on 21.06.2018

- First milestone of the package i.e Start of Excavation of Access Adit of HRT achieved on 24.12.2018.
 - Excavation of access adit to HRT-2 is in progress and a progress of 217.5m achieved against total length of 744m





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- Excavation of Diversion Tunnel is in progress.

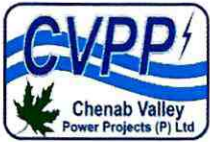
- A progress of 435m achieved against total length of 815.6m



- Further, excavation of DT inlet portal, HRT intake, Tunnel spillway and surface spillway is in progress at Dam Site.
- In Power house package, construction of roads to various structures viz. Access road to TBM Adit of total length 5.7 Km completed, Access road to surge shaft bottom adit and TBM platform of 140m length also has been completed. Further access Road to SS Top from TBM Platform, Road to Tunnel Spillway and approach road to DT inlet and outlet is in progress.

vii. Infrastructure Works

- a) Bailey Suspension bridge on river Chenab of 40T capacity has been commissioned in September 2015.
- b) Road work from Bailey suspension bridge to Main Access Tunnel in the power house area has been completed.
- c) Work for the construction of 70R steel truss double lane bridge at Bhandarkot completed.
- d) Construction of Site office building at Power House site completed.
- e) Work for realignment of by pass road for Gangaidad Zigs of Kishtwar – Bhandarkot road to Dam Site is in progress.
- f) Hydraulic Model Studies of the project has been entrusted to CWPRS Pune on 03.02.2017. 2D model studies has been completed and 3d model studies are in progress.
- g) The work of 70R Steel Bridge over River Chenab at Dul has been awarded on 24.05.2019 and is in progress.



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II. KIRU HYDROELECTRIC PROJECT (624 MW):

Brief Introduction:

The project, a run-of-river scheme is located in District Kishtwar of J&K State. The Kiru HE Project is proposed on river Chenab and envisages construction of 135 m high Dam and an underground Power House with 4 units of 156 MW each. The annual energy generation will be 2272 MU.

The status of the project is as under:

Status of the project:

i) CCEA Approval

PIB meeting held on **28.01.2019** and Minutes of the meeting issued on **07.02.2019**

Foundation stone of the project laid by Hon'ble Prime Minister of India on 03.02.2019.

MoP, Gol vide letter dated 08.03.2019 has conveyed investment approval for construction of the project at a cost of Rs 4287.59 Crs at July 2018 PL.

● Exemptions Accorded by GoJK

- Free Power : Incremental rate of 2% upto 6th year from the COD
- Water Usage Charges: For a period of 10 years from COD
- Exemption of 9% SGST: Consent given by GoJK
- Exemption of toll tax: Accorded by GoJK vide SRO 402 dated 14.09.2018.

● Assistance Sought by GoJK from Gol

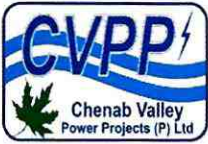
- Equity share for the Project: Equity of JKSPDC as Grant from Gol
- Sub-ordinate Loan : Rs 1500 Cr

● Assistance Accorded by Gol.

- An amount of Rs 200 Crs has been released by MoF, Gol to GoJK as 1st tranche on dated 04.06.2019 for meeting equity contribution of JKSPDC for implementation of the project.

ii) Statutory Clearances

Statutory clearances in respect of the project have been obtained from various



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departments of the Central/State Governments namely Techno- Economic Appraisal (TEA) by CEA, Environmental Clearance by MOEF, Forest Clearance by GoJK, Indus Water Treaty Clearance by MoWR, Clearance from Fisheries Department GoJK, NOC from Geology and Mining Department GoJK, Consent to Establish the project by J&K State Pollution Control Board etc.

iii) Land Acquisition

Final award for acquisition of land for construction of the project has been issued vide letter dated 01.07.2017. Disbursement of compensation is in progress.

Diverted Forest land handed over by Forest Department, GoJK to CVPPPL on 14.03.2018.

iv) Rehabilitation and Resettlement(R&R) plan

GoJK has approved the R&R plan vide its order dated **07.03.2019** and a sum of Rs 20 Crs has been deposited by your company for further disbursement to the PAFs.

v) Award of Major Works

- Bids of all three packages have been evaluated.
- Proposal for award of Civil Works Package(Lot-I) is approved by the Board in its 48th meeting held on 10.08.2019 and LOA to be issued after sanction of Sub-ordinate loan for the project by Gol.
- Proposal for award of HM Package (Lot-II) and E&M Package (Lot-III) shall be considered in the next Board meeting.

vi) Infrastructure Works

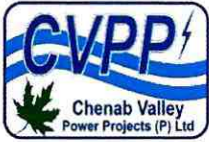
- a) Construction of approach road to Dam top (215m), DT inlet (1.6 Km) and outlet (1.27 Km) has been completed.



DT outlet Road



Dam Top Road



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- b) Hydraulic Model Studies of the project has been entrusted to CWPRS Pune on 08.12.2016 and the studies are in progress.
- c) Work for consultancy services for Architectural and Structural Design including landscaping of the proposed combined colony for Kiru and Kwar HEPs awarded on 23.04.2018 and work is in progress.
- d) Border Roads Organization (BRO) has been assigned the job of upgradation of two bridges on Dul-Galhar Road. Modalities of execution has been finalised between BRO and CVPPPL on 19.03. 2019. Payment of Rs 1.55 Crs has been released to BRO on 15.06.2019. Tendering of the bridges is in Progress.

III. KWAR HYDROELECTRIC PROJECT (540 MW):

Brief Introduction

The project is located in district Kishtwar of J&K State and is proposed on Chenab river. The Kwar HE Project (540 MW) envisages construction of 109 m high Dam, an underground Power House with 4 units of 135 MW each. The annual generation will be 1975 MU.

The status of the project is as follows:

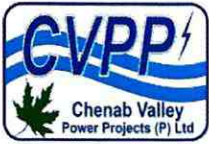
Status of the project:

i) CCEA Approval

Draft PIB memo submitted to MoP by NHPC on **01.02.2018**. MoP vide letter dated **07.03.2018** has circulated the PIB memorandum for comments from different appraising agencies.

CEA vide letter dated **05.12.2018** has submitted the updated cost of the project with GST for an amount of Rs 4948.26 Crs at July 2018 PL to MoP, GoI.

To expedite investment approval of the project and to reduce overall cost and tariff of the project, Company is pursuing for approval of concessions / exemptions from GoJK on the same lines of Pakal Dul / Kiru HE Projects. As of now, GoJK has exempted toll tax. The proposal for other concessions/exemptions, waiver of 12% free power, water usage charges and 9% SGST is under consideration of GoJK.



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Tel. No: 0191-2479531; E-mail Id: snanand_cs@yahoo.co.in / cscvpp@gmail.com

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ii) Statutory Clearances

Statutory clearances in respect of the project have been obtained from various departments of the Central/State Governments namely Techno- Economic Appraisal (TEA) by CEA, Environmental Clearance by MOEF, Forest Clearance by GoJK, clearance from Fisheries Department GoJK, NOC from Geology and Mining Department GoJK, Consent to establish the project by J&K State Pollution Control Board etc.

iii) Land Acquisition

Final award for acquisition of all the private and state land required for execution of project, has been issued on 22.03.2018. **Rs 24.34 Crs** has been deposited by your company for disbursement of compensation for acquisition of private land and an amount of **Rs 14.50 Crs** has been disbursed so far by GoJK. Further Disbursement of compensation is in progress.

Diverted Forest land has been handed over by Forest Department GoJK to CVPPPL on 14.03.2018.

iv) Rehabilitation and Resettlement(R&R) plan

GoJK has approved the R&R plan of the project vide its order dated **03.08.2018**.

v) Tendering of Major Works

Technical evaluation of Civil works package completed and price Bid evaluation is under progress. Tenders for both HM and E&M works shall be invited through online mode shortly.

vi) Infrastructure Works

- a) Construction of approach road to the project is in progress and a progress of 3.93Km has been achieved against total length of 4.48 Km.





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- b) Hydraulic Model Studies of the project has been entrusted to CWPRS Pune on 09.11.2017 and the studies are in progress.
- c) Work for construction of 81m span 70R double lane bridge over River Chenab has been awarded on 31.08.2018. Construction work is in progress.



IV. DULHASTI (STAGE– II) H E PROJECT

Activities for preparation of DPR and necessary investigation work is in progress in consultation with NHPC.

4. DIVIDEND:

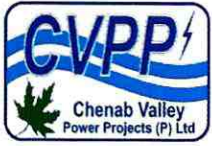
Your Directors have decided not to declare any dividend during the financial year.

5. CAPITAL STRUCTURE AND NET WORTH:

The Paid up Share Capital of the Company was increased from Rs 1051.44 crores to Rs 1439.18 Crores as on 31st March, 2019. Your Company's paid up share capital and net worth as on 31st March, 2019 was Rs. 1439.18 Crores and 1477.47 Crores respectively.

The Authorized Share Capital of the Company increased from Rs 2500 Crores to Rs. 3500 Crores with the approval of shareholders in the 7th AGM held on 29.09.2018.

In the State of Jammu and Kashmir, Chenab Valley Power Projects Private Limited is the number one Company in terms of its Authorized Share Capital and Paid up Share Capital.



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6. TRANSFER OF SHARES:

There was transfer of shares during the financial year 2018-19. The details of the share transfers are as:

SI	Name of Transferer	No. of Shares Transferred (Equity)	Value of the Share	Name of the Transferee	Date of Transfer
1.	Sh. M. Y Khan	01	Rs. 10/-	Sh. K. B Agarwal, IAS	05.10.2018
2.	Sh. K. B Agarwal, IAS	01	Rs. 10/-	Sh. Lokesh Dutt Jha, IAS	20.12.2018

7. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

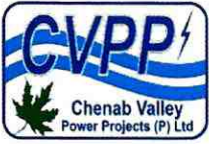
The Company does not have any Subsidiary, Joint Venture or Associate Company.

8. BOARD OF DIRECTORS:

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act 2013.

As on date of this report, the Board of Directors consists of following members:

Sl.	Name	Designation	DIN	Date of appointment
1	Sh. Navin Kumar Choudhary (IAS)	Nominee Director & Chairman	07218193	19.06.2019
2	Sh. Hirdesh Kumar (IAS)	Nominee Director	07873737	14.08.2018
3	Sh. M K Mittal	Nominee Director	02889021	17.03.2017
4	Sh. Arun Kumar Mishra	Nominee Director	07798302	20.12.2018
5	Sh. Muthirakkalayil Samuel Babu	Managing Director	06511216	01.03.2016



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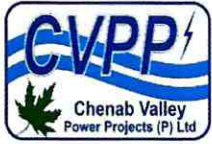
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- Sh. Mohammad Yousuf Khan ceased to be director due to withdrawal of nomination by JKSPDC on 31.07.2018.
- Sh. Shah Faesal ceased to be director due to withdrawal of nomination by JKSPDC on 14.08.2018.
- Sh. K B Agarwal, IAS appointed as nominee Director / Chairman of Board of Director on 18.08.2018 and ceased to be director due to withdrawal of nomination by JKSPDC on 11.10.2018.
- Sh. V K Rattan ceased to be director on superannuation from service of NHPC on 31.10.2018.
- Sh. Lokesh Dutt Jha, IAS appointed as nominee Director / Chairman of Board of Director on 23.10.2018 and ceased to be director due to withdrawal of nomination by JKSPDC on 19.06.2019.

9. MEETINGS OF BOARD OF DIRECTORS:

During the year, the directors of the company met on the following dates:

Date of Meeting	Place of Meeting	Directors Present
39 th BoD Meeting May 25, 2018	NHPC Camp Office Pragati Bhawan New Delhi.	M K Mittal, Shah Faesal, V K Rattan & M S Babu.
40 th BoD Meeting June 05, 2018	NHPC Camp Office Pragati Bhawan New Delhi.	Mohammad Yousuf Khan, Shah Faesal, M K Mittal & MS Babu.
41 st BoD Meeting June 18, 2018	NHPC Camp Office Pragati Bhawan New Delhi.	Mohammad Yousuf Khan, Shah Faesal, M K Mittal, V K Rattan & M S Babu (through Video Conferencing).
42 nd BoD Meeting September 04, 2018	SKICC Chesmashahi Srinagar.	K B Aggarwal-IAS, Hirdesh Kumar-IAS, M K Mittal, V K Rattan & M S Babu.



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43 rd BoD Meeting October 23, 2018	Four Points By Hotel Sheraton Srinagar.	Lokesh Dutt Jha-IAS, Hirdesh Kumar- IAS, M K Mittal, V K Rattan & M S Babu.
44 th BoD Meeting December 20, 2018	CVPPPL Corporate Office Jammu.	Lokesh Dutt Jha-IAS, Hirdesh Kumar- IAS, M K Mittal, Arun Kumar Mishra & M S Babu.
45 th BoD Meeting March 07, 2019	CVPPPL Corporate Office Jammu.	Lokesh Dutt Jha-IAS, Hirdesh Kumar- IAS, M K Mittal, Arun Kumar Mishra & M S Babu.

10. TRANSFER TO GENERAL RESERVE:

Your Company has not transferred any amount to General Reserve during the year 2018-19.

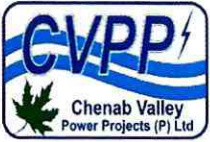
11. STATUTORY AUDITORS:

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor General of India (C&AG). M/s JSVP & Co., Chartered Accountants Jammu has been appointed as Statutory Auditors for the financial year 2019-20.

12. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial position relates and the date of this report. However, the work of Design, Procurement, manufacture, Inspection, Shop Assembly, testing, Painting, Transportation, Site Storage and Site Erection, Testing & Commissioning of Radial Gates, Vertical Gates, Stoplogs, Gantry Cranes, Trashracks, Steel Liner for Pressure Shafts of of Pakal Dul H.E. Project for the value of Rs. 286.58 Crores has been approved by the Board in its meeting held on 10.08.2019 and LOA is being issued to M/s PES Engineers Private Limited.

The Paid up Share Capital of the Company was Rs 1439.18 Crores as on 31st March, 2019. During the year 2019-20, Rs 283 Crores was received from Gol as equity contribution of JKSPDC. Shares to the tune of Rs 200.45 Crores was allotted



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to JKSPDC Limited and remaining amount of Rs 82.55 Crores is to be returned to JKSPDC. To maintain matching equity contribution as per Promoter's agreement, NHPC has also released Rs 140.45 Crores as its Equity contribution. The Paid up Share Capital of the Company is Rs 1639.63 Crores which will be further increased to Rs 1780.08 Crores after issuance of shares to NHPC.

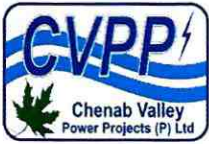
13. PUBLIC DEPOSITS:

Your Company has not accepted any public deposit from the public / members within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rules, 2014 made there-under and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet and also on the date of this Report.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors declare as prescribed under sub section 5 of Section 134 of the Companies Act, 2013, as amended up-to-date, that:

- a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, wherever applicable;
- b) Such accounting policies had been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts are prepared on a going concern basis.
- e) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



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15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

The Company has neither given any loan nor guarantee. Further your company has not made any investments or securities during the financial year 2018-19 which are covered under section 186 of the Companies Act, 2013.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year 2018-19, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. The Company's related party transactions are only with one of the JV partner (NHPC Limited) for receiving the consultancy services. All the contracts/ transactions/ entered into with related party was on arm's length basis, in the ordinary course of business and in the Company's interest.

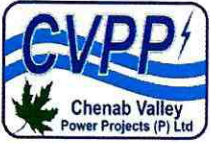
There are transactions that are required to be reported in accordance with the section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 which is annexed as Annexure I.

17. COMMENTS OF THE BOARD OF DIRECTORS ON QUALIFICATIONS, RESERVATIONS MADE BY THE STATUTORY AUDITORS ALONG WITH THE COMMENTS OF C&AG:

The Statutory Auditors has not made any qualifications or reservation in their Independent Auditors Report. The comments of Comptroller and Auditor General of India on financial statement for financial year 2018-19 in pursuant to section 143(6)(b) of the Companies Act, 2013 along with the management replies thereon are attached herewith as Annexure-II.

18. STRENGTHING IN RISK MANAGEMENT STRUCTURE:

The Company is aware of the fact that the development of hydroelectric projects is associated with various uncertainties like geotechnical surprises, hydrological uncertainties, seismic risks, environmental issues, unforeseen contractual litigations, remoteness of project location, long gestation period, regulatory risks, etc., which could lead to unanticipated increase in project cost, time over-run, etc.



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With the start of construction of 1000MW Pakal Dul H.E Project and commencement of construction activities, your company is formulating an appropriate risk management policy identifying the risk exposures of the Company including steps required for managing and mitigating the risks for implementation.

However, the Company has evolved and implemented Fraud Prevention and Detection policy.

The risks associated with hydro projects being undertaken by the Company are broadly classified into the following categories:

(a) Strategic Risk:

Risk of loss resulting from business factors. These risks adversely affect the achievement of strategic objectives which may impair overall enterprise value.

(b) Financial Risk:

Risk directly impacting the balance sheet.

(c) Operational Risk:

Risk of loss resulting from inadequate or failed processes, people and information systems.

(d) Compliance risk:

Risk arising out of non-compliance with/ non-fulfillment of legal, regulatory and statutory requirements.

19. VIGILANCE ACTIVITIES:

Vigilance Policy/Guidelines of your Company to deal with various facets of Vigilance Mechanism such as Preventive Vigilance, Registration of Complaints / cases, Inquiry & Investigation, Surveillance & Detective Vigilance, Anti-corruption measures, Technical Examination of works, Disciplinary Proceeding & Prosecution and Administrative Vigilance have been approved on 20.09.2017.

The Vigilance Division of your Company is headed by the Chief Vigilance Officer (CVO) at CVPPPL CO, Jammu and is assisted by Vigilance Officer at CO, Jammu & Project Vigilance Officer (PVO) posted at its Project sites.



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Vigilance activities/functions as per the comprehensive Vigilance mechanism of the company is being taken care by the Vigilance Division which includes handling of complaints/cases and its investigation, regular/ surprise inspections, monitoring of tenders, execution of works, timely payments to Contractors / Suppliers/ Service Providers, awareness workshops/ Training Programmes, guidelines/ circulars to improve the systems etc. Monthly/ quarterly/ half yearly review of Implementation of Vigilance Mechanism in CVPPPL at CO, Jammu and all its Projects are being done with the management.

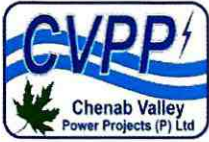
20. EXTRACT OF ANNUAL RETURN:

An extract of annual return in form MGT-9 is annexed to this report as Annexure-III.

21. STATUTORY INFORMATION:

➤ Energy Conservation and Technology Absorption:

- a. **Natural lighting:** Solar Power System of 3.5kVA capacity complete with batteries, solar panels, inverter etc. has been newly installed at Pathernakki Site of Kiru HE Project in order to cater the supply requirements of existing Project Site Offices. It is an initiative towards green and clean power by the Project at Kishtwar.
- b. **Energy efficient LED lights:** LED lights have also been installed in the Administrative Office and Field Hostels of Kiru HE Project for reduced power consumption.
- c. **HVAC:** Energy efficient HVAC system has already been in operation at C.O Jammu so as to reduce the power consumption.
- d. **Sewage Treatment Plant:** As per the Building Permission granted by JDA, there was requirement of providing only septic tanks for sewage treatment, however, taking a proactive step, your company decided to go for advanced technology and opted for installation of aerobic Sewage Treatment Plant (STP) instead of traditional septic tanks. The STP with 70 KLD installed capacity involving Fluidized Aerobic Bio Reactor technology has been installed for the waste water management of the Corporate Office building. In addition to sewage, the STP shall also treat the waste water discharged from building.
- e. HRT in Pakal Dul is planned to be done by TBM and M/s Amberg Engineering has



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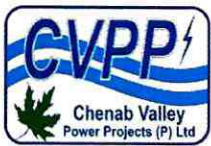
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been hired as a consultant to help CVPPPL in finalizing the specification of TBMs and to evaluate technical bid for HRT-TBM package.

- f. Dam in Pakal Dul project is going to be the highest Concrete Face Rockfill Dam in India. LOA has been placed on 10.08.2019 to hire services of a CFRD consultant of international repute which would help the main design consultant i.e NHPC to design the Concrete Face Rockfill Dam.

➤ **Adaptation and Innovation:**

- a. **Building Orientation:** The Corporate office building design has been developed to take advantage of the best aspects of Jammu's climate. The Facade Optimization Principle has been applied in design for daylight & shading according to mass and orientation so as to adapt for future climate change. The building mass is oriented in the east-west direction with the larger sides facing north and south thereby minimizing solar heat gain during summers.
- b. **Site Planning:** Availability of larger percentage of green/open areas around the building (i.e. about 30% of the total site area) has been achieved by adopting Vertical Expansion of the building (both over and underground). The underground area has been fully utilized by providing two basement floors to be used for parking of vehicles.
- c. **Sitting Plan:** In order to avail maximum efficiency of HVAC and for reducing power consumption, the sitting arrangement has been planned in such a way that the closed rooms and full height cabins are placed along the outer walls/glass walls so that the heating effect of sun light does not extend to the work stations and other open areas, which are placed on interior side of the floors.
- d. **Rain Water Harvesting System:** With increasing concretization, most of the rain water in urban areas finds its way directly into the drains resulting into heavy loss of recharge potential of otherwise non-concrete areas. Reiterating its commitment towards sustainable development, CVPPPL has opted for developing Rain Water Harvesting System for recharge of ground water. The system has been installed with 2 Nos. Rain Water Harvesting pits of size 2.5m dia and 3.0m effective depth



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with 160 (OD) UPVC slotted pipe up to a layer where sandy aquifers/permeable layers exist.

22. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange transaction is summarized below:

Particulars	2018-19 (Amount)	2017-18 (Amount)
Expenditure in foreign currency		
i) Know – how		
ii) Interest	Nil	Nil
iii) Other Misc. Matters		
Earning in foreign currency		
i) Interest	Nil	Nil
ii) Others		

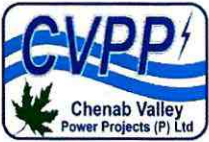
23. INTERNAL CONTROL SYSTEMS AND STANDARDS:

The Company has an adequate Internal Control Systems commensurate with the size of the Company and nature of its business. Ministry of Corporate Affairs vide its notification no. GSR 583 (E) dated 13.06.2017 states that requirements of reporting under section 142(3)(i) of Companies Act, 2013 shall not apply to certain Private Companies.

24. TRAINING AND HUMAN RESOURCE DEVELOPMENT:

Recognizing the importance of training for human resource development, your Company has nominated participants in thirty-seven Training programs in-house as well as External Training Programs during the year for specialized Technical and Non-Technical topics. The Important training programs conducted during the year includes: -

1. Contract Labour Management
2. AUTOCAD
3. Organizational Belongingness
4. Microsoft Module



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5. Primavera P6 Enterprise Project Portfolio Management Software
6. Autodesk Infrastructure Suite (Revit Architecture)
7. Advance Contract Drafting, Negotiation & Dispute Management
8. Enhancing Managerial Effectiveness
9. Design and Construction of Hydropower Projects
10. Leadership Behaviour for Effective Management

In addition to above, Induction Training Program was conducted during the year for newly recruited TEs/ TOs/ JEs through CBIP, Gurugram in three batches. The Induction Program covered the technical as well as practical aspects of all relevant subjects, including out bound activities.

The above programmes covered different facets and areas viz. Behavioral Competency, Functional Competency, Health & Lifestyle Management etc.

a. HR POLICIES:

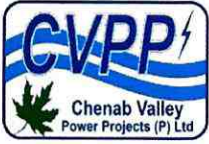
HR policies are the major pillar on which the whole gamut of HR system revolves. CVPPPL being at its threshold, a number of policies have been framed, as per need and requirement aligned with the objectives of the organization. So far, your Company has framed 31 no's policies.

b. MANPOWER PLANNING:

With the start of major construction activities of Pakal Dul HE Project and also Kiru & Kwar HE Projects being at the advanced stage of award of contracts, manpower requirement is accordingly being planned by floating requisition to Promoters Company NHPC and JKSPDC. Further, Administrative Staff College of India (ASCI), Hyderabad has also been engaged for the purpose of comprehensive Manpower Planning.

c. EMPLOYEES PROMOTION & OTHER WELFARE SCHEMES:

Your Company is taking due care of career growth of its employees by implementing CVPPPL Promotion Policy this year. Similarly, many welfare schemes have also been put in operation, such as, Group Personal Accident Insurance Scheme (GPAI), Issue of Winter Jackets and Snow Shoes, Employees Social



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Security Scheme, Group Mediclaim Policy etc.

d. ID CARD SYSTEM:

Redesigned Identity Card has been issued to all employees giving an appealing look and wearing the ID Card has been made compulsory by all employees during office hours. An extensive compliance to this effect has been witnessed.

e. CVPPPL FORMATION DAY:

Formation Day was celebrated with all gaiety and fervor on 13th June. The function was attended by all employees and their family members. During the Formation Day different programmes, including skits, plays, quizzes, tombola, singing and other competitions were organized. Children were the main attraction and show stealer who enthusiastically participated in the events.

f. HUMAN RESOURCE MANAGEMENT:

Your company believes that human resource is the vital resource of any organization. Accordingly, scientific manpower study has been conducted by Administrative Staff College of India (ASCI), Hyderabad to identify the optimum manpower required during construction and operation & maintenance stages.

As per the manpower plan prepared, the Man: MW ratio of CVPPPL is 0.10 which is very optimum and much less than the ratio of other companies in the power sector and prescribed limits.

In order to infuse young energy and dynamism, 90 Trainee Engineer/ Officers and Junior Engineers have been recruited and imparted induction training programme.

➤ DOMICILE STATUS OF EMPLOYEES:

As per clause 9.12 of Promoters agreement, 80% of Group C & D staff in the company shall be Permanent Residents of J&K State and a minimum of 49% of Group A & B staff in the company shall be Permanent Residents of J&K State subject to their suitability, availability and eligibility. Presently, the required percentage of domicile employees is being maintained as follows:



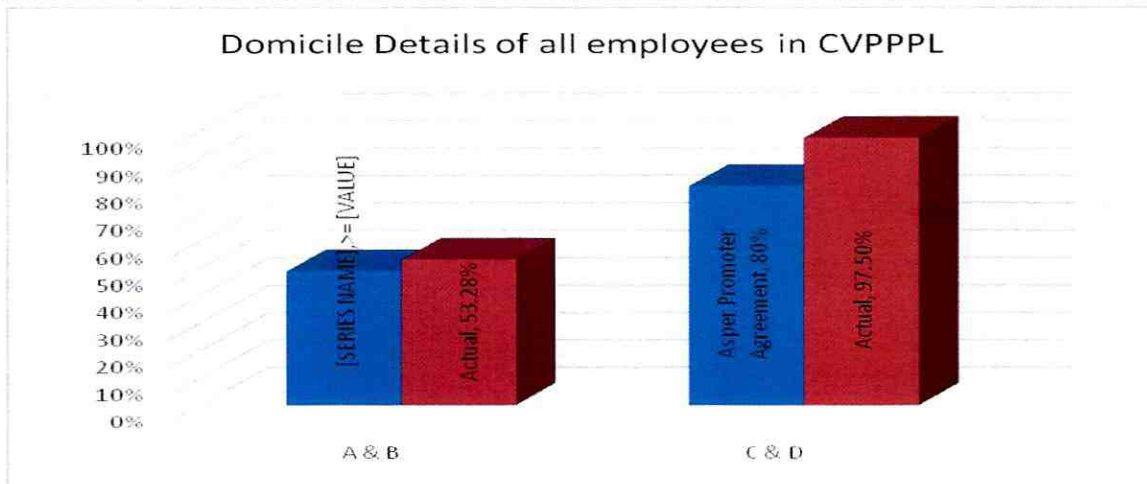
CHENAB VALLEY POWER PROJECTS [P] LIMITED

A Joint Venture of NHPC (A Govt. of India Enterprise), JKSPDC (A Govt. of J&K Undertaking) & PTC India Ltd. Registered Office: Chenab Jal Shakti Bhavan, Opp Saraswati Dham, Rail Head Complex, Jammu-180012(J&K)

Tel. No: 0191-2479531; E-mail Id: snanand_cs@yahoo.co.in / cscvpp@gmail.com

CIN: U40105JK2011PTC003321

Domicile Details of all Employees Posted in CVPPPL					
Group	Domicile State			%age of employees belonging to J&K	
	J&K	Others	Total	As per Promoters Agreement	As per Actual
A & B	130	114	244	49	53.28
C & D	39	1	40	80	97.5



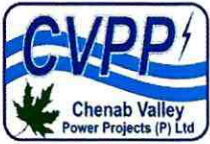
g. SAFETY & SECURITY:

Occupational health and safety at workplace is one of the prime concern of company management and utmost importance is given to provide safe working environment and to inculcate safety awareness among the employees.

Your Company has framed the safety policy for Corporate Office and for its Construction Projects which is under consideration for approval of the Management.

However, for strict compliance and enforcement of safety norms and practices by the contractors, safety clauses are included in General Conditions of contract/ erection conditions of contract. Safety Manual is forming the part of the contract for the enforcement of safety norms by the contractors.

Safety and security officers have been nominated at Corporate Office, Pakal Dul, Kiru & Kwar HE Projects for strict monitoring of safety norms.



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Employees have been trained on safety practices by organizing awareness Training Programmes on Safety Practices through experts in this field.

Your Company recognizes and accepts its responsibility for establishing and maintaining a secured working environment for all its installations, employees and its associates. This is being taken care of by deploying proper security personnel.

25. INDUSTRIAL RELATIONS:

Your Company has maintained its glorious practice of structuring and maintaining a conducive and fulfilling employee-employer growth and towards nation building. The Company has also devised an effective internal Grievance Redressal machinery for its employees at Projects for effective redressal of grievances. During the Year, industrial relations were cordial and harmonious at all CVPPPL projects.

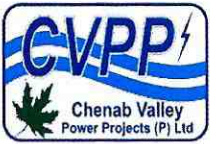
26. NUMBER OF CASES FILED IF ANY AND THEIR DISPOSAL UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN ACT:

Complaints Committee for Redressal of Sexual Harassment Complaints for all 03 Projects Pakal Dul, Kiru and Kwar including Corporate Office has been constituted. Annual meetings have also been held at respective projects including Corporate Office in order to review the cases related to sexual harassment and no case was reported during the year under review.

27. CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY POLICY:

Your Company is committed to the concerns of its stakeholders and strives to promote and maintain good standards of CSR and Sustainability in all its business activities. To meet this commitment, CVPPPL respects the rule of law, local communities and societies at large and it makes conscious efforts to enhance the quality of life and environmental sustainability through its CSR & Sustainability activities.

Your Company has formulated a CSR & Sustainability Policy in line with Section 135 of the Companies Act, 2013, Schedule VII of the Act and Companies (Corporate Social Responsibility Policy) Rules read with General Circulars issued on CSR by the Ministry of Corporate Affairs and the guidelines on Corporate Social Responsibility and Sustainability issued by Department of Public Enterprises (DPE)



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and is being implemented since 2017-18.

The Policy provides for the provisions pertaining to implementation of CSR activities under various sectors in pursuance to the applicable Acts, Rules and Guidelines.

The CSR & Sustainability Policy of CVPPPL has been placed in public domain on the website of CVPPPL at the link <https://www.cvppindia.com/CSR.aspx?Policies>.

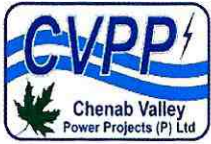
The Statutory disclosures with respect to the CSR Committee and an Annual Report on CSR activities forms part of this report as Annexure-IV.

28. Celebration of World Environment Day 2019

World Environment Day 2019 was celebrated at Corporate Office and on all projects. The celebration started with plantation of medicinal plants by Chairman CVPPPL and MD CVPPPL in the office premises of Corporate Office. On this occasion, more than 200 plants were distributed to staff, out of which more than 25 plants were planted by the employees in the Park of Sector-1, Channi Himmat and rest were planted by them at and around their residences. All these plants were of medicinal value and were also good for improvement of environment. Further an awareness programme on the theme of World Environment Day 2019 i.e. "Beat Air Pollution" was organised wherein the current environmental issues were deliberated upon and the medicinal properties of local medicinal plants were explained to the participants. Plantation drives were also undertaken by all projects on this occasion.



Plantation Drive at Corporate Office on 05.06.2019.



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CIN: U40105JK2011PTC003321



Distribution of Saplings at C.O. and Plantation Drive at C.O. and at Projects.

➤ Plantation Drive in August 2018

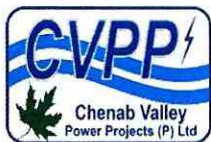
More than 40 plants were planted with active participation of Ladies Club, CVPPPL in August 2018 at public park in Sector-1, Channi Himmat, Jammu.



Plantation Drive in August 2018

29. OTHER INITIATIVES:

- Blood Donation camps are being organized by Projects & Corporate Office on need base.
- Swachh Bharat activity taken up in Corporate Office, Jammu.
- New Bhandarkoot Bridge has been constructed by CVPPPL on its own at a cost of Rs. 5.51 Cr which also serves as an important link to various villages of District Kishtwar as goodwill gesture.
- CVPPPL has taken up the work of completion of abandoned Gangaidad road which bypasses dangerous Bindraban narrow stretch of road with blind curves as goodwill gesture and the estimated financial implication is about Rs 4.00 Crs.
- Upgradation of two bridges on Kishtwar-Galhar road with a financial implication of Rs. 10.00 Cr has been taken up by CVPPPL, which besides fulfilling the requirement of the project shall also be used by general public. In addition, a new bridge is under construction across river Chenab in Kwar, which will also serve an important link to the villages on the right bank.



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- HT/LT lines & substation works have been taken up by CVPPPL through JKPDD on deposit work basis for strengthening the existing supply system which will also benefit the local populace.
- Dam site of Pakal Dul i.e. Drangdhuran was not having any mobile network. Three towers have been erected by the Contractor at his own cost and Airtel network is now available at Drangdhuran, which is of great help to locals as well.
- Medical Facilities are being extended by both Contractors i.e. M/s Afcons & M/s JAL to the locals.
- Diversion/protection work of Wassan nallah has been got done by CVPPPL at its own cost with financial implication of Rs. 38.50 lacs which will be of much relief to the local villagers travelling on this road.
- Upgradation of road to Dam site of Pakal Dul HE Project is being got done by CVPPPL through PWD on deposit work basis with financial implication of about Rs. 6.00 Cr.
- As a part of employment generation, total 285 nos. of contract labour have been engaged by M/s Afcons and 652 nos. by M/s JAL besides 351 nos. of regular employees by M/s JAL. In addition to above, 120 contract employment have been given by CVPPPL.
- Follow up with District administration for proper utilization of Infra development fund as per the approved R&R plan.
- Revision of guidelines for proper utilization of LADF of the projects, after commissioning to enable support of the locals for early completion of the Project.
- Various roads, buildings, bridges, service contract works etc. are being awarded to local contractors from time to time.

30. STATUS OF COURT CASES:

As per record there are 16 cases sub-judice before various Courts / Forums.

31. RIGHT TO INFORMATION:

Provisions of Right to Information (RTI) Act, 2005 are applicable on your Company. All the cases received during the year under report have been suitably disposed off.



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Tel. No: 0191-2479531; E-mail Id: snanand_cs@yahoo.co.in / cscvpp@gmail.com

CIN: U40105JK2011PTC003321

31. IMPORTANT EVENTS:

- Foundation Stone laying of Pakal Dul HE Project on **19.05.2018**.
- Foundation Stone laying of Kiru HE Project on **03.02.2019**.
- Visit of Indus Water Commission to Pakal Dul HE Project on **29.01.2019**.

ACCLAMATION:

The Board of Directors of your company places on record its sincere appreciation for the valuable support and guidance extended by the Govt of J&K, Ministry of Power, Ministry of Environment & Forest and Climate Change, PMO, Central Electricity Authority, Central Water Commission and the Promoters of CVPPPL, without which the Company would not have been able to carry out its responsibilities. We acknowledge the participation and involvement of each one of them and solicit their continued co-operation and support in the future as well.

Your Directors place on record its deep gratitude for the co-operation and continued support extended by the Statutory Auditors and the office of the Comptroller and Auditor General of India.

Your Directors also place on record appreciation of the contribution made by all the employees whose sincere hard work, team efforts, devotion and sense of belongingness has contributed in the consistent growth of the company.

By Order of the Board of Directors
CHENAB VALLEY POWER PROJECTS [P] LIMITED

SD/-
Navin Kumar Choudhary, IAS
CHAIRMAN

DIN-07218193

Place: Jammu

Dated: 30.08.2019

Form No. AOC – 2	
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)	
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto	
1. Details of contracts or arrangements or transactions not at arm's length basis	
(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	NHPC Limited Promotor
(b) Nature of contracts/arrangements/transactions	Consultancy and Rent of Office
(c) Duration of the contracts / arrangements/transactions	As per MOU for Consultancy and 3Years for Rent of Office
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Design Consultancy and Rent of office (Rs. 16,68,92,793/- for 2018-19)
(e) Date(s) of approval by the Board, if any:	Agreement for consultancy works signed with NHPC with the approval of the Board
(f) Amount paid as advances, if any:	NIL

For and on behalf of Board of Directors

CHENAB VALLEY POWER PROJECTS PRIVATE LIMITED

Dated : 30.08.2019
Place : Jammu

SD/-
NAVIN KUMAR CHOUDHARY
CHAIRMAN
DIN – 07218193



INDIAN AUDIT & ACCOUNTS DEPARTMENT
 कार्यालय महालेखाकार (लेखापरीक्षा), जम्मू व कश्मीर, जम्मू
 OFFICE OF THE ACCOUNTANT GENERAL (AUDIT), J&K
 PSUs Headquarter, Third Floor, AG Office Complex,
 Shakti Nagar, Jammu-180001 (JAMMU & KASHMIR)



No: PSU Hqrs/BS/CVPPPL/ 2019-20/ 406

Date: 21/8/2019

To

✓ The Managing Director,
 Chenab Valley Power Projects (P) Limited,
 Chenab Jal Shakti Bhawan
 Jammu

Subject: Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the accounts of Chenab Valley Power Projects (P) Limited for the year ended 31 March 2019

Sir,

I am to forward herewith Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Chenab Valley Power Projects (P) Limited for the year ended 31 March 2019 for being placed before the shareholders of the company in the Annual General Meeting. The date of holding of the Meeting and the minutes of the meeting may please be intimated to this office.

Please acknowledge the receipt.

Encl: As above

Yours faithfully,

Jay Prakash

Dy. Accountant General
 (PSU)

Copy of the above forwarded to the Principal Director (NR-II), Office of the Comptroller and Auditor General of India, 9, Deen Dayal Upadhyay Marg, New Delhi-110124 for information.

Jay Prakash

Dy. Accountant General
 Power Development (PSU)
 Department,

Copy forwarded to the Commissioner Secretary to Govt. of J&K, Civil Secretariat, Srinagar for information.

- sd/-
 Sr. Audit Officer (C)
 PSU Audit Wing

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE ACCOUNTS OF CHENAB VALLEY POWER PROJECTS (P) LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of Chenab Valley Power Projects (P) Limited for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller & Auditor General of India under Section 139(5) of the Companies Act, 2013 are responsible for expressing opinion on these financial statements under Section 143 of the Companies Act, 2013 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 12 May 2019.

I, on the behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Companies Act, 2013 of the financial statements of Chenab Valley Power Projects (P) Limited for the year ended 31 March 2019. The supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6)(b) of the Companies Act, 2013 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A BALANCE SHEET :

A.1 ASSETS

Non-Current Assets

Intangible Assets Rs. 449.13 crore

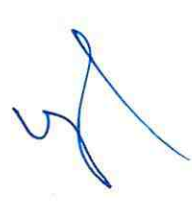
The above does not include an amount of Rs.15.60 crore {104 Project Affected Families (PAFs) X Rs.15 lakh} on account of enhancement in financial assistance for Rehabilitation and Resettlement (R&R) benefits for displaced PAFs of Pakal Dul Hydro Electric Project (HEP) towards land for house and house construction assistance. Since the company recognized the said enhancement amount for disbursement to PAFs, the amount should have been included in Intangible Asset under Development. Non-inclusion of Rs.15.60 crore resulted in understatement of Intangible Asset under Development and Provisions to the same extent.

Place: Srinagar
Date: 21 August 2019

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



(Sushil Kumar Thakur, IAAS)
Accountant General (Audit), J&K



S. No.	Comment	Management Reply
A.1	<p><u>ASSETS</u> <u>Non-Current Assets</u> <u>Intangible Assets Rs. 449.13 Crs.</u></p> <p>The above does not include an amount of Rs. 15.60 crore (104 PAFs x 15 lakh) on account of enhancement in financial assistance for rehabilitation and resettlement (R&R) benefits for displaced PAFs of Pakal Dul Hydro Electric Project (HEP) towards land for house and house construction assistance. Since the company recognized the said enhancement amount of disbursements to PAFs, the amount should have been included in Intangible Assets under Development. Non-inclusion of Rs. 15.60 crore resulted in understatement of Intangible Asset under Development and provisions to same extent.</p>	<p>R&R Plan of the Project as approved by GoJK is to be implemented by Deputy Commissioner, Kishtwar who is also the Commissioner (R&R) for the Project. The approved R&R Plan consists of various components including direct benefits to the PAFs besides development of infrastructure in the local area.</p> <p>Total amount to be disbursed under R&R was envisaged as Rs. 110.58 Crore for 760 Project Affected Families(PAFs). The ibid amount include Rs. 18 Lacs per displaced PAF which is to be disbursed for 104 displaced project affected families(PAFs) towards land for house and house construction assistance. The said amount was enhanced later on by the Govt of J&K from Rs 18 lakhs to Rs 33 Lakhs for Kishanganga Project. Project affected families of Pakal Dul raised demand seeking payment similar to the R&R Plan approved by J&K Govt for Kishanganga HE Project of NHPC. As the R&R Plan for the Pakal Dul project was approved by J&K Govt, enhancement in the amount from Rs 18 lakhs per displaced PAF to Rs 33 Lakhs was required to be revised by Govt.</p> <p>Since, approval of GoJK takes long time due to involvement of various departments, CVPPP Board agreed and approved the same in principle in 39th meeting to avoid any delay in payment to the affected PAFs. However, revised demand for such payment after approval of revised R&R Plan has to be raised by Deputy Commissioner, Kishtwar but the demand for the additional amount has not been raised so far. Therefore, no provision is required to be created for the Rs. 15.60 Cr and there is no understatement of Intangible Asset under Development and Other Current Liabilities / provisions to the extent of Rs. 15.60 crore.</p>

by 

Form MGT – 9

Extract of Annual Return as on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN (Company Incorporation Number) : U40105JK2011PTC003321
- ii) Registration Date : 13/06/2011
- iii) Name of the Company : CHENAB VALLEY POWER PROJECTS [P] LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares / India Non-Government Company
- v) Address of the Registered office and contact details : Chenab Jal Shakti Bhawan, Opposite Saraswati Dham, Rail Head Complex, 180012-J&K
- vi) Whether Listed Company : No
- vii) Name, Address and Contact details of the Registrar and Transfer agent, if any : NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Energy (Hydro Power) Electric Power Generation by Hydroelectric Power Plants	35101	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
Indian									
a) Individual / HUF	NIL	4	4	0.00	-	4	4	0.00	NIL
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	105143996	105143996	100	NIL	143917996	143917996	100	-
e) Bank / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1) :-	NIL	1051440000	1051440000			1439180000	1439180000	100	NIL
(2) Foreign	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) NRI's – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub – Total (A) (2)		NIL							
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	1051440000	1051440000	100	NIL	1439180000	1439180000	100	NIL
B. Public Shareholding									
1. Institutions		NIL							
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-

Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub – Total (B)(1) :-		NIL							
2. Non – Institutions		NIL							
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 Lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lac	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub – Total (B)(2) :-	-	NIL	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1) + (B)(2)	-	NIL	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-		-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1051440000	1051440000	100	NIL	1439180000	1439180000	100	NIL

(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholder's Name	Share holding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
01.	J&K Power Development Corporation Limited	464999999	44.22	NIL	J&K Power Development Corporation Ltd.	687549999	47.77	NIL	3.55
02.	Balraj Joshi (Representative of NHPC)	1	0.00	NIL	Balraj Joshi (Representative of NHPC)	1	0.00	NIL	NIL
03.	NHPC Limited	582359997	55.38	NIL	NHPC Limited	747549997	51.94	NIL	(3.44)
04.	PTC India Limited	4080000	0.4	NIL	PTC India Limited	408000	0.29	NIL	(0.11)
05.	M.K Mittal (Representative of NHPC)	1	0.00	NIL	M.K Mittal (Representative of NHPC)	1	0.00	NIL	NIL
06.	M.S Babu (Representative of NHPC)	1	0.00	NIL	M.S Babu (Representative of NHPC)	1	0.00	NIL	NIL
07.	K B Agarwal (Representative of JKSPDCL)	1	0.00	NIL	L D Jha (Representative of JKSPDCL)	1			
	Total Shares	1051440000	100	NIL		1439180000	100	NIL	NIL

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.		Shareholding in the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	1051440000	100	1439180000	100
	Date wise Increase / Decrease in Promoters Share holding the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) :	Allotment of Additional Equity Shares to the Tune of Rs 222.55 Crores to JKSPDC Ltd. & Rs 165.19 Crores to NHPC Ltd., during the year 2018-19. Total Additional Allotment during the Year 2018-19 Rs. 387.74 Crores			
	At the End of the year	1051440000	100	1439180000	100

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.		Shareholding in the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) :	NIL			
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1.	Name of the Director				
	At the beginning of the year	4	0.00	4	00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	4		4	
2.					
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year				
3.					
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	-	-	-	-
4.					
	At the Beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons	No Change			

	for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				
5.					
	At the Beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change			
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	NIL	NIL	NIL	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager Managing Director- M.S. Babu (01.04.2018-31.3.2019)				Total Amount
1.	Gross Salary	-	-	-	-	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961*	55,74,304	-	-	-	55,74,304.00
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	2,45,974	-	-	-	2,45,974.00
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Fee for attending Meeting	-	-	-	-	NIL
3.	Stock Option	-	-	-	-	NIL
4.	Sweat Equity	-	-	-	-	NIL
5.	Commission	-	-	-	-	NIL
	- as % of Profit	-	-	-	-	NIL
	(PF Contribution from Employer) – others, specify....	-	-	-	-	-
6.	Others, please specify**	3,19,055	-	-	-	3,19,055.00
	Total (A)	61,39,333	-	-	-	61,39,333.00
	Ceiling as per the Act	NA	-	-	-	NA

* Salary under Section 17(1) of the Income Tax Act, 1961 includes Performance Related Pay (PRP) paid for the year 2018-19 as per respective position held by the directors during that period.

** Others include lease rent, gratuity, leave encashment, medical reimbursement, EPF, Social Security Scheme & Pension Fund (matching Contribution) etc. which were not included in point no. (1).

B. Remuneration to other Directors:

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
1.	Independent Directors	-	-	-	-	NIL
	* Fee for attending board committee meetings	-	-	-	-	NIL
	* Commission	-	-	-	-	NIL
	* Others, please specify	-	-	-	-	NIL
						NIL
	Total (1)	-	-	-	-	NIL

	2. Other Non – Executive Directors	-	-	-	-	NIL
	* Fee for attending board committee meetings	-	-	-	-	NIL
	* Commission	-	-	-	-	NIL
	* Others, please specify	-	-	-	-	NIL
	- as % of Profit	-	-	-	-	NIL
	- others, specify....	-	-	-	-	NIL
	Total (2)	-	-	-	-	NIL
	Total (B) = (1+2)	-	-	-	-	NIL
	Total Managerial Remuneration	-	-	-	-	NIL
	Overall Ceiling as per the Act	-	-	-	-	NIL

C. Remuneration to key managerial personnel other than MD / MANAGER / WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary		Total
1.	Gross Salary		-	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961*	20,59,520	-	20,59,520.00
	b) Value of perquisites u/s 17(2) Income – tax Act, 1961	13,241	-	13,241.00
	c) Profits in lieu of Salary under Section 17(3) Income - tax Act, 1961	-	-	NIL
2.	Stock Option	-	-	NIL
3.	Sweat Equity	-	-	NIL
4.	Commission	-	-	NIL
	- as % of Profit	-	-	NIL
	- others, specify	-	-	
5.	Others, please specify**	1,50,594	-	1,50,594.00
	Total	22,23,355	-	22,23,355.00

* Salary under Section 17(1) of the Income Tax Act, 1961 includes Performance Related Pay (PRP) paid for the year 2018-19 as per respective position held by the directors during that period.

** Others include lease rent, gratuity, leave encashment, medical reimbursement, EPF, Social Security Scheme & Pension Fund (matching Contribution) etc. which were not included in point no. (1).

VII. **PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority [RD / NCLT / Count]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
B. DIRECTORS					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

By Order of the Board of Directors

CHENAB VALLEY POWER PROJECTS [P] LIMITED

SD/-

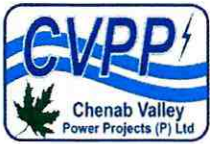
(Navin Kumar Choudhary, IAS)

CHAIRMAN

DIN-07218193

Date : 30.08.2019

Place : Jammu



CHENAB VALLEY POWER PROJECTS [P] LIMITED

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Tel. No: 0191-2479531; E-mail Id: snanand_cs@yahoo.co.in / cscvpp@gmail.com

CIN: U40105JK2011PTC003321

CHENAB VALLEY POWER PROJECTS (PVT) LTD.

Annexure-IV

ANNUAL REPORT ON CSR & SUSTAINABILITY ACTIVITIES (FY 2018-19)

- 1. A brief outline of the company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

CVPPPL is committed to the concerns of its stakeholders and strives to promote and maintain good standards of CSR and Sustainability in all its business activities. To meet this commitment, CVPPPL respects the rule of law, local communities and societies at large and it makes conscious efforts to enhance the quality of life and environmental sustainability through its CSR & Sustainability activities.

The CSR & Sustainability Policy of CVPPPL forms the basis of conducting CVPPPL's business in a socially responsible manner with the aim to integrate the objectives of hydro power development and long term growth of the Company with social responsibility and sustainability by maintaining high level of organizational integrity and ethical behavior, in conformity with expected standards of transparency in reporting and disclosing the performance in all spheres of activities and by understanding and addressing the social, economic and environmental concerns of key stakeholders directly impacted by Company's operations and activities.

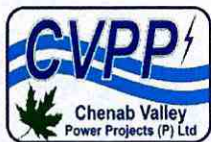
CSR Committee of the Board of CVPPPL, immediately upon its constitution, formulated the CSR & Sustainability Policy of the Company and the Board approved the same as per the recommendation of CSR Committee.

The Policy provides for the provisions pertaining to implementation of CSR activities under various sectors in pursuance to the inviolable Companies Act 2013, Schedule VII of the Act, CSR Rules and amendments thereof.

The CSR & Sustainability Policy of CVPPPL has been placed in public domain on the website of CVPPPL at the link <https://www.cvppindia.com/CSR.aspx?Policies>.

Highlights of the Policy

The budget provision for CSR & Sustainability works for a financial year will be 2% of the average net profits made by CVPPPL during the three immediately preceding financial



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Jammu-180012(J&K)

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CIN: U40105JK2011PTC003321

years or any limit prescribed by the law.

The average net profit of the Company shall be calculated in accordance with the provisions of Section 198 of the Companies Act 2013, as amended.

Being a hydro power developer, CVPPPL will undertake CSR & Sustainability activities primarily near to its projects/power stations or Corporate Office. It will be ensured that at least 80% of the CSR & Sustainability activities are executed in and around CVPPPL's Projects, Power Stations and Offices preferably within 25 Km and in the District where the Project is located. However, other locations beyond 25 Km may also be chosen, based on the needs and as per the direction of Government of India on National Schemes / Campaigns, wherein upto 20% amount of CSR Budget may be spent, for the larger benefit of society/environment.

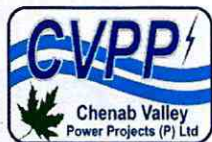
The CSR activities shall be undertaken by CVPPPL in accordance to the list of activities provided under Schedule-VII of the Companies Act and invariably includes activities for promoting education, skill development, healthcare, sanitation, women empowerment, environmental protection, sports, rural development, etc. in accordance with Schedule-VII of the Companies Act, 2013.

Expenditure on any other activity/item not in conformity with Schedule-VII of the Companies Act 2013, as amended from time to time, will not be accounted towards CSR expenditure.

CSR & Sustainability Activities for FY 2018-19

The Annual CSR Plan & Budget for FY 2018-19 was approved by the Board with emphasis on Education and Healthcare sectors for the overall benefit of the community. Total five CSR activities (03 under Education Sector and 02 under Healthcare Sector) were approved for FY 2018-19. The projects of CVPPPL are located in District Kishtwar, therefore all the activities for FY 2018-19 were undertaken within the project areas so as to maximize the benefits to the local population.

The 03 activities implemented under Education Sector included providing of necessary and unavailable furniture and other items to 07 schools located in the project areas of our projects in District Kishtwar (i.e. 02 schools under Pakal Dul HEP, 02 schools under Kiru HEP and 03 Schools under Kwar HEP).



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The 02 activities implemented under Healthcare Sector included providing of medical equipments and other items for strengthening the healthcare infrastructure of Medical Block Dachhan (by Pakal Dul HEP) and Primary Health Centre Kiru (by Kiru HEP).

Further, the component of sustainable development, though small, was included in the CSR activities approved and implemented for FY 2018-19 through the provision of providing dust bins to the schools. The aim was to inculcate the concept of waste segregation and management among the students of these schools from beginning of their educational ladder.

2. The composition of CSR Committee.

The CSR Committee of CVPPPL comprises of:

- i. Sh. Hirdesh Kumar, IAS, Director CVPPPL - Chairman cum Member
- ii. Sh. M. K. Mittal, Director CVPPPL - Member
- iii. Sh. M. S. Babu, Managing Director CVPPPL - Member

3. Average net profit of the Company for last three financial years.

The average net profit of CVPPPL for FY 2015-16, 2016-17 and 2017-18, in pursuance to Section 198 of Companies Act 2013, was **Rs. 6,19,59,638/-**.

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)

Rs. 12,39,193/-

5. Details of CSR spent during the financial year.

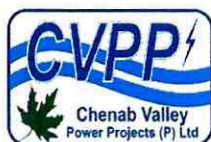
a. Total amount to be spent for the financial year 2018-19.

The prescribed expenditure for FY 2018-19 was **Rs. 12.39193 lacs**, however, the Board of CVPPPL approved a total financial provision of **Rs. 12.72 lacs** for implementation of CSR activities for the financial year on the recommendation of the CSR Committee. Out of this, an amount of **Rs. 12.39820 lacs** has been spent and all the approved activities stand implemented.

b. Amount unspent, if any.

Nil

(Prescribed 2% CSR expenditure incurred and all approved CSR activities completed)



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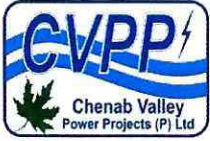
CIN: U40105JK2011PTC003321

c. Manner in which the amount spent during the financial year is detailed below:

(Rs. In lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other. (2) Specify the State & District where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency*
1.	Providing furniture/ infrastructure in 02 schools by Pakal Dul HEP.	Promoting Education	Local Area District Kishtwar, J&K State	1.95	1.87855 0.0700	1.94855	Direct
2.	Providing medical equipments & other items to Block Medical Office, Dachhan by Pakal Dul HEP.	Promoting Healthcare	Local Area District Kishtwar, J&K State	4.05	3.83021 0.0350	3.86521	Direct
3.	Providing furniture / infrastructure in 02 schools by Kiru HEP.	Promoting Education	Local Area District Kishtwar, J&K State	2.91	2.76800 0.03729	2.80529	Direct
4.	Providing medical equipments & other items in PHC Kiru.	Promoting Healthcare	Local Area District Kishtwar, J&K State	0.69	0.66200 0.01865	0.68065	Direct
5.	Providing furniture / infrastructure in 03 schools by Kwar HEP.	Promoting Education	Local Area District Kishtwar, J&K State	3.12	2.99850 0.1000	3.0985	Direct
Total				12.72	12.3982	12.3982	

* Give details of implementing agency: Implementing Agency was not involved.



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6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.

N.A.

7. Responsibility Statement of the CSR Committee of the Board that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Implementation of CSR & Sustainability activities and monitoring thereof is in compliance with Companies Act 2013 and the CSR objectives and Policy of the Company.

Sd/-
Hirdesh Kumar, IAS
Director CVPPPL
Chairman cum Member
CSR Committee of the
Board

Sd/-
M.K. Mittal
Director CVPPPL
Member CSR Committee of
the Board

Sd/-
M.S. Babu
Managing Director
CVPPPL Member CSR
Committee of
the Board

**Activity wise list of items (with quantity) provided
to the identified Schools and Health Care Establishments under CSR 2018-19**

S. No.	CSR Activity	Sector	Name of Project Office	Name of Institution where CSR activity was implemented	Items provided under CSR 2018-19	Qty.	
1.	Providing furniture / infrastructure in 02 schools.	Promoting Education	Pakal Dul HEP	1. Govt. Middle School, Arzi, Zone Nagseni, District Kishtwar.	Desks	25	
					Pigeon Hole Rack	01	
					Chairs (plastic)	10	
					White Board	03	
					Office Almirah	01	
					Dust bin (80 Ltr)	01	
				2. Govt. Middle School, Janakpur-Dachhan, Zone Marwah, District Kishtwar.	Desks	20	
					Pigeon Hole Rack	01	
					Chairs (plastic)	10	
					White Board	03	
					Office Almirah	01	
					Dust bin (80 Ltr)	01	
					Steel Box	02	
					Office Table	01	
Office Chair	01						
	Water Tank (1000 Ltr)	01					
2.	Providing Medical Equipments and other items to Block Medical Office, Health & Family Welfare – Dachhan.	Promoting Healthcare	Pakal Dul HEP	1. Block Medical Office, Health & Family Welfare – Dachhan, District Kishtwar.	Oxygen Concentrator	04	
					Delivery Table	02	
					BP Apparatus (Mercury with stand)	16	
					Weighing Machine (Adult)	05	
					Weighing Machine (Child)	07	
					Calorie Meter	03	
					Stethoscope	10	
					Thermometer	10	
					HB Meter	10	
					3.	Providing furniture / infrastructure in 02 schools.	Promoting Education
Chair	10						
Table	04						
Office Almirah (Small)	01						
Office Almirah (Big)	01						
Dustbin	04						
Pigeon Hole Rack	01						
Bucket	04						
Water Purifier (UV)	01						
2. Govt. Primary School, Champli (Badole), Village Galhar Bhata, Zone Nagseni, District Kishtwar.	Desk	25					
	Chair	05					
	Table	01					
	Class Table (Tea pie)	01					
	Office Almirah (Small)	01					
	Dustbin	01					
	Steel Trunk (Box)	01					
	Display Board with Stand	01					
	Water Tank (1000 Ltr)	01					
Water Purifier (UV)	01						
4.	Providing medical equipments and other items in Primary Health Centre, Kiru.	Promoting Healthcare	Kiru HEP	1. Primary Health Centre, Kiru, Tehsil Nagseni, District Kishtwar.	Water Purifier	01	
					BP Apparatus (Standing)	04	
					Sterilizers	02	
					Pillar Heater	04	
					Almirah (Small)	01	
					Almirah (Big)	01	
					Chairs	10	
5.	Providing furniture / infrastructure in 03 schools.	Promoting Education	Kwar HEP	1. Govt. Middle School, Kwar, Zone Nagseni, District Kishtwar.	Desks	24	
					Visitor Chairs	10	
					Steel Tables	02	
					Water Purifier	01	
					White Board	03	
					Pigeon Hole Almirah (08 lockers)	01	
					Steel Office Almirah (78")	01	
					Executive Chair	01	
					Volley Ball with Net	01	
					Carrom Board	02	
					2. Govt. High School, Cherji, Zone Nagseni, District Kishtwar.	Desks	24
						Visitor Chairs	10
				Steel Tables		02	
				Water Purifier		01	
				White Board		03	
				Pigeon Hole Almirah (08 lockers)		01	
				Steel Office Almirah (78")		01	
				Executive Chair		01	
				Volley Ball with Net		01	
				Carrom Board		02	
				3. Govt. Middle School, Upper Bidda, Zone Nagseni, District Kishtwar.		Desks	24
						Visitor Chairs	10
					Steel Tables	02	
					Water Purifier	01	
White Board	03						
Pigeon Hole Almirah (08 lockers)	01						
Steel Office Almirah (78")	01						
Executive Chair	01						
Volley Ball with Net	01						
Carrom Board	02						

Photographs of the CSR Activities implemented by Pakal Dul HE Project in FY 2018-19



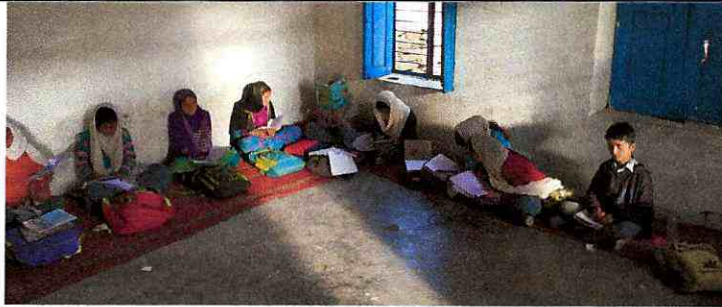
Govt. Middle School Arzi, Zone Nagseni depicting pre activity scenario



Handing over of items to Govt. Middle School Arzi, Zone Nagseni



Handing over of items to Govt. Middle School Arzi, Zone Nagseni and utilization of items in the school



Govt. Middle School Janakpur, Dachhan, Kishtwar depicting pre activity scenario



Handing over of items to Govt. Middle School Janakpur, Dachhan and utilization of items in the school



Handing over of items to Block Medical Office, Dachhan

Photographs of the CSR Activities implemented by Kiru HE Project in FY 2018-19



Govt. Primary School Champli (Badole) depicting pre activity scenario



Handing over of items to Govt. Primary School Champli (Badole)



Utilisation of items in Govt. Primary School Champli (Badole)



Utilisation of items in Govt. Primary School Champli (Badole)

Photographs of the CSR Activities implemented by Kiru HE Project in FY 2018-19



Govt. High School, Galhar Bhata depicting pre activity scenario



Handing over of items to Govt. High School, Galhar Bhata in presence of Naib Tehsildar, Nagseni



Utilization of items in Govt. High School, Galhar Bhata



Handing over of items to Primary Health Centre Kiru in presence of Naib Tehsildar, Tehsil Nagseni and Medical Officer, PHC Kiru



Handing over of items to Primary Health Centre Kiru in presence of Naib Tehsildar, Tehsil Nagseni and Medical Officer, PHC Kiru

Photographs of the CSR Activities implemented by Kwar HE Project in FY 2018-19



Govt. Middle School Kwar depicting pre activity scenario



Handing over of items to Govt. Middle School Kwar



Handing over of items to Govt. Middle School Kwar



Govt Middle School Upper Bidda depicting pre activity scenario



Handing over of items to Govt Middle School Upper Bidda

Photographs of the CSR Activities implemented by Kwar HE Project in FY 2018-19



Govt. High School Cherji depicting pre activity scenario



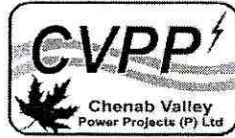
Handing over of items to Govt. High School Cherji



Handing over of items to Govt. High School Cherji



Utilization of items in Govt. High School Cherji



CHENAB VALLEY POWER PROJECTS [P] LIMITED

[A joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]
(CIN: U40105JK2011PTC003321)

Financial Statement as on
31st March, 2019

Corporate Office:
Chenab Jal Shakti Bhawan,
Opposite Saraswati Dham,
Rail Head Complex,
Jammu – 180012 (J&K)



JSVP & CO.

CHARTERED ACCOUNTANTS

108/A-1, 1ST FLOOR NORTH BLOCK
BAHU PLAZA, JAMMU - 180012

GSTIN : _____

Tele : (O) 0191-2475848

Cell : 9419181848, 9419183620,

: jsvpca@gmail.com

e-mail : jsvpca@rediffmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
Chenab Valley Power Projects (P) Ltd.

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Chenab Valley Power Projects(P) Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and 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 standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, 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 standalone financial statements.

Key Audit Matters

The company is constructing Hydroelectric projects as such the expenditure in being done on bringing the revenue generating units and there is no source of revenue at present. The profit of company is only from interest income earned on short term surplus funds. During audit and discussions with management we did not found any key audit matter required to be communicated.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for



safeguarding the assets of the Company and for preventing and detecting 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

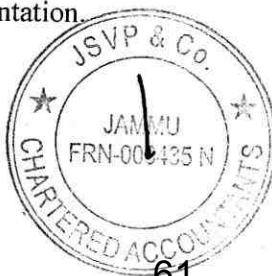
The Board of Directors are responsible for overseeing the Company's financial reporting process.

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 standalone 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 financial controls 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 system 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, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

1. The status of Equity contribution as on 31st March, 2019 from the promoters namely NHPC Ltd, JKSPDC and PTC (India) Limited stood at Rs.747,55,00,000/- (51.94%), Rs.687,55,00,000/- (47.77%) and Rs.4,08,00,000/- (0.29%) respectively. Since NHPC Ltd. is a public limited company holding more than 50% of the paid up share capital of the company Chenab Valley Power Projects Private Limited (CVPPPL), CVPPPL has become subsidiary of NHPC Ltd. Hence the company CVPPPL, though a private limited company, has acquired the status of deemed public company (being subsidiary of a public company).
2. Total paid up share capital of the Company is Rs.1439.18 crores as on 31st March, 2019. Paid up share capital of PTC (India) Limited is still Rs. 4.08 crore. Having regard to mutual promoter contribution ratio as stipulated in Promoter's Agreement, the paid up capital of PTC (India) Limited should be Rs.30.51crores. Rs.30.51 crores has been calculated based on contribution of NHPC Ltd towards paid up capital. Therefore, there is shortfall in promoter's contribution by PTC (India) Ltd to the extent of Rs. 25.43 crores.
3. The paid up share capital of NHPC Ltd is 747.55 crores and as per promoter's agreement JKSPDC's paid up share capital should reflect the matching amount. Hence the shortfall in promoter's contribution by JKSPDC to the extent of Rs.60 crores.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. The Comptroller and Auditor-General of India have 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, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The Provisions of sub-section (2) of section 164 of the Companies Act are not applicable to a Government 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 is not applicable to the Company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note No.34 (Other explanatory Notes to Accounts)-Pt. No.1(a)(i) and Pt. No. 2(a)
 - 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 JSVP & Co.
Chartered Accountants
(Firm's Registration
No.003435N)


Raj Kumar Mehra
Partner
(Membership No.501305)

Place: Jammu
Dated: 12.05.2019



JSVP & CO.

CHARTERED ACCOUNTANTS

108/A-1, 1ST FLOOR NORTH BLOCK
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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Chenab Valley Power Projects(P) Ltd.** of even date)

i. In respect of the Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In respect of following sums paid by the company for following Immovable properties, the status of title deeds is as under:

Project Name	Nature of Land	Amount in crores	Remarks
Corporate Office	Freehold	6.00	Mutation recorded in revenue record in the name of the Company.
Pakal Dul	Right to use	435.37	NOC from J&K Sate Forest Corporation obtained for right to use the land.
	Leasehold	72.50	Mutation recorded in revenue record in the name of GOVERNOR (J&K) through CVPPPL.
Kiru	Right to use	9.45	Right to use the land granted by Govt. of J&K vide order no.143-FST of 2016 dated 14.05.2016
Kwar	Right to use	3.44	Right to use the land granted by Govt. of J&K vide letter dated 08.08.2014

- ii. The Company has not commenced the commercial productions and as such there are no inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According the information and explanations given to us, the Company has not granted 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 clauses 3 (iii) (a) to 3 (iii) (c) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

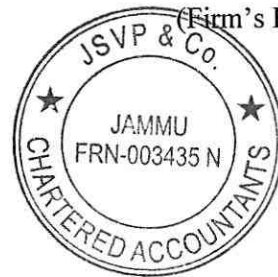


- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute are NIL.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanation given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the clause for payment of managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act, is not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Jammu
Dated: 12.05.2019



For JSVP & Co.
Chartered Accountants
(Firm's Registration No.003435N)

Raj Kumar Mehra
Partner
(Membership No.501305)



JSVP & CO.

CHARTERED ACCOUNTANTS

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Annexure "B" to the Auditors' Report

[Referred to in our Report of even date on the Accounts of Chenab Valley Power Projects (P) Limited as at and for the year ended 31st March 2019]

Directions under section 143(5) of Companies Act 2013 applicable from the year 2018-19 onwards

S.No	Directions	Remarks
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.	Company has its own IT system in place for processing all the accounting transactions. No accounting transaction is processed outside IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off 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.	There are no cases of restructuring of an existing loan or cases of waiver/write off debts/loans/interest.
3	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilised as per its term and conditions? List the cases of deviation.	No fund has been received by the Company from central/state agencies.

For JSVP & Co.
Chartered Accountants


CA Raj Kumar Mehra
(Partner)

M. No 501305

Place: Jammu

Date: 12.05.2019





CHENAB VALLEY POWER PROJECTS [P] LIMITED
CVPP, Jammu

BALANCE SHEET AS AT 31ST MARCH, 2019

(CIN: U40105JK2011PTC003321)

PARTICULARS	Note No.	(Amount in ₹)	
		As at 31st March, 2019	As at 31st March, 2018
ASSETS			
(1) NON-CURRENT ASSETS			
a) Property, Plant and Equipment	2.1	1,23,61,14,136	39,71,99,967
b) Capital Work In Progress	2.2	6,82,99,55,824	5,60,16,69,857
c) Investment Property	2.3	-	-
d) Intangible Assets	2.4	4,49,12,75,573	4,48,66,52,059
e) Financial Assets			
i) Investments	3.1	-	-
ii) Trade Receivables	3.2	-	-
iii) Loans	3.3	-	-
iv) Others	3.4	24,08,536	14,25,973
f) Non Current Tax Assets (Net)	4	1,00,00,000	1,00,00,000
g) Other Non Current Assets	5	-	-
TOTAL NON CURRENT ASSETS		1,56,32,00,576	1,52,21,92,972
(2) CURRENT ASSETS			
a) Inventories	6	-	-
b) Financial Assets			
i) Trade Receivables	7	-	-
ii) Cash & Cash Equivalents	8	-	-
iii) Bank balances other than Cash & Cash Equivalents	9	2,59,82,47,497	1,74,24,61,858
iv) Loans	10	1,55,00,000	2,00,00,000
v) Others	11	49,01,790	27,97,755
c) Current Tax Assets (Net)	12	10,95,98,302	4,59,72,968
d) Other Current Assets	13	5,29,302	71,573
TOTAL CURRENT ASSETS		3,34,69,724	11,72,243
(3) Regulatory Deferral Account Debit Balances	14	2,76,22,46,615	1,81,24,76,397
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		16,89,52,01,260	13,83,16,17,225
EQUITY AND LIABILITIES			
(1) EQUITY			
a) Equity Share Capital	15.1	14,39,18,00,000	10,51,44,00,000
b) Other Equity	15.2	38,28,93,284	90,41,58,949
TOTAL EQUITY		14,77,46,93,284	11,41,85,58,949
(2) LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	16.1	-	-
ii) Other financial liabilities	16.2	72,07,242	14,22,546
b) Provisions	17	3,08,43,317	2,27,47,365
c) Deferred Tax Liabilities (Net)	18	-	-
d) Other non-current Liabilities	19	-	-
TOTAL NON CURRENT LIABILITIES		3,80,50,559	2,41,69,911
(3) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	20.1	-	-
ii) Trade Payables	20.2	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		1,07,64,79,840	1,16,19,51,188
iii) Other financial liabilities	20.3	11,09,47,540	7,17,28,653
b) Other Current Liabilities	21	63,11,46,995	1,02,75,17,553
c) Provisions	22	26,38,83,042	12,76,90,971
d) Current Tax Liabilities (Net)	23	-	-
(4) FUND FROM C.O.	15.3	-	-
TOTAL CURRENT LIABILITIES		2,08,24,57,417	2,38,88,88,365
TOTAL EQUITY & LIABILITIES		16,89,52,01,260	13,83,16,17,225

Significant Accounting Policies
Expenditure attributable to construction (EAC) during the year forming part of capital work in progress
Disclosure on Financial Instruments and Risk Management
Other Explanatory Notes to Accounts

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Note 1 to 34 form integral part of the Accounts

For JSVP & CO.
Chartered Accountants
(Firm Regn. No. 003435N)

(CA Raj Kumar Mehra)
Partner
M.No. 501305

Place: - Jammu
Date: - 12.05.2019

(Lokesh Dutt Jha)
Chairman

(K K Goel)
General Manager (Finance)

(M S Babbar)
Managing Director

(Sudhir Anand)
Company Secretary



CHENAB VALLEY POWER PROJECTS [P] LIMITED

CVPP, Jammu

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(CIN: U40105JK2011PTC003321)

(Amount in ₹)

	Note No.	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
INCOME			
i) Revenue from Continuing Operations	24.1	-	-
ii) Other Income	24.2	20,44,99,432	6,20,16,457
TOTAL INCOME		20,44,99,432	6,20,16,457
EXPENSES			
i) Generation Expenses	25	-	-
ii) Employee Benefits Expense	26	3,336	-
iii) Finance Cost	27	-	-
iv) Depreciation & Amortization Expense	28	-	-
v) Other Expenses	29	1,43,18,243	54,43,735
TOTAL EXPENSES		1,43,21,579	54,43,735
Profit before Exceptional items, Rate Regulated Activities and Tax		19,01,77,853	5,65,72,722
Exceptional items		-	-
PROFIT BEFORE TAX		19,01,77,853	5,65,72,722
Tax Expenses	30	5,95,43,518	1,71,14,068
i) Current Tax		-	826
ii) Adjustments for Income Tax		-	-
iii) Deferred Tax		-	-
Total Tax Expenses		5,95,43,518	1,71,14,894
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		13,06,34,335	3,94,57,828
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	-	-
PROFIT FOR THE YEAR AFTER NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		13,06,34,335	3,94,57,828
Profit for the year from continuing operations (A)		13,06,34,335	3,94,57,828
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax		-	-
OTHER COMPREHENSIVE INCOME (B)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans			
Less: Income Tax on remeasurement of the defined benefit plans		-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities on Remeasurement of defined benefit plans		-	-
-Movement in Regulatory Deferral Account Balances-Remeasurement of defined benefit plans		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
Sub total (a)		-	-
(b) Investment in Equity Instruments			
Less: Income Tax on Equity Instruments		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		-	-
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-
Less: Income Tax on investment in Debt Instruments		-	-
Total (ii)		-	-
Other Comprehensive Income (B)=(i+ii)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		13,06,34,335	3,94,57,828

Earning per share before movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)		
Basic		
Diluted	0.0967	0.0404
Earning per share after movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)	0.0967	0.0403
Basic		
Diluted	0.0967	0.0404
	0.0967	0.0403

- Significant Accounting Policies
- Expenditure attributable to construction (EAC) during the year forming part of capital work in progress
- Disclosure on Financial Instruments and Risk Management
- Other Explanatory Notes to Accounts
- Note 1 to 34 form integral part of the Accounts

For JSVP & CO.
Chartered Accountants
(Firm Regn. No. 003435N)
CA Raj Kumar Mehra
Partner
M.No. 501305
Place: - Jammu
Date: - 12.05.2019

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(Lokesh Dutt Jha)
Chairman

(K K Goel)
General Manager (Finance)

(M S Babbar)
Managing Director

(Sudhir Anand)
Company Secretary



CHENAB VALLEY POWER PROJECTS [P] LIMITED

CVPP, Jammu

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2019

(CIN: U40105JK2011PTC003321)

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH, 2019	AS AT 31ST MARCH, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES:-		
Net Profit before tax and after extraordinary items	1,901.78	565.73
i) Adjustments:		
Finance cost	-	-
Loss on sale/ disposal of assets	-	-
Interest Income	(2,044.76)	(620.19)
Profit on sale/ disposal of assets	-	-
	(2,044.76)	(620.19)
Cash flow from operating activities before working capital adjustments	(142.98)	(54.46)
ii) Changes in Working Capital:-		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Other Assets, Loans & Advances	(1,380.66)	(8,436.12)
Increase/(Decrease) in Trade and Other Payables & Liabilities	(2,925.50)	2,926.17
	(4,306.16)	(5,509.95)
Cash flow from operating activities before taxes	(4,449.14)	(5,564.41)
Less : Taxes	595.44	171.15
NET CASH FLOW FROM OPERATING ACTIVITIES	(A) (5,044.58)	(5,735.56)
B. CASH FLOW FROM INVESTING ACTIVITIES:-		
Property, Plant & Equipments, Other Intangible Assets & Expenditure on Construction Projects (including expenditure during construction forming part of CWIP)	(20,718.24)	(10,695.72)
Interest Income Received	2,044.76	620.19
Reliazation/ (Investment) in Bank Deposits	-	-
Loan	(24.09)	-
NET CASH FLOW FROM INVESTING ACTIVITIES	(B) (18,697.57)	(10,075.53)
C. CASH FLOW FROM FINANCING ACTIVITIES:-		
Proceeds from Equity Share Capital	32,255.00	19,255.00
NET CASH FLOW FROM FINANCING ACTIVITIES	(C) 32,255.00	19,255.00
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	8,512.85	3,443.91
CASH & CASH EQUIVALENTS AT THE BEGINING OF THE YEAR	17,624.62	14,180.71
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	26,137.47	17,624.62

Explanatory Notes:-

- Cash & Cash Equivalents at the end of the year consists of Cash/ Cheque/ Draft in Hand and Bank Balance including Short Term Deposits of varying periods. The details of Cash & Cash Equivalents at the end of the year is as per Note no. 8 of Balance Sheet.
- A bank deposit against which a bank guarantee has been issued in favour of J&K Forest Department for a period of five year (as per Note no. 3.4 of Balance Sheet) and shown under the category Investing Activities.

For JSVP & Co.
Chartered Accountants
FRN: 003435N



Place: Jammu
Date: 12.05.2019

For and on the behalf of the Board of the Directors of CVPP

(Lokesh Dutt Jha)
Chairman

(K K Goel)
General Manager (Finance)

(M S Babul)
Managing Director

(Sudhir Anand)
Company Secretary

NOTE NO. 1: COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

(I) Reporting entity

Chenab Valley Power Projects (P) Limited (the "Company") is a Joint Venture of NHPC Limited (A GoI Enterprise), JKSPDC (A GoJK Undertaking) and PTC (India) Limited and a Company domiciled in India (CIN: U40105JK2011PTC003321). The address of the Company's registered office is Chenab Valley Power Projects (P) Limited, Chenab Jal Shakti Bhawan, Opposite Saraswati Dham, RailHead Complex, Jammu-180012. The Company is primarily involved in the generation and sale of bulk power to various Power Utilities.

(II) Basis of preparation

(A) Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorised for issue by the Board of Directors on

(B) Basis of Measurement

The financial statements have been prepared on historical cost basis, except for:

- Certain financial assets and liabilities measured at fair value.
- Plan assets of defined employee benefit plans measured at fair value.

The methods used to measure fair values are discussed in Note 33.

(C) Functional and presentation currency

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 off to the Nearest Lacs (up to two decimals) for the Company. However, at Unit level, figures are presented in rupees (absolute number).

(D) Use of estimates and management judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures including contingent assets and liabilities at the Balance Sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Critical judgments and estimates

a) Determining whether an arrangement contains a lease

Appendix C, Ind AS 17 'Determining whether an arrangement contains a lease' requires an assessment of whether:

- fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and
- the arrangement conveys a right to use the asset.

Further, an arrangement conveys a right to use the asset if facts and circumstances indicate that it is remote that one or more parties other than the purchaser will take more than an insignificant amount of the output or other utility that will be produced or generated by the asset during the term of the arrangement, and the price that the purchaser will pay for the output is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery of the output.

The Company enters into power purchase agreements with beneficiaries. Power Purchase Agreements (PPA) in the nature of embedded lease with a single beneficiary where the minimum lease term is for the major part of the plant's economic life and the minimum lease payments amount to substantially all the fair value of the plant are considered as a Finance Lease. Other embedded leases are considered as Operating Lease.

For embedded leases in the nature of a Finance Lease, the investment in the plant is recognised as a Lease Receivable. The minimum lease payments are identified by segregating the embedded lease payments from the rest of the contract amounts. Each lease receipt is allocated between the receivable and finance lease income so as to achieve a constant rate of return on the Lease Receivable outstanding.

In the case of operating leases or embedded operating leases, the lease income from the operating lease is recognised in revenue on a straight-line basis over the lease term. The respective leased assets are included in the Balance Sheet based on their nature.

b) Useful life of Property, Plant and Equipment and Intangible Assets

The estimated useful life of property, plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets used for generation of electricity is determined by the Central Electricity Regulatory Commission (CERC) Tariff Regulations as mentioned in part B of Schedule II of the Companies Act, 2013 except for construction plant & machinery and computers & peripherals which are in accordance with Schedule II of the Companies Act, 2013 and mobile phones which are as per management assessment.

c) Recoverable amount of property, plant and equipment, capital work in progress and intangible assets

The recoverable amount of property, plant and equipment, capital work in progress and intangible assets are based on estimates and assumptions, in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount resulting in impairment.

d) Post-retirement benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase, the inflation rate and expected rate of return on plan assets. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have an impact on the resulting calculations.

e) Revenue

The Company records revenue from sale of power based on Tariff approved by the CERC, as per the principles of Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, where tariff are pending revision due to revision in cost estimates, tariffs are computed based on the parameters and methods prescribed under the CERC Tariff Regulations and an estimated amount of revenue is recognised when an application is made to the CERC after

obtaining necessary approvals to the extent it is highly probable that there will be no downward adjustment to the revenue recognised.

f) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change following unforeseeable developments.

g) Recoverable Amount of Rate Regulated Assets

The operating activities of the Company are subject to cost-of-service regulations whereby tariff charged for electricity generated is based on allowable costs like interest costs, depreciation, operation & maintenance including a stipulated return. Guidance Note on Rate Regulated Activities issued by the ICAI (previous GAAP) and Ind AS 114- 'Regulatory Deferral Accounts' permits an entity to include in the rate base, as part of the cost of self-constructed (tangible) PPE or internally generated intangible assets, amounts that would otherwise be recognised as an expense in the statement of profit and loss in accordance with Ind AS. The Company estimates that items of regulatory deferral accounts recognised in the financial statements are recoverable as per the current CERC Tariff Regulations 2014-19. However, changes in CERC tariff regulations beyond the current tariff period may affect the recoverability of such balances.

h) Impairment of Trade Receivables

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 owing to delay in realization of trade receivables, except to the extent already provided for.

i) Insurance Claim Recoverable

The recoverable amount of insurance claims in respect of damages to Property, Plant & Equipment is based on estimates & assumptions as per terms and conditions of insurance policies.

(III) SIGNIFICANT ACCOUNTING POLICIES- Summary of the significant accounting policies for the preparation of financial statements as given below have been applied consistently to all periods presented in the financial statements. These accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. These policies need not be applied when the effect of applying them is immaterial.

Up to March 31, 2015, Property, Plant and Equipment, Capital Work in Progress and Intangible Assets were carried in the Balance Sheet in accordance with Indian GAAP. The Company had elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as the deemed cost at the date of transition to IND AS (i.e. as on April 1, 2015).

1.0 Property, Plant and Equipment (PPE)

- a) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- b) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. In cases where final settlement of bills with contractors is pending, but the asset is complete and available for operating in the manner intended by the management, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.
- c) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an

existing asset, is³ added to the cost of the related asset. PPE acquired as³ replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

- d) After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- e) Deposits, payments made/ liabilities created provisionally towards compensation (including interest on enhanced compensation till the date of award by the Court), rehabilitation & resettlement and other expenses including expenditure on environment management plans relatable to land in possession are treated as cost of land.
- f) Assets over which the Company has control, though created on land not belonging to the Company, are included under Property, Plant and Equipment.
- g) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.
- h) Spares parts (procured along with the Plant & Machinery or subsequently) which meet 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 treated as "stores & spares" forming part of inventory.
- i) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.
- j) An item of property, plant and equipment is derecognised 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 when the asset is derecognised.

2.0 Capital work in Progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.
- b) Costs including employee benefits, professional fees, expenditure on maintenance and up-gradation of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets.
- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is accumulated under "Expenditure Attributable to Construction" and carried under "Capital Work in Progress" and subsequently allocated on a systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to the Statement of Profit and Loss.

3.0 Intangible Assets and Intangible Assets under Development

- a) Expenditure on research is charged to revenue as and when incurred. Expenditure on development is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to & has sufficient resources to complete development and to use or sell the asset.
- b) Intangible assets acquired separately are measured on initial recognition at cost. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for as Land-Right to use.
- d) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses if any.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

4.0 Foreign Currency Transactions

- a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.
- b) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Where the Company has paid or received advance consideration in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is the date when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

5.0 Regulatory Deferral Accounts

- a) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Statement of Profit and Loss i.e. not allowed to be capitalized as part of cost of relevant PPE in accordance with Ind-AS, but is nevertheless permitted by CERC to be recovered from the beneficiaries in future through tariff, the right to recover the same is recognized as "Regulatory Deferral Account balances."
- b) Expense/ income recognised 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 recognised as "Regulatory Deferral Account balances."
- c) These Regulatory Deferral Account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- d) 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 derecognised.
- e) Regulatory Deferral Account balances are tested for impairment at each Balance Sheet date.

6.0 Fair value measurement

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.

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

7.0 Financial assets other than investment in subsidiaries and joint ventures

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under conditions that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument.

Financial assets of the Company comprise Cash and Cash Equivalents, Bank Balances, Investments in equity shares of companies other than in subsidiaries & joint ventures, Trade Receivables, Advances to employees/ contractors, security deposit, claims recoverable etc.

a) Classification

The Company classifies its financial assets in the following categories:

- At amortised cost,
- At fair value through other comprehensive income (FVTOCI), and

The classification depends on the following:

- (a) The entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

b) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or Loss, 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 the Statement of Profit and Loss.

The Company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

c) Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at Fair Value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at FVTOCI if both the following criteria are met:

- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments at fair value through Other Comprehensive Income are measured at each reporting date at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest income from these financial assets is included in other income using the EIR method.

Trade Receivables:

Trade receivables containing a significant financing component are subsequently measured at amortised cost using the effective interest method.

d) Derecognition

A financial asset is derecognised only when:

- i) The Company has transferred the rights to receive cash flows from the financial asset, or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

On de-recognition, the difference between the carrying amount and the amount of consideration received / receivable is recognized in the Statement of Profit and Loss.

e) Impairment of financial assets

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

- i) Financial assets that are debt instruments, and are measured at amortised cost.

- ii) Financial assets that are debt instruments and are measured as at FVTOCI
- iii) Contract Assets and Trade Receivables under Ind AS 115, Revenue from Contracts with Customers
- iv) Lease Receivables under Ind AS 17, Leases.

The Company follows the 'simplified approach' permitted under Ind AS 109, "Financial Instruments" for recognition of impairment loss allowance based on life time expected credit loss from initial recognition on contract assets, lease receivables and trade receivables resulting from transactions within the scope of Ind AS 17 and Ind AS 115.

For recognition of impairment loss on other financial assets, the Company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. The amount of expected credit loss (or reversal) for the period is recognized as expense/income in the Statement of Profit and Loss.

8.0 Inventories

Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment and are valued at cost 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 estimated costs necessary to make the sale.

Scrap is valued at net realisable value.

The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period in which write-down or loss occurs.

9.0 Financial liabilities

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

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

a) Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable and subsequently measured at amortised cost. Financial liabilities are classified as subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, over the period of the borrowings using the effective rate of interest.

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.

b) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion, when the liabilities are derecognised as well as through the EIR amortisation process.

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

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

10.0 Government Grants

- a) The benefits of a government loan at a below market rate of interest is treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities and government grant is recognized initially as deferred income and subsequently in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.
- b) Monetary grants from the government for creation of assets are initially recognised as deferred income when there is reasonable assurance that the grant will be received and the company will comply with the conditions associated with the grant. The deferred income so recognised is subsequently amortised in the Statement of Profit and Loss over the useful life of the related assets.
- c) Government grant related to income is recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

11.0 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision net of any reimbursement is presented in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion.
- b) If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- c) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.
- d) Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events

not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

12.0 Revenue Recognition and Other Income

Company's revenues arise from sale of energy and other income. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

a) Revenue from sale of power

- i) Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over the products or services to a customer.
- ii) Revenue from sale of power (except for power stations considered as Finance/Operating Lease) is accounted for as per tariff notified by the Central Electricity Regulatory Commission (CERC) under the CERC (Terms & Conditions of Tariff) Regulations, 2014. In the case of Power Stations where provisional/ final tariff is yet to be notified or where incentives/disincentives are chargeable/payable as per CERC (Terms & Conditions of Tariff) Regulations, revenue is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Rebates given to beneficiaries as early payments incentives are deducted from the amount of revenue.
- iii) In the comparative period, revenue from sale of power was measured at the fair value of the consideration received or receivable. Revenue was recognised when the significant risks and rewards of ownership had been transferred to the buyer, recovery of the consideration was probable, the associated costs could be estimated reliably, there was no continuous management involvement and the amount of revenue could be measured reliably.
- iv) Customers are billed on a periodic and regular basis. As at each reporting date, revenue from sale of power includes an accrual for sales delivered to customers but not yet billed (unbilled revenue).
- v) Recovery/ refund towards foreign currency variation in respect of foreign currency loans and recovery towards Income Tax are recognised on year to year basis based on regulatory norms.
- vi) Adjustments arising out of finalization of Regional Energy Account (REA), though not material, are effected in the year of respective finalization.

b) Other income

- i) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
- ii) Interest/Surcharge recoverable from customers and liquidated damages /interest on advances to contractors is recognised when it is highly probable that a significant reversal in the amount of revenue recognised will not occur in the future.

13.0 Employee Benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed or included in the carrying amount of an asset if another standard permits such inclusion as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term performance related cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Provident Fund Scheme and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to are recognised as an employee benefit expense in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme, Provident Fund Scheme, Allowance on Retirement/Death to employees are in the nature of defined benefit plans.

The liability or asset recognised in the Balance Sheet in respect of Gratuity and Provident Fund Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by the actuary using the Projected Unit Credit Method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss or included in the carrying amount of an asset if another standard permits such inclusion.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

iv) Other long-term employee benefits

Benefits under the Company's leave encashment scheme constitute other long term employee benefits.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the Projected Unit Credit Method. Contributions to the scheme and actuarial gains or losses are recognised in the

Statement of Profit and Loss included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

v) Termination benefits

The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to the Statement of Profit and Loss in the year of incurrence of such expenses.

14.0 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

15.0 Depreciation and amortization

- a) Depreciation on additions to /deductions from Property, Plant & Equipment (PPE) during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- b) (i) Depreciation on Property, Plant and Equipment of Operating Units of the Company capitalized till five years before the end of the useful life of the Power Station is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology notified by CERC for the fixation of tariff except for assets specified in Policy No. 15.0(d).
(ii) Depreciation on Property, Plant and Equipment capitalized during the last five years of the useful life of a Power Station is charged on straight-line method for the period of extended life as per CERC Tariff Regulations/Orders, from the date on which such asset becomes available for use.
(iii) Where the life and / or efficiency of a Power Station is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively on straight-line method over the revised / remaining useful life.
- c) i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 15.0(d) below.
ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.
- d) i) Depreciation in respect of following items of PPE is provided on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:
 - Construction Plant & Machinery
 - Computer & Peripheralsii) Based on management assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of Re 1.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization by retaining Re. 1/- as WDV.
- f) Assets valuing Rs. 5000/- or less but more than Rs. 750/- are fully depreciated during the year in which the asset becomes available for use with Re. 1/- as WDV.

- g) Low value items, which are in the nature of assets (excluding immovable assets) and valuing up to Rs. 750/- are not capitalized and charged off to revenue in the year of use.
- h) Leasehold Land of operating units, is amortized over the period of lease or 35 years whichever is lower, following the rates and methodology notified vide CERC tariff regulations.
- i) Leasehold Land and buildings, of units other than operating units, is amortized over the period of lease or 35 years, whichever is lower.
- j) PPE created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- k) Right to use in respect of land is amortized over a period of 30 years from the date of commercial operation of the project in line with CERC tariff regulations notified for tariff fixation.
- l) Cost of software recognized as 'Intangible Assets' is amortized on straight line method over a period of legal right to use or three financial years, whichever is earlier, starting from the year in which it is acquired.
- m) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such assets at the rate of depreciation and methodology notified by CERC tariff regulations.
- n) Spare 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.
- o) Useful life, method of depreciation and residual value of assets where depreciation is charged as per management assessment are reviewed at the end of each financial year and adjusted prospectively over the balance life of the asset, wherever required.

16.0 Impairment of non-financial assets other than inventories

- a) The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
- c) In case of expenditure on survey & investigation of projects, if it is decided to abandon such a project under survey & investigation, expenditure incurred thereon is charged to the Statement of Profit and Loss in the year in which such decision is taken.
- d) In case a project under survey and Investigation remains in abeyance by the order of appropriate authority/ by injunction of court order, any expenditure incurred on such projects from the date of order/ injunction of court is provided in the books from the date of such order till the period project is kept in abeyance by such order/ injunction. Provision so made is however reversed on the revocation of aforesaid order/ injunction.

- e) Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

17.0 Income Taxes

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

a) Current tax

- i) The current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws applicable at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years (temporary differences) and it further excludes items that are never taxable or deductible (permanent differences).
- ii) Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

b) Deferred tax

- i) Deferred tax is recognised on temporary 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 and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.
- ii) The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.
- iii) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would flow in the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
- iv) Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.
- v) Deferred income 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.
- vi) Deferred tax recovery adjustment account is credited/ debited to the extent the deferred tax for the current period which forms part of current tax in the subsequent periods and affects the computation of return on equity (ROE), a component of tariff.

18.0 Compensation from third parties

Impairments or losses of items, related claims for payments of compensation from third parties including insurance companies and any subsequent purchase or construction of assets/inventory are separate economic events and are accounted for separately.

Compensation from third parties including from insurance companies for items of property, plant and equipment or for other items that were impaired, lost or given up is included in the Statement of Profit and Loss when the compensation becomes receivable. Insurance claims for loss of profit are accounted for based on certainty of realisation.

19.0 Segment Reporting

- a) In accordance with Ind AS 108 – Operating Segment, 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.
- b) Electricity generation is the principal business activity of the Company.
- c) The Company has a single geographical segment as all its Power Stations are located within the Country.

20.0 Leases

a) Company as a Lessee:

- i) Leases of property, plant and equipment (), where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance lease. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments.
- ii) Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease.

b) Company as a Lessor:

Power Purchase Agreements (PPA) in the nature of embedded lease with a single beneficiary where the minimum lease term is for the major part of the plant's economic life and the minimum lease payments amounts to substantially all the fair value of the plant are considered as a Finance Lease. Other embedded leases are considered as Operating Lease.

- i) For embedded leases in the nature of a Finance Lease, the investment in the plant is recognised as a Lease Receivable. The minimum lease payments are identified by segregating the embedded lease payments from the rest of the contract amount. Each lease receipt is allocated between the receivable and finance lease income (forming part of revenue from operations) so as to achieve a constant rate of return on the Lease Receivable outstanding.
- ii) In the case of Operating Leases or embedded operating leases, the lease income from the operating lease is recognised in revenue over the lease term to reflect the pattern of use benefit derived from the leased asset. The respective leased assets are included in the Balance Sheet based on their nature and depreciated over its economic life.

21.0 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative

information is adjusted to apply the new accounting policy prospectively from the earliest date practicable.

22.0 Earnings per share

- a) 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.
- b) 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.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

23.0 Statement of Cash Flows

a) Cash and Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes 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" under Current Liabilities.

- b) Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7- 'Statement of Cash Flows'.

24.0 Current versus non-current classification

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

a) An asset is 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.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

25.0 Miscellaneous

- a) 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.
- b) Liabilities for Goods in transit/Capital works executed but not certified are not provided for, pending inspection and acceptance by the Company.

(IV) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 on March 30, 2019. Both the Rules shall come into force on April 1, 2019.

Standards issued but not yet effective

- a) **Ind AS 116- Leases** is to be effective from annual periods beginning on or after 1 April 2019. The new standard requires entities to make more judgements and estimates (e.g., determining when a customer has the right to direct the use of an identified asset, estimating the incremental rate of borrowing) and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information). In the capacity of a lessee, companies will have a significant impact on their balance sheets along with ancillary impacts on their financial metrics. The new standards replaces Ind AS 17 and the related appendices.
- b) **Appendix C to Ind AS 12, Income Taxes:** This Appendix clarifies how to apply the recognition and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability applying the requirements in Ind AS 12 based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined.

The appendix can be applied either retrospectively for each period presented applying Ind AS 8 or prospectively with the cumulative effect of initially applying the Appendix recognised at the date of initial application. If an entity selects this transition approach, it shall not restate comparative information. Instead, the entity shall recognise the cumulative effect as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).
- c) **New paragraph 57A added to Ind AS 12:** This Paragraph clarifies that an entity shall recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment shall be applied by the entity for annual periods reporting beginning on or after 1st April, 2019.
- d) **Amendment to Ind AS 19, Employee Benefits:** This amendment requires an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. An entity shall apply these amendments to plan amendments, curtailments or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April, 2019.
- e) **Amendment to Ind AS 23, Borrowing Costs:** This amendment is to clarify that if a specific borrowing remains outstanding after a qualifying asset is ready for its intended use or sale, it becomes part of general borrowings. An entity shall apply those

amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments.

- f) **Amendment to Ind AS 28, Investments in Associates and Joint Ventures:** This amendment clarifies that investors could have long-term interests (for example, preference shares or long-term loans) in an associate or joint venture that form part of the net investment in the associate or joint venture. The amendment clarifies that these long-term interests in an associate or joint venture to which the equity method is not applied should be accounted for using Ind AS 109, *Financial Instruments*. The requirements of Ind AS 109 are applied to long-term interests before applying the loss allocation and impairment requirements of Ind AS 28. An entity shall apply those amendments to long-term interest in associates or joint-ventures on or after the beginning of the annual reporting period in which the entity first applies those amendments. The entity is not required to restate prior periods to reflect the application of the amendments.
- g) **Amendment to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements:** This amendment provides a clarification on measurement of previously held interest in obtaining control/joint control over a joint operation. On obtaining control of a business that is a joint operation, previously held interest in joint operation is re measured at fair value at the acquisition date while in the case where a party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. In such cases, previously held interests in the joint operation are not re measured.

An entity shall apply those amendments to business combinations and joint arrangements for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April, 2019.

- h) **Amendment to Ind AS 109 Financial Instruments:** This amendment provides a clarification on pre payable financial assets with negative compensation to be measured by the entity at amortized cost. An entity shall apply those amendments retrospectively. Further this amendment clarifies "an entity is not required to restate prior periods to reflect the application of these amendments. The entity may restate prior periods if, and only if, it is possible without the use of hindsight and the restated financial statements reflect all the requirements in this Standard. If an entity does not restate prior periods, the entity shall recognise any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period that includes the date of initial application of these amendments in the opening retained earnings (or other component of equity, as appropriate) of the annual reporting period that includes the date of initial application of these amendments."

The Company is in the process on assessing the detailed impact of the above accounting pronouncements. The Company intends to adopt the amendments prospectively on or after the beginning of the reporting period in which these standards/ amendments are first applied (i.e. from 1 April 2019).

For JSVP & CO.

Chartered Accountants
(Firm-Regn. No. 003435N)



(CA. Raj Kumar Mehra)
Partner
M. No. 501305

(K. K. Goel)

General Manager (Finance)

(M. S. Babu)
Managing Director

Date:

Place: Jammu

NOTE NO. 2.1 Property, Plant and Equipment as on 31.3.2019

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK		
		As at 01-Apr-2018	Additions		Deductions		Other Adjustments	As at 31st March, 2019	As at 01-Apr-2018	For the Year	Adjustments	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
			IUT	Others	IUT	Others								
i)	Land - Freehold	60000000											60000000	60000000
ii)	Land - Leasehold		724963654										713595532	713595532
iii)	Roads and Bridges	57538930	129047640					5634759					175964539	51904171
iv)	Buildings	171333272	249783					7483198		5820299			158278658	163849174
v)	Building-Under-Lease													
vi)	Railway sidings													
vii)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)													
viii)	Generating Plant and machinery													
ix)	Plant and machinery Sub station	6870141						396639		346904		743543	6126598	6473502
x)	Plant and machinery Transmission lines	259339						259339				259339		
xi)	Plant and machinery Others	6408097	305800					341906		387895		729801	5984095	6066191
xii)	Construction Equipment	395773						3054				3054	392719	392719
xiii)	Water Supply System/Drainage and Sewerage	3000000						29374		100200		129574	2870426	2970626
xiv)	Electrical Installations													
xv)	Vehicles	8119687	5341441					2127132		1284176		3411308	9908380	5992555
xvi)	Aircraft/ Boats													
xvii)	Furniture and fixture	32560487	418600	418600	89998			6092299		2287719		8350177	29327199	26468188
xviii)	Computers	15780550	1168842	149073	204247			5674883		3170319		8688283	11072494	10105567
xix)	Communication Equipment	1111965	13880		2			214049		83955		298004	827839	897916
xx)	Office Equipments	42314582	243419	92240	79440			3800104		3992333		7763499	36663747	38514478
xxi)	Research and Development													
xxii)	Other assets	25535005	51478	51478	2191183			1972348		1840090		2137182	25099221	23562657
xxiii)	Tangible Assets of minor value > 750 and < Rs. 5000	1730827	89267	89267	66930			1728704		1544090		3205892	2689	2123
	Total	432957755	1971606	875771980	800658	2773241	0	35757788	37213374	-1957856	71013306	1236114136	397199967	200212194
	Previous year	220415133	4774813	264277565	5445604	51064132		20202939	15485046	69803	35757788	397199967		

Note : Additional disclosure of Property Plant and Equipment (PPE) as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note. For other explanatory notes, these are stated in Annexure-I to Note 2.1.

Annexure-1 to NOTE NO. 2.1 Property, Plant and Equipment as on 31.3.2019

Sl. No.	PARTICULARS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
		As at 01-Apr-2018		Additions		Deductions		As at 31st March, 2019	For the Year	Adjustments	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
		IUT	Others	IUT	Others	IUT	Others						
i)	Land - Freehold	60000000	0	0	0	0	60000000	0	0	0	60000000	60000000	
ii)	Land - Leasehold	0	0	724963654	0	0	724963654	0	0	0	713595532	713595532	
iii)	Roads and Bridges	56668643	0	129047640	0	0	185716283	0	0	0	175964539	175964539	
iv)	Buildings	180869627	0	249783	0	0	181119410	0	0	0	9751744	51904171	
v)	Building-Under Lease	0	0	0	0	0	0	0	0	0	22840752	158278658	
vi)	Railway sidings	0	0	0	0	0	0	0	0	0	0	163849174	
vii)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	0	0	0	0	0	0	0	0	0	0	0	
viii)	Generating Plant and machinery	0	0	0	0	0	0	0	0	0	0	0	
ix)	Plant and machinery	6571857	0	0	0	0	6571857	0	0	0	445259	6126598	
x)	Plant and machinery	0	0	0	0	0	0	0	0	0	0	0	
xi)	Transmission lines	0	0	0	0	0	0	0	0	0	0	0	
xii)	Plant and machinery Others	6894550	0	305800	0	0	7200349	0	0	0	0	0	
xiii)	Construction Equipment	7863564	0	0	0	0	7863564	0	0	0	0	0	
xiv)	Water Supply System/Drainage and Sewerage	3000000	0	0	0	0	3000000	0	0	0	0	0	
xv)	Electrical installations	0	0	0	0	0	0	0	0	0	0	0	
xvi)	Vehicles	12641671	0	5341441	0	1414398	16568714	0	0	0	0	0	
xvii)	Aircraft/ Boats	0	0	0	0	0	0	0	0	0	0	0	
xviii)	Furniture and fixture	33854899	454833	5206887	0	92423	38969363	0	0	0	0	0	
xix)	Computers	22047798	1274526	3164705	0	394453	25838089	0	0	0	0	0	
xx)	Communication Equipment	1100261	0	13880	0	13000	1101141	0	0	0	0	0	
xxi)	Office Equipments	43720734	254900	2040925	0	92240	45812528	0	0	0	0	0	
xxii)	Research and Development	0	0	0	0	0	0	0	0	0	0	0	
xxiii)	Other assets	28981285	58200	3892581	0	2191183	30682683	0	0	0	0	0	
	Tangible Assets of minor value > 750 and <= Rs. 5000	5355331	227948	1544684	0	89237	6824087	0	0	0	0	0	
	Total	469570220	2270407	875771980	948997	4431888	1342231722	0	0	-3466041	106117586	397199967	
	Previous year	268727236	6195060	264277565	6876958	62752683	469570220	15485046	-11629835	72370253	397199967	200212194	

Note no. 2.2 Capital Work In Progress as on 31.03.2019

Particulars	(Amount in ₹)				
	As at 01-Apr-2018	Addition	Adjustment	Capitalised	As at 31st March, 2019
i) Roads and Bridges	110595787	155753188	(9074013)	127904144	129370818
ii) Buildings	2301037	131706279	(2107776)	836	131898704
iii) Building-Under Lease	-	-	-	-	-
iv) Railway sidings	-	-	-	-	-
v) Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	121083456	(2223313)	-	118860143
vi) Generating Plant and Machinery	-	-	-	-	-
vii) Plant and Machinery - Sub station	-	-	-	-	-
viii) Plant and Machinery - Transmission lines	-	-	-	-	-
ix) Plant and Machinery - Others	-	-	-	-	-
x) Construction Equipment	-	-	-	-	-
xi) Water Supply System/Drainage and Sewerage	-	1102397	-	-	1102397
xii) Other assets awaiting installation	-	-	-	-	-
xiii) CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-	-
xiv) Survey, investigation, consultancy and supervision charges	205950908	24653839	(2497)	-	230602250
xv) Expenditure on compensatory Afforestation	-	-	-	-	-
xvi) Expenditure attributable to construction *	5282696468	935299387	-	-	6217995855
Less: Provided for	-	-	-	-	-
* For addition during the year refer Note No. 32	5601544200	1369598546	(13407599)	127904980	6829830167
Construction Stores	125657	-	-	-	125657
Less : Provisions for construction stores	-	-	-	-	-
TOTAL	125657	-	-	-	125657
Previous year	5601669857	1369598546	(13407599)	127904980	6829955824
	4821581403	1007077359	(19176256)	207812649	5601669857

Note no. 2.2 Capital Work In Progress as on 31.03.2018

Particulars	(Amount in ₹)				
	As at 01-Apr-2017	Addition	Adjustment	Capitalised	As at 31st March, 2018
i) Roads and Bridges	34046722	94897868	(18348803)		11,05,95,787
ii) Buildings	141287370	60501528	(824837)	198663024	23,01,037
iii) Railway sidings	-				-
Hydraulic Works(Dams, Water Conductor system,					
iv) Hydro mechanical gates, tunnels).					
v) Generating Plant and Machinery	91,49,625	0	-	91,49,625	-
vi) Plant and Machinery - Sub station	-				-
vii) Plant and Machinery - Transmission lines	-				-
viii) Plant and Machinery - Others	-				-
ix) Construction Equipment	-				-
Water Supply System/Drainage and					
x) Sewerage	-				-
xi) Other assets awaiting installation	-				-
CWIP - Assets Under 5 KM Scheme Of the					
xii) GOI	-				-
Survey, investigation, consultancy and					
xiii) supervision charges	200726791	5226733	(2616)		20,59,50,908
xiv) Expenditure on compensatory Afforestation	-				-
xv) Expenditure attributable to construction *	4436245238	846451230	-		5,28,26,96,468
Less: Provided for	0				-
* For addition during the period refer Note No. 32	4821455746	1007077359	(19176256)	207812649	5,60,15,44,200
Construction Stores					
Less : Provisions for construction stores	1,25,657	-	-		1,25,657
TOTAL	125657	-	0	-	125657
Previous year	4821581403	1007077359	(19176256)	207812649	5601669857
	4228752991	594375397	-478818	1068167	4821581403

CUMMULATIVE EDC Particulars	Linkage	Annexure to Note 2.2 (Amount in Rupees)	
		31-03-2019	31-03-2018
A. EMPLOYEES BENEFITS EXPENSES			
Salaries, wages, allowances	437501	2614483579	2316572640
Gratuity and contribution to provident fund (including administration fees)	437502	470172396	436065092
Staff welfare expenses	437503	189186412	180202865
Leave Salary & Pension Contribution	437504	1491260	1491260
Sub-total(a)		3275333647	2934331857
<i>Less: Capitalized During the year/Period</i>	438103	0	0
Sub-total(A)		3275333647	2934331857
B. REPAIRS AND MAINTENANCE			
Building	437510	48774832	27704155
Machinery	437511	1301587	1301587
Others	437512	16038073	11012420
Rent	437514	90465406	72800967
Rates and taxes	437515	665245	665245
Insurance	437516	1754255	1609832
Security expenses	437517	270496966	270496966
Electricity Charges	437518	7114796	5505300
Travelling and Conveyance	437519	36320461	30518834
Expenses on vehicles	437520	6244599	6061156
Telephone, telex and Postage	437521	5416876	4071994
Advertisement and publicity	437522	18424383	13969594
Entertainment and hospitality expenses	437523	472152	472152
Printing and stationery	437524	7901795	6741869
Remuneration to Auditors	437552	52959	52959
Design and Consultancy charges:			0
- Indigenous	437526	604426716	436087989
- Foreign	437527	45321538	45321538
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	437531	2050200	1000200
Expenditure on land not belonging to corporation	437532	50532991	35131659
Land acquisition and rehabilitation	437533	0	0
Loss on assets/ materials written off	437528	141745	141745
Losses on sale of assets	437530	83653	74637
Other general expenses	437525	49458698	16130388
Sub-total (b)		1263459926	986873186
<i>Less: Capitalized During the year/Period</i>	438102	0	0
Sub-total(B)		1263459926	986873186
C. FINANCE COST			
i) Interest on :			
a) Government of India loan	437540	0	0
b) Bonds	437541	0	0
c) Foreign loan	437542	0	0
d) Term loan	437543	0	0
e) Cash credit facilities /WCDL	437545	0	0
g) Exchange differences regarded as adjustment to interest cost	437554	0	0
Loss on Hedging Transactions	437555	0	0
ii) Bond issue/ service expenses	437546	0	0
iii) Commitment fee	437547	0	0
iv) Guarantee fee on loan	437548	0	0
v) Other finance charges	437549	392088	392088
vi) EAC- INTEREST ON LOANS FROM CENTRAL GOVERNMENT- ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	437581	0	0
vii) EAC- INTEREST ON SECURITY DEPOSIT/ RETENTION MONEY- ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	437583	800510	469367
viii) EAC- COMMITTED CAPITAL EXPENSES- ADJUSTMENT FOR TIME VALUE	437585	0	0
Sub-total (c)		1192598	861455
<i>Less: Capitalized During the year/Period</i>	438105	0	0
Sub-total (C)		1192598	861455

D. EXCHANGE RATE VARIATION (NET)			
i) ERV (Debit balance)	437550	0	0
Less: ii) ERV (Credit balance)	437551	0	0
Sub-total (d)		0	0
Less: Capitalized During the year/Period	438108	0	0
Sub-total(D)		0	0
E. PROVISIONS			
Sub-total(e)	437561	552627	552627
Less: Capitalized During the year/Period	438106	0	0
Sub-total(E)		552627	552627
F. DEPRECIATION & AMORTISATION			
Sub-total (f)	437560	72087166	50332223
Less: Capitalized During the year/Period	438104	0	0
Sub-total(F)		72087166	50332223
G. PRIOR PERIOD EXPENSES (NET)			
Prior period expenses	437565	23763458	23763458
Less Prior period income	437579	72206	72206
Sub-total (g)		23691252	23691252
Less: Capitalized During the year/Period	438107	0	0
Sub-total (G)		23691252	23691252
H. LESS : RECEIPTS AND RECOVERIES			
i) Income from generation of electricity – precommissioning	437570	0	0
ii) Interest on loans and advances	437571	37494430	6907537
iii) Miscellaneous receipts	437572	23349972	22055937
iv) Profit on sale of assets	437573	146287	4934
v) Provision not required written back	437574	66675660	66662334
vi) Hire charges/ outturn on plant and machinery	437575	16150	16150
vii) EAC-FAIR VALUE GAIN - SECURITY DEPOSIT/ RETENTION MONEY	437582	2350	2350
viii) EAC- FAIR VALUE GAIN ON PROVISIONS FOR COMMITTED CAPITAL EXPENDITURE	437584	0	0
Sub-total (h)		127684849	95649242
Less: Capitalized During the year/Period	438101	0	0
Sub-total (H)		127684849	95649242
I. C.O./Regional Office Expenses (i)			
Less: Capitalized During the year/Period	437599	1709363488	1381703110
Sub-total(I)	438109	0	0
		1709363488	1381703110
GRAND TOTAL (a+b+c+d+e+f+g-h+i)			
Less: Capitalized During the year/Period		6217995855	5282696468
GRAND TOTAL (A+B+C+D+E+F+G-H+I)		0	0
		6217995855	5282696468

NOTE NO. 2.3 INVESTMENT PROPERTY

Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK			
		As at 01-Apr-2018		Additions		Deductions		As at 31st March, 2019		For the Period		As at 31st March, 2019		As at 31st March, 2018	
		IUT	Others	IUT	Others	IUT	Others	As at 31st March, 2019	Other Adjustments	For the Period	Adjustments	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2018
i)	Land Freehold	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Previous year														

NOTE NO. 2.4 Other Intangible Assets

Sl. No.	PARTICULARS	GROSS BLOCK						AMORTISATION				NET BLOCK			
		As at 01-Apr-2018		Additions		Deductions		As at 31st March, 2019		For the Year		As at 31st March, 2019		As at 31st March, 2018	
		IUT	Others	IUT	Others	IUT	Others	As at 31st March, 2019	Other Adjustments	For the Year	Adjustments	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2018
i)	Land- Right to Use	4483576094	5782170				4489358264		0	0	0	4489358264	4483576094		
	Computer Software	6012649	842520				6855169		2001176	2001176	4937860	1917309	3075965		
ii)	Total	4489588743	6624690	0	0	0	4496213433	0	2936684	2001176	4937860	449127573	4486652059		
	Previous year	4395125973	94463070	300	300	970127	4489588743	970127	1966557	1966557	2936684	4486652059	4394155846		

Note : Additional disclosure of Intangible Assets as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.

NOTE NO. 3.1 NON-CURRENT - FINANCIAL ASSETS - INVESTMENTS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Total		
NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - TRADE RECEIVABLES		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables - Considered Good- Unsecured	-	-
Total	-	-
NOTE NO. 3.3 NON-CURRENT - FINANCIAL ASSETS - LOANS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
a) Deposits		
- Unsecured (considered good)	15,01,173	14,25,973
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *1	-	-
Sub-total	15,01,173	14,25,973
b) Employees (at amortised Cost)		
- Loans Receivables- Considered good- Secured	1,91,611	-
- Loans Receivables- Considered good- Unsecured	7,15,752	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful Employees loans *2	-	-
Sub-total	9,07,363	-
c) Contractor / supplier		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
- Against bank guarantee	-	-
- Others	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances to Contractor/ Supplier *3	-	-
Sub-total	-	-
d) State Government in settlement of dues from customer		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful Loan to State Government *4	-	-
Sub-total	-	-
e) Government of Arunachal Pradesh (at amortised Cost)		
- Loan- including accrued Interest - Secured	-	-
- Loan including accrued Interest- Unsecured- Considered good	-	-
- Unsecured (considered doubtful)	-	-
Sub-total	-	-
TOTAL	24,08,536	14,25,973
Provision for Doubtful Deposits *1		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Provisions for doubtful Employees loans *2		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Provisions for doubtful advances to Contractor/ Supplier *3		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Provisions for doubtful Loan to State Government *4		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Explanatory Note: -		
i) Loan included in Other Loans (Employees) due from directors or other officers of the company at the end of the year.	Nil	Nil
ii) Advance due by firms or private companies in which any Director of the Company is a Director or member.	Nil	Nil
iii) Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The Carrying value may be affected by the changes in the credit risk of the counterparties.		

NOTE NO. 3.4 NON-CURRENT - FINANCIAL ASSETS - OTHERS FINANCIAL ASSETS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
A. Bank Deposits with more than 12 Months Maturity	1,00,00,000	1,00,00,000
B. Lease Rent receivable*	-	-
C. Interest receivable on lease	-	-
D. Interest accrued on:	-	-
- Bank Deposits with more than 12 Months Maturity	-	-
- Others	-	-
E. Share Application Money-CVPPL (Pending Allotment)**	-	-
TOTAL	1,00,00,000	1,00,00,000
1) A bank guarantee against CLTD of Rs. 1.00 Crore for a period of five years has been issued during the financial year 2015-16 in favour of J&K Forest Department for implementation of environmental safeguard, engineering and biological measures for rejuvenation of muck disposal site of Kiru HEP in district Kishtwar of J&K State.		
NOTE NO. 4 NON CURRENT TAX ASSETS (NET)		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Advance Income Tax & Tax Deducted at Source	5,35,88,101	3,64,74,033
Less: Provision for Taxation	5,35,88,101	3,64,74,033
Total	-	-
NOTE NO. 5 OTHER NON-CURRENT ASSETS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
A. CAPITAL ADVANCES		
Secured (considered good)	-	-
Unsecured (considered good)		
- Against bank guarantee	57,06,00,000	-
- Others	99,48,19,937	1,52,45,91,514
Less : Expenditure booked pending utilisation certificate	24,12,742	24,12,742
Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances *1	-	-
Sub-total	1,56,30,07,195	1,52,21,78,772
B. ADVANCES OTHER THAN CAPITAL ADVANCES		
i) DEPOSITS		
- Unsecured (considered good)	14,200	14,200
Less : Expenditure booked against demand raised by Govt. Depts.	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *2	-	-
	14,200	14,200
ii) Other advances		
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
	-	-
C. Others		
i) Advance against arbitration awards towards capital works		
Released to Contractors -Unsecured- Against Bank Guarantee	-	-
Released to Contractors -Unsecured- Others	-	-
Deposited with Court -Unsecured	-	-
Sub-total	-	-
ii) Deferred Foreign Currency Fluctuation Assets/Expenditure		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
	-	-
iii) Deferred Cost on Employees Advances		
Secured - Considered Good	75,543	-
Unsecured - Considered Good	1,03,638	-
	1,79,181	-
TOTAL	1,56,32,00,576	1,52,21,92,972
Provision for doubtful Advances *1		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Provision for doubtful Deposits *2		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-

NOTE NO. 6 INVENTORIES

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
(Valuation as per Significant Accounting Policy No.1(iii)(10))		
Stores and spares	-	-
Stores in transit/ pending inspection	-	-
Loose tools	-	-
Scrap inventory	-	-
Material at site	-	-
Material issued to contractors/ fabricators	-	-
Inventory for Self Generated VER's/REC	-	-
Less: Provision for Obsolescence & Diminution in Value *1	-	-
TOTAL	-	-
*1 Provision for Obsolescence & Diminution in Value		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year #	-	-
Closing balance	-	-

Explanatory Note:

i) During the year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.

NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables- Considered Good- Unsecured	-	-
- Trade Receivables- Credit Impaired	-	-
Less: Provision for credit impaired Trade Receivables *1	-	-
TOTAL	-	-
*1 Provision for credit impaired Trade Receivables		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-

Explanatory Note: -

i) Debt due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director of the Company is a partner or a director or a member.

Nil

Nil

ii) Debt due by subsidiaries/ Joint Ventures and others related parties of the company at point(i) above.

Nil

Nil

iii) Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

NOTE NO. 8 FINANCIAL ASSETS - CURRENT - CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
A Balances with banks		
With scheduled banks		
i) - In Current Account		
ii) - In deposits account	2,59,82,45,317	1,74,24,44,848
(Deposits with original maturity of less than three months)		
With other banks		
- In current account	-	-
Bank of Bhutan		
B Cheques, drafts on hand	-	-
C Cash on hand		
Cash on hand	-	-
TOTAL	2,180	17,010
	2,59,82,47,497	1,74,24,61,858

Explanatory Note: -

1) Cash on hand -(Includes stamps on hand)

2) Cash and Bank Balances on behalf of others and are not freely available for the business of the Company included in stated amount :-

- Others (Specify Nature)

NOTE 9 : FINANCIAL ASSETS - CURRENT - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS			
PARTICULARS		As at 31st March, 2019	As at 31st March, 2018
A	Balances with Banks	1,55,00,000	2,00,00,000
B	Deposit account-Unpaid Dividend / Interest	-	-
TOTAL		1,55,00,000	2,00,00,000
Explanatory Note: - Balance with bank includes a fixed deposit with bank for a period more than 3 month but less than 12 month.		1,55,00,000	2,00,00,000
NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS			
PARTICULARS		As at 31st March, 2019	As at 31st March, 2018
Deposits			
- Unsecured (considered good)		33,417	29,700
- Unsecured (considered doubtful)		-	-
Less : Provision for Doubtful Deposits *1		-	-
		33,417	29,700
Loan to Related Parties			
-NHPTL (including accrued interest)		-	-
- Loans Receivables- Considered good- Unsecured		-	-
OTHER LOANS			
Employees (including accrued interest)			
- Loans Receivables- Considered good- Secured		23,912	-
- Loans Receivables- Considered good- Unsecured		48,44,461	27,68,055
- Loans Receivables which have significant increase in Credit Risk		-	-
Less : Provisions for loans which have significant increase in Credit Risk *2		-	-
		48,68,373	27,68,055
Loan to State Government in settlement of dues from customer			
- Unsecured (considered good)		-	-
Advances to Subsidiaries / JV's		-	-
TOTAL		49,01,790	27,97,755
*1 Provision for Doubtful Deposits			
Opening Balance		-	-
Addition during the year		-	-
Used during the year		-	-
Reversed during the year		-	-
Closing balance		-	-
*2 Provisions for loan which have significant Increase in Credit Risk			
Opening Balance		-	-
Addition during the year		-	-
Used during the year		-	-
Reversed during the year		-	-
Closing balance		-	-
Explanatory Note: -			
Loan & Advances due from directors or other officers of the company at the end of the year.		Nil	Nil
Advance due by firms or private companies in which any Director of the Company is a Director or member.		Nil	Nil

NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Others		
a) Claims recoverable	7,67,57,357	4,44,72,488
Less: Provisions for Doubtful Claims *1	-	-
Sub-total	7,67,57,357	4,44,72,488
b) Interest Income accrued on Bank Deposits	3,28,40,945	15,00,480
c) Receivable from Subsidiaries / JV's	-	-
d) Interest recoverable from beneficiary	-	-
e) Lease Rent receivable (Finance Lease)-Current	-	-
f) Interest receivable on Finance lease	-	-
g) Interest Accrued on Investment (Bonds)	-	-
h) Receivable on account of unbilled revenue	-	-
i) Interest accrued on Loan to State Government in settlement of dues from customers	-	-
TOTAL	10,95,98,302	4,59,72,968
*1 Provisions for Doubtful Claims		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Explanatory Note:-		
1) Claim recoverable includes amount Rs. 7.57 Crore (previous year Rs. 4.36 Crore) on account of amount recoverable from NHPC Limited during the period and adjustment made through debit/ credit advices.		
NOTE NO. 12 CURRENT TAX ASSETS (NET)		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Current Tax Assets		
Current Tax (Refer Note No-23)	5,29,302	71,573
Total	5,29,302	71,573

NOTE NO. 13 OTHER CURRENT ASSETS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
A. Advances other than Capital Advances		
a) Deposits		
- Unsecured (considered good)	-	-
Less : Expenditure booked against demand raised by Govt. Depts.	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *1	-	-
Sub-total	-	-
b) Advance to contractor / supplier		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
- Against bank guarantee	-	-
- Others	6,16,236	70,446
Less : Expenditure booked pending utilisation certificate	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances *2	-	-
Sub-total	6,16,236	70,446
c) Other advances - Employees		
- Unsecured (considered good)	32,600	1,23,249
- Unsecured (considered doubtful)	-	-
Sub-total	32,600	1,23,249
d) Interest accrued on:		
Others		
- Considered Good	3,05,86,893	-
- Considered Doubtful	-	-
Less: Provisions for Doubtful Interest *3	-	-
Sub-total	3,05,86,893	-
B. Others		
a) Expenditure awaiting adjustment		
Less: Provision for project expenses awaiting write off sanction *4	-	-
Sub-total	-	-
b) Losses awaiting write off sanction/pending investigation		
Less: Provision for losses pending investigation/awaiting write off / sanction *5	-	17,76,227
Sub-total	-	17,76,227
c) Work In Progress		
Construction work in progress(on behalf of client)	-	-
Consultancy work in progress(on behalf of client)	-	-
d) Prepaid Expenditure	16,92,091	9,78,548
e) Deferred Cost on Employees Advances		
Secured - Considered Good	5,004	-
Unsecured - Considered Good	18,372	-
f) Deferred Foreign Currency Fluctuation		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
g) Surplus / Obsolete Assets	5,18,528	-
h) Input GST	-	-
i) Others	-	-
TOTAL	3,34,69,724	11,72,243
*1 Provisions for Doubtful Deposits		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*2 Provisions for doubtful advances (Contractors & Suppliers)		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*3 Provisions for Doubtful Accrued Interest		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*4 Provision for project expenses awaiting write off sanction		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-

*5	Provision for losses pending investigation/awaiting write off / sanction		
	Opening Balance	17,76,227	
	Addition during the year		17,76,227
	Used during the year	17,76,227	
	Reversed during the year		
	Closing balance	-	17,76,227
	Explanatory Note:-		
1	Loans and Advances due from Directors or other officers at the end of the year.	Nil	Nil
2	Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.	Nil	Nil
3	Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value.	5,18,528	-
NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES			
PARTICULARS		As at 31st March, 2019	As at 31st March, 2018
(i)	Wage Revision as per 3rd PRC		
	Opening Balance	-	
	Addition during the year (through P&L)	-	
	Addition during the year (through OCI)	-	
	Adjustment during the year	-	
	Reversed during the year		
	Closing balance	-	-
(ii)	Exchange Differences on Monetary Items		
	Opening Balance	-	
	Addition during the year	-	
	Adjustment during the year	-	
	Reversed during the year		
	Closing balance	-	-
Closing Balance (A)=(i)+(ii)+(iii)+(iv)		-	-
Deferred Tax Assets on Regulatory Deferral Account Balances		-	-
Less:-Deferred Tax Adjustments against deferred tax assets		-	-
Total (B)		-	-
Regulatory Deferral Account Balances net of Deferred Tax.(A-B)		-	-

NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹)

PARTICULARS	As at 31st March, 2019		As at 31st March, 2018	
	Nos	Amount	Nos	Amount
a) Authorized Equity Share Capital (Par value per share Rs. 10)	3,50,00,00,000	35,00,00,00,000	2,50,00,00,000	25,00,00,00,000
b) No. of Equity shares issued, subscribed and fully paid (Par value per share Rs. 10)	1,43,91,80,000	14,39,18,00,000	1,05,14,40,000	10,51,44,00,000
c) Changes in Equity Share Capital				
Opening number of shares outstanding	1,05,14,40,000	10,51,44,00,000	92,40,80,000	9,24,08,00,000
Add: No. of shares/Share Capital issued/ subscribed during the year	38,77,40,000	3,87,74,00,000	12,73,60,000	1,27,36,00,000
Less: Reduction in no. of shares/Share Capital on account of buy back of shares.	-	-	-	-
Closing number of shares outstanding	1,43,91,80,000	14,39,18,00,000	1,05,14,40,000	10,51,44,00,000

- d) The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.
- e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: NIL
- f) Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held : -

	As at 31st March, 2019		As at 31st March, 2018	
	Nos	In (%)	Nos	In (%)
'i) NHPC Limited	747550000	51.94%	58,23,60,000	55.39%
'ii) JKSPDC Limited	687550000	47.77%	46,50,00,000	44.23%

- g) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL
- h) In preceding five financial years immediately preceding 31.03.2019, Company has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s).

Note 15.2 Other Equity		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
1 Share Application Money Pending Allotment	-	65,19,00,000
2 General Reserve	-	-
3 Retained Earnings	-	-
i) Reserves created on account of Ind AS Adjustment	-	-
ii) Closing Balance Remeasurement of the defined benefit plans	-	-
iii) Surplus	38,28,93,284	25,22,58,949
4 FVTOCI Reserve-	-	-
- Equity Instruments	-	-
- Debt Instruments	-	-
Total	38,28,93,284	90,41,58,949
* Surplus		
Profit for the Year as per Statement of Profit and Loss	13,06,34,335	3,94,57,828
Adjustment arising out of transition provisions for recognising Rate Regulatory Assets	-	-
Balance brought forward	25,22,58,949	21,28,01,121
Balance carried forward	38,28,93,284	25,22,58,949

Annexure to Note No. 15.2 OTHER EQUITY		(Amount in ₹)	
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018	
(i) General Reserve			
As per last Balance Sheet	-	-	
Add: Transfer from Surplus/Retained Earnings	-	-	
Less: Write back during the year	-	-	
Add: Transfer from Self Insurance Fund	-	-	
Less: Transfer to Capital Redemption Reserve	-	-	
As at Balance Sheet date	-	-	
(ii) Retained Earnings/ Surplus			
As per last Balance Sheet	25,22,58,949	21,28,01,121	
Add:- Prior Period errors (Net)	-	-	
Add: Profit during the year	13,06,34,335	3,94,57,828	
Add: Transferred from OCI	-	-	
Add: Amount written back from Corporate Social Responsibility Fund	-	-	
Less: Transfer to Research & Development Fund	-	-	
Less: Transfer to General Reserve	-	-	
Less: Transfer to Corporate Office	-	-	
Add: Transfer from Power Stations and Projects	-	-	
As at Balance Sheet date	38,28,93,284	25,22,58,949	
TOTAL	38,28,93,284	25,22,58,949	

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2019
OTHER EQUITY

Attributable to equity holders	Reserve & Surplus						Other Comprehensive Income		Total	
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Research & Development Fund	General Reserve	Surplus/ Retained Earnings	Equity Instruments through OCI		Debt Instruments through OCI
Balance as at 1st April, 2018	651,900,000	-	-	-	-	-	252,258,949	-	-	904,158,949
Profit for the year	-	-	-	-	-	-	130,634,335	-	-	130,634,335
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	130,634,335	-	-	130,634,335
Share Application Money received during the year.	-	-	-	-	-	-	-	-	-	-
Shares issued during the year.	651,900,000	-	-	-	-	-	-	-	-	651,900,000
Utilization for Buy Back of Shares	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-	-	-	-
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-	-	-	-
Amount written back from Research & Development Fund	-	-	-	-	-	-	-	-	-	-
Amount Transferred from General Reserve	-	-	-	-	-	0.00	-	-	-	-
Transfer from Retained Earning	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-	-
Transfer to Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-
Transfer to Research & Development Fund	-	-	-	-	-	-	-	-	-	-
Trfr to General Reserve	-	-	-	-	-	-	-	-	-	-
Total as on 31st March 2019	-	-	-	-	-	-	382,893,284	-	-	382,893,284

For JSVP & CO.
Chartered Accountants
(Firm Regn. No. 003435N)

Partner
M.No. 501305


(K K Goel)
General Manager (Finance)



(M S Babu)
Managing Director

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2018
OTHER EQUITY

Attributable to equity holders	Reserve & Surplus						Other Comprehensive		Total	
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Research & Development Fund	General Reserve	Surplus/ Retained Earnings	Equity Instruments through OCI		Debt Instruments through OCI
Balance as at 1st April, 2017	-	-	-	-	-	-	21,28,01,121	-	-	21,28,01,121
Profit for the year	-	-	-	-	-	-	3,94,57,828	-	-	3,94,57,828
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	3,94,57,828	-	-	3,94,57,828
Share Application Money received during the year.	65,19,00,000	-	-	-	-	-	-	-	-	65,19,00,000
Transfer to Retained Earning	-	-	-	-	-	-	-	-	-	-
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Transfer from Retained Earning	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-	-
Transfer to Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-
Transfer to Research & Development Fund	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-
Total as on 31st March 2018	65,19,00,000	-	-	-	-	-	25,22,58,949	-	-	90,41,58,949

For JSVP & CO
Chartered Accountants
(Firm Regn. No. 003435N)

CA Raj Kumar Mehra
Partner
M.No. 501305


(K K Goel) 27/3/18
General Manager (Finance)


(M S Babu)
Managing Director

NOTE NO. 15.3 FUNDS FROM CORPORATE OFFICE (Transfer Accounts)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
FUNDS FROM CORPORATE OFFICE	8,72,43,88,785	8,72,43,88,785
C.O. (JAMMU)	1,06,37,30,156	46,83,67,034
IUT Closing Entries - CO	-	-
DULHASTI (STAGE - II)	(38,71,167)	(38,71,167)
PAKAL DUL	(2,62,68,36,413)	(2,14,77,81,825)
KIRU	(1,05,94,37,890)	(97,61,87,837)
KWAR	23,78,38,079	27,08,96,560
CHEQUE PAID ACCOUNT: -	-	-
C.O. (JAMMU)	2,79,07,67,000	1,33,46,17,000
DULHASTI (STAGE - II)	(43,80,000)	(43,80,000)
PAKAL DUL	(8,08,86,16,550)	(6,91,22,16,550)
KIRU	(72,45,81,000)	(55,80,51,000)
KWAR	(30,90,01,000)	(19,57,81,000)
Total	-	-

NOTE NO. 16.1 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Term Loans		
• From Banks		
- Secured	-	-
- Unsecured	-	-
• From Other Parties		
- Secured	-	-
- Unsecured-From Government (Subordinate Debts)	-	-
- Unsecured-From Others	-	-
TOTAL		
Maturity Analysis of Borrowings		
The table below summarises the maturity profile of the company's borrowings based on contractual payments (Undiscounted Cash Flows) :		
Particulars	N/A	N/A
More than 1 Year & Less than 3 Years		
More than 3 Year & Less than 5 Years		
More than 5 Years		
TOTAL		
NOTE NO. 16.2 FINANCIAL LIABILITIES - NON CURRENT - OTHERS		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Deposits/ retention money	72,07,242	14,22,546
TOTAL	72,07,242	14,22,546
Maturity Analysis of Deposit / Retention Money		
The table below summarises the maturity profile of the deposits/retention money based on contractual payments (Undiscounted Cash Flows) :		
Particulars		
More than 1 Year & Less than 3 Years	95,707	16,10,568
More than 3 Year & Less than 5 Years	1,11,79,536	
More than 5 Years		
TOTAL	1,12,75,243	16,10,568
NOTE NO. 17 PROVISIONS - NON CURRENT		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
A. PROVISION FOR EMPLOYEE BENEFITS		
i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)		
As per last Balance Sheet	2,27,47,365	71,63,521
Additions during the year	80,95,952	1,55,83,844
Amount used during the year		
Amount reversed during the year		
Closing Balance	3,08,43,317	2,27,47,365
B. OTHERS		
i) Provision For Committed Capital Expenditure		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	-	-
ii) Provision For Livelihood Assistance		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	-	-
iii) Provision-Others		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
TOTAL	3,08,43,317	2,27,47,365
Explanatory Note: -		
* Information about Provisions are given in para 17 of Note 34-Other explanatory Notes to Accounts.		

NOTE NO. 18 DEFERRED TAX LIABILITIES (NET) - NON CURRENT		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liability		
a) Property, Plant and Equipments, Investment Property and Intangible Assets.		
b) Financial Assets at FVTOCI	-	-
c) Other Items	-	-
Less: Recoverable for tariff period upto 2009	-	-
Less: Deferred Tax Adjustment against Deferred Tax Liabilities for tariff period 2014-19.	-	-
Net Deferred Tax Liability	-	-
Less:-Set off Deferred Tax Assets pursuant to set off provisions		
a) Provision for doubtful debts, inventory and others		
b) Provision for employee benefit schemes		
c) Other Items		
Net Deferred Tax Assets	-	-
TOTAL	-	-
NOTE NO. 19 OTHER NON CURRENT LIABILITIES		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Income received in advance (Advance Against Depreciation)	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-
Grants in aid-from Government-Deferred Income	-	-
TOTAL	-	-
GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME		
As per last Balance Sheet	-	-
Add: Received during the year	-	-
Less: Released to Statement of Profit and Loss	-	-
Closing Balance	-	-
Grants in Aid-from Government-Deferred Income (Current)	-	-
Grants in Aid-from Government-Deferred Income (Non-Current)	-	-
NOTE NO. 20.1 BORROWINGS - CURRENT		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Borrowings-Other Loans-Secured		
From Banks	-	-
TOTAL	-	-
1) Repayment Term: The Loan amount may be repaid at any point of time and in part also. 2) Default in repayments (if any) : Nil		
NOTE NO. 20.2 TRADE PAYABLE - CURRENT		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Total outstanding dues of micro enterprise and small enterprise(s)	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	1,07,64,79,840	1,16,19,51,188
TOTAL	1,07,64,79,840	1,16,19,51,188
Explanatory Note: - Disclosure requirement under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is given under para 14 of Note No.34- Other Explanatory Notes to Accounts.		
NOTE NO. 20.3 OTHER FINANCIAL LIABILITIES - CURRENT		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Liability against capital works/supplies	8,09,84,888	5,27,35,974
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Deposits/ retention money	1,97,05,359	1,82,92,275
Due to Subsidiaries	-	-
Liability for share application money -to the extent refundable	-	-
Unpaid interest ***	-	-
Other Payables-Payable to Employees	97,21,765	5,79,066
Other Payables-Payable to Others	5,35,528	1,21,338
TOTAL	11,09,47,540	7,17,28,653
Explanatory Notes: 1) Other Current Liabilities includes amount of Rs. 103.03 Crore (Prevoius year Rs.109.11 Crore) payable to NHPC Limited during the period on account of employees related transacion and adjustment made through debit/ credit advices. - Payable against Pakal Dul HEP (in crores) * - - - Payable against Kiru and Kwar HEP (in crores) * 103.03 103.03 - Employees related transaction (during the period - in crores) * - 6.08		

NOTE NO. 21 OTHER CURRENT LIABILITIES		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Income received in advance (Advance against depreciation)	-	-
Unspent amount of deposit/agency basis works	-	-
Statutory dues payables	3,11,46,995	2,75,17,553
Advances against the deposit works	-	-
Amount Spent on Deposit Works	-	-
Other liabilities-Advance from Customers & Others.	60,00,00,000	1,00,00,00,000
Grants in aid-from Government-Deferred Income	-	-
TOTAL	63,11,46,995	1,02,75,17,553
NOTE NO. 22 PROVISIONS - CURRENT		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
A. PROVISION FOR EMPLOYEE BENEFITS		
i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)		
As per last Balance Sheet	7,71,261	2,75,580
Additions during the year	11,78,496	7,71,261
Amount used during the year	7,71,261	2,75,580
Amount reversed during the year	-	-
Closing Balance	11,78,496	7,71,261
ii) Provision for Wage Revision *1		
As per last Balance Sheet	61,90,510	58,14,699
Additions during the year	10,48,00,020	25,85,290
Amount used during the year	17,26,584	-
Amount reversed during the year	44,63,926	22,09,479
Closing Balance	10,48,00,020	61,90,510
Less: Advance paid	-	61,90,510
Closing Balance (Net of advance)	10,48,00,020	-
iii) Provision for Performance Related Pay/Incentive		
As per last Balance Sheet	4,40,37,222	1,34,65,152
Additions during the year	7,44,32,661	4,38,71,758
Amount used during the year	80,23,077	1,09,48,239
Amount reversed during the year	-	23,51,449
Closing Balance	11,04,46,806	4,40,37,222
iv) Provision For Wage Revision 3rd PRC		
As per last Balance Sheet	8,28,82,488	1,47,07,364
Additions during the year	3,26,04,174	6,81,75,124
Amount used during the year	6,74,86,572	-
Amount reversed during the year	5,42,370	-
Closing Balance	4,74,57,720	8,28,82,488
B. OTHERS		
vi) Provision - Others		
As per last Balance Sheet	-	1,57,87,446
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	1,57,87,446
Closing Balance	-	-
TOTAL	26,38,83,042	12,76,90,971
Explanatory Note: -		
Information about Provisions are given in para 17 of Note 34 of Balance Sheet		
NOTE NO. 23 CURRENT TAX LIABILITIES (NET)		
PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Income Tax		
As per last Balance Sheet	5,35,88,101	8,78,80,168
Additions during the year	5,95,43,518	1,71,14,068
Amount adjusted during the year	-	-
Amount used during the year	-	3,394
Amount reversed during the year	-	5,14,02,741
Closing Balance	11,31,31,619	5,35,88,101
Less: Current Advance Tax	11,36,60,921	5,36,59,674
Net Current Tax Liabilities (Net)	(5,29,302)	(71,573)
Less: Current tax Assets (Move to Note No-12)	5,29,302	71,573
TOTAL	-	-

NOTE NO. 24.1 REVENUE FROM CONTINUING OPERATIONS

(Amount in ₹)

PARTICULARS		For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
I	Operating Revenue		
A	SALES		
	SALE OF POWER	-	-
	ADVANCE AGAINST DEPRECIATION -Written back during the year	-	-
	Less :		
	Sales adjustment on a/c of Foreign Exchange Rate Variation	-	-
	Tariff Adjustments	-	-
	Regulated Power Adjustment	-	-
	Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)	-	-
	Rebate to customers	-	-
	Sub - Total (A)	-	-
B	Income from Finance Lease	-	-
C	Income from Operating Lease	-	-
D	REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS		
	Contract Income	-	-
	Revenue from Project management/ Consultancy works	-	-
	Sub - Total (D)	-	-
E	Revenue from Power Trading Business		
	Sale of Power (Net of Rebate)	-	-
	Trading Margin	-	-
	Sub - Total (E)	-	-
	Sub-Total-I (A+B+C+D+E)	-	-
F	OTHER OPERATING REVENUE		
	Interest from Beneficiary States (Revision of Tariff)	-	-
	Sub-Total-II	-	-
	TOTAL (I+II)	-	-

NOTE NO. 24.2 OTHER INCOME		(Amount in ₹)	
PARTICULARS		For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
A)	Interest Income		
	- Interest from Investments carried at FVTOCI	-	-
	- Interest - Government Securities (8.5% tax free bonds issued by the State Governments)	-	-
	- Interest from Financial Assets carried at Amortized Cost		
	- Loan to Government of Arunachal Pradesh	-	-
	- Deposit Account	204,476,367	62,018,882
	- Employee's Loans and Advances (Net of Rebate)	23,065	-
	- Interest from advance to contractors	30,586,893	-
	- Others	-	-
B)	Dividend Income		
	- Dividend from subsidiaries	-	-
	- Dividend -Others	-	-
C)	Other Non Operating Income		
	Late payment surcharge	-	-
	Income From Sale of Self Generated VERs/REC	-	-
	Realization of Loss Due To Business Interruption	-	-
	Profit on sale of investments	-	-
	Profit on sale of Assets	145,952	-
	Income from Insurance Claim	-	-
	Liability/ Provisions not required written back #1	31,078	9,610,396
	Material Issued to contractor		
	(i) Sale on account of material issued to contractors	-	-
	(ii) Cost of material Issued to contractors on recoverable basis	-	-
	(iii) Adjustment on account of material issued to contractor	-	-
	Amortization of Grant in Aid	-	-
	Income on account of generation based incentive (GBI)	-	-
	Exchange rate variation (Net)	-	-
	Others	1,394,470	9,376,144
	Sub-total	236,657,825	81,005,422
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	236,657,825	81,005,422
	Less: Income transferred to Expenditure Attributable to Construction	32,158,393	18,988,965
	Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-
	Less: Transfer of other income to grant	-	-
	Total carried forward to Statement of Profit & Loss	204,499,432	62,016,457
# 1	Explanatory Note: -		
	Detail of Liability/Provisions not required written back		
a)	Bad & Doubtful Employees Loans (*2 under Note 3.3)		
b)	Bad & Doubtful Advances to Contractor/ Supplier (*3 under Note 3.3)		
c)	Bad & Doubtful Loan to State Government (*4 under Note 3.3)		
d)	Bad & Doubtful Deposits (*1 under Note 3.3)		
e)	Bad & Doubtful Capital Advances(*1 under Note No. 5)		
f)	Bad & Doubtful Deposits(*2 under Note No. 5)		
g)	Diminution in value of stores and spares (*1 under Note 6)		
h)	Provision for credit impaired trade receivables (*1 under Note 7)		
i)	Bad & Doubtful Deposits (*1 under Note 10)		
j)	Provision for loan which have significant increase in credit risk (*2 under Note 10)		
k)	Provision for doubtful claims (*1 under Note No.11)		
l)	Provisions for Doubtful Deposits (*1 under Note No. 13)		
m)	Provisions for doubtful advances (Contractors & Suppliers) (*2 under Note No. 13)		
n)	Provisions for Doubtful Accrued Interest (*3 under Note No. 13)		
o)	Provision for project expenses awaiting write off sanction (*4 under Note No. 13)		
p)	Provision for losses pending investigation/awaiting write off / sanction (*5 under Note No. 13)		
q)	Provision for Long Term Benefits (Sl.no-A (i) of Note No-17 & 22)		
r)	Provision for wage revision (Sl.no-A(ii) of Note No-22)		2,209,479
s)	Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(iii) of Note No-22)		2,351,449
y)	Provision for Superannuation/Pension Fund (Sl.no-A(iv) of Note No-22)		
u)	Provision for tariff adjustment (Sl. No B(i) under Note 22)		
v)	Provision for Committed Capital Expenditure (Sl.no-B(i) of Note No-17 and Sl.no-B(ii) of Note No.-22)		
w)	Provision for Livelihood Assistance (Sl.no-B(ii) of Note No-17 and Sl.no-B(iv) of Note No.-22)		
x)	Provision for Restoration expenses of Insured Assets (Sl.no-B(iii) of Note No-22)		
y)	Write back of Project expenses provided for		
z)	Provision for 3rd PRC (Sl. No-A(v) of Note No.-22)		
aa)	Others	31,078	5,049,468
	TOTAL	31,078	9,610,396

NOTE NO. 25 GENERATION EXPENSES		(Amount in ₹)	
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018	
Water Usage Charges	-	-	
Consumption of stores and spare parts	-	-	
Purchase of Power -Power Trading (Net of Rebate)	-	-	
Total carried forward to Statement of Profit & Loss	-	-	
NOTE NO. 26 EMPLOYEE BENEFITS EXPENSE		(Amount in ₹)	
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018	
Salaries, wages, allowances	51,60,80,502	41,13,14,167	
Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	5,57,60,326	4,41,83,953	
Staff welfare expenses	2,08,87,016	2,60,58,229	
Leave Salary & Pension Contribution	-	-	
Sub-total	59,27,27,844	48,15,56,349	
Add/(Less): C.O./Regional Office Expenses	-	-	
Sub-total	59,27,27,844	48,15,56,349	
Less: Employee Cost transferred to Expenditure Attributable to Construction	59,27,24,508	48,15,56,349	
Less: Recoverable from Deposit Works	-	-	
Total carried forward to Statement of Profit & Loss	3,336	-	
Explanatory Note: -			
The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees included in Salaries, wages, allowances.			
1			
2 Disclosure about operating leases are given in para 16 (A) of Note 34 of Balance Sheet.			
3 Gratuity, Contribution to provident fund & pension scheme include contributions:			
	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018	
i) towards Employees Provident Fund	2,56,32,840	1,85,46,753	
ii) towards Employees Defined Contribution Superannuation Scheme	2,22,36,039	1,26,16,858	
NOTE NO. 27 FINANCE COST		(Amount in ₹)	
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018	
A Interest on Financial Liabilities at Amortized Cost :			
Bonds	-	-	
Term loan	-	-	
Foreign loan	-	-	
Government of India loan	-	-	
Unwinding of discount-GOI Loan	-	-	
Sub-total	-	-	
B Other Borrowing Cost			
Loss on Hedging Transactions	-	-	
Bond issue/ service expenses	-	-	
Commitment fee	-	-	
Guarantee fee on foreign loan	-	-	
Other finance charges	-	-	
Unwinding of discount-Provision & Financial Liabilities	6,11,781	8,13,751	
Sub-total	6,11,781	8,13,751	
C Applicable net gain/ loss on Foreign currency transactions and translation			
Exchange differences regarded as adjustment to interest cost	-	-	
Less: Interest adjustment on account of Foreign Exchange Rate Variation	-	-	
Sub-total	-	-	
Total (A + B + C)	6,11,781	8,13,751	
Add/(Less): C.O./Regional Office/PID Expenses	-	-	
TOTAL	6,11,781	8,13,751	
Less: Finance Cost transferred to Expenditure Attributable to Construction	6,11,781	8,13,751	
Less: Recoverable from Deposit Works	-	-	
Total carried forward to Statement of Profit & Loss	-	-	
NOTE NO. 28 DEPRECIATION AND AMORTIZATION EXPENSES		(Amount in ₹)	
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018	
Depreciation & Amortisation Expenses	3,92,14,550	1,74,51,603	
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-	
Add/(Less): C.O./Regional Office / PID Expenses	-	-	
Sub-total	3,92,14,550	1,74,51,603	
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	3,92,14,550	1,74,51,603	
Less: Recoverable from Deposit Works	-	-	
Total carried forward to Statement of Profit & Loss	-	-	

NOTE NO. 29 OTHER EXPENSES		(Amount in ₹)	
PARTICULARS		For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
A.	Direct Expenditure on Contract, Project Management and Consultancy Works	-	-
B.	REPAIRS & MAINTENANCE		
	- Building	40,057,112	25,988,827
	- Machinery	-	-
	- Others	6,331,933	2,871,091
C.	OTHER EXPENSES		
	Rent & Hire Charges	23,089,912	31,369,853
	Rates and taxes	3,878,640	1,502,610
	Insurance	640,117	576,681
	Security expenses	7,585,693	4,141,674
	Electricity Charges	6,315,836	4,813,247
	Travelling and Conveyance	14,795,770	13,227,073
	Expenses on vehicles	2,134,602	1,437,314
	Telephone, telex and Postage	2,717,148	2,232,049
	Advertisement and publicity	6,436,336	10,068,452
	Entertainment and hospitality expenses	345,364	450,861
	Printing and stationery	3,042,158	1,959,158
	Consultancy charges - Indigenous	169,255,751	242,236,185
	Consultancy charges - Foreign	-	-
	Audit expenses (Refer explanatory note-3 below)	226,353	182,757
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	1,050,000	610,100
	Expenditure on land not belonging to company	15,401,332	19,173,640
	Loss on Assets	107,716	1,840,233
	Losses out of insurance claims (upto excess clause)	-	-
	Losses out of insurance claims (beyond excess clause)	-	-
	Books & Periodicals	449,785	40,263
	Donation	-	-
	CSR/ Sustainable Development	1,239,820	698,460
	Community Development Expenses	-	-
	Directors' Sitting Fees	-	-
	Research and development expenses	-	-
	Interest on Arbitration/ Court Cases	-	-
	Interest to beneficiary states	-	-
	Expenditure on Self Generated VER's/REC	-	-
	Expenses for Regulated Power	-	-
	Less: - Exp Recoverable on Regulated Power	-	-
	Exchange rate variation (Net)	-	-
	Training Expenses	3,443,973	154,094
	Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC/IE/PXIL	27,730	20,220
	Operational/Running Expenses of Kendriya Vidyalay	-	-
	Operational/Running Expenses of Other Schools	-	-
	Operational/Running Expenses of Guest House/Transit Hostel	145,140	10,000
	Operating Expenses of DG Set-Other than Residential	30,801	-
	Other general expenses	40,476,162	5,457,070
	Sub-total	349,225,184	371,061,912
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	349,225,184	371,061,912
	Less: Amount transferred to Expenditure Attributable to Construction	334,906,941	365,618,177
	Less: Recoverable from Deposit Works	-	-
	Less: Transfer of Generation & other expenses - IPO/Buyback	-	-
	Sub-total (i)	14,318,243	5,443,735
D.	PROVISIONS		
	Bad and doubtful debts provided	-	-
	Expected Credit Loss Allowance-Trade Receivables	-	-
	Bad and doubtful advances / deposits provided	-	-
	Bad and doubtful claims provided	-	-
	Doubtful Interest Provided for	-	315
	Diminution in value of stores and spares /Construction stores	-	-
	Shortage in store & spares provided	-	-
	Provision against diminution in the value of investment	-	-
	Project expenses provided for	-	-
	Provision for fixed assets/ stores provided for	-	-
	Diminution in value of Inventory of Self Generated VER's Provided for	-	-
	Provision for catchment area treatment plan	-	-
	Provision for Interest to Beneficiary	-	-
	Provision for interest against court/arbitration award	-	-
	Others	-	-
	Sub-total	-	315
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	-	315
	Less: Amount transferred to Expenditure Attributable to Construction	-	315
	Less: Recoverable from Deposit Works	-	-
	Sub-total (ii)	-	-
	Total carried forward to Statement of Profit & Loss (i+ii)	14,318,243	5,443,735

Explanatory Note: -

- 1 The Company's significant leasing arrangements are in respect of operating leases of premises for offices, guest houses & transit camps. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps are shown in Rent.

(Amount in ₹)

- 2 Detail of audit expenses are as under: -

i) Statutory auditors

As Auditor

Audit Fees

1,99,420

1,44,216

Tax Audit Fees

-

-

In other Capacity

-

-

Taxation Matters

-

-

Company Law Matters

-

-

Management Services

-

-

Other Matters/services

26,933

15,143

Reimbursement of expenses

-

23,398

ii) Cost Auditors

Audit Fees

-

-

Reimbursement of expenses

-

-

Total Audit Expenses

2,26,353

1,82,757

NOTE NO. 30 TAX EXPENSES			(Amount in ₹)	
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018		
Current Tax				
Income Tax Provision	5,95,43,518	1,71,14,068		
Adjustment Relating To Earlier periods	-	826		
Total current tax expenses	5,95,43,518	1,71,14,894		
Deferred Tax- *				
Decrease (increase) in deferred tax assets				
- Relating to origination and reversal of temporary differences	-	-		
- Relating to change in tax rate	-	-		
- Adjustments in respect of deferred tax of prior periods	-	-		
Increase (decrease) in deferred tax liabilities				
- Relating to origination and reversal of temporary differences	-	-		
- Relating to change in tax rate	-	-		
- Adjustments in respect of deferred tax of prior periods	-	-		
Total deferred tax expenses (benefits)				
Less: Recoverable for tariff period upto 2009	-	-		
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities for tariff period 2014-19.	-	-		
Net Deferred Tax				
Total carried forward to Statement of Profit & Loss	5,95,43,518	1,71,14,894		
Explanatory Notes:-				
i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018		
Accounting profit/loss before income tax	19,01,77,853	5,65,72,722		
Applicable tax rate	0.2912	0.2755		
Computed tax expense	5,53,79,791	1,55,87,199		
Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.	41,63,727	15,00,554		
CSR/ Sustainable Development/ Community Development Expenses				
Recoverable portion of Deferred Tax				
Exempt and Tax Free Income				
Tax Incentives				
Adjustment for current tax of earlier years		826		
MAT Credit Available/(utilization)				
Reversal of Deferred Tax Assets				
Other Items		26,315		
Income tax expense reported in Statement of P/L	5,95,43,518	1,71,14,894		

NOTE NO. 31 Movement in Regulatory Deferral Account Balances			(Amount in ₹)	
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018		
Movement in Regulatory Deferral Account Balances on account of:-				
(i) Subansiri Lower Project:-				
a) Employee Remuneration & Benefits	-	-		
b) Generation & Other exps.	-	-		
c) Depreciation	-	-		
d) Finance Cost	-	-		
e) Other Income	-	-		
Sub Total (i)	-	-		
(ii) Wage Revision as per 3rd PRC	-	-		
(iii) Kishenganga Power Station:-Depreciation due to moderation of Tariff	-	-		
(iv) Exchange Differences on Monetary Items	-	-		
TOTAL (A)=(i)+(ii)+(iii)+(iv)	-	-		
Impact of Tax on Regulatory Deferral Accounts				
Deferred Tax Expense (Benefit) on Movement in Regulatory Deferral Account Balances	-	-		
Less:-Deferred Tax Adjustment against deferred tax assets.	-	-		
TOTAL (B)	-	-		
Total carried forward to Statement of Profit & Loss (A-B)	-	-		

NOTE NO. 32 EXPENDITURE ATTRIBUTABLE TO CONSTRUCTION FORMING PART OF CAPITAL WORK IN PROGRESS FOR THE YEAR.

(Amount in ₹)		
PARTICULARS	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
A. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages, allowances	29,79,10,939	20,73,23,109
Gratuity and contribution to provident fund	3,41,07,304	2,38,53,130
Staff welfare expenses	89,83,547	86,34,693
Leave Salary & Pension Contribution	-	-
Sub-total	34,10,01,790	23,98,10,932
B. FINANCE COST		
Interest on :		
Government of India loan	-	-
Bonds	-	-
Foreign loan	-	-
Term loan	-	-
Cash credit facilities /WCDL	-	-
Exchange differences regarded as adjustment to interest cost	-	-
Loss on Hedging Transactions	-	-
Bond issue/ service expenses	-	-
Commitment fee	-	-
Guarantee fee on loan	-	-
Other finance charges	-	-
Transfer of expenses to EAC- Interest on loans from Central Government-adjustment on account of effective interest	-	-
Transfer of expenses to EAC-Interest on security deposit/ retention money-adjustment on account of effective interest	3,31,143	1,49,518
Transfer of expenses to EAC-committed capital expenses-adjustment for time value	-	-
Sub-total	3,31,143	1,49,518
C. DEPRECIATION AND AMORTISATION EXPENSES	2,17,54,943	61,89,018
Sub-total	2,17,54,943	61,89,018
D. OTHER EXPENSES		
Building	2,10,70,677	1,23,20,973
Machinery	-	-
Others	50,25,653	16,73,323
Rent	1,76,64,439	2,30,01,960
Rates and taxes	-	2,79,000
Insurance	1,44,423	1,48,809
Security expenses	-	-
Electricity Charges	16,09,496	9,20,486
Travelling and Conveyance	58,01,627	47,54,310
Expenses on vehicles	1,83,443	21,269
Telephone, telex and Postage	13,44,882	7,58,940
Advertisement and publicity	44,54,789	77,54,899
Entertainment and hospitality expenses	-	-
Printing and stationery	11,59,926	10,27,635
Design and Consultancy charges:		
- Indigenous	16,83,38,727	23,95,23,152
- Foreign	-	-
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	10,50,000	6,10,100
Expenditure on land not belonging to company	1,54,01,332	1,91,73,640
Assets/ Claims written off	-	-
Land Acquisition and Rehabilitation Expenditure	-	-
Losses on sale of assets	9,016	-
Other general expenses	3,33,28,310	24,35,679
Exchange rate variation (Debit)	-	-
Sub-total	27,65,86,740	31,44,04,175
E. PROVISIONS	-	315
Sub-total	-	315
F. C.O./Regional Office Expenses:		
Other Income	(1,22,786)	(81,18,773)
Other Expenses	5,83,20,201	5,12,14,002
Employee Benefits Expense	25,17,22,718	24,17,45,417
Depreciation & Amortisation Expenses	1,74,59,607	1,12,62,585
Finance Cost	2,80,638	6,64,233
Provisions	-	-
Sub-total	32,76,60,378	29,67,67,464
G. LESS: RECEIPTS AND RECOVERIES		
Income from generation of electricity - precommissioning	-	-
Interest on loans and advances	3,05,86,893	-
Profit on sale of assets	1,41,353	-
Exchange rate variation (Credit)	-	-
Provision/Liability not required written back	13,326	69,67,436
Hire charges/ outturn on plant and machinery	-	-
Miscellaneous receipts	12,94,035	39,00,406
Transfer of fair value gain to EAC- security deposit / retention money	-	2,350
Transfer of fair value gain to EAC - on provisions for committed capital expenditure	-	-
Sub-total	3,20,35,607	1,08,70,192
TOTAL (A+B+C+D+E+F+G-H)	93,52,99,387	84,64,51,230

B) FAIR VALUATION MEASUREMENT
(i) Fair Value Hierarchy

CVPP, Jammu
(Amount in ₹)

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the following three levels prescribed under Ind AS-113 "Fair Value Measurements"

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price. The fair value of all equity instruments including bonds which are traded in the recognised Stock Exchange and money markets are valued using the closing prices as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This includes security deposits/ retention money and loans at below market rates of interest.

(a) Financial Assets/Liabilities Measured at Fair Value-Recurring Fair Value Measurement:

	Note No.	As at 31st March, 2019 Level 1	As at 31st March, 2018 Level 1
Financial Assets at FVTOCI			
(i) Investments-			
- In Equity Instrument (Quoted)	3.1	-	-
- In Debt Instruments (Govt./PSU)- Quoted	3.1	-	-
Total		-	-

Note:
All other financial assets and financial liabilities have been measured at amortised cost at balance sheet date and classified as non-recurring fair value measurement.

(b) Financial Assets/Liabilities measured at amortised cost for which Fair Value are disclosed:

Particulars	Note No.	As at 31st March, 2019			As at 31st March, 2018		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Trade Receivables	3.2		0				
(ii) Loans							
a) Employees	3.3		1349388			0	
b) Loan to Government of Arunachal Pradesh (including Interest Accrued)	3.3 & 3.4		0			0	
c) Others	3.3			15,01,173			14,25,973
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)	3.4	9905754 9905754			10618206 10618206	0	14,25,973
Total Financial Assets			1349388	1501173		0	
Financial Liabilities							
(i) Long-term borrowings including current maturities and accrued interest	16.1 & 20.3						
(ii) Other Long Term Financial Liabilities	16.2			75,83,040 7583040	0	0	1449603 1449603
Total Financial Liabilities			0		0	0	

(Amount in ₹)

(c) Fair value of Financial Assets and liabilities measured at Amortised Cost

Particulars	Note No.	As at 31st March, 2019		As at 31st March, 2018	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
(i) Trade Receivables	3.2	-	-	-	-
(ii) Loans					
a) Employees	3.3	9,07,363	13,49,388	-	-
b) Loan to Government of Arunachal Pradesh (Including Interest Accrued)	3.3 & 3.4	-	-	-	-
c) Others		15,01,173	15,01,173	14,25,973	14,25,973
(ii) Others					
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)	3.4	1,00,00,000	99,05,754	1,00,00,000	1,06,18,206
Total Financial Assets		1,24,08,536	1,27,56,315	1,14,25,973	1,20,44,179
Financial Liabilities					
(i) Long-term borrowings including Current maturities and accrued interest	16.1 & 20.3	-	-	-	-
(ii) Other Long Term Financial Liabilities	16.2	72,07,242	75,83,040	14,22,546	14,49,603
Total Financial Liabilities		72,07,242	75,83,040	14,22,546	14,49,603

Note:-

1. The Carrying amounts of current investments, Trade and other receivables, Cash and other receivables, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

2. For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.

(d) Valuation techniques and process used to determine fair values

(1) The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

-Use of Quoted market price or dealer quotes for similar instruments.

- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

(2) CVPP has adopted the discount rate of NHPC for fair valuation of financial assets or financial liabilities not at fair value (except long term employee loans) for FY 2018-19 i.e. 8.25% p.a. Since CVPP does not have any borrowings as on balance sheet date and considering the similar business and risk profile of NHPC and CVPP, discounting rate for recognition of fair value gain/ loss on financial assets/ financial liabilities has been done at the rate adopted by NHPC

(3) The discount rate used to fair value financial instruments classified at Level -3 is based on the Weighted Average Rate as on 31.03.2019 of parent company.

(4) As per Ind AS 109, financial liabilities that are subsequently measured at amortised cost are recognised initially at fair value minus transaction costs using the effective interest method. Since the transaction costs incurred on long term borrowings are not material, as such the company has not applied the effective interest method for initial recognition of such liabilities.

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(2) Financial Risk Management

The Company's activities expose it to a variety of financial risks:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Other Bank Balances, Trade receivables and financial assets measured at amortised cost, Lease Receivable.	Aging analysis, credit rating.	Diversification of bank deposits, letter of credit for selected customers.
Liquidity Risk	Borrowings and other facilities.	Rolling cash flow forecasts & Budgets	Availability of committed credit lines and borrowing facilities.
Market Risk- Interest rate	Long term borrowings at variable rates	Sensitivity Analysis	1. Diversification of fixed rate and floating rates 2. Refinancing 3. Actual interest is recovered through tariff as per CERC Regulation
Market Risk- security prices	Investment in equity and debt securities	Sensitivity Analysis	Portfolio diversification
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR.	Sensitivity Analysis	Foreign exchange rate variation is recovered through tariff as per CERC Regulation.

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/leased assets) and from its financing activities including deposits with banks and financial institutions.

ii) Liquidity risk.

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

iii) Market risk

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

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.

(B) Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivables & lease receivables :-

The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly state government authorities and operate in largely independent markets.

Lease receivables of the company are with regard to Power Purchase Agreements classified as deemed lease as per Appendix C of Ind AS 17- 'Leases' as referred to in Note No. 34. The power purchase agreements are for sale of power to single beneficiary and recoverability of interest income and principal on leased assets i.e. PPE of the power stations are assessed on the same basis as applied for trade receivables.

Financial assets at amortised cost :-

Employee Loans: The Company has given loans to employees at concessional rates as per Company's policy which have been measured at amortised cost at Balance Sheet date. The recovery of the loan is on fixed instalment basis from the monthly salary of the employees. The loans are secured by way of mortgage/hypothecation of the assets for which such loans are given. Management has assessed the past data and does not envisage any probability of default on these loans.

Financial instruments and cash deposits :-

The Company considers factors such as track record, size of the bank, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the banks with which the Company has also availed borrowings. The Company invests surplus cash in short term deposits with scheduled banks. The company has balances and deposits with banks which are well diversified across private and public sector banks with limited exposure with any single bank.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as under:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	0	0
Loans - Non Current (including interest)	2408536	1425973
Other Non Current Financial Assets	10000000	10000000
Current Investments	0	0
Cash and cash equivalents	2598247497	1742461858
Bank balances	15500000	20000000
Loans - Current	4868373	2768055
Other Financial Assets (Excluding Lease Receivables)	109598302	45972968
Total (A)	2740622708	1822628854
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	0	0
Lease Receivables (Including Interest)	0	0
Total (B)	0	0
TOTAL (A+B)	2740622708	1822628854

(ii) Provision for expected credit losses :-

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses
The Company assesses outstanding receivables on an ongoing basis considering changes in payment behaviour and provides for expected credit loss on case-to-case basis.

(b) Financial assets for which loss allowance is measured using life time expected credit losses
CERC Tariff Regulations 2014-19 allow 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. Further, the fact that beneficiaries are primarily State Governments/ State Discoms 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. However, the Company does outstanding trade receivables on an ongoing basis considering changes in operating results and payment behaviour and provides for expected credit loss on case-to-case basis. As at the reporting date company does not envisage any default risk on account of non-realisation of trade receivables.

(iii) Reconciliation of impairment loss provisions

The movement in the allowance for impairment in respect of financial assets during the period was as follows:

	Trade Receivables	Claim Recoverable	Loans	Total
Balance as at 1.4.2018	0	0	0	0
Changes in Loss Allowances	0	0	0	0
Balance as at 31.3.2019	0	0	0	0

(C) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

i) The Company's objective is to maintain optimum levels of liquidity at all times to meet its cash and collateral requirements. The Company relies on a mix of borrowings and excess operating cash flows to meet its need for funds. The current committed lines of credit and internal accruals are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet capital expenditure and operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the borrowing limits or covenants (where applicable) are not breached on any of its borrowing facilities.

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31st March, 2019	As at 31st March, 2018
At Floating Rate	Nil	Nil
fixed rate	Nil	Nil
Total	Nil	Nil

ii) Maturities of Financial Liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 1 year is equal to their carrying balances as the impact of discounting is not significant.

As at 31st March, 2019

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.3.2019	(Amount in ₹)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	
Other financial Liabilities	16.2 & 20.3	12,23,15,395	11,10,40,152	95,707	1,11,79,536	
Trade Payables	20.2	1,07,64,79,840	1,07,64,79,840	-	-	
Total Financial Liabilities		1,19,87,95,235	1,18,75,19,992	95,707	1,11,79,536	

As at 31st March, 2018

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2018	(Amount in ₹)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	
Other financial Liabilities	16.2 & 20.3	7,36,23,485	7,20,12,917	16,10,568	-	
Trade Payables	20.2	1,16,19,51,188	1,16,19,51,188	-	-	
Total Financial Liabilities		1,23,55,74,673	1,23,39,64,105	16,10,568	-	

(D) Market Risk:

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligation provisions and on the non-financial assets and liabilities. The sensitivity of the relevant item of the Statement of Profit and Loss is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

(i) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. Company's policy is to maintain most of its borrowings at fixed rate. Company's fixed rate borrowings are carried at amortised cost and are not subject to interest rate risk. Further the company refinance these debts as and when favourable terms are available. The company is also compensated for variability in floating rate through recovery by way of tariff adjustments under CERC tariff regulations.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2018
	weighted average interest rate		weighted average interest rate	
Floating Rate Borrowings (INR)	Nil	-	Nil	-
Floating Rate Borrowings (FC)	Nil	-	Nil	-
Fixed Rate Borrowings (INR)	Nil	-	Nil	-
Fixed Rate Borrowings (FC)	Nil	-	Nil	-
Total	Nil	-	Nil	-

Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings.

(Amount in ₹)

Particulars	Effect on Profit before Tax	
	As at 31st March, 2019	As at 31st March, 2018
Borrowing in FC-Interest rates-increased by basis points (Previous year 2017-18 increased by 55 basis points)*		
Borrowing in FC-Interest rates-decreased by basis points (Previous year 2017-18 decreased by 55 basis points)*		

However there is no impact on profit or loss for increase and decrease in interest rates, as the same is recoverable from beneficiaries through tariff.

(ii) Price Risk:

(a) Exposure

The company's exposure to price risk arises from investment in equity shares and debt instruments classified in the financial statements as Fair Value Through OCI. Company's investment in equity shares are listed in recognised stock exchange and are publicly traded in the stock exchanges. Company's investment in debt instruments comprise quoted Government Securities and Public Sector Bonds and are publicly traded in the market. The investment has been classified under non-current investment in Balance Sheet.

(b) Price Risk Sensitivity

For Investment in Equity Instruments

The table below summarises the impact of increase/decrease in the market price of investment in equity instruments on the company's equity for the period/year:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	% change	Impact on other components of equity	% change	Impact on other components of equity
Investment in Equity shares of :				
	Nil		Nil	
	Nil		Nil	

Sensitivity has been worked out based on the previous 3 years average of six monthly fluctuations in the share price as quoted on the National Stock Exchange (NSE).

For Investment in Debt Instruments

The table below summarises the impact of increase/decrease of the market value of the debt instruments on company's equity for the period/year:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	% change	Impact on other components of equity	% change	Impact on other components of equity
	Nil		Nil	
	Nil		Nil	

(iii) Foreign Currency Risk

The company is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations.

(a) Foreign Currency Exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows :
(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial Liabilities:		
Foreign Currency Loans	-	-
Other Financial Liabilities	-	-
Net Exposure to foreign currency (liabilities)	0	0

(b) Sensitivity Analysis

There is no impact of foreign currency fluctuations on the profit of the company as these are either adjusted to the carrying cost of respective fixed asset/Capital Work-in-Progress or recovered through tariff as per CERC Tariff Regulation 2014-19.

CVPP, Jammu

(3) Capital Management

(a) Capital Risk Management

The primary objective of the Company's capital management is to maximize the shareholder value. CERC Tariff Regulations prescribe Debt : Equity ratio of 70:30 for the purpose of fixation of tariff of Power Projects. Accordingly the company manages its capital structure to maintain the normative capital structure prescribed by the CERC.

The Company monitors capital using Debt : Equity ratio, which is net debt divided by total capital. The Debt : Equity ratio are as follows:

Statement of Gearing Ratio		
Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Total Debt	-	-
(b) Total Capital	14,77,46,93,284	11,41,85,58,949
Gearing Ratio (a/b)	0.00	0.00

For JSVP & CO.
Chartered Accountants
(Firm Regn. No. 003435N)




(K K Goel)
General Manager (Finance)


(M S Babu)
Managing Director

Note No. - 34: Other Explanatory Notes to Accounts (as on 31.03.2019)

1. Disclosures relating to Contingent Liabilities:-

a) Claims against the Company not acknowledged as debts in respect of:

(i) Capital works

Contractors have lodged claims aggregating to ₹ 1,89,21,501/- (Previous year ₹ 1,74,67,519/-) against the Company on account of rate & quantity deviation, cost relating to extension of time, idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are lying at arbitration tribunal/other forums/under examination with the Company. These include ₹ 1,89,21,501/- (Previous year ₹ 1,74,67,519/-) towards arbitration awards including updated interest thereon, against the Company, which have been challenged/decided to be challenged in the Court of Law.

Management has assessed the above claims and recognized a provision of ₹ Nil (Previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹ 1,89,21,501/- (Previous year ₹ 1,74,67,519) as the amount of contingent liability i.e. amounts for which Company may be held contingently liable. In respect of such estimated contingent claims either the outflow of resources embodying economic benefits is not probable or a reliable estimate of the amount required for settling the obligation cannot be made. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the erstwhile land owners have filed claims for higher compensation amounting to ₹ Nil (Previous year ₹ Nil) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ Nil (Previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹ Nil (Previous year ₹ Nil) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

Disputed Income Tax/Sales Tax/Service Tax/ other taxes/duties matters pending before various appellate authorities amount to ₹ Nil (Previous year ₹ Nil). Pending settlement, the Company has assessed and provided an amount of ₹ Nil (Previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and rest of the claims i.e. ₹ Nil (Previous year ₹ Nil) are being disclosed as contingent liability as outflow of resources is considered not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iv) Others

Claims on account of other miscellaneous matters amount to ₹ 1,00,00,000 (Previous year ₹ 1,04,15,862). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹ Nil (Previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹ Nil (Previous year ₹ Nil) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

The above is summarized as at 31.03.2019 as below:

(Amount in ₹)

Sl. No.	Particulars	Claims as on 31.03.2019	up to date Provision against the claims/paid	Contingent liability as on 31.03.2019	Contingent liability as on 31.03.2018	Addition/(deduction) from contingent liability during the year	Decrease of contingent liability from Opening Balance as on 01.04.2018
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works	1,89,21,501		1,89,21,501	1,74,67,519	14,53,982	
2.	Land Compensation cases						
3.	Disputed tax matters						
4.	Others	1,00,00,000		1,00,00,000	1,04,15,862		4,15,862
	Total	2,89,21,501		2,89,21,501	2,78,83,381	14,53,982	4,15,862

- (b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) There is possibility of reimbursement to the company of ₹ Nil (Previous year ₹ Nil) towards above contingent liabilities.
- (e) (i) An amount of ₹ Nil (Previous year ₹ Nil) stands paid towards above Contingent Liabilities in respect of Capital Works, pursuant to Niti Aayog directions issued vide OM No. 14070/14/2016-PPPAU dated 5th September 2016, in cases where Arbitral Tribunals have passed orders in favour of contractors in arbitral proceedings and such awards/orders have been further challenged by the Company in a Court of Law, towards 75% of the arbitral award (including interest payable as per such award) subject to contractors fulfilling the terms and conditions laid down in the Standard Operating Procedures framed by the Company in this regard. The amount so paid is being shown as Other Non-Current Assets (Note No. 5).
- (ii) An amount of ₹ Nil (Previous year ₹ Nil) stands paid /deposited with courts towards above contingent liabilities to contest the cases and are being shown as Other Non-Current/ Current Assets.
- (f) The company's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

(g) Category of agency wise details of contingent liabilities as at 31.03.2019 are as under:

(Amount in ₹)

Sl. No.	Category of Agency	Claims as on 31.03.2019	up to date Provision against the claims/paid	Contingent liability as on 31.03.2019	Contingent liability as on 31.03.2018	Addition(+)/deduction (-) from contingent liability during the year	Decrease of contingent liability from Opening Balance as on 01.04.2018
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)= (v)-(vi)	(viii)
1	Central Govt. departments						
2	State Govt. departments or Local Bodies	1,00,00,000		1,00,00,000	1,00,00,000		
3	CPSEs						
4	Others	1,89,21,501		1,89,21,501	1,78,83,381		
	TOTAL	2,89,21,501		2,89,21,501	2,78,83,381		

2. **Contingent Assets:** Contingent assets in respect of the company are on account of the following:

a) **Counter Claims lodged by the company on other entities:**

The company has lodged counter claims aggregating to ₹ 3,51,81,330/- (Previous year ₹ 3,51,81,330/-) against claims of other entities. These claims have been lodged on the basis of contractual provisions and are being contested at arbitration tribunal/other forums/under examination with the counterparty. It includes counter claims of ₹ Nil (Previous year ₹ Nil) towards arbitration awards including updated interest thereon.

Based on Management assessment, a favourable outcome is probable in respect of the claims aggregating ₹ Nil (Previous year ₹ Nil) and for rest of the claims, the possibility of any inflow is remote. However, the amount has not been recognised.

b) **Other Cases**

Claims on account of other miscellaneous matters amount to ₹ Nil (Previous year ₹ Nil). Management has assessed these claims and estimates that inflow of economic benefits of ₹ Nil (Previous year ₹ Nil) are probable.

Contingent Assets are summarized below:

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2019	As at 31.03.2018
(i)	(ii)	(iii)	(iv)
1.	In respect of Counter claims lodged by the company		
2.	Other cases		
	Total		

3. Commitments:

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for are as under:

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2019	As at 31.03.2018
(i)	(ii)	(iii)	(iv)
1.	Property Plant and Equipment (including CWIP)	38,438,030,709	1058,91,24,074
2.	Intangible Assets	-	-
	Total	38,438,030,709	1058,91,24,074

4. Pending approval of competent authority, provisional payments / provisions made towards executed quantities of works of some of the items beyond the approved quantities as also for extra items totalling to ₹ 7,989 (Previous year ₹ 83,27,489) are included in Capital Work-in-Progress/Property, Plant and Equipment.

5. The effect of foreign exchange fluctuations during the year are as under:

(Amount in ₹)

Sl. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(i)	Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)	Nil	Nil
(ii)	Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)	Nil	Nil
(iii)	Amount charged to Capital Work in Progress (as FERV)	Nil	Nil
(iv)	Amount adjusted by addition to the carrying amount of property, plant & equipment	Nil	Nil

6. Operating Segment:

- a) Electricity generation is the principal business activity of the Company as per the Ind AS – 108 on 'Operating Segment'.
- b) The Company has a single geographical segment as all its Projects/Units are located within the Country.

7. Disclosures under Ind AS-24 "Related Party Disclosures":

(A) Interest in Holding and Subsidiary Co.

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2019	31.03.2018
Not Applicable. Since the CVPP is a joint venture company of NHPC, JKSPDC and PTC (India) Ltd.				

(B) Key Management Personnel: (Disclosure shall be dealt at Corporate Office level)

S.No.	Name	Position Held
1.	Lokesh Dutt Jha	Chairman
2.	M. S. Babu	Managing Director
3.	Sudhir Anand	Company Secretary

(C) Other entities with joint-control or significant influence over the Company:

The Company is a Joint Venture of NHPC Limited (A GoI Enterprise), JKSPDC (A GoJK Undertaking) and PTC (India) Limited. 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.

(D) Name and nature of relationship with Government:

S.No	Name of the Related parties	Nature of Relationship with CVPP
1	Government of India	Shareholder in NHPC having control over company
2	Govt. of Jammu & Kashmir	Shareholder in JKSPDC having control over company

(E) Key Management Personnel (KMP) compensation:

(Amount in ₹)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
i) Short Term Employee Benefits	1,13,43,777	50,81,140
ii) Post-Employment Benefits	0	0
iii) Other Long Term Benefits	0	0

(Amount in ₹)

Other Transactions with KMP	For the year ended 31.03.2019	For the year ended 31.03.2018
Sitting Fees and other reimbursements to non-executive/independent directors	1,20,000	3,60,000
Interest Received during the year	Nil	Nil

(F) Transactions with Related Parties-Following transactions occurred with related parties:

(Amount in ₹)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(i)	(ii)	(iii)
i) Transaction with Government that has control over company (Central Govt./State Government) - CVPP		
Services Received by the Company	Nil	Nil
Services Provided by the Company	Nil	Nil
Sale of goods/Inventory made by the company	Nil	Nil
Subordinate debts received by the company	Nil	Nil
Payment of Guarantee fees to Govt. Of India	Nil	Nil
ii) Transaction with Entities controlled by the same Government that has control over company - CVPP		
Purchase of property/Other assets	Nil	Nil
Purchase of goods/Inventory	Nil	Nil
Services Received by the Company	Nil	Nil
Services Provided by the Company	Nil	Nil
Sale of goods/Inventory made by the company	Nil	Nil
Settlement amount received by the Company against Insurance claim	Nil	Nil
iii) Transaction with Joint Venture Partners (NHPC, JKSPDC & PTC India Ltd)		
Services Provided by the Company	Nil	Nil
Services Received by the Company	16,68,92,793	23,67,89,076
Deputation of Employees by the company	Nil	Nil
Deputation of Employees to the company	Nil	Nil
Loan received by the Company	Nil	Nil
Equity contribution received by the Company	2,82,55,00,000	1,92,55,00,000
Dividend Paid by the company	Nil	Nil

iv) Transaction with KMP & Entities Controlled by KMP		
Services Provided by the Company	Nil	Nil
Services Received by the Company	Nil	Nil
Loan to KMP	Nil	Nil

(G) Outstanding Balances and Guarantees with Related Parties:

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
(i)	(ii)	(iii)
i) Balances with Government that has control over company (Central Govt./State Govt.) - CVPP		
Payables by the Company	Nil	Nil
Receivables by the Company	Nil	Nil
ii) Balances with Entities controlled by the same Government that has control over company - CVPP		
Payables by the Company	Nil	Nil
Receivables by the Company	Nil	Nil
iii) Balances with Joint Venture Partners (NHPC, JKSPDC & PTC India Ltd)		
Payables by the Company	103,03,41,951	5,78,85,540
Receivables by the Company	7,57,27,606	Nil
iv) Balances with KMP & Entities Controlled by KMP		
Receivables by the Company	Nil	Nil

(H) Other notes to related Party transactions:

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

Transactions with the state governments and entities controlled by the Govt. of India. are carried out at market terms on arms-length basis (except subordinate debts received from Central Govt. at concessional rate) through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturers (OEMs) for proprietary items/ on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items.

8. **Particulars of Security:** The carrying amount of assets mortgaged/ hypothecated as security for borrowings are as under.

(Amount in ₹)

Sl. No	Particulars	As at 31.03.2019	As at 31.03.2018
	First Charge		
1	Property Plant & Equipment	-	-
2	Capital Work In Progress	-	-
	Total	-	-

9. **Disclosures Under Ind AS-19 " Employee Benefits":**

(A) **Defined Contribution Plans-**

- (i) **Social Security Scheme:** The Company has a Social Security Scheme in lieu of the erstwhile scheme of compassionate appointment. The Company also makes a matching contribution per month per employee and such contribution has to be made for 8 years to build up corpus from the date the scheme in operation i.e. 05.06.2018,. The scheme has been created to take care of and helping bereaved families in the event of death or permanent total disability of its employee. The expenses recognised during the period towards social security scheme is ₹ 1,88,850/- (Previous year Nil).
- (ii) **Provident Fund:** The Company pays fixed contribution to Provident Fund at predetermined rates to Additional Commissioner of Provident Fund, J&K. The contribution to the fund for the period is recognized as expense and charges to the Statement of Profit & Loss/expenditure attributable to construction. The obligation of the Company is to make fixed contribution

(B) **Defined Benefit Plans-** Company has following defined post-employment benefit obligations :

(a) **Description of Plans:**

- (i) **Gratuity:** The Company has a defined benefit gratuity plan. The ceiling limit of gratuity is fixed as per the Payment of Gratuity Act, 1972, whereby every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹Rs0.20 Crore on superannuation, resignation, termination, disablement or on death. The obligation of the company for the same is recognised on the basis of actuarial valuation.
- (ii) **Allowances on Retirement/Death:** Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he / she may like to settle after retirement is paid as per the rules of the Company. In case of death, family of deceased employee can also avail this facility. The liability for the same is recognised on the basis of actuarial valuation.

(b) **Disclosure of Balance Sheet amounts and sensitivity analysis of Plans:** (Disclosure shall be dealt at Corporate Office level)

- (i) **Gratuity:** The amount recognised in the Balance Sheet as at 31.03.2019 & 31.03.2018 along with the movements in the net defined benefit obligation during the years 2018-19 and 2017-18 are as follows:

(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2018-19			
Opening Balance as at 01.04.2018	80,32,029	0	80,32,029
Current Service Cost	22,21,411	0	22,21,411
Past Service Cost	0	0	0
Interest Expenses/ (Income)	6,10,434	0	6,10,434
Total Amount recognised in Profit or Loss	28,31,845	0	28,31,845
<i>Re-measurements</i>			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	0	0
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	0	0	0
Experience (gains)/Losses	0	0	0
Total Amount recognised in Other Comprehensive Income			
Contributions:-			
-Employers	0	0	0
-Plan participants	0	0	0
Benefit payments	0	0	0
Closing Balance as at 31.03.2019	1,08,63,874		1,08,63,874

(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2017-18			
Opening Balance as at 01.04.2017	26,30,929	0	26,30,929
Adjustment	0	0	0
Current Service Cost	52,03,780	0	52,03,780
Past Service Cost	0	0	0
Interest Expenses/ (Income)	1,97,320	0	1,97,320
Total Amount recognised in Profit or Loss	54,01,100		54,01,100

Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	0	0
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	0	0	0
Experience (gains)/Losses	0	0	0
Total Amount recognised in Other Comprehensive Income	0	0	0
Contributions:-			
-Employers	0	0	0
-Plan participants	0	0	0
Benefit payments	0	0	0
Closing Balance as at 31.03.2018	80,32,029		80,32,029

The net liability disclosed above related to funded and unfunded plans are as follows:

(Amount in ₹)

Particulars	31st March 2019	31st March 2018
Present Value of funded obligations	1,08,63,874	80,32,029
Fair value of Plan Assets	0	0
Deficit/(Surplus) of funded plans	1,08,63,874	80,32,029
Unfunded Plans	0	0
Deficit/(Surplus) before asset ceiling	1,08,63,874	80,32,029

Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefit Obligation					
			Increase in assumptions			Decrease in assumptions		
			31st March 2019	31st March 2018		31st March 2019	31st March 2018	
Discount Rate	0.50%	0.50%	Decrease by	8.20%	8.40%	Increase by	9.21%	9.44%
Salary growth rate	0.50%	0.50%	Increase by	9.27%	9.50%	Decrease by	8.32%	8.51%

- (ii) **Allowances on Retirement/Death:** The amount recognised in the Balance Sheet as at 31.03.2019 & 31.03.2018 along with the movements in the net defined benefit obligation during the years 2018-19 and 2017-18 are as follows:

(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2018-19			
Opening Balance as at 01.04.2018	49,577	0	49,577
Current Service Cost	11,427	0	11,427
Past Service Cost	0	0	0
Interest Expenses/ (Income)	3,768	0	3,768
Total Amount recognised in Profit or Loss	64,772	0	64,772
<i>Re-measurements</i>			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	0	0
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	0	0	0
Experience (gains)/Losses	0	0	0
Total Amount recognised in Other Comprehensive Income			
Contributions:-			
-Employers	0	0	0
-Plan participants	0	0	0
Benefit payments	0	0	0
Closing Balance as at 31.03.2019	64,772	0	64,772

(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2017-18			
Opening Balance as at 01.04.2017	31,621	0	31,621
Current Service Cost	15,584	0	15,584
Past Service Cost	0	0	0
Interest Expenses/ (Income)	2,372	0	2,372
Total Amount recognised in Profit or Loss	17,956	0	17,956

<i>Re-measurements</i>			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	0	0
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	0	0	0
Experience (gains)/Losses	0	0	0
Total Amount recognised in Other Comprehensive Income	0	0	0
Contributions:-			
-Employers	0	0	0
-Plan participants	0	0	0
Benefit payments	0	0	0
Closing Balance as at 31.03.2018	49,577	0	49,577

The net liability disclosed above related to unfunded plans.

Sensitivity Analysis – The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on Defined Benefit Obligation					
			Increase in assumptions			Decrease in assumptions		
			31st March 2019	31st March 2018		31st March 2019	31st March 2018	
Discount Rate	0.50%	0.50%	Decrease by	8.00%	8.06%	Increase by	7.51%	8.52%

(c) Defined Benefit Plans: Significant estimates: Actuarial assumptions:

Particulars	31st March 2019	31st March 2018
Discount Rate	7.66%	7.60%
Salary growth rate	6.50%	6.50%

(d) The major categories of Plan Assets are as follows: (Disclosure shall be dealt at Corporate Office level)

Gratuity

(Amount in ₹)

Particulars	31st March 2018			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme	-	-	-	-
Cash & Cash Equivalents	-	-	-	-
Total	-	-	-	-

Particulars	31st March 2019			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme	-	-	-	-
Cash & Cash Equivalents	-	-	-	-
Total	-	-	-	-

(e) **Risk Exposure:** Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Description of Risk Exposures:

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

- A) Salary Increase- Actual salary increase 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.

(f) **Defined benefit liability and employer contributions:** Expected contributions to defined-benefit plans for the year ending March 31, 2018 are ₹Nil

The expected maturity analysis of Gratuity and Allowances on Retirement/Death is as under: -

(Amount in ₹)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31.03.2019					
Gratuity	2,31,414	7,53,905	5,36,692	93,41,863	1,08,63,874
Allowances on Retirement/Death	-	-	-	-	-
TOTAL	2,31,414	7,53,905	5,36,692	93,41,863	1,08,63,874
31.03.2018					
Gratuity	77,304	5,70,799	4,37,165	69,46,761	80,32,029
Allowances on Retirement/Death	-	-	-	-	-
TOTAL	77,304	5,70,799	4,37,165	69,46,761	80,32,029

(C) **Other long-term employee benefits (Leave Benefit):** The Company provides for earned leave and half-pay leave to the employees which accrue annually @ 30 days and 20 days respectively. The maximum ceiling of encashment of earned leave is limited to 300 days. However, any shortfall in the maximum limit of 300 days in earned leave on superannuation shall be fulfilled by half pay leave to that extent. The liability for the same is recognised on the basis of actuarial valuation.

(D) The corresponding expenditure of actuarial valuation in respect of employees of NHPC who are presently on the rolls of Chenab Valley Power Projects [P] Limited has been transferred to CVPP in the respective year through a debit/credit advice. The effect of the same has been acknowledged in IUT certificate during the year.

10. Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:-
(Amount in ₹)

Sl. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a)*	Value of imports calculated on CIF basis: i) Capital Goods		Nil
b)*	Expenditure in Foreign Currency i) Interest ii) Other Misc. Matters		Nil Nil
c)*	Value of spare parts and Components consumed in operating units. i) Imported ii) Indigenous		Nil Nil
d)*	Earnings in foreign currency -Others		Nil

* Accrual basis.

11. Earnings Per Share: (Disclosure shall be dealt at Corporate Office level)

a) The Earnings Per Share (Basic and Diluted) are as under:

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Earnings per Share before Regulatory Income (₹) – Basic	0.0967	0.0404
(₹) - Diluted	0.0967	0.0403
Earnings per Share after Regulatory Income (₹) – Basic	0.0967	0.0404
(₹)- Diluted	0.0967	0.0403
Face value per share (₹)	10.00	10.00

b) Reconciliation of Earning used in calculating Earnings Per Share:

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Net Profit after Tax but before Regulatory Income used as numerator (Amount in ₹)	13.06	3.95
Net Profit after Tax and Regulatory Income used as numerator (Amount in ₹)	13.06	3.95

c) Reconciliation of weighted average number of shares used as denominator :

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Weighted Average number of equity shares used as denominator	135,13,82,800	
Basic	135,13,82,800	97,73,42,027
Diluted		97,99,99,561

12. Disclosure related to Confirmation of Balances is as under :

(a) Balances shown under material issued to contractors, claims recoverable including insurance claims, advances for Capital expenditure, Sundry Debtors, Advances to Contractors, Sundry Creditors and Deposits/Earnest money from contractors are subject to reconciliation/ confirmation and respective consequential adjustments. Claims recoverable also include claims in respect of projects handed over or decided to be handed over to other agencies in terms of Government of India directives. In the opinion of the management, unconfirmed balances shall not have any material impact.

(b) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5,00,000 or above in respect of each party as at 31st December of every year. Status of confirmation of balances as at December 31, 2018 as well as amount outstanding as on 31.03.2019 is as under:

(Amount in ₹)

Particulars	Outstanding amount as on 31.12.2018	Amount confirmed	Outstanding amount as on 31.03.2019
Trade receivable	-	-	-
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	1,429,047,272	780,006,257	1,596,392,661
Trade/Other payables	243,945,533	0	587,353,614
Security Deposit/Retention Money payable	1,70,75,449	1,11,79,536	2,19,09,435

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

13. Disclosure related to Corporate Social Responsibility (CSR)

(i) The breakup of CSR expenditure under various heads of expenses incurred is as below:-

(Amount in ₹)

Sl. No.	Heads of Expenses constituting CSR expenses	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Health Care and Sanitation	4,49,221	29,900
2	Education & Skill Development	7,90,599	6,57,950
3	Women Empowerment /Senior Citizen	-	-
4	Environment	-	-
5	Art & Culture	-	-
6	Ex-Armed Forces	-	-
7	Sports	-	10,610
8	National Welfare Fund	-	-
9	Rural Development	-	-
10	Capacity Building	-	-
11	Swachh Vidyalaya Abhiyan	-	-
12	Swachh Bharat Abhiyan	-	-
	Total amount	12,39,820	6,98,460

(ii) Other disclosures:-

(a) Details of expenditure incurred during the year ended on 31.03.2019 paid and yet to be paid along with the nature of expenditure (capital or revenue nature) is as under:-

(Amount in ₹)

	Purpose	Paid (a)	Yet to be paid (b)	Total (a+b)
(i)	Construction/Acquisition of any asset	-	-	-
(ii)	On purpose other than (i) above	5,81,376	-	5,81,376
	Total	5,81,376	-	5,81,376

(b) As stated above, a sum of ₹ Nil out of total expenditure of ₹ 5,81,376 is yet to be paid to concerned parties which are included in the relevant head of accounts pertaining to liabilities.

(iii) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to ₹ 12,39,193/- for financial year 2018-19 (based on 2% of average net profit of preceding three financial years). The Board of Directors had allocated total budget of ₹ 12,72,000/- for financial year 2018-19, out of which an amount of ₹ 32,180/- remained unspent.

14. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 11.10.2018 (Refer Note no. 20.2 and 20.3 of the Balance Sheet) are as under:

		(Amount in ₹)	
Sl. No.	Particulars	As at 31.03. 2019	As at 31.03. 2018
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date: a) Trade Payables: -Principal -Interest b) Others: -Principal -Interest	- - - -	- - - -
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date.	-	
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

15. Disclosures regarding leases as per IND AS -17 "Leases":

A) Operating leases- Company as Lessee

- a) The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees amounting to ₹ 45,59,954/- (Previous period ₹ 1,85,73,414/-) included under Salaries, wages, allowances in **Note 26**.
- b) The Company has taken premises for offices, guest houses & transit camps on operating leases which are not non-cancellable and are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps amounting to ₹ 67,92,215/- (Previous period ₹ 1,27,44,978/-) are shown under Rent & Hire Charges in **Note 29**.
- c) The Company has taken vehicles on operating leases generally for a period of 1 to 2 years and such leases are not non-cancellable. Lease payments in respect of hiring of vehicles amounting to ₹ 1,27,21,702/- (Previous period ₹ 71,95,147/-) are shown under Rent & Hire Charges in **Note 29**.

16. The management is of the opinion that no case of impairment of assets exists under the provisions of Ind AS-36 on "Impairment of Assets" as at 31st March 2019.

17. Nature and details of provisions (refer Note No. 17 and 22 of Balance Sheet)

(i) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, 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. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a Finance Cost.

(ii) Provision for employee benefits (Other than provisions for defined contribution and defined benefit plans which have been disclosed as per Ind AS-19 at S. No. 10 of Note No. 34):

a) Provision for Performance Related Pay/Incentive:

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for the year (Previous Year 2018-19) on the basis of Management Estimates in case of NHPC employees presently on the rolls of the Company based on the guidelines of the Department of Public Enterprises, Government of India.

b) Provision For Wage Revision as per 3rd Pay Revision Committee (PRC):

Short term provision for wage revision of the employees of the company has been recognised in the accounts for the period 1.01.2017 to 31.03.2019 as per notification of the Department of Public Enterprises, Government of India.

18. The status of equity contribution as on 31st March, 2019, from joint venture partners namely NHPC, JKSPDC and PTC (India) Limited stood at Rs. 747,55,00,000/- (51.94%), Rs. 687,55,00,000/- (47.77%) and Rs. 4,08,00,000/- (0.29%) respectively.

19. Other current liability includes an Amount of Rs. 60,00,00,000/- as deposits received from JKSPDC. The same will be refunded on receipt of payment from GOI.


20. A Non-fund based limit of Rs. 75,00,00,000/- has been obtained from Jammu and Kashmir Bank during the month of April 2019.

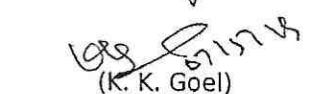
21. Opening balances/corresponding figures for previous year have been re-grouped/re-arranged wherever necessary to conform to current year's classification.

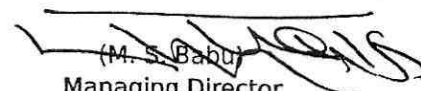
For JSVP & CO.
Chartered Accountants
(Firm Regn. No. 003435N)



(CA. Raj Kumar Mehra)
Partner
M. No. 501305

Date: 12.05.2019
Place: Jammu


(Lokesh Dutt Jha)
Chairman


(K. K. Goel)
General Manager (Finance)


(M. S. Babu)
Managing Director


(Sudhir Anand)
Company Secretary

CHENABVALLEYPowerPROJECTS[P]LIMITED

A Joint Venture of NHPC (A Govt. of India Enterprise), JKSPDC (A Govt. of J & K Undertaking) & PTC India Ltd

Registered Office Chenab Jal Shakti Bhavan, Opposite Saraswati Dham Railhead Complex, Jammu-

180012(J&K) Tel.No.: 0191-2479531; E-mail: snanand_cs@yahoo.co.in / cscvpp@gmail.com

CIN:U40105JK2011PTC003321

PROXYFORM-MGT11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	
Registered Address:	
E-mail id:	

I being the member of _____ Equity shares of Chenab Valley Power Projects [P]limited, hereby appoint

1. Name:
2. Address:
3. Signature:

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 8th Annual General Meeting of the Company, to be held on Friday, 20th Day of September, 2019 at 1:00 P.M. at CVPPPL Corporate Office, Chenab Jal Shakti Bhavan Opposite Saraswati Dham, Railhead Complex Jammu-180006 (J&K) and at any adjournment thereof in respect of such resolutions as are indicated:

Resolution for Ordinary Business	
1	To receive, consider and adopt the Directors' Report, Balance Sheet and Profit and Loss Account for the Financial Year ended 31 st March, 2019 and Auditor's Report thereon together with the comments of the Comptroller & Auditor General of India.
2	To take note of appointment of Statutory Auditors for the year 2019-20 and fixation of their remuneration.

Signed this day of September 2019.

Affix Revenue
Stamp Re. 1/-

Signature of Member

Notes:

1. This form of proxy in order to be effective should be duly completed and deposit at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. Your proxy will be titled to vote in the manner as he/she may deem appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.

CHENABVALLEYPowerPROJECTS[P]LIMITED

A Joint Venture of NHPC (A Govt. of India Enterprise), JKSPDC (A Govt. of J & K Undertaking) & PTC India Ltd

Registered Office Chenab Jal Shakti Bhavan, Opposite Saraswati Dham Railhead Complex, Jammu-180012 (J&K) Tel.No.: 0191-2479531; E-mail: snanand_cs@yahoo.co.in / cscvpp@gmail.com

CIN: U40105JK2011PTC003321

ATTENDANCE SLIP

8TH ANNUAL GENERAL MEETING HELD ON FRIDAY, 20TH SEPTEMBER, 2019

Name and Address of the Shareholder(s)	
No. of shares	

I hereby record my presence at the 8th Annual General Meeting of the company held on Friday, 20th Day of September, 2019 at CVPPPL Corporate Office, Chenab Jal Shakti Bhavan Opposite Saraswati Dham Railhead Complex, Jammu-180012 (J&K).

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

Note: Please fill the Attendance Slip.