

25<sup>th</sup> वीं वार्षिक रिपोर्ट  
ANNUAL REPORT  
2012-13



टीएचडीसी इंडिया लिमिटेड  
THDC INDIA LIMITED

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## NOTICE

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of THDC India Limited will be held on 25<sup>th</sup> September, 2013 at 12:30 PM at THDC INDIA LIMITED, 1<sup>st</sup> Floor, East Tower, NBCC Place, Bishma Pitamah Marg, New Delhi -110003 (Phone- 011-24363717) to transact the following Business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Annual Accounts together with Auditors' Report and Directors' Report of the Corporation for the year ended March 31, 2013.
2. To fix the remuneration of the Statutory Auditors for the year ended March 31, 2013.

By order of the Board of Directors of  
**THDC INDIA LIMITED**

(S. Q. Ahmad)  
Company Secretary  
M-9412998458

To :

- All the Members of THDCIL
- Smt. Anju Khanna, Director (Hydel-I), Ministry of Power, Sharm Shakti Bhawan, Rafi Marg, New Delhi
- Statutory Auditors - M/s BHATIA & BHATIA, Chartered Accountants, 12, Central Lane, Bengali Market, New Delhi-110001

PLACE : RISHIKESH

DATE : 03.09.2013



## Registered Office

Bhagirath Bhawan (Top Terrace), Bhagirathipuram,  
Tehri (Garhwal)-249001, (Uttarakhand)

## Other Offices

### RISHIKESH

Pragatipuram, Bye-pass Road, Rishikesh-249201 (Uttarakhand)

### NCR

Plot No.20 Sector-14, Kaushambi, Ghaziabad-201010 (U.P)

### DEHRADUN

26 BC Road, Dehradun-248001 (Uttarakhand)

### LUCKNOW

101, Raj Apartmnet, 7, Jopling Road, Lucknow-226001 (U.P)

### PUNE

Arun Plaza, 2nd Floor, S. No. 19/3 Hinjewadi Road,  
Dange Chowk, Thergaon, Pune-411033 (Maharashtra)

### VPHEP

Alaknanda Puram, Siyasin, Pipalkoti, Distt. Chamoli (Uttarakhand)

### BHUTAN

1<sup>st</sup> Floor, Pelkhi Centre, Pelkhil Lam, Phuentsholing, Bhutan

## Company Secretary

Shri S.Q.Ahmad

## Statutory Auditors

M/e BHATTA & BHATTA

Chartered Accountant

12, Central Lane, Bengali Market, New Delhi-110001

## Bankers

Punjab National Bank

Union Bank of India

State Bank of India

State Bank of Hyderabad

This report was adopted at

25<sup>th</sup> Annual General Meeting of the Corporation held on 25.09.2013

**BOARD OF DIRECTORS**  
AS ON 25.09.2013



**Shri R.S.T. Sai**  
Chairman & Managing Director



**Shri D.V. Singh**  
Director (Technical)



**Shri S. K. Blawan**  
Director (Personnel)



**Shri Sridhar Patra**  
Director (Finance)



**Shri G. Sai Prasad**  
Joint Secretary, Ministry of Power, Govt.  
Government Nominee Director



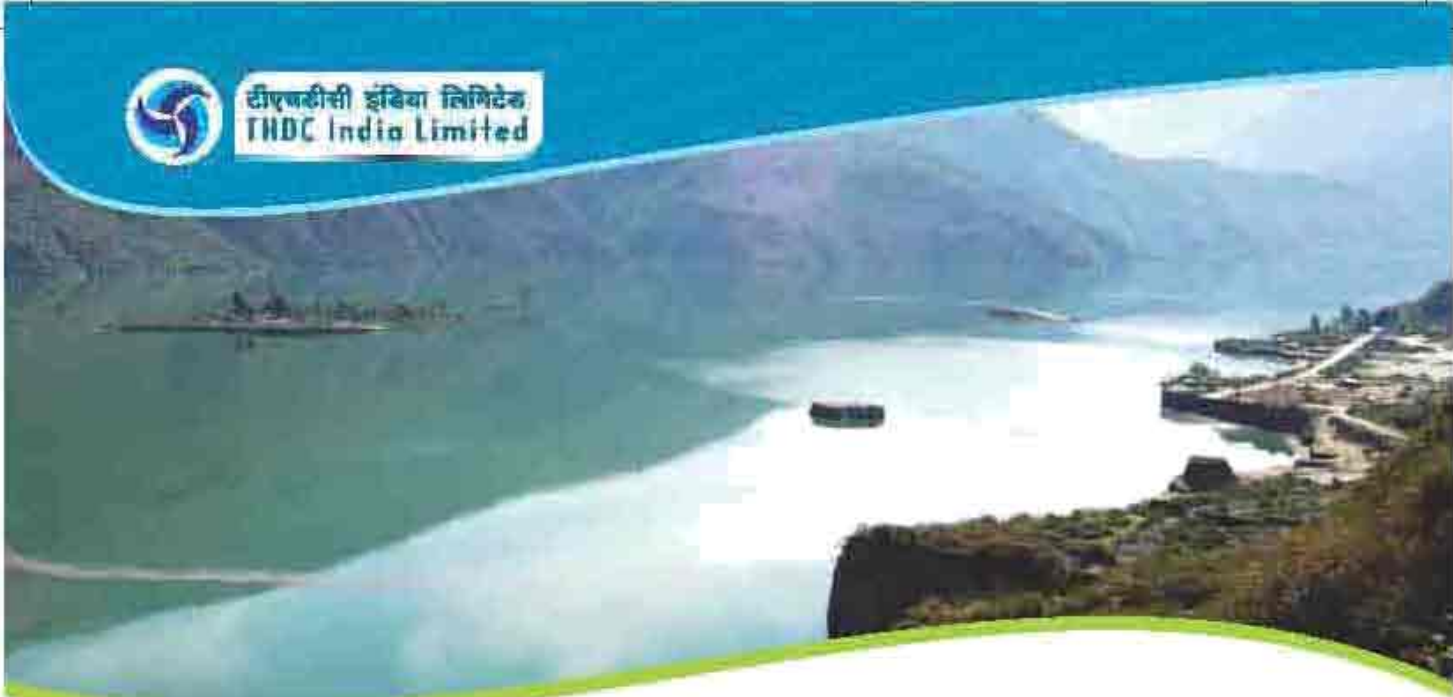
**Professor (Dr.) S.C. Saxena**  
Former Director, IIT, Roorkee,  
Independent Director



**Shri Rajib Sekhar Sahoo, FCA**  
Practising Chartered Accountant,  
Independent Director



**Shri O.P. Gahrotra**  
Former Addl. Chief Secretary, Govt. of Maharashtra,  
Independent Director



### Our Vision

A major global player in Power Sector, providing quality, affordable and sustainable power with commitment to environment, ecology and social values.

Create work ethos of growth through professionalism and achievement of excellence.

### Our Mission

To Plan, Promote, Develop Hydro as well as other Energy Resources from concept to commissioning and operate Power Stations to meet the growing energy demand, ensuring environment and ecological balance, contributing to national prosperity.

To accept Corporate Social Responsibility (CSR), including Rehabilitation and Resettlement of Project Affected Persons (PAPs) with human face.

To meet the challenges of dynamically transforming business environment and setting global benchmarks.

To build sustainable and value based relationship with stakeholders for mutual benefit and growth.

To achieve performance excellence by inspiring a dedicated workforce in an environment of organisational learning and mutual trust.





## *Chairman's Address*

**Ladies & Gentlemen,**

It is a matter of pleasure to welcome you to the 25<sup>th</sup> Annual General Meeting of your Company. The Report of the Auditors and Director's Report for the year 2012-13 along with the annual Audited Accounts are already with you and with your permission, I would take them as read.

You would be glad to know that during the year gone by Tehri and Koteshwar Power Stations exceeded their respective generation targets and Plant Availability Factors, a measure of the operational performance of the Company. The regulation at the Projects also enabled smooth conduct of Kumbh mela at Allahabad during January to March, 2013. The 400 MW Koteshwar Hydro Electric Project won two

prestigious awards, viz the 'PMI India 2012 Best Project of the Year Award' and the 5<sup>th</sup> CIDC Vishwakarma Award-2013' among more than 70 submissions from all sectors under this category.

Your Company achieved gross sales of ₹ 2,026.53 Cr. against ₹ 2,055.08 Cr. during the previous year, while the Net Profit is ₹ 531.38 Cr. against ₹ 703.83 Cr. during 2011-12. The lower profit is primarily on account of impact due to Tariff order passed by CERC for Tehri HPP. Outstandings from some of our beneficiaries continues to be a matter of concern, with total receivables at around ₹ 1,180 Cr. as at March, 2013. With the structural reforms being implemented by the Govt., the position is expected to improve. In view of the temporary liquidity constraint, the



Board has proposed not to distribute dividend for the year. I hope the shareholders would understand the situation and support the decision.

The economy is under stress owing to fiscal deficit, the current account deficit and inflation. The Rupee has considerably weakened. The Project Costs of your Company are likely to increase. Introspection is required as to how to bring about improvement in factor Productivity, so that growth and investment can

restrictions imposed by MoEF regarding free riverine stretch between successive hydro projects, the DPR for the 128 MW Jelam Tamak had to be recast with a reduced capacity of 108 MW. This condition has also affected the 114 MW Malari Jelam HEP, as with the MoEF condition the capacity reduces to 65 MW, putting the viability of the Project in question. The matter has also been affected by a recent interim order of the Hon'ble Supreme Court, which imposed a stay on clearances of Projects in Uttarakhand.



Sh. R.S.T. Sai, CMD, THDCIL (Right) shaking hands with Sh. P. Uma Shankar, Secretary (Power), GoI, after signing of MoU documents for 2013-14

be sustained. Your Company has been struggling to expedite clearances / approvals for various schemes. Issues of Governance are beyond the control of Corporates.

Environmental and Wildlife issues continue to remain, matters of concern for your Company. Survey & Investigation works on 4 projects, with an aggregate capacity of 920 MW could not be taken up for want of clearance from MoEF from wildlife angle. Similarly, due to the

During the recent flooding in Uttarakhand, the Tehri Dam Reservoir proved to be a savior and helped save possible devastation in Devprayag, Rishikesh and Haridwar areas by storing flood waters of Bhagirathi. The water level at Haridwar was already above the danger mark due to flood waters of Alaknanda River and if the Bhagirathi flood had not been absorbed by the Tehri reservoir, the likely

devastation would have been of unimaginable proportions. The Tehri and Koteshwar Projects provided a lifeline to the Grid by generating round the clock and providing 1,400 MW power at a time when most of the Hydro Projects in Northern Region were either affected by floods or were shut down due to high siltation.

In this hour of distress, the Employees of your Company have donated one day's salary to the



A View of 25<sup>th</sup> Annual General Meeting held on September 25, 2013

CM's Relief fund. Your Company is contributing in restoration works to be taken up by the State Government in affected areas and has been nominated as the nodal agency on behalf of all Power PSUs by the Ministry of Power for the relief and restoration works in Uttarakhand to be funded by the PSUs.

Conscious of the objective of sustainable development in line with the vision statement of sustainable power, your Company has adopted a comprehensive CSR – Sustainability Policy. Significant outlays have been made in healthcare, education and livelihood opportunities for local communities. Company Sponsored NGOs, SEWA (Society for Empowerment & Welfare Activities) and TBS (THDC Education Society) are contributing to the society by promoting sustained livelihood, overall development and well being of target communities in the operational area of your Company's business and providing quality education.

Ladies and Gentlemen, the progress of your Company over the years would not have been possible but for the commitment of the highly dedicated team of employees. On behalf of the Board and the employees, I thank our Shareholders, State Govts, Govt Departments and all other Stakeholders for their whole hearted co-operation and support.

(R.S.T. Sai)  
Chairman & Managing Director

Place : New Delhi  
Date : 25.09.2013



## DIRECTORS' REPORT-2012-13

Dear Members,

Your Directors are pleased to present the 25<sup>th</sup> Annual Report of the Company along with the Audited Annual Accounts and Report of the Statutory Auditors and Comments of the Comptroller & Auditor General of India for the year ended March 31, 2013.

### FINANCIAL RESULTS

The Financial Results of the operations during the year ending 31<sup>st</sup> March 2013 are summarized as under:

(₹ in Million)

PARTICULARS	2012-13	2011-12
<b>Income</b>		
Revenue from operations	19561	20456
Other Income	704	95
<b>Gross Income (a)</b>	<b>20265</b>	<b>20551</b>
<b>Expenditure</b>		
Employee Benefit Expenses	1932	1500
Finance Costs	6051	5317
Depreciation	4744	4508
Generation, Administration & other expenses	1519	1177

Provisions	2	16
Prior period adjustment	42	10
<b>Total Expenditure (b)</b>	<b>14290</b>	<b>12528</b>
<b>Profit before Tax (a-b)</b>	<b>5975</b>	<b>8023</b>
Tax	661	985
<b>Profit after Tax</b>	<b>5314</b>	<b>7038</b>
Add: Surplus balance of previous year b/f	16947	12373
<b>BALANCE AVAILABLE FOR APPROPRIATION</b>	<b>22261</b>	<b>19411</b>
<b>APPROPRIATIONS:</b>		
<b>Dividend</b>		
Interim	0	0
Proposed Final	0	2120
<b>Tax on Dividend</b>		
Interim	0	0
Proposed Final	0	344
<b>BALANCE CARRIED TO BALANCE SHEET</b>	<b>22261</b>	<b>16947</b>

### FINANCIAL PERFORMANCE

#### Revenue

The Total Income during the Financial Year 2012-13 is ₹ 20265 Million as compared to ₹ 20551 Million during the Previous Year, 2011-12.



A view of Underground Power House of 1000 MW, Talmi HPP

### Profit

Your Company has earned a Net Profit of ₹5314 Million during the year 2012-13 (P.Y. ₹7038 Million). The Earning Per Equity Share (EPS) of the Current Year 2012-13 is ₹157.86 (P.Y. ₹213.44). As compared to the previous year, the Profit for the year reported upon is lower due to absorption of the cumulative impact of CERC award of tariff for Tehri HEP, w.e.f. 2006-07.



### Dividend

Your company had been paying dividend regularly since financial year 2007-08. Due to severe Cash Crunch, mainly because of poor realisation of revenue from beneficiary states, your Directors are not able to recommend dividend for the year 2012-13. It is hoped that position would improve in the coming years.

### Capital Structure

The Authorised Share Capital of the Company is ₹4000.00 Cr. The Paid-up Share Capital of the Company is ₹3443.09 Cr. During the Year your Company has received ₹100.51 Cr. (₹89.45 Cr. from GoI and ₹11.06 Cr. from GoUP).

During the Financial Year 2012-13, your Company has allotted Equity Shares of ₹145.51 Cr. (including ₹45.00 Cr. pending allotment as on 31.03.2012) towards Equity Contribution for Tehri PSP have a liaison with GoUP and ₹136.06 Cr. and for VPHEP ₹9.45 Cr.

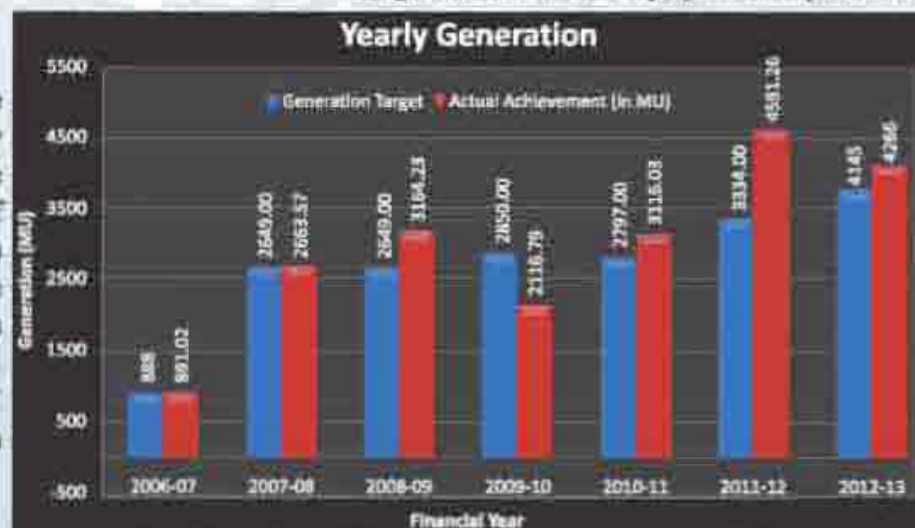
### PROJECT FINANCING

Your Company has signed Rupee term loan of ₹1500 Cr. with SBI led consortium comprising of SBI and its Associate Banks, for construction of Tehri PSP (1000 MW). Your Company is also in the process of finalizing of ECA backed Export Credit for approximately 88 million Euro for financing of the off shore component of EPC contract signed for Tehri PSP.

### OPERATIONAL PERFORMANCE

#### • Generation from Tehri & Koteshwar Hydro Power Plants

Generation during the year 2012-13 at Tehri and Koteshwar was 3101.98 MU and 1164.05 MU respectively which has exceeded the target of 3000 MU and 1145 MU respectively for 'Very Good'. Plant Availability Factors (PAFs) for 2012-13 for Tehri & Koteshwar were 81.993% & 74.379% against the target of 80% & 47.00% respectively. After early arrival, the Monsoon in the current year has been very active. In the current year the generation of electricity upto mid September is





2563 MU and 982 MU as against design energy of 2797 MU and 1155 MU at Tehri and Koteshwar respectively, for the whole year.

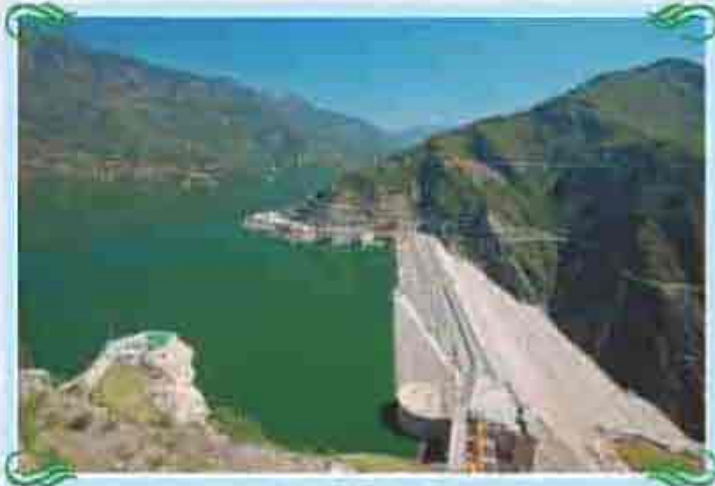
**• Release of Water during Kumbh Mela at Allahabad in 2013**

During the Kumbh Mela at Allahabad in 2013, additional water was released as per the request of U.P. Government. Accordingly 250 cumecs of water was regularly released from 21<sup>st</sup> December 2012 to 10<sup>th</sup> February 2013. Thereafter release was reduced to 155 cumecs, in the interest of safety of Kumbh pilgrims, when the natural discharge in the river increased due to early rains.

**COMMERCIAL PERFORMANCE**

During the financial year 2012-13, based on the Provisional Tariff, revenue of ₹14104.20 million (P.Y. ₹11475.68 million) was realised from the beneficiaries. The amount of billing during 2012-13 was ₹16368.53 million towards sale of energy (86.17% collection).

In addition, your company also earned net revenue of ₹168.38 million on account of Unscheduled Interchange (UI) Charges under the prevailing UI mechanism and ₹ 8.57 million was earned on



An overview of Tehri Dam & Reservoir

account of interest on late payment of UI Charges of firm energy.

The tariff order for Tehri HEP for the period 2006-09 was issued by CERC, on 16.04.2013. On account of the said order, an amount of ₹1791.40 million has become further due from beneficiaries for the period 2006-09 for which bills have been raised.

Tariff petitions for the period 2009-2014 for Tehri HPP & Koteshwar HEP submitted earlier to Hon'ble CERC are under consideration of the Hon'ble Commission for determination of final tariff.

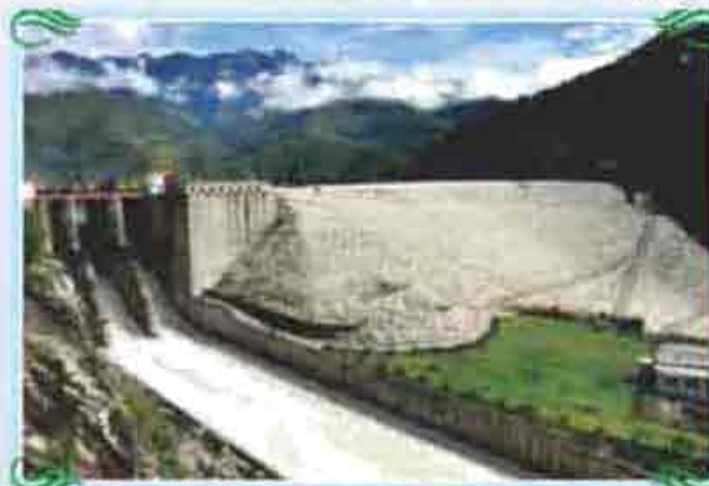
The Power Purchase Agreement for Tehri PSP (1000 MW) was also signed with one of the Delhi Discoms, namely, BSES Rajdhani Power Ltd., Delhi on 24<sup>th</sup> December, 2012.

All the beneficiaries have given their feedback expressing their satisfaction with 'Excellent' rating for the services provided by the Corporation.

**PROGRESS OF PROJECTS UNDER CONSTRUCTION:**

**• Tehri PSP(1000MW)**

The Agreement for EPC/Turnkey execution of the Project was signed with the consortium of M/s Alstom Hydro



Highway of Tehri Dam

France and Hindustan Construction Company. Work on the project commenced w.e.f. 27<sup>th</sup> July, 2011. Excavation of six approach adits has been completed. Excavation of three approach adits is in progress. U/G excavation in a length of 2558 m in all approach adits including drainage galleries has been completed. Excavation work on various fronts viz. Power House Cavern, Downstream Surge Shafts, Penstock Assembly Chamber, Butterfly Valve Chamber, Tail Race Tunnels and Ventilation Tunnel is in progress. Crown slashing in Power house cavern has been completed. Further, benching of Power House is in progress. Pilot shaft excavation of Downstream Surge Shaft No. 3 has been completed and excavation in Downstream Surge Shaft No. 4 has been completed in a length of 56m out of 78m. Heading excavation of Tail Race Tunnels (TRT-3 & 4) is in progress. Pilot tunneling in a length of 353 m and heading excavation in a length of 45 m have been completed in TRT's. Excavation of Ventilation Tunnel has been completed in a length of 256 m.

Supply of EM Equipments has started. The DT Elbow Liner and embedments of unit 5 & unit 6 have been received at project site. Inspection of Runner casting of Unit-5 at DHI, China has been completed. Inspection of Runner Band and Crown



Up Stream view of Koteshwar Dam

for Unit-6 is scheduled in Sep. 2013 at DHI, China. Manufacturing of Stay-ring, Butterfly Valve plug casting, Stator bar & Stator frame and lower Shaft forging for Unit-5 are in progress at different manufacturing units of consortium / sub-vendors at India & abroad.

Progress of project works has been severely affected due to hindrances faced in muck disposal and quarrying. These issues are being sorted out. The Project is expected to be commissioned by Feb'2017.

**\* Vishnugad Pipalkoti HEP(444 MW)**

Basic infrastructure works, such as Access Roads and Bridges, Field Hostels, Construction of offices, Residential quarters etc. have almost been completed. MoEF, GoI has accorded Stage-II forest clearance for transfer of 80.507 Ha. land on 28.05.2013. Issue of G.O. by GoUK is awaited, after which action for acquisition of forest land shall be taken up.

Pre-award discussion with the lowest bidder for Civil and HM package has been concluded and the work will be awarded after acquisition of forest land. PQ bids of 10 bidders for Electro-Mechanical Package were opened on



Down Stream view of Koteshwar Dam



21<sup>st</sup> Dec'2012. PQ bids have been evaluated and recommendations have been sent to World Bank on 20.07.2013 for their clearance. Design Review Consultancy Package would be awarded in synchronization with award of Civil & HM package. Project is planned to be commissioned within 54 months after award of works.

The Revised Cost Estimate (RCE) amounting to ₹ 3745.08 Cr.(including IDC & FC of ₹ 309.53 Cr.) at Oct'2011 PL was submitted to MoP on 28<sup>th</sup> Mar'2012. The same was forwarded by MoP to CEA for checking. CEA during Sep'2012 informed that the checking of estimate shall be taken up after approval of revised design energy which is dependent on revised hydrology. Revised hydrology report is expected to be submitted to CWC by Sep'2013.

• **Dhukwa Small Hydro Project (24MW)**

Stage-1 forest clearance of 39 Ha land required for the project works has been accorded by MoEF on 27<sup>th</sup> Nov'2012 with fulfilment of certain conditions. All the conditions mentioned in Stage-I approval have been complied, and compliance report has been submitted to DFO, Jhansi on 22<sup>nd</sup> July'2013 alongwith copies to Nodal State and Nodal MoEF, Lucknow.



Computerised Control System of Underground Power House of Tehri HPP

Tender documents for Civil Package has been finalized and issued to all 5 pre qualified parties on 29<sup>th</sup> June' 2013. Pre bid meeting has been conducted and bids are scheduled for submission on 30<sup>th</sup> Aug'2013.

**PROJECTS IN UTTARAKHAND AFFECTED BY SUPREME COURT ORDER**

- Five projects of THDCIL namely Jhelum Tamak, Malari Jhelum, Kamolo, jadhganga and GohanaTal have been affected due to recent Supreme Court order dated 13<sup>th</sup> Aug'2013 directing MoEF and State of Uttarakhand not to grant any Environmental clearance or Forest clearance for any hydro electric project in the state of uttarakhand until further orders Clearance.
- As per Supreme Court directives, Proposal for carrying out drilling / drifting work under Survey & Investigation for Bokang Bailing HEP has not been considered by NDWL during their meeting held on 4<sup>th</sup> Sep'2013.



Power Evacuation from Tehri HPP

**JOINT VENTURE PROJECTS**

• **BUNAKHA HEP, BHUTAN**

Bunakha HR Project is to be executed in JV mode in partnership with DGPC,



Sh. R.S.T. Sai, CMD, THDCIL and Sh. P.S. Bawa, Chairman, TII signing Integrity Pact at Bhubaneswar on 03.11.2012. Sh. C.P. Singh, D(F), Sh. D.V. Singh D(T), Sh. S.K. Birmah, D(P) & Sh. Himanshu Badoni, CVO were also present on this Occasion.

Bhutan. Techno – economic clearance (TEC) by CEA for Bunakha HEP is expected to be issued in near future. Cost sharing modalities have been finalized with DGPC and examined by CRA. Inter-governmental discussions on JV Agreement are going on.

• **MALSHEJ GHAT FSP(700MW)**

Proposal for Signing of MOU for implementation of the Project is pending with Govt. of Maharashtra.

**DIVERSIFICATION INTO OTHER ENERGY AREAS**

• **Khurja Super Thermal Power Station-1320 MW**

TOR for the preparation of Environmental Impact Assessment (EIA) Report and Environment Management Plan (EMP) was issued by MoEF on 27<sup>th</sup> Oct'2011. The EIA / EMP report has been prepared and submitted to State Pollution Control Board, Lucknow on 30<sup>th</sup> Mar'2013 for conducting public hearing. The various site specific studies including Railway Siding and Coal Transportation study have been completed. DPR of the project has been prepared by engaging NTPC as Consultant.

Application for Long Term Coal Linkage has been submitted to Ministry of Coal, GoI in May'2011. The sanction is awaited.

**ENGINEERING CONSULTANCY**

Your company has established an Engineering Consultancy Department for providing consultancy and advisory services in the field of Hydro Power Development and Slope Stabilization works. The following Consultancy Projects have been completed during the year.

- Power Potential Studies and E&M Studies in respect of Hydro Projects proposed under Damanganga-Pinjal Link Project. The final reports have been prepared and submitted to National Water Development Agency.
- Preparation of Pre-feasibility Reports for Pumped Storage Power House in existing high head power stations of OHPC. Odisha Hydro Power Corporation Ltd. (OHPC Ltd.) has assigned the works for preparation of Pre-feasibility reports for Pumped Storage Power houses at Upper Indravati Hydro Electric Project, Upper Kolab Hydro Electric Project and Bahimela Hydro Electric Project. The final



reports of prefeasibility studies of all the three projects have been submitted to Odisha Hydro Power Corporation Ltd with ranking for preparation of DPR/ Implementation of the projects as listed below.

- Upper Indravati Pumped Storage Scheme (600 MW)
- Upper Kolab Pumped Storage Scheme (320 MW)
- Balimela Pumped Storage Scheme (400 MW)



A group photograph of new inducted executives with Sh. R. S. T. Sai, CMD, THDCIL.

The company has also submitted techno-commercial offer for preparation of DPR of the pumped storage scheme at Upper Indravati HEP, Mulhiguda Odisha.

- National Water Development Agency (NWDA) has selected your company for awarding Power Potential Studies and E&M Studies of 6 Nos. Small Hydro Projects under PAR-TAPI-NARMADA LINK Project. National Water Development Agency (NWDA) is in process to issue Letter of Intent (LOI) shortly.
- Your company has signed an MoU for "Design and Engineering measures for stabilization of vulnerable zones between Katra and Shri Mata Vaishno Devi Shrine" with Shri Mata Vaishno Devi Shrine Board (SMVDSB).

- An MoU has also been signed on September 11, 2013 between THDCIL and GoUK to provide consultancy for slope stabilisation of 20 Nos. chronic landslides in State of Uttarakhand.
- Your Company has completed DPR of the optimised Sankosh Project and submitted to CEA in Aug'2012. The techno economic appraisal by CEA/CWC is under process.

#### NEW & RENEWABLE ENERGY PROGRAMME

##### • Wind Power Generation

Your company has been exploring the possibility of diversifying into the field of wind power generation. Centre for Wind Energy Technology (C-WET) has been appointed as Consultant to provide consultancy for establishing 50 MW Wind Power Project. The process to award EPC Contract for establishing 50 MW Wind Power Project at a suitable site in any wind potential State viz: Rajasthan/ M.P. / Gujarat / Maharashtra has been initiated.

Your company has also taken up Wind Resource Assessment Study in Shahjahanpur District of Uttar Pradesh. One 80 meter tall wind monitoring mast



13<sup>th</sup> CIDC Vishwakarma Award-2013 to Kotabhar HEP for Best Construction Project



Shri. R.S.T. Sai, CMD receiving the salute from the parade after hoisting the National Flag at the occasion of 'Republic Day' function

has been commissioned in Mar'2013 in Shahjahanpur, UP and another mast of 80 meter height is being commissioned by C-WET, Chennai at Lakshamanpur village in Distt. Lahkimpur Kheeri, UP.

#### • **Solar Power Generation**

Your company has been exploring opportunities for establishing grid connected Solar Power Projects in UP & MP. The UPNEDA (State Nodal Agency) has been requested for formation of a JV company for development of 100 MW solar power project at Distt. Jalon in UP. Deptt. of New and Renewable Energy, Govt. of M.P. has allotted one Solar Power Project of 20 MW capacity in Cheestakhera, Distt. Neemuch (M.P.).

#### **TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

Your company has taken many steps in the

Technology Absorption and adaption innovations as enumerated below:

#### • **Flood Forecasting Network for Tehri HPP**

Your company is in the process of establishment of real time flood forecasting network consisting of 11 meteorological stations out of which 4 are hydrometric stations. Meteorological & Hydrological data collected through this network on real time basis will be transmitted to Earth Station at Tehri. From Earth station, data will be transmitted to Rishikesh and IIT, Roorkee where data will be analyzed to forecast inflow on real time.

#### • **Air Gap and Vibration Monitoring System**

Continuous Online Vibration Monitoring and Air Gap Monitoring System consisting of the following features have been installed for the generating units of Tehri HPP:



Group Photo of THDCIL Table Tennis Team members

- Sensors for Vibration Monitoring (11 Numbers per Unit).
- Sensors for Air gap monitoring (8 per Unit).
- Sensor for Phase reference (1 per Unit).
- Data Acquisition, Process and Monitoring Devices (One set for each Unit).
- Work Station (Common for all Units).
- Monitoring, Analysis and Diagnosis Software (Common for all Units).

The system installed shall improve the availability, productivity and safety of machines by providing prior information regarding any change in the equipment alignment.

#### • MIKE BASIN, MIKE-11 Software.

These softwares are very useful for estimation of inflow using various Rain fall runoff models and Estimation of dam break flood using state of the art technology. MIKE-11 simulates flow and water levels, water quality and sediment transport in rivers, flood plains, irrigation canals, reservoirs and other inland water bodies. Its main application areas are flood analysis and flood alleviation design, real-time flood forecasting, dam break analysis, optimization of reservoir and canal gate/structure operations, ecological and water quality assessments in rivers and wetlands, sediment transport and river morphology studies, salinity intrusion in rivers and estuaries.

## RESEARCH & DEVELOPMENT

Your company has established R&D Centre at Rishikesh to undertake R&D Activities in a systematic manner. The new building of the R&D center has been completed.

The R&D Policy has been prepared and approved by Board of Directors. Total Expenditure incurred on various R&D Projects was ₹ 3.96 Cr. against the R&D allocation of ₹ 3.52 Cr. (0.5 % of PAT of the year 2011-12) during the year. Following R&D projects completed under the plan and budget of 2012-13.

- Procurement of 5 nos. high end work stations and various software viz. AUTOCAD Civil 3D, ARC GIS, MIKE BASIN, MIKE-11 Software.
- Indigenous Development of Generator Spares.
- Installation of Air Gap and Vibration Monitoring System.
- Increasing life of Electromechanical Equipments.
- Improving Availability, Reliability, Safety of E&M Equipment of Plants. Safety of Manpower etc.

During the year your organization has also signed an MoU with Indian Institute of Technology, Roorkee for Collaboration in various R&D activities of THDCIL.

## QUALITY ASSURANCE

### Management Systems Certification (ISO 9001: 2008, ISO 14001 : 2004 & OHSAS 18001:2007)

Your company has been awarded ISO 9001 (Quality Management Systems) and ISO 14001 (Environmental Management Systems) for Tehri HPP, PSP & VPHEP, Pipalkoti in Mar' 2012 for a period of three years. 1<sup>st</sup> surveillance audit of these certifications has also been conducted in Nov' 2012. Re-certification of Corporate Office, Rishikesh was obtained for ISO 9001, and 1<sup>st</sup> surveillance audit is scheduled to be conducted in Aug' 2013.

The company has initiated process to obtain ISO 14001:2004 certification for Koteshwar HEP & Corporate Office, Rishikesh. The company is now implementing ISO 9001 and ISO 14001 at KHHP, Koteshwar and ISO 14001 & OHSAS 18001(Occupational Health & Safety Management Systems) at Corporate Office, Rishikesh.

Documents have been submitted to the certification body for these certifications, and stage-1 audit has been conducted. These certifications are expected to be achieved by Dec'2013.

Citizen's Charter (Sevottam – IS-15700 - Quality Management Systems – Requirements for Service Quality by Public Service Organizations) is also implemented in the organization.

#### ENERGY CONSERVATION

Your company believes in efficient use of electricity as a way to reduce demand. THDCIL is focusing on energy efficiency programs, within the company. The company has engaged National Productivity Council(NPC), New Delhi for conducting energy conservation studies in plant areas. NPC has recommended few measures which will eventually save 723.256 MWh of energy valued at ₹ 1091.27 Lac annually on implementation. The Estimated cost of implementation is ₹ 226.8 Lac.

Similar exercise is being done for the energy efficiency in THDC Complex at Rishikesh. Energy audit of residential and office complex was got conducted through M/s Petroleum Conservation Research Association. Recommendation of energy auditor are in the process of implementation by which Solar water heaters have already been installed in all hostels and guest houses. Approximately, 378 nos. AC's are running in the office complex and guest houses, of which 205 nos. unit have been replaced by the star rated AC's to increase energy efficiency.

As has been done in the previous year, following actions are contemplated

towards energy conservation in THDC Campus Rishikesh.

- It is planned to replace the conventional street lights with energy efficient luminaries which is expected to yield energy saving of approximately 70993 units per year.
- It is planned to replace the old ceiling fans with Five Star rated ceiling fans which will reduce the energy consumption approximately by 16032 units per year.

Implementation of above measures will result in 3.02% reduction in overall consumption of the energy per annum . A 100 KW solar Standalone Power Plant is planned to be installed to cater the street lighting requirement in the Rishikesh complex which shall generate approximately 1,63,000 units per year. This will have further impact of 5.65% reduction in overall consumption of the energy in comparison to energy consumption in the year 2012-13.

#### Other Measures

- The company is promoting use of compact Fluorescent Lamps and efficient use of energy in all its business installations.
- Waste system is designed for 500Kg Organic waste. Gas produced from this system is being utilized in THDCIL Canteen and approximately 7 to 8 Kg LPG gas is saved every day. Also,



New Building of THDCIL Dispensary at Rishikesh



Work on Watershed Management at Tehri Dam Catchment Area

through this system methane gas is converted into CO<sub>2</sub> which is 21 times less harmful than methane. By installing this plant, there is a reduction in emission of green house gases to the environment.

#### **Use of Solar Energy at Rishikesh Complex**

As per the recommendation of energy auditor, Solar Water Heaters have been installed in all hostels and guest houses. Solar system has been established for lighting of park area and electrical fence around the Rishikesh complex. All the new buildings are equipped with day light provision to use day light properly. Automatic Power factor controller has been installed to improve Power supply system and to reduce the losses. A 100 KW solar Standalone Power Plant is planned to be installed to cater the street lighting requirement in the Rishikesh Complex.

#### **ENVIRONMENT MANAGEMENT**

Protection of environment is one of the top priorities of your company. Your company had conducted various studies through premier institutes like BSI, NHERI, ZSI, Delhi University etc. to assess adverse impact of Tehri Dam project. On the basis of outcome of these studies, THDCIL has formed detailed mitigation plans to minimize the negative impact to bare minimum. The company has also carried out various post impoundment studies to see

the impact of impoundment on environment.

For all future projects, THDCIL has undertaken exhaustive Environment Impact Assessment (EIA) studies to identify all possible adverse impacts on environment by these projects, and then prepare Environment Management Plan (EMP) to nullify these negative impacts.

The company has taken up additional studies as per state of art developments for Vishnugad Pipalkoti HEP (VPHEP). A separate holistic environmental assessment & management report has been prepared.

The third party monitoring for catchment area treatment (CAT), environment management plan (EMP) and independent multidisciplinary committee is proposed for monitoring of EMP for the environmental safeguard. The company is also working towards the registration of its projects as CDM project in UNFCCC.

#### **SUSTAINABLE DEVELOPMENT (SD)**

The Board of Directors of your company approved SD Policy, in line with guidelines on "Sustainable Development" (SD) for all Central Public Sector Enterprises (CPSEs) issued by DPE. As per DPE Guidelines an amount of ₹ 110.38 Lac was required to be earmarked for SD activities during the F.Y. 2012-13. Against the above Budget actual

expenditure incurred amounts to ₹120.58 Lac.

The SD projects/activities implemented in the year 2012-13 include :

- Modernisation of "Panchakki" for Energy Conservation in Tehri District (Schedule - A, under Energy Conservation with Performance indicator as Energy Management) through Department of Geology, Kirori Mal College, Delhi University.
- Slope Stabilization of 02 Nos. Nallah in Tehri District For restoration of water and soil erosion. (Schedule-A under Afforestation with Performance indicator as Biodiversity Conservation) through Department of Geography, HNB Garhwal University.
- Upkeep of 06 Nos Natural Water Bodies (05 at village Hazarapur, District Barabanki and 01 at village Mahendipur, District Sultanpur, U.P. (Schedule - A, under Water Management with Performance indicator as Energy Management).
- Plantation at various locations in UP and Uttarakhand.
- Providing 25 man-days SD Training in house and outside employees of the company.
- Total 06 Nos. projects have been evaluated through Independent Experts.
- Empowerment and enhancement of livelihood of 50 rim area villages through integrated development through Department of Geography, HNB Garhwal University.
- Development of Research Centre (Nodal Centre) for activities on Ecological Restoration and Socio-economic Empowerment of Rural Community for Sustainable Livelihood and Resource Management in Upi Ramoli of Pratapnagar Block through Department of Geology, Kirori Mal College, Delhi University.



Shri. M.S.T. Sai, CMD with his wife with Shri. R. Padarwati Sai inaugurating the Qswell Programme at THDC Colony, Rishikesh

- Community Solar Power Projects of 10 KW Capacity (2 Nos.) in remote villages (Schedule-A, under Renewable/alternate Energy with Performance indicator as Energy Management), as per the decision in AAC-SD meeting, to be taken up in Financial Year 2013-14.

All the MoU targets under Sustainable Development were achieved in "Excellent MoU Rating" in the year 2012-13 except one.

#### CSR & Sustainability Policy-2013

The Board of Directors has approved the 'CSR & Sustainability Policy-2013' which is framed in line with the new DPE Guideline on CSR & Sustainability effective from 01.04.2013. During the year 2012-13 total expenditure on CSR activities have been incurred amounting to ₹19.84 Cr. The Board had approved the Budget for the year 2013-14 amounting to ₹18.54 Cr. As per the Policy the Board Level Committee and Below Board Level Committee have been constituted for the implementation of CSR & Sustainable Development activities for the year 2013-14.

Detailed Report on CSR Activities is enclosed as Annexure-I.

#### HUMAN RESOURCE MANAGEMENT

Your company has a strong human resource base of



2118 personnel as on 31.03.2013, comprising of 796 Executives, 154 Supervisors and 1168 Workmen. The Manpower Megawatt ratio is 1.506. The company has always considered its human capital as its biggest asset. Your company's endeavour is to upgrade and hone skills of our human capital for accomplishment of Company's Vision and Mission. It has all along endeavoured to create congenial environment and adapt wage policies at par with the other power sector organizations.

Your company has introduced 'Award and Reward Scheme', to induce team spirit and promote a sense of fair competitiveness amongst employees at individual level and also at team level. There are six Awards at team level for productivity, Housekeeping of Plant, Safety, Housekeeping of residential colony, Housekeeping of offices and Housekeeping of Guest Houses. At individual level there would be six Awards - two each in the category of Executives, Supervisors and Workmen.

A 'Centre for Sustainable Livelihood and Community Development' has been established at Rishikesh. The centre is to promote sustainable livelihood to Project Affected Families. The premises is also used for in house training of company employees from time to time.

Your company has implemented a robust, transparent and fair Performance Management System (PMS) to reward talented and meritorious employees. Your company has also adopted a new policy of Reward & Recognition for its employees.

During the year 2012-13 your company had organised training programmes for total 6562 Mandays against the MOU target of 5814 Mandays kept for excellent rating.

Since Competition and Competencies have gone

global, a lot of emphasis has been laid for shaping, transforming and building critical organisational capabilities / competencies for moving towards next orbit. During the year 2012-13, two Programmes on "Revisiting Core Competencies" through STYRAX Consultants, Gurgaon and two programmes on "Leadership Development Programmes" through BIMTECH, Greater NOIDA were organised for Senior Officers across the functions.

With a view to provide women a safe gender friendly professional work place and to sensitise employees about code of conduct i.e Zero Tolerance to Sexual Harassment at work place, a programme



A group photo of the participants of Comprehensive Training programme on Hydro Power for NTPC officers with Sh. D.V. Singh, DCI & other officers of THDCIL.

on "Gender Sensitisation & Code of Conduct" was conducted in association with National Commission for Women, New Delhi. Also, HRD organised dedicated programme on "Superannuation planning" covering Executives (E-1 to E-8 level) at Rishikesh and for Supervisors /Workmen (W-2 to S-4) at Tehri. The programme was designed to enable the participants managing transition phase effectively & leading life with zest & zeal, post superannuation. Proficiency in Information Technology have been emphasized through series of computer programs throughout the year. In addition to this, Officers have been sent for external floated nominations for technical/ Managerial programmes in various reputed



Slope Stabilisation work in the Tehri Dam Catchment Area

Institutes viz. a viz IIMs, ASCL, ESCL, Scope etc. including Advanced Management Programmes in foreign countries. The average Mandays training imparted was 3.08.

During the year, total 38 Executive Trainees (2012 Batch) in various disciplines were inducted in the company. A well planned induction programme for 22 weeks rigorous training at PMI, NOIDA, 03 weeks Orientation programme at HRD Centre. Thereafter, on the Job Training under different Mentors at different locations was organised by Corporate HRD to give impetus and blend them into our systems & procedures with ease and get successfully integrated. On satisfactory completion of one year training, Executive/ Engineer Trainees (2012 Batch) in various disciplines have been absorbed in the regular cadre of the corporation.

An investment of ₹4.57 Cr. approx has been made for organising above HRD programs for the year 2012-13, against the Budget Provision of ₹3.60 Cr.

#### **EMPLOYEE RELATIONS**

During the year Industrial Relations were harmonious and cordial at all THDCIL Projects, Stations/Units. There was no report of any strike or lockout during the period. There have been regular interactions between the Management and Unions through structured and unstructured meetings. Representatives of Workmen were participated in

Joint Management Council for constructive discussions for the growth of the Corporation. Quality Circle Concept was introduced in the Corporation, 07 Quality Circle were formed and completed the projects of their areas.

Suggestion Mela was organized at Tehri and Rishikesh Unit, wherein more than 1800 suggestions were generated from employees. Award and Reward Scheme has been introduced in the area of House Keeping at Power Stations, Offices and Township area besides the award for best employees in three categories i.e. Supervisor, Workmen and Executive to foster the team as well as individual performance.

Several Welfare Activities were organized during the year such as Summer Sports, Winter Sports etc. Community festivals like Durga Puja, Dussehra and Deepawali Mela etc. were also organized to create bondage amongst the members of THDCIL family.

A number of other work-life balance activities i.e. Yoga Camp, Health Talks etc. were also organized to de-stress the employees and create a healthy environment. Executive bodies of Officer's Club and Manoranjan Club were also reconstituted and have started working on number of new community initiatives. A Complaints Committee under code of conduct at work place was constituted.



Shri. R.S.T. Sai, CMD (Left) inaugurating the function of 'Kavi sammelan' along with Shri D.V. Singh, D (I) and Shri S.K. Biswas, D (P)

### INITIATIVES FOR SC / ST AND PHYSICALLY CHALLENGED PERSONS

Your corporation complied with the guidelines issued by Govt. of India on reservation for SC/ST/OBC and Physically Challenged. This year Corporation recruited 38 Executive trainees in different disciplines which includes 06 SC candidates, 04 ST candidates and 07 OBC candidates. The Corporation is putting out all efforts to fill up the backlog vacancies for reserved category through Special Recruitment Drives. A number of SC/ST/OBC employees have been nominated and imparted in house as well as specialized training programmes in abroad. The Govt. of India guidelines on Welfare of SC/ST/OBC and Physically Challenged Personnel and redressal of grievances have been complied with.

In compliance with implementation of United Nations Convention on Rights of Persons with Disabilities, the Corporation provided easy accessibility by way of erecting ramps in most of the office buildings.

### RIGHT TO INFORMATION ACT, 2005

Your Company has taken concrete actions to provide information to the citizens of the country in accordance with The Right to Information Act, 2005.

THDCIL's official website contains information as

required to be published under Section 4(1)(b) of the Act. Particulars of Appellate Authority, CPIO, PIOs of the Corporation, and all related formats for seeking information, submission of appeal to the first Appellate Authority are available on the THDCIL website.

All the applications received from the information seekers are dealt with as per provisions contained in the RTI Act, 2005 and prompt action is taken on them. During the year 2012-13, total 214 applications were received from the citizens across the country seeking information of various nature and information was made available to them on time.

During the year 18 appeals have been received by the First Appellate Authority, after examination, all the appeals have been disposed off by the Appellate Authority. Also, 06 Appeals have been taken up by Central Information Commission and in all the six cases, the decision of the Central Public Information Officer/ First Appellate Authority is upheld by the Commission.

### IMPLEMENTATION OF OFFICIAL LANGUAGE

Your company has made vigorous efforts for the propagation and successful implementation of the Official Language Policy of the Government of India. Besides, the celebration of Hindi Day and Hindi Pakhwara, several competitions were conducted at project and corporate office during the

year to encourage the employees to maximum use of Hindi in official work. All Office Orders, Formats and Circulars were issued in Hindi as well. Important advertisements and house journals were released in bilingual form – in Hindi and English.

Your company has won third prize under the "Indira Gandhi Rajbhasa Shield Yojna" by the Government of India for the year 2010-11. The award was received by CMD on 14 September, 2012 from Hon'ble President Shri Pranab Mukherjee. Your company had won same prize for the year 2008-09 and 2009-10 also. Your Company was also conferred Rajbhasa Vajyanti Prize by TOLIC Haridwar to Corporate Office for excellence work done in the field of Official Language implementation.

During the year, 20 nos. of Hindi Workshops were organized by Hindi Section where 445 nos. of



A developed rehabilitation village at Bhimiyawa, Dehradun

employees were imparted training in workshop and different Hindi Training Programmes. Hindi books were purchased to increase Hindi readership. To provide bi-lingual working facility in Computers/Laptops, Hindi Software/Fonts have been installed. Quarterly meetings of Official Language Implementation Committee were organized in all subordinate offices/Unit as well as Corporate office, Rishikesh. Hindi "Kavi Sammelan" was organized during the year commensurate anniversary of

Swami Vivekananda. 02 Editions of Hindi in house journal "Pahal" are published during the year.

#### REHABILITATION & RESETTLEMENT

Your Company has set a benchmark in the Rehabilitation and Resettlement of the Project Affected Families of Tehri HEP. Additional measures such as Road Connectivity, Relocation of Public Facilities, arrangement of Cable Car and Ferry Boat etc. have been implemented for providing better connectivity to areas around the rim of Tehri reservoir. In order to provide proper communication of dam affected areas and for proper connectivity, construction of light motor vehicle bridge at Syamsu in the Bhagirathi Valley and Pipaldali in Bhilanguna valley has already been completed in lieu of submerged bridges at project cost.

A meeting was held between Secretary (Power), MoP with Chief Secretary, GoUK in June, 2011 for arriving at final and final settlement of all pending issues concerning R&R related works of Tehri HEP. It was agreed that THDCIL would fund ₹102.99 Cr. for completing balance R&R works. The said amount has already been released to GoUK in the month of Nov' 2011. A Heavy Motor Vehicle Bridge across Bhagirathi River near village Dobra with span of 440M is also being constructed with 50:50 funding by the State Govt. and the THDCIL/GoI at a total revised cost of ₹154 Cr. in order to improve connectivity of Cut off Areas from Distt. Headquarter i.e. NTT.

In addition, one light Motor vehicle bridge across Bhagirathi River at Chinyalissur and another across Bhilanguna at Ghonti are also being constructed in order to further improve connectivity of cut off areas from Distt. Headquarter i.e. NTT with 50:50 funding by the State Govt. and THDCIL/GoI at a total cost of ₹ 35.00 Cr. and ₹22.40 Cr. respectively. THDCIL's share of fund has already been provided to State Govt.



A Grievance Redressal Mechanism for settling representations of the project affected families of Tehri Dam Project is in place as per orders of Hon'ble Supreme Court.

Your Company has formulated an attractive Resettlement and Rehabilitation Policy for upcoming projects including VPHKP, in consultation with concerned stakeholders. The policy addresses issues of loss of land, houses, other resources and means of livelihood etc. of the PAF's. While formulating R&R policy, the provisions of NPRR-2007 have been taken into account and some of the provisions have been improved. An external consultancy agency has also been appointed for third party monitoring and evaluation at Mid-term and End-term of the RAP implementation of VPHEP.

A provision of 0.5% of Project Cost is being made in the Project Cost Estimate for meeting expenditure towards community welfare of PAFs and Neighborhood Communities under R&R head of upcoming projects.

### CORPORATE COMMUNICATION

Corporate Communication plays a major role in creating & maintaining the business image of any Corporate entity. In order to establish a constant rapport and effective communication between Corporation, its employees and stakeholders Corporate Communication Department at Rishikesh has been functioning effectively in promoting business image of the Company and emphasize its presence in the sector.

The aim of Corporate Communication Department is to maintain optimum level of Communication of our Corporate Policies & Programmes to the public and to build a bridge of understanding and goodwill between the two. The department is constantly utilizing PR tools i.e. mass media and publications etc. for achieving the same.

Your Corporation participated in IITF-2012 with the thrust theme of showcasing integrated model of Tehri Hydro Power Complex. THDCIL stall was given Silver Medal for Excellence in Display by Indian Trade Promotion Organization (ITPO) under the Ministry of Power Pavilion. Apart from this Corporation organised State Level Painting Competition on Energy Conservation under National Campaign on Energy Conservation-2012 of Ministry of Power, Govt. of India as a nodal agency for Uttarakhand State.

Indira Gandhi Rajbhasha Award (Third) was conferred by Hon'ble President of India on CMD, THDCIL. PMI India Project Management Award-2012 and '5<sup>th</sup> CIDC Vishwakarma Award-2013' in the category of 'Achievement Award for Best Construction Project' were conferred on Koteswar HEP (400MW). THDCIL was also conferred Gold Trophy for best HR strategy by Green Tech Foundation. Major cultural & sports events were also highlighted in national and regional press to boost the image of the Corporation.

House Journal 'Gangavataranam' is effectively serving as a communicator by covering various events that take place throughout your Corporation.

Besides this, the department facilitated timely publication of various important documents like THDC Sustainability Report 2011-12, THDC Profile, THDC Corporate Plan 2022, MoU between MoP & THDCIL and THDC Hydro-Tech., Vigilance Booklet Chetna, THDC Brochures for IITF-2012 and CSR Brochure etc.



Director (Personnel) receiving the Gold Trophy for Best HR Strategy, Conferred by Greentech Foundation



Sh. R.S.T. Soti, CMD, THDCIL and Sh. Rajeev Sharma, CMD, REC exchanging MoU Documents for assistance of construction of Girls Hostel in THDC Engineering Institute

## CORPORATE GOVERNANCE

### The Company's Governance Philosophy

THDCIL has adopted good Corporate Governance practices to benefit its stakeholders at large. Your Company adheres to the Guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India.

The Corporate Governance mechanism in your company is based on following parameters :

- Transparency and fairness.
- Timely and Balanced Disclosures
- Structure of Board to Add value
- Role and Responsibilities of the Board
- Integrity in Financial reporting
- Promote ethical and responsible decision making
- Obligations towards Environment
- Rights and Interests of stakeholders
- Compliances

Various tools to implement best corporate governance practices are used in your company. Key practices may be pointed out as follows:

- A transparent document on Delegation of Powers has been issued and amended time to

time with a view to empower executives and to enable them quickly take decisions in the decentralized multi project context.

- Policy for procurement of Works and Supplies and Works manual has been reframed incorporating latest developments, Govt. Guidelines etc. to have transparency, fairness, competition, economy, and accountability in the procurement process.
- The Company has adapted Business Code of Conduct & Ethics for Board Members and Senior Management.

- The company has established Record Management System in line with the Guidelines of National Archive Department, Govt of India.
- Whistle Blower Policy is being used as a tool for good Corporate Governance.
- Risk Management Policy has been issued to find out the probable risks and appropriate means of its mitigation.
- Ethics policy has been framed as a guide to promote good conduct.
- Annual Sustainability Report as per Global Reporting Initiatives is being published as a key ingredient of the Corporate Governance.

Though your Company is not listed and Clause 49 of the listing agreement is not applicable, the Company has endeavored to adopt practices of Good Corporate Governance as required under Companies Act/DPE Guidelines.

A Detailed report on the Corporate Governance including functioning and scope of Audit Committee, Remuneration Committee and other Board Level Committees is annexed herewith as per Annexure-II.

### VIGILANCE

During the year, the thrust of the Vigilance Department was on improving vigilance



administration by leveraging technology and increasing transparency through effective use of Website. Preventive vigilance was given the utmost priority by implementing the process of E-tendering. Online registration system of vendors for participation in E-tendering has been introduced by THDCIL.

With new system, online payment facility has been developed and vendors can get themselves registered online. The contracts awarded are published in website in each month. E-payment practice has been introduced and is being followed.

The time schedule laid down by the Central Vigilance Commission for conducting enquires and investigations was by and large adhered to. In order to further strengthen the Vigilance functions, regular and surprise inspections were also carried out by the Vigilance Department.

Online complaints handling system is operative and the complaints are to be submitted on Gol web portal having url <http://pgportal.gov.in>. THDCIL got registered into this site and has an account. This is to be handled by public Grievances Officer from Personnel Department at Corporate Office, Rishikesh. Separate complaint handling software alongwith MIS for Vigilance department is being developed with the help of IT department. During the period the corporation also finalized & issued Works Manual and Risk Management Manual.



New Building of TBS School at Rishikesh

The Vigilance Awareness Week-2012 was conducted from 29<sup>th</sup> October to 3<sup>rd</sup> November, 2012. Apart from employees, NGOs in project affected area at Tehri were also requested to participate in various activities and spread public awareness.

During the year, system improvement was undertaken in different areas including Public Procurement, CSR, Personnel Matters etc.

### DISINVESTMENT PROCESS

Department of Disinvestment (DoD) has proposed to Disinvest 10 percent Govt. of India (GoI) held equity shares in THDCIL through Initial Public Offer (IPO) in the domestic market. The Ministry of Power has intimated the Company that the action be taken to initiate the process of the proposed Disinvestment. Your Board of Directors had decided that Pre-listing activities for future IPO be commenced as a preparatory action.

Various meetings of MoP, DoD and Inter Ministerial Group (IMG) were held in year 2012-13 to discuss various issues related to Disinvestment. Preliminary steps for enabling the process of Disinvestment have been initiated. As per the directions of the Deptt. of Disinvestment, the Road Map of Disinvestment has already been approved by your Board. Action for re-structuring your Board is underway, in line with Corporate Governance Norm, Listing Agreement and IPO requirements.

The Company has already initiated action for the amendment in Memorandum & Articles of Association of THDC, incorporating all clauses necessary for the IPO.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- (i) In the preparation of the Annual Accounts, all the applicable accounting standards have been

followed along with proper explanation relating to material departures;

- (ii) The Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2013 and Profit and Loss Account of the Company for the year ended on that date;
- (iii) The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) These accounts have been prepared on going concern basis.

#### BOARD OF DIRECTORS

Since the last AGM, Shri A. S. Bisht has ceased to be the Director (Personnel) w.e.f. 31<sup>st</sup> October, 2012, and Shri C.P. Singh, has ceased to be the Director (Finance) w.e.f. 31<sup>st</sup> July, 2013, on attaining the age of superannuation.

Shri. S. K. Biswas has been appointed as Director (Personnel) w.e.f. 1<sup>st</sup> November, 2012. Shri Sridhar Patra has been appointed Director (Finance), w.e.f. 1<sup>st</sup> August, 2013.

The Directors placed on record their appreciation of the valuable advice and guidance received from the retiring Directors during their tenure.

#### COST AUDITORS

M/s R.J.Goel & Company, Cost & Management Accountants, New Delhi and M/s Ramnathiyer & Company, Cost & Management Accountants, New Delhi have been approved by Government of India as Cost Auditors to conduct the Audit of Cost Accounting Records for Tehri Unit and Kotahwar

Unit respectively for the Financial Year 2012-13 under Section 233-B of the Companies Act, 1956.

#### STATUTORY AUDITORS

Your Company being Government Company, the appointment of Statutory Auditors is made by Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956. M/s Bhatia & Bhatia, Chartered Accountants, 12 Central Lane, Bengali Market, New Delhi-110 011 were appointed as Statutory Auditor of the Company by C&AG vide their letter no. CA.V/COY/Central Government.Tehri H (I) /324 Dated 03/08/2012 under Section 619(2) of the Companies Act, 1956.



Shri. D.V. Singh, Director (Technical), THDCIL and Sh. A.K. Bhat, Chief Engineer, P.W.D. Govt. of Uttarakhand exchanging MoU Documents for Consultancy work

As required under Section 224(8) (sa) of the said Act, a proposal for fixation of the remuneration payable to the Statutory Auditor is being placed at the ensuing Annual General Meeting for consideration.

The report of the Statutory Auditor is enclosed.

#### Management Comments on the Statutory Auditor's Report

The Statutory Auditors of the Company have given an unqualified report on the Accounts of the Company for the financial year 2012-13. Hence comments of the Company is "Nil".



**Review of Accounts by Comptroller & Auditor General of India. Comments of the C & AG**

The comments of Comptroller & Auditor General of India as supplement to the Auditors' Report under Section 619(4) of the Companies Act, 1956 on the Accounts of the Company for the year ended March 31, 2013 are enclosed. The C&AG has issued "Nil" Comments on the Annual Accounts.

**Particulars of Employees under Section 217(2A) of Companies Act, 1956**

The particulars of employees under Section 217 (2A) the Companies Act, 1956 read with the Companies (Particular of Employees) Rules 1975 as amended upto date, for the year ended 31<sup>st</sup> March 2013, drawing emolument more than the specified remuneration is enclosed as **Annexure-III**.

**ACKNOWLEDGEMENT**

The Board of Directors acknowledge with deep sense of appreciation for the co-operation received from the various Ministries/Departments of the Govt. of India particularly the Ministry of Power; Ministry of Water Resources; Planning Commission; Ministry of Finance; Ministry of Environment & Forests; Department of Public Enterprises; Central Water Commission; Central Electricity Authority; Department of Corporate Affairs; Ministry of External Affairs; Royal Govt. of Bhutan. The Board of Directors also acknowledge the support and co-operation received from Government of UP and Government of Uttarakhand and their various Departments, notably the Director, Rehabilitation of the Tehri Project. The Board also acknowledges the support received from Govt. of Maharashtra and Nuclear Power Corporation of India Ltd.

The Directors take this opportunity to thank the Statutory Auditors, Comptroller & Auditor General of India, the Chairman, the Principal Director of Commercial Audit and Ex-Officio Member, Audit Board for their valued co-operation during the year.

Your Directors further wish to place on record their

sincere thanks to the various National/International Financial Institutions/Banks for the continued trust and confidence reposed by them by rendering timely assistance and patronage for successful implementation of various projects by the Company.

The Directors wish to place on record, their appreciation of the untiring efforts and contribution made by the employees at all levels in achieving growth and excellence by the Company.

For and on behalf of Board of Directors.

(R.S.T. Saf)

Chairman & Managing Director

**Date :** 25.09.2013

**Place :** New Delhi

## A. CONSERVATION OF ENERGY

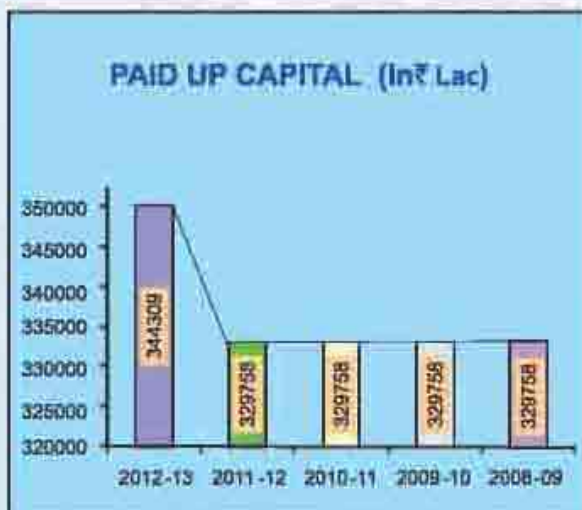
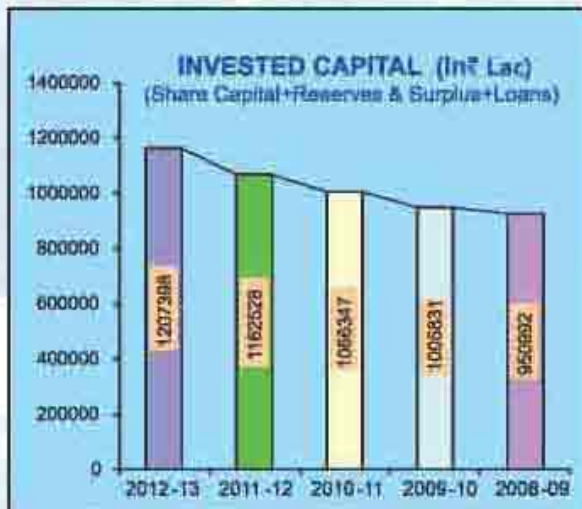
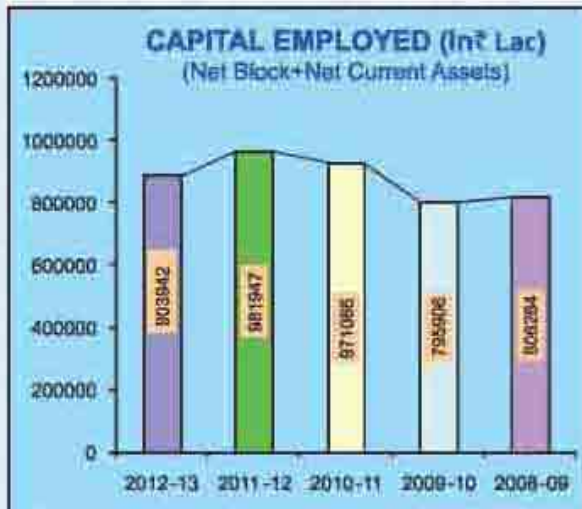
Energy conservation measures taken	<ul style="list-style-type: none"> <li>Engagement of National Productivity Council, New Delhi, for conducting energy conservation studies in plant areas.</li> <li>Energy Audit of residential and office complex was got conducted through M/s Petroleum Conservation Research Association. Recommendation of energy auditor are in the process of implementation.</li> <li>More use of daylights in our corporate buildings.</li> <li>All the new buildings are equipped with day light provision.</li> </ul>
Additional investment and proposal, if any being implemented for reduction of consumption of energy	<ul style="list-style-type: none"> <li>It is planned to replace the Conventional street light fixtures with Energy efficient Light fixtures.</li> <li>It is planned to replace the old ceiling fans with Five star rated ceiling fans.</li> <li>A 100 KW solar Standalone Power Plant is planned to be installed to cater the street lighting requirement in the Rishikesh complex.</li> <li>Proposal for Solar Power Generation by setting up Solar Farm of 5 MW capacity initially under Jawaharlal Nehru National Solar Mission (JNNSM) Policy</li> <li>One 100 KW solar energy plant is proposed to be installed in HRD complex</li> <li>Solid waste disposal plant has been planned to be installed by The Energy Resources Institute of India (TERI).</li> <li>Sewage Treatment plants of capacity 500KLD have been planned for Township, Rishikesh which is capable of treating the sewage water up to BOD limit &lt;30.</li> </ul>
Impact of measures taken	<ul style="list-style-type: none"> <li>Gas produced from waste system This system is being utilized in THDCIL Canteen.</li> <li>Approx. 7 to 8 Kg LPG gas is saved every day. Also through this system methane gas is converted into CO<sub>2</sub>, which is 21 times less harmful than methane.</li> <li>By installation of this plant there is a reduction in green house emission.</li> <li>The measures recommended by NPC will eventually save 723.256 MWh of energy amounting to ₹ 1091.27 Lac annually on implementation.</li> <li>Energy saving of approximately 70993 units per year is expected from the planned replacement of the Conventional street light fixtures with Energy efficient light fixtures.</li> <li>Reduction in the energy consumption approximately by 16032 units per year is expected. from the planned replacement of the old ceiling fans with Five star rated ceiling fans.</li> <li>Planned installation of a 100 KW solar Standalone Power Plant shall generate approximately 1,63,000 units per year which will reduce the overall consumption of energy by 5.65% in comparison to energy consumption in the year 2012-13</li> </ul>
Energy efficient devices	<ul style="list-style-type: none"> <li>Out of 378 nos. Air conditioners, 205 nos. Non-Star rating Air conditioners have been changed with the star rated AC's.</li> <li>Use of compact Fluorescent Lamps.</li> <li>Solar water heaters have been installed in all hostels and guest houses.</li> <li>Provision of solar street light and solar fencing for conserving energy</li> <li>Waste system has been designed for 500Kg Organic waste.</li> </ul>

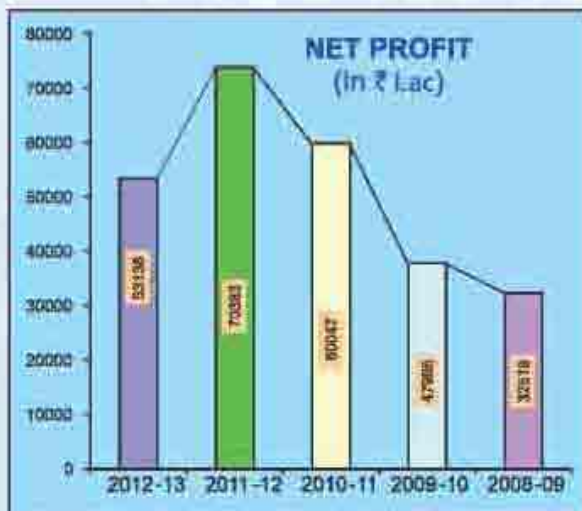
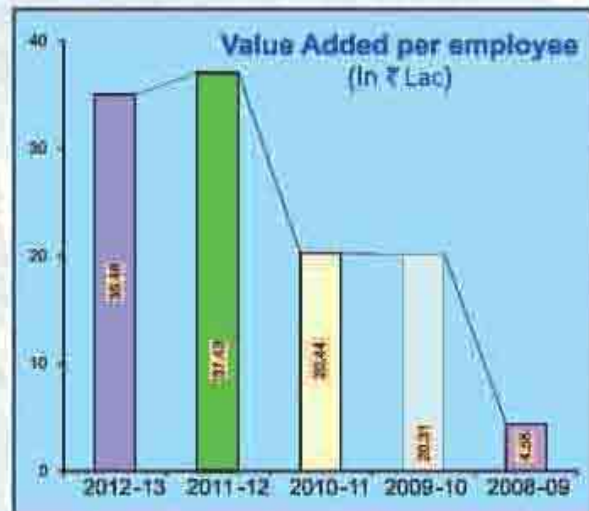
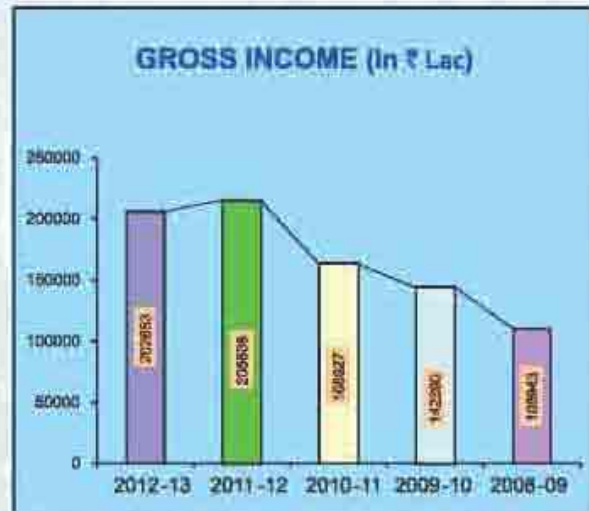
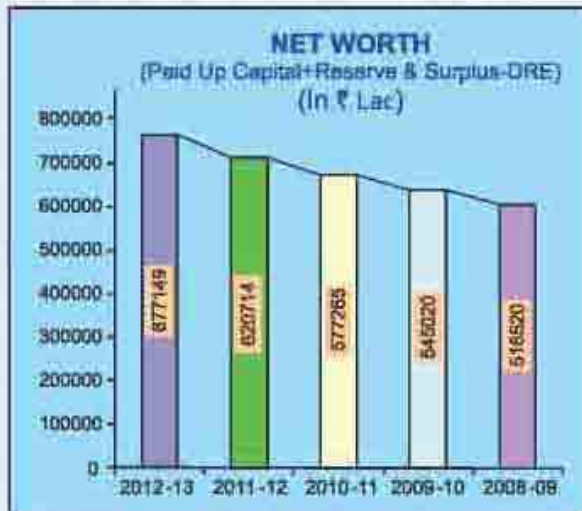
## B. FOREIGN EXCHANGE EARNINGS AND OUTGO

Sr. No.	Information sought	Reply
1.	Activities relating to exports; initiatives taken to increase export; development of new export markets for products and services; and export plans.	N.A.
2.	Total foreign exchange earning	Nil
	Total foreign exchange outgo.	Nil



## FINANCIAL HIGHLIGHTS







**REPORT ON CORPORATE SOCIAL RESPONSIBILITY**



Sr. R.S.T. Sai, CMD (Right) alongwith Sr. D.V. Singh, Director (Technical) presenting a cheque to Sr. Vijay Bahuguna, Hon'ble Chief Minister, Uttarakhand for the Chief Minister Disaster Relief Fund

Your Company's vision statement includes "Commitment to Environment, Ecology and Social Values" with a human face. Your Company undertakes its business under Triple Bottom Line Approach (People, Planet & Profit) in a sustainable

manner considering Social, Environmental and Economic impacts. Your Company is truly committed to the welfare and development of Project Affected Person (PAPs) and community at large in a sustainable and efficient manner. A very liberal R&R Policy for Tehri Dam Project was evolved and implemented.



Distribution of household materials to 'Kanya Ashram' at Rishikesh

Your Company has started taking up CSR & Community Development activities from its operational profits since 2007. The scheme addresses the issue of "Community Development" in the neighbourhood area of Operating Power Generating Stations where construction has been completed and other broad geographical areas where the company has its business interests.

### New CSR & Sustainability Policy-2013

Your company has formulated a new CSR & Sustainability Policy-2013 in line with DPE Guidelines, duly approved by Board. The new Policy shall be effective from 01.04.2013. The new Policy merges two earlier policies i.e. CSR-CD Scheme-2010 and SD Policy of 2012. As per the new Policy, Board Level Committee(BLC) and Below Board Level Committee(BBLC) have been formed for effective implementation of CSR activities.

### Planning CSR Initiatives

THDCIL integrates its CSR and Sustainability plans and strategy with their business plans and strategies.

- For easy implementation, CSR and Sustainability plans are categorized into :
  - Long-term
  - Medium-term
  - Short-term
- The company accords priority for CSR & SD Projects to those stakeholders who are directly



Relief Camp for Uttarakhand Disaster Affected People

impacted by its operations .

- The company is undertaking CSR & SD Projects in the periphery of its commercial operations and extended to Broad Geographical Areas where business operations of the company extend.
- Apart from meeting local needs THDCIL shall take up long gestation, high impact projects, period of implementation of which can extend over several years.
- **The New CSR Policy of the Company aims to :**
- Promote organisational integrity and ethical business practices.
- Transparency in disclosure and reporting procedures.
- Leverage green technologies, processes and standards that contribute to social and environment sustainability.
- Promote inclusive growth and equitable development.
- Promote welfare of employees by addressing their concerns of safety,



Furniture provided by SEWA-THDC to Govt Inter College, Bhanjyawala, Dehradun



security, professional enrichment and healthy working conditions.

#### Thrust areas for CSR in the Company

THDCIL has taken up CSR initiatives in various domain as under :

- Educational Development;
- Health & Veterinary Care;
- Environment Management;
- Income Generation;
- Women Empowerment;
- Infrastructure Development;
- Welfare Activities etc;

#### Institutional and Financial Mechanism

Your Company had earmarked 2% of Net Profit before Tax (PBT), for CSR & Sustainability Budget for the year 2012-13. The CSR & Sustainability budget is being allocated and set aside as Non-lapsable CSR Fund for implementation of CSR Schemes. CSR schemes are implemented mainly through Company Promoted NGOs (CONGOs), which are registered as Societies: "SEWA-THDC" and "THDC Education Society"(TES). Till the Financial Year ended in March, 2013, the CSR budget has been utilized as per the Board approved THDCIL CSR-CD Scheme-2010 at Operational Business Locations and Broad Business Areas. From the financial year 2013-14 the CSR Budget shall be allocated as per the new policy on CSR & Sustainability approved by Board.

#### Expenditure on CSR Activities

During the Financial Year 2012-13, total expenditure on CSR activities was ₹ 1984 lac, as detailed below :

#### Details of CSR Expenditure for the F.Y. 2012-13.

Sl. No.	Description	No of approved proposals upto March,2013	Total expenditure in F.Y. 2012-13 (₹ in Lac.)
<b>A.</b>	<b>SEWA-THDC</b>		
1	Educational Development	12	25.38
2	Environment Management	05	10.89
3	Health & Veterinary care	18	23.41
4	Income Generation & Women Empowerment	54	90.65
5	Infrastructure Development	14	125.04
6	Welfare Activities	22	33.54
7	Miscellaneous & Administrative Exp.	14	23.78
	<b>Total</b>	<b>139</b>	<b>334.69</b>
<b>B.</b>	<b>THDC Education Society (TES)</b>		<b>290.00</b>
<b>C.</b>	<b>Construction of THDC Institute of Hydro Power Engineering &amp; Technology</b>		<b>1389.31</b>
	<b>Total CSR Expenditure</b>		<b>1984.00</b>

#### CSR Implementation Mechanism & Monitoring

In implementing their CSR and Sustainability policies, the company shall extend their reach and oversight to the entire supply-chain network to ensure that as far as possible the suppliers, vendors, service providers, clients, and partners are also committed to the same principles and standards of



Plantation of Saplings by women of Hilly Areas organized jointly by Sewa-THDC & IITB University, Gandwal



Building for Deaf and Dumb School at IIT Campus, Kooches developed by SEWA-THDC

corporate social responsibility and sustainability as the company itself. They shall be encouraged to initiate and implement measures aimed at 'greening' the supply chain.

#### ➤ Procedure Hand Book on CSR

For implementation of CSR & Sustainability activities, a Hand Book on CSR has been formulated within the framework of CSR & Sustainability Policy. The Hand Book lays down procedures/practices to be followed for preparation of CSR Budget, Accounting of Expenditure on approved CSR Projects, submission of periodical reports on implementation of CSR Projects, documentation on executed Projects. This ensures transparent implementation of CSR Schemes.

#### ➤ Fund Approval, Allocation and Utilization

The Budget Proposals for CSR activities of each Project/unit, duly approved by the Head of the Unit, are forwarded to the Head of S&E Group at Corporate Office for approval. These proposals are considered by Below Board Level Committee comprising of CSR, Technical and Finance representatives headed by GM (CSR & Sustainability).

The proposals from Project/Unit are approved keeping in view the Need Assessment and other relevant information. The Projects approved by the Below Board Level Committee (BBLC) are assigned to SEWA-THDC/TES for implementation. From the year 2013-14 onwards as per the new Policy the Annual Plan/Budget shall be considered by Board Level Committee based on the recommendations of the Below Board Level Committee.

#### ➤ Audit of CSR Projects

The Annual Accounts of SEWA and TES, the implementing agencies, are annually audited by Practicing Chartered Accountant as per Bye-laws of the respective Societies. After approval of the Management Committee the Accounts are placed before AGM for the approval of members. The Audited Annual Accounts are filed with Registrar of Societies and Income Tax Returns are filed.

The final Audited Annual Accounts of SEWA and TES alongwith Receipt and Payment A/c, is submitted to Accounts Deptt. of THDC for final adjustment of Advance A/c. A copy of the same is also uploaded to THDC Website for free access to General Public.



Building of Dr. Arbedkar SC/ST Hostel at New Thri



Rain Water Harvesting Tanks for water conservation at nearby Village of Tehri Dam Reservoir

### Monitoring, Control & Impact Assessment

#### • Monitoring Mechanism

Corporate CSR & Sustainability Department is responsible for monitoring the Programmes/Activities periodically with the help of Identified Key Performance Indicators, the periodicity being determined largely by the nature of performance indicators and Project Cycle. Likewise, monitoring is done in project mode with continuous feedback mechanism, and recourse always available for Mid-Course Correction in implementation, whenever required.

The Heads of Operational Business Locations are responsible for review of respective CSR & Sustainability Programmes on Monthly Basis and submit Monthly Progress Report to Corporate CSR & Sustainability Department for compilation. The progress reports are finally submitted to the Director In-charge of CSR and Sustainability for review of progress and shall be placed before Board Level Committee.

On approval/ acceptance of the Project, a unique project Code, followed by Activity Code and Unit Code is designated for the purpose of monitoring and control. Each Unit submits Impact

Assessment Report, after completion of the Project. The time limit for submission of Impact Assessment Report is fixed by Head of S&E Group, in consultation with the Head of Project.

#### Impact Assessment

The ultimate test of the success of any CSR and Sustainability activity/project is the social, economic or environmental impact thereof. Every such activity is planned and implemented with some anticipated impact on society or environment. A well documented and detailed baseline survey or need assessment study is done before the commencement of the activity, for meaningful comparison of data.

The Quarterly information on implementation of CSR & Sustainability Schemes is placed before the Board of THDCIL. for information after review by Board Level Sub Committee. Information on CSR activities is also submitted to the Ministry of Power and Department of Public Enterprises from time to time.

All Projects in the nature of promoting sustainable livelihood in the long term and Projects costing more than ₹ 5.0 lac are got evaluated by an Independent External Agency and the evaluation report is included in the Dossier.



Preservation of Environment through Plantation Work

### CONTRIBUTION TO THE SOCIETY THROUGH VARIOUS CSR ACTIVITIES THROUGH SEWA-THDC DURING THE YEAR 2012-13.

Some of the major CSR Initiatives undertaken by THDCIL during the year 2012-13 have been summarized as under:

#### A- EDUCATIONAL DEVELOPMENT

- Computer Training Program of 06-month duration for 80 Unemployed Educated Youth of minorities and other weaker sections was organized at Jais, Distt. Raebareilly (UP) and Chhepardhar at Tehri District (Uttarakhand). 2<sup>nd</sup> phase of computer training at Chhepardhar has been started from Dec' 2012 for 40 students. The main objective of this program was to upgrade the computer skills to make them employable.
- Distribution of Computers, Books, Woolen Dress, Furniture and necessary educational materials to Govt. Schools in project affected areas.

#### B- ENVIRONMENTAL INITIATIVES

Some of the activities undertaken under environmental initiatives are:

- Planting of 22,000 saplings of Amla in the project affected area, Rehabilitation area & neighborhood.



Computer Training Centre at Deegans, Tehri Garhwal

- Planting of 10000 saplings of different varieties of fruits in the rim area of Tehri reservoir. Digging of pits for the same has been done under MNREGA Scheme.
- World's Environment Day was celebrated in TES School, Rishikesh to create awareness among children towards environment etc.

#### C- HEALTH & VETERINARY CARE

- Medical services provided through 2 Nos Homeopathic Dispensaries at Galiyakhet and Dhontri.
- Free Medical Checkup Camps were organized and Free Medical mobile service was provided to project affected families through qualified Allopathic Doctors.
- In the Project Affected Areas total 160 people were operated for Cataract during the year.
- Artificial Limb provided to a girl who met with an accident and lost her both legs.
- Multipurpose camps organized at Rishikesh for disabled people.

Approximately 20000 persons have been covered under these programmes.

#### D- INCOME AND WOMEN EMPOWERMENT INITIATIVES

- Training Programmes of six months duration to impart training in Tailoring & Knitting and production centres have been organised at Villages/Towns of UP and Uttarakhand. Total 20 nos. training centres were run during the year. In these programmes about 1250 unemployed poor, minorities and other weaker section families got benefitted. The trainees started to earn an average income of ₹ 1500/- PM to ₹ 3000/-PM.



SEWA-THDC Women Empowerment Centre in Distt. Ambedkar Nagar (UP)

- Masala Cluster Programmes are being run in the remote Deen Gaon Area of Tehri Garhwal as a Pilot Project. By these programmes the women produced hand grinded spices for supply to the Market. This has augmented their income. The demand for Hand Grinded Spices is increasing day by day. The results are encouraging.

### E- DEVELOPMENT OF INFRASTRUCTURE

Some of the infrastructure development works undertaken during the year are as under:

#### ➤ Construction of Hostel Buildings

- A Boys Hostel is being constructed at ITI, Chamba, District Tehri Garhwal.
- A SC/ST Hostel has been constructed at New Tehri Town, District Tehri Garhwal.

#### ➤ Peys Jal Yojna (Drinking Water Scheme)

- Water Supply scheme has been constructed at Nand Gaon district - Tehri for villagers of project affected area.
- Water supply scheme for Tamak village (Part-2) at Joshimath Block, Chamoli has been completed.

- Water supply scheme for Utthad village, Tehri has been awarded. The work shall be executed through BDO Jakhnidhar, Tehri.

#### ➤ Pathways at remote Villages in the Project Areas

- Two works for construction of Pathways taken up at Jhelam and Jumma villages of distt. Chamoli.
- Work for construction of damaged road at Painula village, Tehri Garhwal has been taken up.

#### ➤ Additional Class Rooms

- Additional class rooms were constructed in the existing Govt. Schools at Bagasudhar, Patagali, Gher Nagun, Ghon Nagun villages of District Tehri Garhwal.
- Two works for construction of additional class rooms at Primary School Gewali and Tall Mandar have been awarded through BDO Jakhnidhar for execution of the work.
- Construction of 06 rooms taken up in Shri Ram Kishan Mission Jr.High School Sitarganj, Distt Udham Singh Nagar. This will primarily benefit pupils belonging to SC, ST and OBC background from very poor sections of the society. Estimated Expenditure is ₹46.00 lac.



Free Medical Health Check-up Camp at Project Area in Tehri

## F- OTHER WELFARE ACTIVITIES

Other welfare activities include:

- Financial aid to Asha Kiran old age disabled people Ashram, Narendranagar Tehri for betterment of old people.
- Provided Quilts and cotton mattresses to Shrimad Dayanand Ashram, Jyotimath, Gurkul Pondha, Dehradun for protection of students from winter cold.
- Provided 20 sets Furniture to Govt. Inter College, Athoorwala, Rehabilitation Bhatiwala, Dehradun.
- Provided water filters to district administration of district Chamoli for yatra route of Chamoli. These were fixed through H.E. jal nigam Chamoli.
- In UP blankets were distributed to the poor villagers of Mairpuri through Desraj Sewa Sanshan, Haridwar.
- Blankets, tent, gas cutter set with cylinder were provided to district administration Tehri and Uttarkashi for Natural Disaster relief work.
- Financial support was provided to Dist.



Promotion of Commercial Fruit Plants in remote villages in U.P.

Football Association, Inter karate Championship, Dist. Kabbadi association for promotion of sports.

- Support in terms of Tents, Blankets and other equipments were provided under disaster management plan through District Administration for flood relief.

## G- LONG TERM SUSTAINABLE CSR PROGRAMMES

The Company is working on the long term concept of Holistic Development in the Rural Areas of Tehri Garhwal District and few other backward regions of Uttar Pradesh. Various academic and research bodies of the Government have been co-opted. The main programmes are as under:

- 1) Holistic Development Programme through HNB Garhwal University.
- SEWA-THDC and Deptt. of Geography, HNB Garhwal University jointly started a project two years ago, on "Empowerment and Enhancement of Livelihood of Rim Area Villages of Tehri Dam Reservoir through Integrated Development Approach".

The basic mandate of the project activities were to ensure sustainable



Initiatives for Production of High Yield Variety of Paddy Seeds



Promotion of Cash Crops Cultivation in Tehri District

livelihood, empowering of women, increase incomes of the rural poor and enhance the food security of the villagers of Rim Area through Natural Resource Management.

- Under this Programme 30 Villages of the Rim Area of Pratapnagar Block in District Tehri Garhwal have been covered and initial focus is on reducing drudgery and stress among women through Regeneration and Management of Natural Resources.
- Over 40 Self Help Groups (SHGs) in the Pratapnagar block have already been formed with minimum of 10 women in a group. Various livelihood activities have been taken for the villagers viz. Goat Rearing, Poultry Farming etc. with the focus on developing sustainable source of income.
- Revolving funds provided to the male/female farmers has played a vital role in their livelihood and increase in crop production and made them self-reliant.
- Treatment of two nos. Water Streams near Tehri Reservoir at a cost of ₹ 23.50 lac to prevent erosion and water conservation.

Total Expenditure incurred on above project is about ₹ 47.00 lac.

## II) Livelihood Security Programme through PDFSR, Modipuram.

- Project Directorate for Farming System Research (PDFSR), Modipuram, an Institution under Indian Council of Agriculture Research (ICAR) is working towards ensuring livelihood security through farming system approach in Tehri district.

Ten (10) villages have been adopted in clusters, one each at Koteshwar Dam Area and Kandisaur. During Need Assessment Studies it was found that

both the clusters were having the same issues viz. lack of latest information and techniques in crops/vegetable, low crop production, livestock, goat rearing, poultry etc.

- To increase crop production, improved variety of wheat seed (VLW-89) was provided to around 200 farmers. Pesticides were distributed to farmers in order to increase yield of the crops. Improvement in yield of wheat crop of about 19% was confirmed by the villagers. Kitchen Gardening has been promoted among villagers to meet day to day requirement.
- In animal husbandry, various interventions were carried out for economic up-liftment of the



Promotion of Poultry Farming in the Hilly Areas of Uttarakhand



Afforestation of Ponds for Water Conservation

farmers. These are deworming, medicine for heat inductions, fodder nutrients analysis, vermi composting and mineral mixtures for balanced nutrition of milching animals.

Total Expenditure incurred during the year 2012-13 is ₹17.00 lac.

**iii) Programme on Ecological Restoration and Socio-economic Empowerment of Rural Communities for Sustainable Livelihood and Resource Management at Deen Gaon through Kirori Mal College, Delhi University.**

In association with Kirorimal College, Delhi University a programme for "Ecological Restoration and Socio-economic Empowerment of Rural Communities for Sustainable Livelihood and Resource Management" was initiated in 2011, focussing Naguara Watershed of Upali Ramoli in Pratapnagar Block of Tehri Garhwal District in Uttarakhand. This is a long term programme for rural based holistic development of 10 remote villages of Tehri Region. The theme is to work for the people, by the people and of the people of that area.

The major activities initiated at Deen Gaon Centre include:

- Distribution of High Yielding Varieties of Seeds to increase crop production.
- For women empowerment, Stitching Centre opened to make them self sufficient.
- One Computer Training Centre opened for imparting training to the local youth.
- Eco Huts as model were constructed to promote village Tourism among villagers.
- Experts in various fields were invited from time to time, to address the issues of the villagers. Awareness programme for promotion of cash crop in villages was taken up.
- Farmers visits for training were conducted.
- Efforts were made to promote Local product as forward linkage.
- For welfare of the community regular Medical camps were organized.
- Plantation of fodder and fruit plants.
- Nearly, 25 to 30 major and minor programmes were initiated in the field of Education, Agriculture, Health, Horticulture, Culture, Energy etc.



Distribution of Goats to Low Income Group Families for their Income Enhancement



Hon'ble Vice Chancellor Dr. D.S. Chauhan delivering Lecture to the faculty & Students in THDC Institute of Hydro Power Engineering and Technology at Himgirshikpuzam, Tehri

- Upgradation of 5 Nos Gharats (Water Mills) in the areas at a cost of ₹ 10.00 lac Approx.

The results are encouraging and we have been able to build the confidence among the local population. More activities shall be included in the years to come and the efforts shall be made to have linkage with various Government Schemes. The aim is to prepare the communities to take up responsibilities by themselves through the formation of SHGs and NGOs.

Total expenditure incurred during the year is ₹ 56.00 lac. Some of the left over activities shall be completed in 2013.

#### H- Long-term Agro-Based Holistic Development Programmes in UP

In Hazratpur and Majhwara, villages of Distt. Barabanki and Sultanpur respectively of UP, agro based holistic development programmes have been undertaken as a Pilot Project. The Programmes were designed based on Base Line Survey and assessment of local potential as mentioned below:

- High Yield Variety (HYV) seed of Mustard, Garlic and tissue of bananas were provided free to the villagers to get more production.
- In Barabanki and Sultanpur fish

hatcheries were developed with the help of SHGs formed by THDCIL for their development and income generation.

- Technical training and capacity building programmes were organized for them with the help of Agriculture Universities and State Govt. Deptts.
- To promote commercial crops vegetable farming "High Yield Variety of Seeds" have been provided to the farmers.
- Development and Upkeep of 6 nos Ponds for multipurpose use in two villages of UP.

These programmes have contributed to enhance the livelihood and living standard of the villagers.



A Dance performance by the Girls of THDC Education Society School



Restoration of Old Gharats (Panchakiri) at Deogagan Area, Distt. Tehri

#### **I- THDC Education Society (TES)**

The Company is running two schools under the auspices of THDC Education Society (TES)-one at Bhagirathipuram, Tehri offering education from 6<sup>th</sup> to 12<sup>th</sup> standards and another school at Pragatipuram, Rishikesh offering education from 1<sup>st</sup> to 10<sup>th</sup> standards. In both the schools children of nearby areas belonging to economically weaker sections including Backward and SC/ST are being provided quality education.

During the year many initiatives have been taken up to improve the Quality of Education. Experienced Principals with army/central school background have been appointed on contract basis at both the schools to ensure effective superintendence and administration. Extra curricular activities are organized from time to time like Summer Camps, Excursion Tours etc. The students are trained for cultural programmes and National Festivals. The initiatives taken by TES have resulted in increase in the strength of students in both the schools, at Tehri and Rishikesh. Teachers are being provided training from time to time to improve their skills.

The total expenditure for both the schools for the year 2012-13 was about ₹ 2.90 Cr.

#### **J- THDCIL Institute of Hydro Power Engineering & Technology**

THDCIL sponsored the establishment of Institute of Hydropower Engineering & Technology at Tehri in

the state of Uttarakhand. The Institute is spread over 20 Acres of land with state of the art infrastructural facilities, such as Administrative Block, Academic Blocks, Laboratories, Workshop, Library, Hostels, Canteen etc. The infrastructure and furnishing work has already been completed for running 1<sup>st</sup> & 2<sup>nd</sup> year classes in five disciplines i.e. Civil, Mechanical, Electrical, Electronics & Communication and Computer Science. Construction of facilities for running 3<sup>rd</sup> year classes is in progress and shall be ready by the beginning of academic year 2013-14.

All the infrastructure facilities have been created by the company and handed over to Uttarakhand Technical University for running as per the terms & conditions of the MoU.

Total expenditure incurred during the year, 2012-13 is about ₹ 14.50 Cr. Further facilities shall be created in a phased manner for running 4<sup>th</sup> year classes in the Institute.

#### **K- RECENT DEVELOPMENTS**

##### **THDCIL Policy on CSR & Sustainability-2013**

- The new THDCIL Policy on CSR & Sustainability-2013 has been approved by Board in line with the new Guidelines of DPR chubbing on CSR & Sustainability activities and is effective from 01.04.2013.
- Every year, the company, with the approval of its Board of Directors will make a non-lapsable



Distribution of good Quality Seeds at Doengun, Area, Distt. Tehri

budgetary allocation for CSR and Sustainability activities / projects for the year as per the provision made in the table mentioned below:

PAT in the previous year	Range of Budgetary allocation for CSR and Sustainability activities (as % of PAT in previous year)
(i) Less than ₹ 100 Crore	3% - 5%
(ii) ₹ 100 Crore to ₹ 500 Crore	2% - 3%
(iii) ₹ 500 Crore and above	1% - 2%

Generally, allocation of budget for CSR and Sustainability activities shall be maintained by THDCIL at the higher end of the above specified range.

- At least 80% of the annual budget earmarked for CSR and Sustainability activities shall be spent on implementation of activities in the project mode.

#### Board-Level Committee

- THDCIL has constituted a Board Level Committee on CSR & Sustainability under the Chairmanship of the Independent Director to approve the CSR & Sustainability plan and oversee the CSR and Sustainability performance.

General Manager, CSR & Sustainability being the Nodal Officer shall be permanent Special Invitee to the Committee.

#### Below Board Level Committee

- Below Board Level Committee shall be headed by Chief General Manager (Technical) and members drawn from various functional Departments/Units i.e. S&E Dptt, SD Deptt., Finance, SEWA/TES etc. Independent Experts in the field of CSR/SD, from outside the organization have also been nominated in the Below Board Level Committee to make it independent and professional.
- The CSR and Sustainability plan shall be prepared by the Below Board Level Committee in consultation with various Projects/Departments/Stakeholders which shall be approved by the Board Level Committee on CSR and Sustainability.
- THDCIL shall undertake at least one project for the development of any one backward district of the country, and at least one project on environmental sustainability.
- THDCIL shall accord priority to those stakeholders directly impacted by its operations and activities and undertake CSR and Sustainability projects in the periphery of its commercial operations on priority. However, THDCIL may locate their CSR and Sustainability projects in any notified backward area (BRGF) of the country.

## REPORT ON CORPORATE GOVERNANCE

Your Directors are pleased to present the Company's Report on Corporate Governance. The Company is a Joint Venture promoted by Government of India and Government of Uttar Pradesh. The Guidelines on Corporate Governance issued by Department of Public Enterprises are mandatorily applicable to Your Company. The Company has strived and aspired to adopt good practices of Corporate Governance required under Companies Act, 1956 and DPE Guidelines. Your company is complying all the Corporate Governance Guidelines issued by DPE. The Company has been rated Excellent by DPE for Compliance with Guidelines on Corporate Governance for the year 2011-12. Based on the grading reports submitted to DPE the company expects the same, for the year 2012-13 also.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate governance mechanism in your Company is based on following parameters :

- Transparency and fairness.
- Timely and Balanced Disclosures
- Role and responsibilities of the Board to Add value.
- Integrity in Financial Reporting.
- Promote ethical and responsible decision making.
- Obligations towards Environment.
- Rights and Interests of stakeholders.
- Compliances.

Systems are in place for Strategic Planning, Risk Management, Financial Plans and Budgets, Integrity of Internal Controls and Reporting, Communications Policy with emphasis on transparency and full disclosure on the various facets of the Company's operations, its functioning and its financials and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit.

### 2. BOARD OF DIRECTORS

#### 2.1 Size of the Board

Your Company is a Government Company within

the meaning of Section 617 of Companies Act, 1956 with Equity Share Holding of 75% by President of India and 25% by Governor of Uttar Pradesh. The business of the company is superintended by the Board of Directors. As per the Articles of Association of the Company, the President of India shall from time to time determine the number of Directors of the Company, which shall not be less than seven and not more than fifteen.

#### 2.2 Composition of Board

Presently, the Board comprises of the Chairman and Managing Director, Functional Directors, Government Nominee Directors and Independent Directors. As on 31<sup>st</sup> March, 2013, the Board of Directors of the Company comprises of Eight Directors, out of which Four Directors are Functional Directors including Chairman, One Director is the Nominee of Government and Three Directors are Independent Directors. The Directors bring to the Board wide range of experience and skills. Brief profile of the Directors is set out in the Annual Report.

#### 2.3 Age Limit and Tenure of Directors

The age limit of Chairman & Managing Director and Whole Time Directors is 60 years. The Chairman & Managing Directors and other Whole Time Directors are appointed for a period of five years from the date of assumption of the charge or till the date of superannuation whichever event occurs earlier.

Part-time Govt. Nominee Directors are serving in Ex-officio capacity as representative of the Ministry/Administrative Department of Govt. of India/Govt. of Uttar Pradesh and retire on his ceasing to be an official of that Ministry/Administrative Department. Independent Directors are appointed by Government of India usually for a tenure of three years.

#### 2.4 Board Meetings and Attendance

The Board meetings are convened by giving appropriate advance notice, after obtaining approval of the Chairman of the Board. Detailed agenda, management reports and other explanatory statements are circulated well in advance normally 7 days for facilitating meaningful, informed and focused decisions at the meetings.



Five Board Meetings were held during the financial year 2012-13. Details of Date of Meeting, strength of Board and no. of Directors Present are given in Table 1:

**Table 1: Details of Board Meetings during the Year 2012-13**

Sr. No.	Date of Board Meetings	Strength of Board	No of Directors Present
1.	May 31, 2012	8	6
2.	August 30, 2012	8	7
3.	September 27, 2012	8	7
4.	November 30, 2012	8	7
5.	February 28, 2013	8	7

Details of Categories of Directors, number of Board meetings attended by Directors, attendance at last AGM, number of other Directorship/ Committee Membership during the year 2012-13 are placed in Table 2 :

**Table 2 : Categories of Directors and the Directorships and Committee positions held by them**

Sr. No.	Directors	Number of board meetings attended	Attendance at last AGM	Other Directorships held	Other Positions	
					Chairman	Member
<b>FUNCTIONAL DIRECTORS</b>						
1.	Shri. R.S.T. Sai, (Chairman & Managing Director)	5	Attended	1	-	1
2.	Shri A. S. Bisht, Director (Personnel) (Upto 31.10.2012)	3	Attended	Nil	-	-
3.	Shri S. K. Biswas, Director (Personnel) (From 1.11.2012)	2	-NA-	Nil	-	-
4.	Shri. C. P. Singh, Director (Finance)	5	Attended	Nil	-	-
5.	Shri D.V Singh, Director (Technical)	5	Attended	Nil	-	2
<b>GOVERNMENT NOMINEE DIRECTORS</b>						
6.	Shri G. Sai Prasad, Joint Secretary (H), MoP, Govt. of India, New Delhi	1	Not Attended	4	-	1
<b>INDEPENDENT DIRECTORS</b>						
7.	Shri O.P. Gahrotra, Ex-Addl. Chief Secty. (Finance) Govt of Maharashtra Mumbai	5	-NA-	8	--	-
8.	Shri Rajib Sekhar Sahoo, Practising Chartered Accountant, Bhubaneshwar	4	-NA-	3	-	-
9.	Prof(Dr.)S.C. Saxena, Director, IIT Roorkee	4	-NA-	Nil	-	-

## 2.5 Independent Directors' Compensation & Disclosures

Your Company, being a Government Company under the administrative control of Ministry of Power, Govt. of India, the appointment tenure and remuneration of Directors are decided by the President of India. Hence, the Board does not decide remuneration of Whole-time Directors. Part-time Directors nominated by Government in Ex-officio capacity are not paid any kind of remuneration. Independent Directors are paid sitting fees @ ₹ 20000 per sitting for meetings of Board as well as Committee meetings.

The Details of payments made towards sitting fees to Independent Directors during the year 2012-13 are given in Table 3 :

**Table 3 : Details of Payments made as Setting fees to Independent Directors.**

Name of Independent Directors	Sitting Fees ( in ₹ )			Total (in ₹)
	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	
Prof(Dr.) S.C. Saxena	80,000	1,40,000	40,000	2,60,000
Shri O.P. Gahrotra	1,00,000	1,40,000	20,000	2,60,000
Shri Rajib Sekhar Sahoo	80,000	1,60,000	40,000	2,80,000

## 2.6 Board Meetings Procedures :

**(A) Decision making Process:** The Company has laid down a set of guidelines and follow secretarial standard for the meetings of the Board of Directors with a view to professionalizing all corporate affairs. These guidelines seeks to systematize the decision making process in Board meetings in an informed and efficient manner.

### **(B) Scheduling and selection of agenda items for Board meetings:**

- The meetings are convened by giving appropriate notice after obtaining the approval of the Chairman of the Board. Detailed agenda notes, management reports and other explanatory statements are circulated in advance normally before 7 days among the members to facilitate meaningful, informed and focused decisions during the meeting.
- When urgent issues need to be addressed, meetings are called at shorter notice or resolutions are passed by circulation.
- Wherever it is not practical to attach voluminous document to the agenda, such papers are placed on the table in the meeting.
- The agenda papers are circulated after obtaining the approval of the concerned functional Director/and CMD.
- Presentations are made in the Board meetings on Agenda matters to enable members to take informed decisions.

The members of the Board have complete access to all information of the Company. The Board is also free to recommend any issue that it may consider important for inclusion in the agenda. Senior management officials are called to provide additional inputs to the items being discussed by the Board, as and when necessary.

### **(C) Recording of minutes of the Board/Committee meetings:**

Minutes of the proceedings of each Board/Committee meetings are duly recorded in the minutes book. The Draft minutes of each Board meeting are circulated within 7 days for inviting advise if any giving 7 days time. After that the Minutes are finalized incorporating the suggestions/advise of the Directors. The



finalised minutes are again put up in the next BOD meeting for confirmation.

**(D) Follow-up mechanism :**

System of submission of Action-Taken Report(ATR) on the decisions of the Board/Committee members has been introduced from the financial year 2012-13. This acts as an effective follow-up, review and report process of Board matters.

**(E) Compliance:**

It is our endeavour to ensure that all applicable provisions of law, rules and guidelines are adhered to while preparing the agenda notes.

The following information is regularly provided to the Board:

- Annual Operating Plans and Budgets and any updates.
- Capital Budgets and any updates.
- Award of Major Contracts
- Review of progress of ongoing projects including critical issues and areas needing management attention
- Annual Accounts, Directors' Report, etc.
- Quarterly Financial Results for the Company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Disclosure of Interest by Directors about Directorship and Committee positions occupied by them in other companies.
- Amendment in Memorandum and Articles of the Company and other policy matters.
- Quarterly Report on foreign exchange Exposures.
- Any significant development in Human Resources/Industrial Relations like signing of wage agreement, implementation of Voluntary Retirement Scheme ,etc.
- Highlights of important events from last meeting to the current meeting.
- Joint ventures and collaboration agreements.

- Implementation and status of New Projects .
- Raising of Long/ Short Term Loans and other financing issues .
- Payment of Interim and Declaration of Final Dividend .
- Fixation of remuneration of Statutory Auditors .
- Issues relating to Human resource development and Industrial Developments.
- And Material issues requiring consideration of Board etc.

**3. SUB-COMMITTEES OF BOARD OF DIRECTORS**

Presently, the Company has three Sub-Committees of Board as under:

- i) Remuneration Committee
- ii) Audit Committee
- iii) CRS & Sustainability Committee

All the Independent Directors serve on these Committees and one of them chaired the meeting.

The Company Secretary serves as the Secretary to Sub-Committees of the Board.

**3.1 Audit Committee**

The Composition, Quorum, Scope, etc. of the Audit Committee are in line with the Companies Act, 1956 and Guidelines on Corporate Governance, as issued by Department of Public Enterprises, Govt. of India. The powers and terms of reference of the audit committee are as specified in Clause 4.2 and 4.3 of the DPE Guidelines on Corporate Governance and Section 292 A of the Companies Act, 1956.

**3.1.1 Composition of Audit Committee**

As per DPE Guidelines on Corporate Governance, the Audit Committee shall have minimum three Directors as members. Two-thirds of the members of audit committee shall be Independent Directors and the Chairman of Audit Committee shall be Independent Director. In line with DPE Guidelines the Audit Committee has been constituted as under:

The composition of the Audit Committee as on 31.03.2013 is given in **Table 4:**

**Table 4: Name of Members of Audit Committee and their Categories**

S. No.	Name of Members	Category of Members
1.	Prof. (Dr.) S. C. Saxena	Independent Director-Chairman
2.	Shri O.P. Gahrotra	Independent Director-Member
3.	Shri Rajib Sekhar Sahoo	Independent Director-Member

Director (Finance) and Chief Audit officer are the permanent Special Invitees.

### 3.1.2 Terms of Reference of Audit Committee

The Terms of Reference of Audit Committee include following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are True and Fair.
- Recommending to the Board, the appointment, re-appointment of the Statutory Auditors, fixation of audit fees and fees for other services.
- Reviewing, with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (d) Significant adjustments made in the financial statements arising out of auditor's findings;
  - (e) Compliance with other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Audit Related Matters Such as :
    - Reviewing the adequacy of Internal Control Systems and Internal Audit Function,

including the structure of the Internal Audit Department, Staffing and Seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit

- Discussing with Internal Auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control systems of a material nature and reporting the matter to the Board.
- Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (h) To look into the reasons, if any, for substantial defaults in the payments to the shareholders (in case of non-payment of declared dividend) and creditors.
- (i) Adequacy of the Enterprise Risk Management Process and adequacy and reliability of the Internal Control System.

### 3.1.3 Meetings and Attendance

Eight Meetings of Audit Committee were held during the year 2012-13. Details of Meetings held are given in Table 5:

**Table 5: Details of Audit Committee meetings held during the year 2012-13**

S. No.	Date of Audit Committee Meetings	Members Strength	No. of Members Present
1.	May 31, 2012	3	2
2.	July 31, 2012	3	2
3.	August 29, 2012	3	3
4.	September 26, 2012	3	3
5.	October 30, 2012	3	3
6.	November 30, 2012	3	3
7.	December 18, 2012	3	3
8.	February 27, 2013	3	3

The details of the meetings of Audit-Committee attended by the members for the year 2012-13 are given in Table 6.



**Table 6 : Details of Audit Committee meetings attended by the members :**

S. No.	Name of Member of Audit Committee	No of Meetings held during his tenure	No of Meetings attended
1.	Prof.(Dr.) S. C. Saxena, Independent Director	8	7
2.	Shri O.P. Gahrotra, Independent Director	8	7
3.	Shri Rajib Sekhar Sahoo, Independent Director	8	8

The Director(Finance) and Chief Audit Officer invariably attended the Audit Committee meetings as Special Invitees. Several other officers as well as Auditors also were called to assist the Audit Committee from time to time.

### 3.2 Remuneration Committee

As per the provisions of the DPE Guidelines, a Remuneration Committee was reconstituted to consider and decide the Pay & Allowances, Annual Bonus/Variable Pay Pool, and Policy, within the prescribed limits as under :

As on 31.03.2013 Remuneration Committee comprises of three members. Name of members and their category are placed in Table 7:

**Table 7 : Name of members of Remuneration Committee and their Categories:**

S. No.	Name of Members	Category of Members
1.	Dr.(Prof.)S.C. Saxena	Independent Director-Chairman
2.	Shri O.P. Gahrotra	Independent Director-Member
3.	Shri Rajib Sekhar Sahoo	Independent Director-Member

Director(Personnel) is the permanent Special Invitee of the Committee.

### 3.2.1 Meetings and Attendance

Two meetings of the Remuneration Committee were held during the financial year 2012-13 on July 31, 2012 and February 27, 2013. The details of the meetings of Remuneration Committee attended by the members are as under:

**Table 8 : Name of members of Remuneration Committee and their attendance :**

S. No.	Member of Remuneration Committee	Position held	Meeting held during his tenure	Meeting attended
1.	Dr. (Prof.) S.C. Saxena	Chairman	2	2
2.	Shri O.P. Gahrotra	Member	2	1
3.	Shri Rajib Sekhar Sahoo	Member	2	2

Director (Personnel) and Director (Finance) attended the meetings as Special Invitees.

### 3.3 CSR & Sustainability Development Committee

As per the new CSR & Sustainability Policy-2013 the Board has constituted the Board Level CSR & Sustainability Committee for effective implementation of CSR Activities of your Company.

#### 3.3.1 Composition

The composition of the CSR & Sustainability Committee as on date is given in Table 9:

**Table 9 : Name of members of CSR & Sustainability Committee and their categories:**

S. No.	Name of Members	Category of Member
1.	Dr. (Prof.)S.C. Saxena	Independent Director-Chairman
2.	Shri O.P. Gahrotra	Independent Director-Member
3.	Shri Rajib Sekhar Sahoo	Independent Director-Member
4.	Shri D.V. Singh	Functional Director-Member

General Manager, CSR & Sustainability being the Nodal Officer is the permanent Special Invitee to the Committee. The Board Level Committee meets at least once in every three months and four times in a year.

#### 3.3.2 Meetings and Attendance

One meeting of the CSR & Sustainability Committee was held on 31<sup>st</sup> May, 2013. Meeting was attended by the members are as under:

**Table 10 : Name of members of CSR & Sustainability Committee and their attendance :**

S. No.	Member of CSR & Sustainability Committee	Position held	Meeting held during his tenure	Meeting attended
1.	Dr.(Prof.) S.C. Saxena	Chairman	1	1
2.	Shri O.P. Gahrotra	Member	1	1
3.	Shri Rajib Sekhar Sahoo	Member	1	0
4.	Shri D.V. Singh	Member	1	1

Director (Finance) attended the meetings as Special Invitee.

#### Functions of CSR & Sustainability Committee

The Board Level CSR & SD Committee steers the Implementation and Monitoring of the CSR-SD Programmes/ Activities of the Company, which include the following :

- Consideration of CSR & Sustainability Projects/ Activities and Annual Plan/Budget.
- Consideration of Periodical CSR-SD Progress Report/ Status Report.
- Monitoring of CSR-SD Activities.
- Consideration of Impact Assessment Report of CSR-SD Projects.
- Any other tasks as deemed necessary etc.

#### 4. GENERAL BODY MEETINGS

Date, time and location where the last three Annual General Meetings were held are given in Table 11.

**Table 11: Details of Last three Annual General Meetings :**

Annual General Meetings	24 <sup>th</sup> Annual General Meeting held on 27 <sup>th</sup> September 2012	23 <sup>rd</sup> Annual General Meeting held on 26 <sup>th</sup> September 2011	22 <sup>nd</sup> Annual General Meeting held on 31 <sup>st</sup> August 2010
Time	6.00 P.M.	05:30 P.M.	05:00 P.M.
Venue	THDC INDIA LTD Plot No.20, Sector No.14, Kanshambhi, Ghaziabad (U.P.)	THDC INDIA LTD Plot No.20, Sector No.14, Kanshambhi, Ghaziabad (U.P.)	Bhagirathi Bhawan, Bharathi Puram Top Terrace, Tehri Gharwal, 249001(Uttarakhand)
Special Resolutions	NIL	Approving the Borrowing Power of Board in excess of Paid up Capital & Free Reserves	<ul style="list-style-type: none"> <li>• Amendment in Memorandum &amp; Articles of Association</li> <li>• Approving Power of Board to Borrow in Excess of Paid up Capital and Free Reserves</li> </ul>

#### 5. DISCLOSURES

##### 5.1 Related Party Transactions

There was no transaction of material nature with Promoters, Directors or Management having potential conflict with the interest of company at large. The details of related party disclosures are included in Notes on Accounts as per AS-18.

#### 6. WHISTLE BLOWER POLICY

Whistle Blower Policy has been adopted to establish a mechanism for employees to report to the management, concerns about unethical behavior, actual or suspected fraud, or violation of the company's General Guidelines on conduct or

ethics policy. Adequate safeguards are provided to employees against victimization and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

- It provides necessary safeguards for protection of employees from victimization, for whistle blowing in good faith.
- An employee who knowingly makes false allegations shall be subject to Disciplinary Action.
- The Copy of Whistle Blower Policy is also available on the Official Website of the company for ensuring transparency.

#### 7. GRIEVANCE REDRESSAL MECHANISM

The Company has adopted a Grievance Redressal Mechanism for employees.

A grievance can be defined as any sort of dissatisfaction, which needs to be redressed in order to bring about the smooth functioning of the individual in the organization. Broadly, a grievance can be defined as any discontentment or dissatisfaction with any aspect of the organization. It can be real or imaginary, legitimate or ridiculous, rated or unvoiced, written or oral. It must be however, find expression in some form of the other.

#### 8. RISK MANAGEMENT

Your company has adopted Risk Management Policy duly approved by Board for dealing with various aspects of associated risks in managing any business activity. It is a structured approach to managing risk resulting from all kinds of threats and involves a sequence of human activities including risk identification, risk quantification, development and implementation of risk response/mitigation of risk using managerial resources.

The objective of Risk Management is to mitigate various risks related to Environment, Technology, Humans, Organization and politics. Risk Management makes an effective contribution to the achievement of corporate objectives and Constitutes an integral part of various functional management areas. The Risk Management comprises of a well defined system of risk analysis, risk responses and risk control, so as to minimize the risks to an acceptable level.

#### 9. RECORD MANAGEMENT SYSTEM

THDC has adopted Record Management Manual in line with guidelines of National Archives of India with the following objectives :

- To facilitate proper preservation and storage of records.



- To facilitate quick retrieval of records.
- To exercise control on growth of records at its inception itself.
- To identify records for timely weeding so as to optimize the cost of maintenance of records.
- To comply with statutory obligations for retention of records.
- To optimize office space utilization, etc.

#### 10. MEANS OF COMMUNICATION - OFFICIAL WEBSITE

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures, which are also placed in its official web site. Information and latest updates and announcement regarding the company can be accessed at company's website: [www.thdc.gov.in](http://www.thdc.gov.in) including the following:

- Company's Profile
- Board of Directors & Board Sub-committees.
- Memorandum & Articles of Association.
- Company's Performance & Annual Reports.
- Major Projects.
- Various Policies of Company.
- Information under RTI Act, etc.

#### 11. COMPTROLLER AND AUDITOR GENERAL OF INDIA

Your Company comes under jurisdiction of Comptroller and Auditor General of India and is also subject to Parliamentary oversight under Section 619 of Companies Act, 1956. There is a special arrangement for the audit of companies where the equity participation by Government is 51% or more.

The Statutory Auditors of the company are appointed by the Comptroller and Auditor General of India, who gives the directions to the auditors on the manner in which the audit should be conducted by them. The Comptroller and Auditor General of India is also empowered to comment upon the audit reports of the primary auditors. In addition, the Comptroller and Auditor General of India conducts a test audit of the accounts of your company and reports the results of his audit to Parliament and State Legislatures.

#### 12. CORPORATE ETHICS POLICY

The Board of Directors of your company approved Corporate Ethics Policy as a part of Corporate Governance initiative. The purpose of an ethics policy is to emphasize the employee's and

consumer's expectations to be treated to fair business practices. This policy will serve to guide business behaviour to ensure that all those who work for the organization observe the highest standard of professional ethics and have a responsibility to contribute to the good governance of THDCIL and to enhance its reputation of probity, integrity and impartiality.

This Ethics Policy statement shall apply to all members of the Board of Directors, employees including those on deputation/lien. Annual affirmation is obtained regarding Compliance of Code of Business Conduct and Ethics from Board Members and Senior Management of the Corporation upto the level of DGM.

#### 13. BOARD'S CODE OF CONDUCT

The Board of Directors has laid down separate Code of Conduct & Ethics for Board Members and Senior Management in alignment with Company's Vision and Values to achieve the Mission & Objectives. It aims at enhancing ethical and transparent process in managing the affairs of the Company.

#### Declaration as required under clause 3.4.2 of DPE Guidelines

'All the members of the Board have affirmed the compliance of the Code of Conduct for the financial year ended on March 31, 2013.'

(R.S.T. Sal)

Chairman & Managing Director

#### 14. ADDRESS FOR CORRESPONDENCE

THDC INDIA LIMITED  
Pragatipuram Bypass Road,  
Rishikesh- 249201  
Uttarakhand

The phone numbers and e-mail reference for communication are given below:

Company Secretary	Mr. S.Q. Ahmad
Office Contact Nos.	0135-2439309, Fax- 0135-2439442.
E-Mail	thdcs@yahoo.co.in
For Public Grievances	Mr. A.C. Joshi, AGM(P&A), Director of Public Grievances
Contact	0135-2437856, Fax No.0135-2430292
E-Mail	acjoshi@thdc.gov.in

## BRIEF PROFILES OF OUR PRESENT DIRECTORS



Shri R.S.T.Sai, takeover as the Chairman & Managing Director of Tehri Hydro Development Corporation Ltd.(THDC) on 08.03.2007. Prior to this, he was holding the charge of Director(Finance) in THDC since May, 2005. An Electrical Engineering Graduate, Shri Sai is a fellow of Institution of Engineers. He has done Management Diploma from IIM, Bangalore and also holds Degree in Law from Delhi University. He has 33 years varied experience in Banking, Finance, Commercial, EPC Contracting and Contract Management. He has developed transparent tender documentation for evaluation of Suppliers' Credit and also introduced innovation of Bonus for early completion of Project in Delhi Metro. Before joining THDC as Director(Finance), Shri Sai has worked in SBI, NTPC, POWERGRID and Delhi Metro respectively in various capacities. Presently he is a Part-time Director in UJVNL and member of Governing Body of IIT, Roorkee.



Shri D.V. Singh, has taken over as the Director (Technical) of THDC India Ltd on 12.05.2010. prior to this, he was holding the charge of Chief Project Officer of Koteswar Hydro Electric Project in THDCIL since March,2007 to bring the project on track. Shri Singh, is a B.Sc. Engg. (Civil) with Honors. Shri Singh attend the seminar at California (USA)-on "Hydro- vision -2008" to enhance the vision in Hydro Sector and emission of Carbon Gas and an exhaustive training in Design of Dam and Power House Civil works by Hydro Project Institute, through Moscow university Moscow, Russia. Shri Singh has 25 years varied experience in Civil Building construction, Rehabilitation, Under Ground works, Power House works, Contract and Procurement. He has working in THDCIL on various posts since last eighteen years. He was the Engineer-In-Charge of Tehri Power House during the commissioned of all the four units of 250 MW. Before joining the THDCIL, Shri Singh has worked in L&T. Presently he is the member of the Governing Body of National Institute of Rock Mechanics(NIRM) and THDC Institute of Hydro Power Engineering & Technology, Tehri.



Sh. S. K. Biswas has taken over the charge of Director (Personnel) of THDC India Limited (THDCIL) on 01.11.2012. He has vast experience of about 30 years in the field of Human Resource Management. Sh. Biswas had joined THDCIL as General Manager (Personnel & Administration) on 01-11-2007. Over these years he has rendered his valuable services in various other reputed Public Sector Undertakings (PSUs), i.e. Cement Corporation of India (CCI), Satluj Jal Vidyut Nigam Ltd (SJVNL) in various capacities. Sh. Biswas is a Graduate in Science Stream, Post Graduate with specialization in Personnel Management & Industrial Relations from XISS, LL.B. from Himachal University and Diploma in Training & Development from Indian Society for Training & Development.



Shri Sridhar Patra has taken over the charge of Director (Finance) of THDC India Ltd on 02.08.2013. He had vast experience of about 27 years covering various Public Sector Undertaking like Odisha Mining Corporation Ltd., Indian Rare Earths Ltd. and Mangalore Refinery & Petrochemicals Ltd. (A subsidiary of ONGC Ltd.) Shri Patra is a graduate in Commerce from Utkal University and a Member of Institute of Chartered Accountants of India. He has done MBA(HRD) from Vidya Sagar University. He has contributed as an academician apart from his professional employment in PSUs.



Shri G.Sai. Prasad, Joint Secretary, Ministry of Power has been appointed as Nominee Director of Government of India on our Board w.e.f. 16th December 2011. Prasad, is a graduate from the Indian Institute of Technology, Delhi and a Postgraduate Degree Holder in International Development Policy from Duke University, USA. He belongs to the 1991 batch of the Indian Administrative Service. Shri Prasad began his career in 1991 as Assistant Collector in Warangal and later worked on many important administrative positions Andhra Pradesh including Subcollector of Paderu, Project Director of ITDA, Municipal Commissioner, Guntur, Joint Collector, Kadapa, District Collector and Magistrate at Kurnool and Chittoor. Prior to his posting in Ministry of Power He was also CMD of Central Power Distribution Company of AP Limited and CMD of Eastern Power Distribution Company of AP Limited. Presently he is director in SJVNL, NEEPCO, NHPC, NHDC and Loktak Downstream Hydroelectric Power Corporation Ltd. and member in BBMB.



Prof. S.C. Saxena was appointed Independent Director in THDC India Ltd. by Govt. of India for a period of 3 years w.e.f. 17.11.2011. Dr.Saxena is a renowned academician and obtained his B.E. Electrical (1970) from Allahabad University, M.E. Electrical (Meas. & Inst.) (1973), and Ph.D. Electrical (Biomedical Eng.) (1977) from IIT Roorkee (erstwhile University of Roorkee). He joined on the faculty of Electrical Eng. Deptt. of IIT Roorkee in 1973 and rose up to the level of Professor, Head of Deptt. and Dean. Presently he is serving as the Vice chancellor (Actg) JIIT, NOIDA. He served as the Director, Thapar University (earlier T.I.E.T.) and Thapar Centre for Industrial Research and Development. Prof. Saxena has established his Engineering Excellence in management, technical and financial growth of the institutions of excellence and National importance. He has guided 24 Ph.D. and published over 200 research papers. He has received various prestigious National Awards in the field of Education. He is also holding positions in various autonomous Education Institutions and Commissions.



Shri Rajib Sekhar Sahoo was appointed in THDC India Ltd. by govt. of India for a period of 3 years w.e.f. 09.11.2011. He is a practicing Chartered Accountant. He is one of the Principal partner of M/s SRB & Associates, Chartered Accountants. Apart from THDC India Limited at present he is a Director in NTPC Limited a Maharatna Company of Govt. of India and Hindustan Zinc Limited.

He is a member of Task Force on MoU Deptt. of Public Enterprise Govt. of India for the year 2011-12 and 2012-13. He is a member of Sri Jagamath Temple Managing Committee, Puri appointed by Govt. of Odisha as an Independent Member. He is an Independent Trustee of Odisha Urban Infrastructure Development Fund (OUIDF) appointed by Govt. of Odisha. He is a member of Fee Structure Committee for Professional Educational Institutions of Odisha appointed as per the direction of Supreme Court of India chaired by a Retd. High Court Judge since 2007. He is the treasure of The Indus Entrepreneur (TIE) having head quarter in Silicon Valley, USA.

He was Trustee in Paradip Port Trust from the year 2008-10. He was Director in Andhra Bank from July 2008 to July 2011. During his Tenure in Andhra Bank he was Chairman of the Audit Committee and Member of Risk Management Committee. He was the chairman of Indo-American Chamber of Commerce for the year 2008-10. Presently he is Director in NTPC Ltd. Bank of Baroda and Hindustan Zinc Ltd.



Shri O. P. Gahrotra was appointed Independent Director in THDC India Ltd. for a period of 3 years w.e.f. 16.03.2012. He holds Masters in Financial Management from Jammalal Bajaj Institute of Management and from Birmingham University, United Kingdom.

He belongs to the 1969 batch of Indian Administrative Service. After his retirement, he was associated with Rewas Ports Limited as the Chief Executive Officer and Managing Director where he was responsible for overall management and setting up of a green-field port project. He is presently working as the Managing Director of Synergy Li Power Resources India Pvt. Ltd. where he is assisting in setting up a 2000 MW gas based Power Plant in Maharashtra.

He held several responsible positions in the Government. During the period from September 2004 to December 2006, he was designated as an Additional Chief Secretary of the Finance Department of the Government of Maharashtra where he was responsible for the overall budgeting, planning and fiscal management of the State of Maharashtra. Mr. Gahrotra was an Additional Chief Secretary and Managing Director of the Maharashtra State Textile Corporation, a state government undertaking, from May 2001 to November 2004.

He was a Senior Executive Director in SEBI from February 1996 to April 2001 where he was responsible for regulating Foreign Institutional Investors, corporate takeovers, technology, overseas coordination and interacting with the International Organization of Securities Commission ("IOSCO") members as well as regulation of the Primary Markets in India.

Presently, Mr. Gahrotra is the Director in Onang Management Advisory Services Private Ltd., a director on the boards of Elan Vascular Technologies Pvt. Ltd., Kalpataru Ltd., Trimax IT Infrastructure and Services Ltd and Uttam Galva Steels Ltd.



## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
THDC India Limited

1. We have examined the compliance of conditions of Corporate Governance by THDC India Limited, for the year ended on 31.03.2013.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

Sd/-

(Sumbul Masood)  
Practising Company Secretary  
Sumbul Masood & Associates  
Mem No. ACS24512 COP No. 8840  
40 A, Mirza Ghalib Road, Allahabad-211003

Dated : 07.08.2013  
Place : Allahabad



**THDC INDIA LIMITED**  
**ANNEXURE TO THE DIRECTORS' REPORT**  
Particulars of Employees Under Section 217 (2A) of the Companies Act, 1956  
For the Year Ending 31.03.2013

- A) Employment throughout the year and in receipt of remuneration which, in the aggregate, was not less than ₹ 60,00,000 Per Annum

(Amount in ₹ Lac)

Name	Designation/ Nature of Duties	Remun- eration (₹ Lac)	Qualification	Expe- rience (yrs)	Date of Commen- cement of Employment	Age	Last Empl- oyment Held	Remarks
Nil								

- B) Employment for part of the year and in respect of remuneration which, in the aggregate, was not less than ₹ 5,00,000 Per Month

Name	Designation/ Nature of Duties	Remun- eration (₹ Lac)	Qualification	Expe- rience (yrs)	Date of Commen- cement of Employment	Age	Last Empl- oyment Held	Remarks
Shri. A.S. Bisht	Ex-Director (Personnel)	49.19	BA & Post Graduate Diploma in Personnel Management	26	7.03.1989	60	BHEL	Retired on 31.10.2012

- Persons named above are full time Directors / Employees of the Company.
- Remuneration includes Salary, Leave Encashment, Leave Travel Concession, Lease rent less HRR, Employees' & Employer's contribution to Provident Fund and Gratuity. None of the employees listed above is related to any of the Directors of the Company.





# Annual Accounts

## For the Year 2012-13



## SIGNIFICANT ACCOUNTING POLICIES 2012-13

### 1. General

The accompanying financial statements have been prepared on the historical cost basis in conformity with the statutory provisions of the Companies Act, 1956 and the Statements, Standards and Guidance Notes issued by the Institute of Chartered Accountants of India from time to time.

### 2. Use of Estimates

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

### 3. Grants-in-Aid

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

### 4. Fixed Assets

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

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

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

### 5. Capital Work-in-Progress

- i. Cost incurred towards lease amount and rent on lease hold land and compensation for land and properties etc. used for submergence and other purposes (such as re-settlement of oustees, construction of new Township, afforestation, expenses on maintenance and other facilities in the re-settlement colonies until takeover

of the same by the local authorities etc) and where construction of such alternative facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, is carried forward in the Capital Work in Progress of Rehabilitation. On the commercial operation of the project the same shall be capitalized as Land-unclassified.

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

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

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

#### 6. Borrowing Costs

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

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

#### 7. Foreign Currency Transactions

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

#### 8. Depreciation

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



Act, 1956.

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

- ii. Low value items costing up to ₹1500/-, which are in the nature of assets are not capitalized and charged to revenue.
- iii. In respect of Assets costing up to ₹5000/- but more than ₹1500/- (excluding immovable assets) 100% depreciation is provided in the year of purchase.
- iv. Depreciation is charged from the date the asset becomes 'ready for use'.
- v. Cost of Leasehold Land is amortized over the lease period.
- vi. Capital expenditure on assets not owned by the company incurred during construction period of the Project is amortized over a period of five years from the year in which first unit of project concerned comes into commercial operation and there after from the year in which the relevant asset has been completed and becomes available for use.
- vii. Cost of computer Software is recognized as intangible asset and amortised on straight line method over a period of legal right to use or 5 years, whichever is earlier.

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

#### 9. Stores & Spares

- i. Stores and spares are valued at cost determined on weighted average basis or net realizable value whichever is lower.

- ii. Diminution in value of obsolete and unserviceable stores and spares is ascertained on review and provided for.

#### 10. Income & Expenditure Income Recognition

- i. Sale of energy is accounted for as per final tariff notified by Central Electricity Regulatory Commission (CERC). In case of Power Station where final tariff is not notified, recognition of revenue is based on the parameters and method provided in the applicable Regulations framed by the appropriate authority i.e CERC. The recognition of Revenue would be independent of the Provisional Rate adopted for the purpose of collection pending notification of 'Annual Fixed Charges' by CERC. Recovery / refund towards foreign currency variation in respect of foreign currency loans are accounted for on year to year basis.
- ii. Incentive / disincentives are accounted for based on the applicable norms notified / approved by the Central Electricity Regulatory Commission or agreements with the beneficiaries. In case of Power Stations where the same have not been notified / approved/ agreed with beneficiaries, incentives/ disincentives are accounted for on provisional basis.
- iii. Surcharge recoverable from sundry debtors for sale of energy and liquidated damages/ warranty claims are not treated as accrued due to uncertainty of its realization/ acceptance, and are therefore, accounted for on the basis of receipt/ certainty of receipt.
- iv. Interest earned on advances to contractors as per the terms of contract, are reduced from the cost incurred on construction of the respective asset by credit to related Capital Work-in-Progress Account.

- v. Value of scrap is accounted for at the time of sale.
- vi. Insurance claims are Accounted for in the year of receipt /acceptance by the insurer /certainty of realization.
- vii. Income from consultancy work is accounted for on the basis of actual progress/ technical assessment of work executed or cost reimbursable in line with terms of respective consultancy contracts.

#### Expenditure

- viii. Cost of stores and spares used on repairs and maintenance are charged to the Repairs and Maintenance Account.
- ix. Prepaid expenses and prior period expenses/income of items of ₹10,000/- or below in each case, are charged off the natural heads of accounts.
- x. Net income/expenditure prior to Commercial operation is adjusted directly in the cost of related assets and systems.
- xi. Preliminary expenses on account of new projects incurred prior to approval of feasibility report are charged to revenue.
- xii. A specified percentage of Net Profit Before Tax of previous year is set aside for creation of non-lapsable fund for incurring expenditure towards Corporate Social Responsibility. The unspent amount is carried forward.

#### 11. Employees' Benefits

- i. Liability for retirement benefits to employees in respect of gratuity, leave encashment and post retirement medical benefits, baggage allowance, memento to retiring employees, financial package for dependent of deceased employees and funeral expenses etc. as defined in AS-15 is

accounted for on accrual basis based on actuarial valuation determined as at the year end.

- ii. The company has established a separate Trust for administration of Provident Fund and the company's contribution to the Fund is charged to expenditure every year. The liability of the company in respect of shortfall (if any) in interest on investments is ascertained and provided annually on actuarial valuation at the year end

#### 12. Miscellaneous Expenditure

Deferred revenue expenditure upto 31.03.04 is written off over a period of 10 years from the year of expenditure. However, thereafter the same is being fully charged in the year of expenditure.

#### 13. Taxes on income

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

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

#### 14. Cash Flow Statement.

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



## BALANCE SHEET AS AT 31-March-2013

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	1	3,44,309		3,29,758	
(b) Reserves And Surplus	2	3,32,840	6,77,149	2,86,456	6,16,214
<b>Share Application Money Pending Allotment</b>			0		4,500
<b>Non-Current Liabilities</b>					
(a) Long Term Borrowings	3	3,46,624		4,48,834	
(b) Other Long Term Liabilities	4	23,364		28,754	
(c) Long Term Provisions	5	20,305	3,90,293	18,532	4,96,120
<b>Current Liabilities</b>					
(a) Short Term Borrowings	6	1,28,812		39,958	
(b) Trade Payables	7	34		50	
(c) Other Current Liabilities	8	72,086		69,445	
(d) Short Term Provisions	9	13,031	2,13,963	39,130	1,48,583
<b>TOTAL</b>			<b>12,81,405</b>		<b>12,65,417</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>(a) Fixed Assets</b>					
(i) Tangible Assets	10	8,79,498		9,20,291	
(ii) Intangible Assets	10	109		136	
(iii) Capital Work in Progress	11	78,519	9,58,126	57,081	9,77,508
(b) Deferred Tax Assets (Net)	12		25,188		19,816
(c) Long Term Loans and Advances	13		59,744		57,593
(d) Other Non-Current Assets	14		49		515

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Current Assets</b>					
(a) Inventories	15	2,558		1,660	
(b) Trade Receivables	16	2,30,701		1,90,897	
(c) Cash and Cash Equivalents	17	1,609		13,787	
(d) Short Term Loans and Advances	18	2,745		3,146	
(e) Other Current Assets	19	685	2,38,298	495	2,09,985
<b>Total</b>			<b>12,81,405</b>		<b>12,65,417</b>

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

For and on Behalf of Board of Directors

(S. Q. Ahmad)  
Company Secretary

(C. P. Singh)  
Director (Finance)

(R.S.T. Sai)  
Chairman & Managing Director

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

(Ravinder Bhatia)  
Partner  
Membership No.:- 17572

Date : 09-07-2013

Place : New Delhi



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-March-2013

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31 - Mar - 2013	For The Year Ended 31 - Mar - 2012
<b>INCOME</b>			
Revenue from Operations	20	1,95,614	2,04,558
Other Income	21	7,039	950
<b>Total Revenue</b>		<b>2,02,653</b>	<b>2,05,508</b>
<b>EXPENSES</b>			
Employee Benefits Expense	22	19,323	14,995
Finance Costs	23	60,510	53,173
Depreciation & Amortisation	10	47,435	45,080
Generation Administration and Other Expenses	24	15,188	11,774
Provisions	25	24	156
<b>Total Expenses</b>		<b>1,42,480</b>	<b>1,25,178</b>
<b>Profit Before Tax</b>		<b>60,173</b>	<b>80,330</b>
Prior Period Expenditure/ (Income) (Net)	26	422	96
<b>Profit Before Tax</b>		<b>59,751</b>	<b>80,234</b>
<b>Tax Expenses</b>	27		
<b>Current Tax</b>			
Income Tax		11,953	16,290
Wealth Tax		32	85
Deferred tax- Asset		(5,372)	(6,524)
<b>Profit For The Year</b>		<b>53,138</b>	<b>70,383</b>

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013	As at 31-Mar-2012
<b>Earning per equity share</b>			
Basic (₹)		157.86	213.44
Diluted (₹)		157.86	213.42

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

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

**(S. Q. Ahmad)**  
Company Secretary

**(C. P. Singh)**  
Director (Finance)

**(R.S.T. Sui)**  
Chairman & Managing Director

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

**(Ravinder Bhatia)**  
Partner  
Membership No.:- 17572

**Date** : 09-07-2013

**Place** : New Delhi



## CASH FLOW STATEMENT FOR THE YEAR 31-March-2013

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	For The Year 31 - Mar - 2013		For The Year 31 - Mar - 2012	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax and Prior Period adjustments		60,173		80,330
<b>Adjustments for:-</b>				
Depreciation	47,822		45,143	
Provisions	24		156	
Advance against Depreciation-Deffered	(5,441)		0	
Interest on loans	60,510		53,173	
Prior Period Adjustments	(422)	1,02,493	(96)	98,376
<b>Operating profit Before Working Capital Changes</b>		<b>1,62,666</b>		<b>1,78,706</b>
<b>Adjustment For :-</b>				
Inventories	(920)		(48)	
Trade Receivables	(39,804)		(79,402)	
Other Assets	(185)		(389)	
Loans and Advances (Current + Non Current)	(648)		(2,257)	
Trade Payable and Liabilities	885		(18,537)	
Provisions (Current + Non Current)	(24,326)	(64,998)	22,504	(78,129)
<b>Cash Generated From Operations</b>		<b>97,668</b>		<b>1,00,577</b>
Direct Tax Paid		(11,985)		(16,375)
<b>Net Cash From Operations (A)</b>		<b>85,683</b>		<b>84,202</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>Change in:-</b>				
Fixed Assets and CWIP	(35,204)		(36,011)	
Construction Stores	459		(139)	
Capital Advances	(1,102)		(18,964)	
Miscellaneous Expenditure (To the extent adjusted)	10		13	
<b>Net Cash Flow From Investing Activities (B)</b>		<b>(35,837)</b>		<b>(55,101)</b>

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	For The Year 31 - Mar - 2013	For The Year 31 - Mar - 2012
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital (Including Pending Allotment)	10,051	4,500
Borrowings	(11,565)	52,754
Interest on loans	(60,510)	(53,173)
Dividend & Tax on Dividend	0	(24,639)
<b>Net Cash Flow From Financing Activities ( C )</b>	<b>(62,024)</b>	<b>(20,558)</b>
<b>D. NET CASH FLOW DURING THE YEAR (A+B+C)</b>	<b>(12,178)</b>	<b>8,543</b>
<b>E. OPENING CASH &amp; CASH EQUIVALENTS</b>	<b>13,787</b>	<b>5,244</b>
<b>F. CLOSING CASH &amp; CASH EQUIVALENTS(D+E)</b>	<b>1,609</b>	<b>13,787</b>

**Note:**

1. Cash and Cash Equivalents includes Balance with Banks of ₹ 50 Lac (Previous year ₹ 232 Lac) which is not available for use by the Corporation.
2. Previous year's figures have been Regrouped / Rearranged / Recast wherever necessary.

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

**(S. Q. Ahmad)**  
Company Secretary

**(C. P. Singh)**  
Director (Finance)

**(R.S.T.Sai)**  
Chairman & Managing Director

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

**(Ravinder Bhatia)**  
Partner  
Membership No.:- 17572

**Date : 09-07-2013**

**Place : New Delhi**



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-MARCH-2013

Note :-1

### SHARE CAPITAL

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
		Number of Shares	Amount	Number of Shares	Amount
<b>Authorised</b>					
Equity Shares of ₹ 1000 /= each		4,00,00,000	4,00,000.00	4,00,00,000	4,00,000.00
<b>Issued Subscribed &amp; Paid-up</b>					
Equity Shares of ₹ 1000 /= each Fully Paid up		3,44,30,917	3,44,309	3,29,75,817	3,29,758
<b>TOTAL</b>		<b>3,44,30,917</b>	<b>3,44,309</b>	<b>3,29,75,817</b>	<b>3,29,758</b>

Note :-1.1

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

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
		Number of Shares	Amount	Number of Shares	Amount
Opening		3,29,75,817	3,29,758	3,29,75,817	3,29,758
Issued		14,55,100	14,551	0	0
Reduction		0	0	0	0
Closing		<b>3,44,30,917</b>	<b>3,44,309</b>	<b>3,29,75,817</b>	<b>3,29,758</b>

Note :-1.2

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

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
		Number of Shares	%	Number of Shares	%
<b>Share holding more than 5 %</b>					
I. GOI		2,50,81,517	72.85	2,37,37,017	71.98
II. GOUP		93,49,400	27.15	92,38,800	28.02
<b>TOTAL</b>		<b>3,44,30,917</b>	<b>100.00</b>	<b>3,29,75,817</b>	<b>100.00</b>

1.3 The Company has received the confirmation of the Ministry of Corporate Affairs, Government of India vide no. 40/2/2008-CL-III dated 17.12.2008 for reduction of share capital by ₹ 278 lac by cancellation of 27787 equity shares of ₹1000/- each allotted to the Govt. of India. Necessary entry for the same has been passed in the year 2008-09. The reduction represents the part purchase consideration towards the transfer of Transmission Lines and associated sub stations to Power Grid Corporation Of India Limited. Thus total reduction in share capital on this account comes to ₹ 1119 lac including earlier reduction of ₹ 841 lac done in 1998-99.

Note :-2.

**RESERVES & SURPLUS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Capital Reserve</b>					
Contribution Due From Government of Uttar Pradesh Towards Irrigation Sector		1,44,134		1,44,134	
<b>LESS:-</b>					
Contribution In Arrear		15		15	
<b>Contribution Received</b>		<b>1,44,119</b>		<b>1,44,119</b>	
<b>LESS:-</b>					
Adjustment Towards Depreciation		34,359	1,09,760	27,595	1,16,524
<b>Other Capital Reserve</b>					
<b>PHRD Grant from World Bank (For VPHEP Projects)</b>					
Opening Balance		472		472	
Received during the year		0		0	
Utilised/adjusted during the year		0	472	0	472
<b>Sub Total- "A"</b>			<b>1,10,232</b>		<b>1,16,996</b>
<b>Surplus In Profit &amp; Loss Account</b>					
<b>Opening</b>		1,69,470		1,23,726	
Add:- Profit for the year as per P&L Statement		53,138		70,383	
<b>TOTAL PROFIT FOR APPROPRIATION</b>			<b>2,22,608</b>		<b>1,94,109</b>
<b>DIVIDEND</b>					
Interim Dividend		0		0	
Proposed Dividend		0	0	21,200	21,200
<b>TAX ON DIVIDEND</b>					
Dividend Distribution Tax-Interim		0		0	
Dividend Distribution Tax-Proposed		0	0	3,439	3,439
<b>Sub Total- "B"</b>			<b>2,22,608</b>		<b>1,69,470</b>
<b>Sub Total - "C" (A+B)</b>			<b>3,32,840</b>		<b>2,86,466</b>
<b>Misc. Expenditure (To the extent not written off or Adjusted)</b>					
Opening Balance		10		23	
Addition during the year		0		1	
Utilised/adjusted during the year		(10)	0	(14)	10
<b>Sub Total - "D"</b>			<b>0</b>		<b>10</b>
<b>TOTAL (C-D)</b>			<b>3,32,840</b>		<b>2,86,456</b>

2.1 The Company has proposed dividend for the year 2012-13 @ ₹ Nil per equity share of par value of ₹ 1000/- each ( Previous year ₹ 64.29 Per equity share).



Note :-3

## LONG TERM BORROWINGS

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013	As at 31-Mar-2012
<b>A.SECURED</b>			
<b>POWER FINANCE CORPORATION Ltd. (For Tehri HPP) *</b>			
(Repayable upto 10 years on Quarterly instalment from 15th July2005 to 15th January 2015, carrying floating interest rate @10.75% p.a.)		0	4,535
(Repayable upto 10 years on Quarterly instalment from 15th July2005 to 15th January 2015, carrying floating interest rate @ 10% p.a.)		8,175	15,700
(Repayable upto 10 years on Quarterly instalment from 15th July2005 to 15th January 2015, carrying floating interest rate @9.75% p.a.)		6,900	6,900
<b>POWER FINANCE CORPORATION Ltd. (For Tehri HPP) *</b>			
(Repayable upto 15 years on Quarterly instalment from 15th october 2008 to 15th July 2023, carrying floating interest rate, @ 12.75% p.a.)		85,764	94,792
<b>POWER FINANCE CORPORATION Ltd. (For KHEP) #</b>			
(Repayable upto 10 years on Quarterly instalment from 15th January2012 to 15th October 2021, carrying floating interest rate, @12% p.a)**		0	8,000
(Repayable upto 10 years on Quarterly instalment from 15th January2012 to 15th October 2021, carrying floating interest rate, @11.50% p.a)**		0	60,068
(Repayable upto 10 years on Quarterly instalment from 15th January2012 to 15th October 2021, carrying floating interest rate, @11.25% p.a)**		0	14,113
(Repayable upto 10 years on Quarterly instalment from 15th January 2012 to 15th October 2021, carrying floating interest rate, @ 11% p.a)**		0	20,193
(Repayable upto 10 years on Quarterly instalment from 15th January2012 to 15th October 2021, carrying floating interest rate, @ 12.75% p.a)**		90,675	0

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013	As at 31-Mar-2012
<b>Rural Electrification Corporation Ltd. (REC) (For KHEP)#</b>			
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate,@12.5% p.a)		5,479	6,144
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate, @12.25% p.a)		5,307	3,175
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate, @12% p.a)		7,254	8,134
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate,@11.5% p.a)		990	1,110
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate @11.25% p.a)		6,872	7,704
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate,@ 11% p.a)		7,810	8,757
(Repayable upto 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate,@10.75% p.a)		24,099	29,795
<b>Rural Electrification Corporation Ltd. (For Tehri HPP)*</b>			
(Repayable upto 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate, @12.5% p.a.)		67,070	9,079
(Repayable upto 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate, @ 12% p.a)**		0	11,169
(Repayable upto 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate, @12.25% p.a)**		6,829	0
(Repayable upto 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate, @11.5% p.a)		2,246	4,632



Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013	As at 31-Mar-2012
(Repayable upto 15 years on Quarterly instalment from September 2007 to March 2022 carrying floating interest rate @11% p.a)**		0	60,784
(Repayable upto 10 years from Nov 2006 to March 2018, carrying floating interest rate, @ 11.5% p.a)**		0	10,929
(Repayable upto 10 years from Nov 2006 to March 2018, carrying floating interest rate, @ 12.5% p.a)**		7,762	0
<b>State Bank of India (For Tehri PSP)##</b> State Bank of India (repayable on 10 years on Quarterly Installments from August 2016 to May 2026 Carrying Floating Interest rate @ Base rate+ 1.2% p.a.i.e.10.90%)		12,500	0
<b>Punjab National Bank</b> Punjab National bank, carrying floating Interest rate Base Rate + 1% p.a. i.e 11.25%)		0	50,000
<b>TOTAL (A)</b>		<b>3,45,732</b>	<b>4,35,713</b>
<b>B. UNSECURED</b>			
<b>Foreign currency Loans \$</b> (Guaranteed by Govt. of India)			
<b>KFW loan -9831(For Tehri HPP)</b> (Repayable upto 10 years on half yearly instalment from June 2004 to December 2013, carrying interest rate @ EURIBOR plus 0.5%margin p.a, i.e. 0.875 %)		0	1,892
<b>KFW loan -2896(For Tehri HPP)</b> (repayable upto 10 years on half yearly instalment from Sept. 2004 to March 2014, carrying Fixed interest rate @5.91% p.a.)		0	400
<b>World Bank Loan (For VPHEP)</b> (repayable upto 23 years on half yearly instalment from 15th Nov. 2017 to 15th May. 2040 , carrying interest rate @LIBOR +variable spread., p.a. i.e. 0.99%)		892	829
<b>Domestic Loans (For PSP)</b> State Bank of India ( Repayable on 10 years on Quarterly Installments from August 2016 to May 2026, Carrying Floating Interest rate @Base rate + 1.2% p.a. i.e. 11.20% )		0	10,000
<b>TOTAL (B)</b>		<b>892</b>	<b>13,121</b>
<b>TOTAL (A+B)</b>		<b>3,46,624</b>	<b>4,48,834</b>

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

\*\* These tranches of loans are reset during the year.

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

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

\$ With negative lien on the equipments financed under the respective loan ranking pari-passu.  
There has been no default in repayment of any of the Loans or interest thereon during the year.

Note :-4

**OTHER LONG TERM LIABILITIES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Deferred Revenue On Account of Advance Against Depreciation</b>					
As Per Last Balance Sheet		28,331		28,331	
Add:-Revenue Deferred During The year		0		0	
Less:- Adjusted During The Year		5,441	22,890	0	28,331
<b>Liabilities</b>					
For Capital Expenditure		15		33	
For Micro And Small Enterprises.		0		0	
For Others		1	16	4	37
Deposits, Retention Money From Contractor etc.		455		385	
Other Liabilities		3	458	1	386
<b>TOTAL</b>			<b>23,364</b>		<b>28,754</b>

4.1 Advance against Depreciation allowed as component of tariff under CERC Regulation 2004-2009 was reduced from sales and considered as deferred revenue to be adjusted in sales of subsequent years. As per CERC Regulation 2009-2014 the same has been abolished w.e.f. 01.04.2009,

**LONG TERM PROVISIONS**

Amount in lac₹  
(Figures In Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2012	For The Year 31-Mar-2013			As at 31-Mar-2013
			Addition	Adjustment	Utilisation	
I. Works		0	0	0	0	0
II. Employee Related		17,455	4,456	(1,501)	(332)	20,078
III. Others		1,077	0	(850)	0	227
<b>TOTAL</b>		<b>18,532</b>	<b>4,456</b>	<b>(2,351)</b>	<b>(332)</b>	<b>20,305</b>
<b>Figure for Previous Year</b>		<b>16,788</b>	<b>3,066</b>	<b>(831)</b>	<b>(491)</b>	<b>18,532</b>

Disclosure required by AS-15 on employee benefit has been made in Note No.55



Note :-6

## SHORT TERM BORROWINGS

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>A. Secured loans:</b>					
<b>Short term Loan From Banks and Financial Institutions</b>					
Rural Electrification Corporation Ltd. (Carrying Floating Interest rate @ 13% p.a.)*			2,500		0
Power Finance Corporation Ltd. (Carrying Floating Interest rate @13.75% p.a.)			0		20,000
<b>Cash Credit From Bank**</b>					
Punjab National Bank (Carrying Floating Interest Rate @ Base rate+ 1% p.a. i.e 11.25%)			71,312		12,381
<b>TOTAL (A)</b>			<b>73,812</b>		<b>32,381</b>
<b>B. Unsecured loans:</b>					
Power Finance Corporation Ltd. ( Carrying Floating Interest Rate @ 12.5% p.a.)			0		3,808
Power Finance Corporation Ltd. (Carrying Floating Interest Rate @ 12.25% p.a.)			0		3,769
Power Finance Corporation Ltd. (Carrying Floating Interest Rate @ 12.75% p.a.)***			25,000		0
Canara Bank(Carrying Floating interest Rate@ base rate p.a i.e. 10.25 %)			30,000		0
<b>TOTAL (B)</b>			<b>55,000</b>		<b>7,577</b>
<b>TOTAL (A+B)</b>			<b>1,28,812</b>		<b>39,958</b>
* Short Term Loan of ₹ 2500 Lac availed from REC on first charge on pari passu basis on assets of Tehri Stage-1 and Koteshwar.					
**O.D. Limit of ₹ 71312 Lac is Secured by way of 2nd Charge on Block of Assets of Company					
***STL of ₹ 25000 Lac availed from PFC by way of first charge on pari passu basis on Escrow Account.					
There has been no default in repayment of any of the Loans or interest thereon during the year. These Short Term Loans are to be repaid within a year.					

Note :-7

## TRADE PAYABLE

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
Trade Payable -MSMED			0		0
Trade Payable -Other than MSMED			34		50
<b>Total</b>			<b>34</b>		<b>50</b>



Note :-8

**OTHER CURRENT LIABILITIES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Current maturity of Long Term debt*</b>					
A. SECURED			52,480		50,729
<b>TOTAL (A)</b>			<b>52,480</b>		<b>50,729</b>
<b>B. UNSECURED</b>			2,333		2,293
Foreign currency Loans (Guaranteed by Govt. of India )					
<b>TOTAL (B)</b>			<b>2,333</b>		<b>2,293</b>
<b>TOTAL (A+B)</b>			<b>54,813</b>		<b>53,022</b>
<b>Liabilities</b>					
For Capital Expenditure		6,377		5,077	
For Micro And Small Enterprises.		0		0	
For Others		1,147	7,524	2,063	7,140
Deposits, Retention Money From Contractors etc.		2,496		2,113	
Other Liabilities		1,107	3,603	713	2,826
<b>Interest Accrued But Not Due</b>					
Financial Institutions		6,146		6,457	
Other Liabilities		0	6,146	0	6,457
<b>TOTAL</b>			<b>17,273</b>		<b>16,423</b>
<b>TOTAL LIABILITIES</b>			<b>72,086</b>		<b>69,445</b>
*Detail in respect of Rate of Interest and Terms of repayment of Current Maturity of Secured and un Secured Long Term debt Indicated above are disclosed in Note-3.					

Note :-9

**SHORT TERM PROVISIONS**

Amount in lac ₹  
(Figures In Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2012	For The Year 31-Mar-2013			As at 31-Mar-2013
			Addition	Adjustment	Utilisation	
I. Works		1,882	262	(522)	(366)	1,256
II. Employee Related		9,013	5,304	(3,087)	(1,221)	10,009
III. Dividend (Interim and Final)		21,200	0	0	(21,200)	0
IV. Dividend Distribution Tax (Interim and Final)		3,439	0	0	(3,439)	0
V. Others		3,596	9,608	(9,854)	(1,584)	1,766
<b>TOTAL</b>		<b>39,130</b>	<b>15,174</b>	<b>(13,463)</b>	<b>(27,810)</b>	<b>13,031</b>
<b>Figure for Previous Year</b>		<b>18,370</b>	<b>46,872</b>	<b>103</b>	<b>(26,215)</b>	<b>39,130</b>

Disclosure required by AS-15 on Employee Benefits has been made in Note No.55.



Note :-10

**FIXED ASSETS**

(Figures in Parenthesis Represent Deductions)

Amount in lac ₹

Particulars	Gross Block		Depreciation		Net Block	
	As at 01-Apr-2012	Additions During the year	As at 01-Apr-2012	For The year 01-Apr-2012	As at 31-Mar-2013	As at 31-Mar-2012
<b>Tangible Assets</b>						
<b>Lease Hold Assets</b>						
1. Land Lease Hold	245	-	245	27	36	209
<b>Other Assets</b>						
2. Land Free Hold	2,162	1,291	3,453	-	-	3,453
3. Land Unclassified	1,41,036	2,822	1,43,842	4,825	26,741	1,17,101
4. Buildings	68,829	3,288	72,094	2,437	6,220	65,874
5. Building Temp. Structures	939	29	968	29	968	-
6. Road, Bridge & Culverts	9,210	663	9,873	341	949	8,924
7. Drainage, Sewerage & Water Supply	1,265	132	1,350	70	279	1,071
8. Construction Plant & Machinery	1,824	-	1,819	1,036	1,071	748
9. Generation Plant & Machinery	2,31,260	1,446	2,32,462	37,176	49,321	1,82,941
10. EDP Machines	1,221	88	1,283	701	921	462
11. Electrical Installations	811	7	818	103	155	663
12. Transmission Lines	1,798	17	1,815	344	442	1,373
13. Office & Other Equipment	3,616	255	3,762	1,015	1,167	2,595
14. Furniture & Fixtures	1,478	102	1,552	393	457	1,095
15. Vehicles	1,027	75	1,088	429	491	597
16. Railway Slidings	122	-	122	16	20	102
17. Hydraulic Works- Dams & Spillways	4,99,180	4,094	5,03,268	86,471	1,13,280	3,89,988
18. Hydraulic Works- Tunnel, Penstock, Canals etc	1,37,056	400	1,37,456	28,117	35,411	1,02,045
19. Unserviceable/Obsolete Assets at net book value or net realisable value whichever is lower.	173	-	55	-	-	55
20. Capital Expenditure on Assets not owned by the company.	2,615	-	2,615	2,354	2,413	202
<b>Sub Total</b>	<b>11,05,869</b>	<b>14,709</b>	<b>11,19,940</b>	<b>1,85,578</b>	<b>2,40,442</b>	<b>8,79,498</b>
<b>Figures For Previous Year</b>	<b>10,42,566</b>	<b>63,402</b>	<b>11,05,869</b>	<b>1,32,718</b>	<b>1,85,578</b>	<b>9,20,291</b>
<b>Intangible Assets</b>						
1. Intangible Assets-Software	322	15	337	186	42	109
<b>Sub Total</b>	<b>322</b>	<b>15</b>	<b>337</b>	<b>186</b>	<b>42</b>	<b>109</b>
<b>Figures For Previous Year</b>	<b>267</b>	<b>55</b>	<b>322</b>	<b>138</b>	<b>48</b>	<b>136</b>
<b>Detail of Depreciations</b>				<b>Current Year</b>	<b>Previous Year</b>	
Depreciation transferred to EIDC				491	970	
Depreciation transferred to P&L account				47,435	45,080	
Depreciation adjusted in Capital Reserve-Irrigation Contribution from GOU				6,764	6,808	52858
Fixed Assets Costing More Than ₹500.00 But Less Than ₹5000.00 Procured and Depreciated Fully During The Year				19	18	

10.1 Pending completion of legal formalities, title deeds of Brezhnev land measuring 112.928 acres amounting to ₹ 60. lac (P.V. 114.218 acres amounting to ₹ 70.lac) are yet to be registered in the name of the Company.

10.2 Expert Advising Committee (EAC) of the ICAI has given an opinion that Capital Expenditure on assets not owned by the Company are to be charged to statement of Profit and Loss as and when incurred. It has been represented by other PSUs that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practices. Pending receipt of communication from ICAI regarding the review of opinion, existing treatment has been continued as per the relevant accounting practice.

Note :-11

**CAPITAL WORK IN PROGRESS**

Amount in lac ₹

Particulars	Note No.	As at 01-Apr-2012	For The Year 31-Mar-2013			As at 31-Mar-2013
			Addition During The Year	Adjustment During the Year	Capitalisation During The Year	
<b>Construction Work In Progress</b>						
Building & Other Civil Works		4,080	1,519	(1)	(1,035)	4,563
Roads, Bridges & Culverts		2,272	1,485	(98)	(570)	3,089
Water Supply, Sewerage & Drainage		131	-	-	(96)	35
Generation Plant And Machinery		63	9,102	(388)	(104)	8,673
Hydraulic Works, Dam, Spillway, Water Channels, Weirs, Service Gate & Other Hydraulic Works		41,538	10,583	(5,051)	-	47,070
Afforestation Catchment Area		8	-	-	-	8
Electrical Installation & Sub-Station Equipments		15	1,249	-	-	1,264
Capital Expenditure On Assets Not Owned By Company		-	-	-	-	-
Others		314	123	(35)	-	402
<b>Generation Plant And Machinery In Transit</b>		217	159	(376)	-	-
<b>Generation Plant And Machinery Under Inspection</b>		-	-	-	-	-
<b>Expenditure Pending Allocation</b>						
Survey & Development Expenses		5,535	581	3,800	-	9,916
Exchange Variation		-	59	(59)	-	-
Interest Pending Allocation	23	-	10	(10)	-	-
Expenditure During Construction	11.1	1,159	(182)	-	-	977
<b>Rehabilitation</b>						
Rehabilitation Expenses ( Net Of Recoveries Towards Token Cost And Rent)		1,749	785	-	(12)	2,522
<b>Sub Total</b>		<b>57,081</b>	<b>25,473</b>	<b>(2,218)</b>	<b>(1,817)</b>	<b>78,519</b>
<b>Previous Year Figure</b>		<b>83,471</b>	<b>58,103</b>	<b>(30,130)</b>	<b>(54,363)</b>	<b>57,081</b>
<b>Intangible asset Under Development</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sub Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Previous Year Figure</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



Note :-11.1

**EXPENDITURE DURING CONSTRUCTION**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
<b>EXPENDITURE</b>					
<b>EMPLOYEE BENEFITS EXPENSES</b>	22				
Salaries, Wages, Allowances & Benefits		7,794		9,347	
Contribution to Provident & Other Funds		486		721	
Pension Fund		395		448	
Gratuity		520		805	
Welfare		124	9,319	182	11,503
<b>OTHER EXPENSES</b>	24				
<b>Rent</b>					
Rent for office		75		90	
Rent for Employee Residence		343	418	426	516
Rate and taxes			4		21
Power & Fuel			419		371
Insurance			5		14
Communication			98		138
<b>Repair &amp; Maintenance</b>					
Plant & Machinery		0		2	
Buildings		92		229	
Others		146	238	392	623
Travelling & Conveyance			350		403
Vehicle Hire & Running			157		341
Security			133		341
Publicity & Public relation			64		107
Other General Expenses			535		948
Loss on sale of assets			3		1
Survey And Investigation Expenses			0		33
Research & Development Expenses			0		61
Deferred Revenue Expenditure Written Off			1		1
<b>DEPRECIATION</b>	10		491		970
<b>TOTAL EXPENDITURE (A)</b>			<b>12,235</b>		<b>16,392</b>
<b>RECEIPTS</b>					
<b>OTHER INCOME</b>	21				
<b>Interest</b>					
From Bank deposit		10		17	
From Employees		71		104	
From Others		3	84	1	122
Machine Hire Charges			0		18
Rent Receipts			77		78

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
Sundry Receipts			143		65
Excess Provision Written Back			160		428
Profit on Sale of Assets			1		20
<b>TOTAL RECEIPTS (B)</b>			<b>465</b>		<b>731</b>
PRIOR PERIOD ADJUSTMENTS	26		4		10
<b>NET EXPENDITURE BEFORE TAXATION</b>			<b>11,774</b>		<b>15,671</b>
<b>PROVISION FOR TAXATION</b>	27				
Wealth Tax		6	6	14	14
<b>NET EXPENDITURE INCLUDING TAXATION</b>			<b>11,780</b>		<b>15,685</b>
Balance Brought Forward From Last Year			1,159		546
<b>TOTAL EDC</b>			<b>12,939</b>		<b>16,231</b>
Less:-					
EDC Allocated To CWIP / Asset		11,199		14,476	
EDC Of Projects Under Approval Charged To Profit & Loss Account		763	11962	596	15,072
<b>Balance Carried Forward To CWIP</b>			<b>977</b>		<b>1,159</b>

Note :-12

### DEFERRED TAX ASSET

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
Deferred Tax Liability		(2,975)		(2,975)	
Deferred Tax Asset		34,476	31,501	29,104	26,129
Deferred Tax Adjustment			(6,313)		(6,313)
<b>Total</b>			<b>25,188</b>		<b>19,816</b>



Note :-13

**LONG TERM LOANS AND ADVANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Capital Advances</b>					
Unsecured					
i) Against Bank Guarantee		4,208		4,249	
ii) Rehabilitation & Resettlement (Govt. of Uttarakhand / SLAO)		10,757		13,859	
iii) Others		23,154		20,807	
iv) Accrued Interest On Advances		8,445	46,564	6,547	45,462
Less: Provision for Doubtful Advances			0		0
<b>SUB TOTAL - CAPITAL ADVANCES</b>			<b>46,564</b>		<b>45,462</b>
<b>Loans To Employees</b>					
Secured		2,670		2,653	
Unsecured		812	3,482	235	2,888
<b>Interest Accrued On Loans To Employees</b>					
Secured		1,988		1,868	
Un secured		59	2,047	14	1,882
<b>Interest Accrued On Loans To Directors</b>					
Secured		4		5	
Unsecured		0	4	0	5
<b>Others</b>					
Unsecured, considered good		0	0	9	9
<b>Other Advances (Un Secured)</b> (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		182		90	
To Directors		0		0	
For Purchases		1		1	
To Others		6,982	7,165	6,740	6,831
<b>Deposits</b>					
Security Deposit		190		257	
Deposit with Govt/Court		300		267	
Other Deposit		1	491	1	525
<b>SUB-TOTAL</b>			<b>13,189</b>		<b>12,140</b>
LESS:- Provision For Bad & Doubtful Advances			9		9
<b>SUB TOTAL - ADVANCES</b>			<b>13,180</b>		<b>12,131</b>
<b>TOTAL LOANS AND ADVANCES</b>			<b>59,744</b>		<b>57,593</b>
<b>Note :- Due From Directors</b>					
Principal			0		0
Interest			4		5
<b>TOTAL</b>			<b>4</b>		<b>5</b>
<b>Note :- Due From Officers</b>					
Principal			1		1
Interest			5		5
<b>TOTAL</b>			<b>6</b>		<b>6</b>

**Note :-14**

**OTHER NON CURRENT ASSETS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Construction Stores</b> (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Materials		0		29	
Others		6		438	
Material Under Inspection (Valued At Cost)		0	6	0	467
<b>Sub Total</b>			<b>6</b>		<b>467</b>
Prepaid Expenses		43		48	
Interest Accrued but not due		0	43	0	48
<b>Sub Total</b>			<b>43</b>		<b>48</b>
<b>TOTAL</b>			<b>49</b>		<b>515</b>

**Note :-15**

**INVENTORIES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Inventories</b> (At Cost Determined On Weighted Average Basis or Net Realizable Value Whichever is Lower)					
Other Civil And Building Material		176		173	
Others		2,653		1,802	
Material Under Inspection (Valued At Cost)		41	2870	9	1,984
Less: Provision For other stores			312		324
<b>TOTAL</b>			<b>2,558</b>		<b>1,660</b>

**Note :-16**

**TRADE RECEIVABLES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Debts Outstanding Over Six Months</b>					
Unsecured, Considered Good		1,09,990		1,00,958	
Considered Doubtful		0	1,09,990	10	1,00,968
Less:- Provision For Bad And Doubtful Debts			0		10
<b>Other Debts</b>					
Unsecured, Considered Good		1,20,711		89,939	
Considered Doubtful		0	1,20,711	0	89,939
<b>TOTAL</b>			<b>2,30,701</b>		<b>1,90,897</b>

**Note :-17**

**CASH AND BANK BALANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Cash &amp; Cash Equivalents</b>					
Balances With Banks (Including Auto sweep, Flexi Deposit with Banks)			1,556		13,553
Cheques, Drafts, Stamps on hand			0		0
Cash on Hand			3		2
<b>Other Bank Balances</b>					
Others ( Balance with Bank under Lien not available for use by the company)			50		232
<b>TOTAL</b>			<b>1,609</b>		<b>13,787</b>



Note :-18

**SHORT TERM LOANS AND ADVANCES**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
<b>Loans To Employees</b>					
Secured		553		485	
Unsecured		58	611	25	510
<b>Interest Accrued On Loans To Employees</b>					
Secured		86		67	
Unsecured		1	87	1	68
<b>Loans To Directors</b>					
Secured		0		1	
Unsecured		0	0	0	1
<b>Interest Accrued On Loans To Directors</b>					
Secured		1		1	
Unsecured		0	1	0	1
<b>Others</b>					
Secured, considered good					
Unsecured, considered good		16	16	0	0
<b>Other Advances (Un Secured)</b> (Advances Recoverable In Cash or In Kind or For Value To Be Received)					
To Employees		278		206	
To Directors		0		0	
For Purchases		344		501	
To Others		399	1,021	1,480	2,187
<b>Deposits</b>					
Security Deposit		79		1	
Tax Deposit		720		126	
Deposit with Govt/Court		210		252	
Other Deposit		0	1,009	0	379
<b>SUB-TOTAL</b>			<b>2,745</b>		<b>3,146</b>
LESS:- Provision For Bad & Doubtful Advances			0		0
<b>TOTAL ADVANCES</b>			<b>2,745</b>		<b>3,146</b>
<b>TOTAL LOANS AND ADVANCES</b>			<b>2,745</b>		<b>3,146</b>
<b>Note :- Due From Directors</b>					
Principal			0		1
Interest			1		1
<b>TOTAL</b>			<b>1</b>		<b>2</b>
<b>Note :- Due From Officers</b>					
Principal			1		1
Interest			0		0
<b>TOTAL</b>			<b>1</b>		<b>1</b>

Note :-19

**OTHER CURRENT ASSETS**

Amount in lac ₹

Particulars	Note No.	As at 31-Mar-2013		As at 31-Mar-2012	
Prepaid Expenses			684		469
Interest Accrued			1		26
<b>TOTAL</b>			<b>685</b>		<b>495</b>

Note :-20

**REVENUE FROM OPERATIONS**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
Energy Sales		1,87,741		2,02,238	
<b>Add:</b>					
Advance Against Depreciation		5,441		0	
<b>Less:</b>					
Advance Against Depreciation- Deferred		0	1,93,182	0	2,02,238
FRRV Recovery From Beneficiaries			576		433
U.I. / Congestion Charges			1,770		1,660
Consultancy Income			86		227
<b>TOTAL</b>			<b>1,95,614</b>		<b>2,04,558</b>

20.1 (i) Hon'ble Central Electricity Regulatory Commission (CERC) has issued tariff order dated 16.04.2013 in respect of Tehri HPP Stage-I (1000 MW) for the period 22.09.2006 to 31.03.2009. in view of the order, revenue already recognized for the said period has been revised and the bills for the revised revenue and Incentive of (₹ 11217 Lac) after considering AAD of ₹ 5541 Lac as per the above tariff order for this period have been raised and accounted for in the current year.

The tariff petition for period 2009-14 had been submitted before the Hon'ble Commission on 4th November 2011. However, in line with the principles stated in the tariff order dated 16.04.2013, tariff petition forms for the period 2009-14 have been revised and got certified from the Statutory Auditors considering (i) the audited expenditure incurred up to 2011-12, (ii) Actual provisional expenditure for 2012-13, and (iii) budgeted expenditure for 2013-14. Accordingly, the revenue for the period 2009-10 to 2011-12 has been revised and the impact of (₹-2709 Lac) has been recognized in the current year.

However, the Company is aggrieved on many issues considered by the Hon'ble CERC in the tariff order dated 16.04.2013 and has filed review petition with Hon'ble CERC on 29.05.2013. The review petition is yet to be decided by CERC.

The Company has billed sales for current year ₹138064 Lac. (Previous Year ₹ 161938 Lac) The revenue for the year 2012-2013 has been provisionally recognized pending determination of tariff by Hon'ble CERC for the period 2009-14. Debtors include ₹85085 Lac (P. Y. ₹ 99601 Lac) on account of differential billing between sales as AFC calculated on the basis of Hon'ble CERC's Regulations 2009 and pending finalization of tariff for the period 2009-14 as per the provisional tariff allowed by Hon'ble CERC vide order dated 28.12.2006 (Petition 63/2006) and Order dated 28.03.2008.

(ii) The Company has earned interest of ₹ 4341 Lac in line with CERC Regulation on incentive and energy billing for the period 2006-09 raised after issuance of tariff order dated 16.04.2013 the same has been Accounted for in interest income and shown in no.21.

(iii) As per the CERC Tariff Regulations 2009, the Company had worked out Annual Fixed Cost (AFC) for Koteshwar Project for the period 2011-14 by considering expected expenditure to be incurred on the Project upto 31.03.2012 and the then CODs of the four units of the project. Accordingly, it was decided in the 18th TCC & 20th NRPC meetings held on 28th Feb'2011 & 1st March 2011 that 80% of the AFCs as proposed by THDCIL would be paid by the beneficiaries pending determination of tariff by Hon'ble CERC.

Subsequently, the tariff petition of Koteshwar HEP was prepared for the period 2011-14 considering the actual Commercial Operation Dates (CODs) of unit-1 & Unit-2 as 01.04.2011 & 26.10.2011 respectively and anticipated CoDs of Unit-3 & Unit-4 as 01.03.2012 & 01.04.2012 respectively. The tariff petition with duly audited & certified tariff filing forms had been submitted to Hon'ble CERC on 30.03.2012 following the principles enunciated as per CERC Tariff Regulations 2009.

As all the four units of Koteshwar HEP were put in commercial operation during 2011-12, Hon'ble CERC desired to update the tariff forms based on the actual CODs and actual expenditure. Therefore, tariff forms were got certified from statutory auditors during the year 2012-13 and submitted to CERC on 08.02.2013.

Accordingly, the revenue has been provisionally recognized in the Accounts for FY 2012-2013 based on the audited & certified AFC submitted to Hon'ble CERC on 08.02.2013, pending determination of tariff. The Company has billed sales for current year ₹55062 Lac. (Previous Year ₹ 40300 Lac). The debtors include ₹ 27188 Lac (P.Y. ₹ 16068 Lac) on account of differential billing between AFC sales calculated as per CERC Regulations and provisional tariff as decided in 18th TCC & 20th NRPC meetings.



Note :-21

### OTHER INCOME

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
<b>Interest</b>					
On Bank Deposits (Includes TDS ₹ 27793.00 Previous year ₹ 271361.00 )		48		67	
From Employees		307		232	
Others		4,366	4,721	9	308
Machine Hire Charges			9		19
Rent Receipts			165		136
Sundry Receipts			303		210
Excess Provision Written Back			630		479
Profit on Sale of Assets			55		56
Late Payment Surcharge			1,621		473
<b>TOTAL</b>			<b>7,504</b>		<b>1,681</b>
Less :					
Transferred To EDC	11.1		465		731
<b>TOTAL</b>			<b>7,039</b>		<b>950</b>

Note :-22

### EMPLOYEE BENEFITS EXPENSES

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
Salaries, Wages, Allowances & Benefits			23,559		21,756
Contribution to Provident & Other Funds			1,492		1,631
Pension Fund			1,081		1,023
Gratuity			1,807		1,709
Welfare Expense			703		379
<b>TOTAL</b>			<b>28,642</b>		<b>26,498</b>
Less :					
Transferred To EDC	11.1		9,319		11,503
<b>TOTAL</b>			<b>19,323</b>		<b>14,995</b>

Note :-23

### FINANCE COSTS

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
<b>Finance Costs</b>					
Interest On Loans			62,214		61,771
<b>TOTAL</b>			<b>62,214</b>		<b>61,771</b>
LESS:-					
Transferred And Capitalised With CWIP Account			1,704		8,598
<b>TOTAL</b>			<b>60,510</b>		<b>53,173</b>

Note :-24

**GENERATION ADMINISTRATION AND OTHER EXPENSES**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
<b>Rent</b>					
Rent for office		133		129	
Rent for Employees Residence		710	843	648	777
Rate and taxes			106		390
Power & Fuel			1,507		1,338
Insurance			1,113		648
Communication			325		278
<b>Repair &amp; Maintenance</b>					
Plant & Machinery		1,932		1,270	
Buildings		1,001		843	
Others		1,664	4,597	1,143	3,258
Travelling & Conveyance			886		802
Vehicle Hire & Running			1,019		927
Security			1,885		1,587
Publicity & Public relation			208		180
Other General Expenses			1,766		1,972
Loss on sale of assets			195		12
Survey And investigation Expenses			806		680
Research & Development			397		61
Sustainable Development Expenses			121		0
Expenses on Consultancy Project/ Contract			51		692
Deferred Revenue Expenditure Written Off			10		12
Expenditure On CSR Activities			1,605		1,358
Rebate to Customers			173		721
<b>TOTAL</b>			<b>17,613</b>		<b>15,693</b>
LESS:- Transferred To EDC	11.1		2,425		3,919
<b>TOTAL</b>			<b>15,188</b>		<b>11,774</b>

Note :-25

**PROVISIONS**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
Provisions For Doubtful Debts, Loans & Advances			0		0
Provisions For Stores & Spares			24		156
<b>TOTAL</b>			<b>24</b>		<b>156</b>
LESS:- Transferred To EDC	11.1		0		0
<b>TOTAL</b>			<b>24</b>		<b>156</b>



Note :-26

**PRIOR PERIOD INCOME/EXPENDITURE (NET)**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
<b>INCOME</b>					
Misc Receipt		0	0	0	0
<b>EXPENDITURE</b>					
Personnel Exp		1		0	
Other General Expenses		0		30	
Depreciation		384		75	
Security		0		1	
Misc- Others		41	426	0	106
<b>Sub Total</b>			<b>426</b>		<b>106</b>
<b>LESS:-</b>					
Transferred To EDC	11.1		4		10
<b>TOTAL</b>			<b>422</b>		<b>96</b>

Note :-27

**PROVISION FOR TAXATION**

Amount in lac ₹

Particulars	Note No.	For The Year Ended 31-Mar-2013		For The Year Ended 31-Mar-2012	
<b>INCOME TAX</b>					
Current Year			11,953		16,290
<b>Sub Total</b>			<b>11,953</b>		<b>16,290</b>
<b>LESS:-</b>					
Transferred To EDC	11.1		0		0
<b>TOTAL</b>			<b>11,953</b>		<b>16,290</b>
<b>WEALTH TAX</b>					
Current Year			38		99
<b>Sub Total</b>			<b>38</b>		<b>99</b>
<b>LESS:-</b>					
Transferred To EDC	11.1		6		14
<b>TOTAL</b>			<b>32</b>		<b>85</b>

28. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹178918 lac [Previous year (P.Y. ₹189582 lac).

29. CONTINGENT LIABILITIES

	(₹ Lac)	
	2012-13	2011-12
(i) Claims against the Company, not Acknowledged as debts:		
Arbitration /Court cases	229245	131696
[Includes ₹ 260 lac (P.Y. ₹ 239 lac) decreed against the Company in different arbitration/ Labour court cases and deposited by the Company but disputed in appeals.]		
(ii) Disputed Income Tax, Trade Tax, Commercial Tax, Entry tax includes ₹179 lac (P.Y. ₹7 lac) deposited by Company but disputed in appeal	722	566
(iii) Others (Contractors claims etc.)	207	5924
(iv) Amount of liability, if any, in respect of claims/court cases filed by the employees/oustees and others is not ascertainable.		
30. Company has also accepted EMD/Security Deposit in the shape of FDR/CDR amounting to ₹940 lac (P.Y. ₹914 lac) besides the "Deposits, Retention money from Contractors" amounting to ₹2951 lac (P.Y. ₹2498 lac) as disclosed in Note 4 & Note 8.		
31. (i) The Company is holding confirmed letters of credit (LCs) from various beneficiaries of power as backup security for payment amounting to ₹4713 lac (P.Y. ₹4631Lac).		
(ii) During the year the Company has given a Bank Guarantee amounting to ₹29 Lac as security deposit for the fulfillment of the order of the Hon'ble High Court of Uttarakhand at Nainital issued by Punjab National Bank against an OD limit of ₹100000 Lac. Therefore the balance available for use in OD Limit as on 31.03.2013 is ₹99971 Lac.		
32. (i) An amount of ₹7800 lac was spent for providing extra space to Govt./Semi Govt. Deptt. in New Tehri Town and the same was recoverable from Government of Uttarakhand (GOUK). As per the approval of Government of India (GOI), the term loan of ₹7800 lac was raised from Punjab National Bank in the year 2005-06 on behalf of GOUK. The amount along with interest is to be recovered from GOUK from their share of 12% free power from Tehri HEP Stage-I.		
In the meeting held on 27.03.2009 under Chairmanship of Secretary (Power), MOP it was mutually settled that GOUK shall reimburse the expenditure of ₹7800 lac due on account of extra space provided by THDC for residential / non-residential buildings after adjusting the amount due from THDC towards royalty on clay/shell material used in construction of Dam. Further it was agreed that being a mutual settlement neither GOUK nor THDC shall charge interest on the amounts due to each other. Accordingly, interest of ₹ 1857 lac recoverable from GOUK has been adjusted. It was further decided that the amount of royalty charges shall be worked out on the basis of actual quantities as provided by THDCIL. Royalty has been calculated which comes to ₹3820 lac. The balance amount of ₹1920 lac after deducting deposited amount of ₹1900 lac with D.M. has been adjusted against ₹7800 lac and balance amount of ₹5880 lac has been shown as recoverable from GOUK in Note-13. The matter was further discussed in the meeting held on		



11.05.2010 chaired by JS(Hydro) wherein representative of GOUK assured that the matter will be taken up with the State Finance Department for early release of amount.

The Company had filed a writ petition in High Court, Nainital to stay the recovery of royalty & interest amounting to ₹ 6449 lac. However subsequent to the joint meeting held on 27.03.2009 as referred above, the matter for withdrawal of writ petition in the Nainital High Court has been taken up with District Magistrate (D.M.) Tehri. Further, Company has requested vide letters dated 25.05.2009, 21.07.2009 & 04.03.2010 to the Chief Secretary, GOUK to take necessary action as per the Minutes of meeting dated 27.03.2009. GOUK has not raised any objection to the company affidavit filed as per the minutes dated 27.03.2009. The decision of Hon'able High Court Nainital on this matter is still awaited. However, necessary adjustments stand incorporated in the Books of Accounts.

- (ii) The District Magistrate, Tehri Garhwal vide order dated 12-03-2013, informed THDC India Limited, Tehri to deposit ₹17002 lac towards payment of royalty after deduction of ₹1900 lac which had already been paid by THDCIL towards royalty and after adjustment of ₹7800 lac, also towards extra space made available by THDCIL. Similarly for Koteshwar Hydro Electric Project another order dated 19-03-2013 was also passed by the District Magistrate, Tehri Garhwal for payment of royalty to the tune of ₹2829 lac.

Being aggrieved, THDCIL filed two fresh Writ Petitions, one in the matter of Tehri Project (WP no.826 of 2013) and another in respect of Koteshwar Hydro Electric Project (WP no.832 of 2013) before the Hon'ble High Court of Uttarakhand at Nainital in April 2013. On 17-04-2013 two separate orders were passed by the Court in these Writ Petitions.

As regards Tehri Project, the Hon'ble Court passed the order *inter alia* for the Petitioner i.e. THDCIL to secure the amount of royalty to the tune of ₹3440 lac by bank guarantee in any nationalized bank in favour of the Collector and balance claim made in the order by furnishing simple bond in favour of the Collector.

Likewise, in case of Koteshwar Hydro Electric Project as per the order ₹309 lac was to be secured by bank guarantee and balance claim by furnishing simple bond in favour of the Collector.

Since the Hon'ble High Court had put unconditional stay on the operation of the impugned orders of the DM, Tehri Garhwal for a period of fortnight from date and conditional stay thereafter till the disposal of these writ petitions, if the above security is furnished by THDCIL within the stipulated time. In compliance of the order dated 17-04-2013 of the Hon'ble High Court, THDCIL has already submitted bank guarantee amounting to ₹3440 lac and bond for an amount of ₹13562 lac in respect of Tehri Project and bank guarantee for an amount of ₹309 lac and bond for an amount of ₹2520 lac in respect of Koteshwar Project to the District Magistrate, Tehri Garhwal.

In view of the fact the aforesaid Petitions are still *sub-judice* Hence amount of ₹5880 lac relating to extra space is shown as recoverable.

33. (i) The total interest and other cost incurred on Borrowed funds for the year is (Contractors claims etc.) ₹53414 lac (P.Y. ₹56072 lac). The amount of borrowing cost capitalized during the year is ₹1704 lac (P.Y. ₹ 8598 lac) after adjustment of an amount of ₹ Nil lac (P.Y. ₹17 lac) towards interest earned on short term deposit of surplus borrowed funds during the year.
- (ii) The amount of foreign exchange fluctuation during the year ₹144 lac (P.Y. ₹467 lac) is adjusted to the Capital Work In Progress/Assets.
34. As per Corporate Personnel circular no. 05/2011 dated 05/04/2011, employer's contribution towards superannuation benefit shall be 30% of basic pay & dearness allowance of the employees w.e.f., 01.01.2007. This shall include Employees Provident Fund (EPF), Gratuity, Pension and Contributory Scheme of Post Retirement Medical Facilities. Pending finalization of pension scheme, provision in pension fund for 10% of basic pay & DA has been made in accounts.
35. (i) Rehabilitation Expenses under Capital-Work-in-Progress include ₹497 lac (P.Y. ₹497 lac) towards cost of 600.09 acres (P.Y. 600.09 acres) of land acquired for rehabilitation of oustees / execution of project works.

Further, Rehabilitation CWIP and EDC thereon relating to Tehri HPP stage-I & Koteshwar amounting to ₹2797 lac (P.Y. ₹5977 lac) have been capitalized during the year 2012-2013 which include ₹3 lac (P.Y. ₹766 lac) towards cost of 600.09 acres (P.Y. 600.09 acres) of land acquired for rehabilitation.

- (ii) Registration of property allotted to the oustees at the new locations for resettlement is in process and is being looked after by Govt. of Uttarakhand who has been assigned the responsibility of rehabilitation & resettlement of Dam Ousteers.
- (iii) Pursuant to the Government of India, MOE&F, New Delhi's order no.F.No.8-3/89-FC dated 17/23<sup>rd</sup> Oct., 2002- the Government of Uttarakhand vide its office order no. GI-186/7-1-2002-300(459)/88 dated 30 Oct., 2002 has issued order for diversion of 338.932 hectare Civil Soyam and Forest land on lease for a period of 30 years in favour of the Company, for the purpose of construction of Koteshwar Dam Project (4x100 MW). The lease deed for 337.057 hectare land has been executed w.e.f. 01.01.2003 with Govt. of Uttarakhand. The lease deed for 1.875 hectare Forest land, for which payment has been made, is pending for completion of legal formalities and has been shown as lease hold Land. Out of 338.932 hectare, 218.307 hectare is below submergence area and is shown under rehabilitation has been capitalized on completion of Dam. The amount of ₹ 68 lac against 120.625 hectare land above submergence area is being amortized in 30 years.
- (iv) The Land measuring 14.37 acres transferred free of cost by Govt. of Uttarakhand for construction of Koteshwar Dam Project (4x100 MW) to the Company has been accounted for at notional value of ₹1/-.
- (v) MOE&F, Government of India vide order no 08B/UCP/06/312/2006/FC/144 dated 29.04.08 has sanctioned 5.75 hectare of forest land on lease for a period of 30 years in favour of the Company for construction of roads at Vishnugad Pipalkoti project for which lease premium has been paid. The same has been shown as leasehold land. However, legal formalities are yet to be completed.
- (vi) Private land acquired by the company for reservoir, project work, colonies, misc. etc. at various project is 3151.78 Ha. Out of which title deed of land measuring 2150.967 .Ha is yet to be entered in the name of the Company.
36. In the absence of actual cost, certain assets, found in excess during physical verification, have been recorded at a notional value of ₹1/- each.
37. Some of the Balances shown under debtors, creditors and materials in transit / lying with contractors are subject to confirmation / reconciliation and consequent adjustments, if any.
38. (i) 43 flats (P.Y. 45 flats) on the land acquired by the Company are in the un-authorized occupation of various persons. The Government of India has appointed Estate Officers for necessary action in the matter. Further, possibilities of legal action are being explored.
- (ii) Transit camp constructed in THDCIL complex at 26, E.C. Road, Dehradun having value of ₹ 20 lac is being used by THDCIL and various departments of Govt. of Uttarakhand who are responsible for Rehabilitation works of Tehri Dam Project /KHEP. However, after completion of rehabilitation activities such assets will remain in the possession of the Company.
- (iii) Freehold land includes 0.458 hectares, located at Sautiyal Village encroached by unauthorized occupants.
- (iv) Office building 380 square meter approx in area constructed in THDCIL office Complex, By-Pass Road, Rishikesh, the value of which is yet to be ascertained, is being used by Uttarakhand Irrigation department, Govt. of Uttarakhand, who are handling the Rehabilitation works of Tehri Dam project/ KHEP. However, after completion of Rehabilitation activities such assets will remain in the possession of the Company.
39. As per clause no 61(B) of the Articles of Association, maintenance charges payable by GOUP towards the maintenance of irrigation sector are to be mutually agreed by the Company and Govt. of U.P. Pending mutual agreement, the same has not been shown as recoverable from Govt. of U.P.
40. Commercial operation of Tehri HPP-1 and KHEP, Generating Stations has been declared during the year 2007-08 and 2011-12 respectively. The management is of the opinion that in respect of Cash Generating Unit (CGU) represented by Tehri HPP-1& KHEP, there has been no impairment in the value of assets during the year in terms of Accounting Standard (AS) 28 "Impairment of Assets".
41. (i) Electricity generation is the principal business activity of the Company. Other Operations viz., Consultancy works do not form a reportable segment as per the Accounting Standard – 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.



- (ii) The Company has power stations located within the country and therefore, geographical segments are not applicable.

42. Related Party Disclosure:

As required by Accounting Standard – 18 “Related Party Disclosures” details of transaction with Related Parties are:-

a) Related Parties – Key Management Personnel:

Whole time Directors:

- |                      |                              |
|----------------------|------------------------------|
| 1. Shri R. S. T. Sai | Chairman & Managing Director |
| 2. Shri C. P. Singh  | Director (Finance)           |
| 3. Shri D. V. Singh  | Director (Technical)         |
| 4. Shri S. K. Biswas | Director (Personnel)         |
| 5. Shri A. S. Bisht  | Ex-Director (Personnel)      |

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

- c) Remuneration and allowances, contribution to provident fund, other benefits and expenses to whole time Directors including Chairman & Managing Director are as under :

	(₹ in lac)	
	2012-13	2011-12
i) Salaries and allowances	108	137
ii) Contribution to Provident Fund	7	10
iii) Other Benefits	50	75
iv) Independent Directors Fee & Expenses	24	13
v) Director's Traveling Expenses,	19	22
vi) Pension Fund	4	2
<b>TOTAL</b>	<b>212</b>	<b>259</b>

In addition to the above remuneration, the whole-time Directors have been allowed the use of staff car including for private journey on payment of ₹780/- p.m.(as applicable in accordance with the provisions of the Ministry of Industry, Deptt. of Public Enterprises Circular No.2(53)/90-DPE (WC)-GIV dt.26<sup>th</sup> March 1999). Further as per Circular No 2(23)/11-DPE (WC)-GL-V/13 dated 21st January 2013 the amount mentioned above has been increased to ₹ 2000/- p.m from February 2013.

- d) THDCIL, NPCIL Joint Venture to be formed as disclosed in Note No 48 (i).

43. Earning per share (EPS) – Basic & Diluted-

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

	2012-13	2011-12
Net profit after tax used as numerator (₹ in lac)	53138	70383
Weighted average no. of equity shares used as denominators	Basic : 33660524 Diluted : 33660524	Basic : 32975817 Diluted : 32978276
Earning per share ₹		
Basic	157.86	213.44
Diluted	157.86	213.42
Face Value per share ₹	1000	1000

44. In compliance to the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, The net increase in the deferred tax assets of ₹ 5372 lac (P.Y. ₹ 6524 Lac) has been booked to Profit and Loss Account. The deferred tax assets pertaining to the period upto 31<sup>st</sup> March 2009 is refundable to the beneficiaries, thereafter, it is a part of the current tax as per CERC Regulations 2009-2014 and not refundable. The item-wise detail of cumulative Deferred Tax Liability/Assets is as under:

		₹ in lac	
Sl. No		31.03.2013	31.03.2012
	<b>Deferred Tax Liability (A)</b>		
i)	Difference of Book Depreciation and Tax Depreciation	0	0
	<b>Deferred Tax Assets (B)</b>		
ii)	Difference of Book Depreciation and Tax Depreciation	19650	13116
iii)	Advance against Depreciation to be considered as income in tax computation	7859	9625
iv)	Provision for Stores	166	0
v)	Provision for doubtful debts	0	158
vi)	Provision for Employee Benefits schemes	3826	3230
	<b>Net Deferred Tax Liability/(Assets) (A-B)</b>	<b>(31501)</b>	<b>(26129)</b>

45. (i) In line with the Guidelines issued by Govt. of India, Company is required to incur expenditure on Corporate Social Responsibility (CSR) activities @ 2% of Profit Before Tax for the year 2011-2012 during the year 2012-2013. Expenditure of ₹152 Lac incurred over and above available fund is shown as Advance recoverable and to be adjusted from future CSR provision.
- (ii) In line with the D.P.E. Guidelines issued by Govt. of India, Company is required to Incur minimum expenditure on Research & Development (R&D) 0.5% of Profit after tax for the year 2011-2012 during the year 2012-2013. Provision for unspent amount has been made by way of non lapsable R&D Fund. Accordingly Board had approved R&D plan for the year 2012-13. During the year expenditure of ₹397 lac has been incurred on R&D activity against the budget of ₹287 Lac.
- (iii) In line with the D.P.E. Guidelines issued by Govt. of India, Company is required to Incur minimum expenditure on Sustainability Development (SD) @ 50 lac + 0.1% of Profit After Tax exceeding ₹100 lac for the year 2011-2012 during the year 2012-2013. Provision for unspent amount has been made by way of non lapsable SD Fund. Accordingly Board had approved SD plan for the year 2012-13. During the year expenditure of ₹121 lac has been incurred on SD activity against the budget of ₹110 lac.
46. In the opinion of the Management, the value of Fixed Assets, construction stores Loans & Advances on realisation will not be less than the value at which these are stated in the Balance-Sheet.
47. a) Based on the information available with the company, there are no suppliers/service providers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as on 31<sup>st</sup> March 2013.
- b) No payment is due for more than 30 days as at 31<sup>st</sup> March, 2013 in respect of purchases/services made from small scale/ancillary industries.
48. (i) The Govt. of Maharashtra vide letter no. MIS-1207/(126/2007)/HP dated 21.04.2008 has entrusted two Pumped Storage Schemes (PSS) for Survey & Investigation of Malshej Ghat (600 MW) on river Kalu (Distt. Pune) and Humbarli (400 MW) on upstream of Koyna Project (Distt. Satara) in Maharashtra State to the Joint Venture of THDCIL and NPCIL which is to be incorporated. An agreement has been signed between THDCIL & NPCIL in August, 2008 and



- the works of Survey and Investigation have been taken up and an amount of ₹ 1101 lac (P.Y. ₹ 856 lac) has been spent by THDCIL upto 31<sup>st</sup> March 2013 which is shown as recoverable from Joint Venture Company which is yet to be incorporated as on 31.03.2013.
- (ii) Govt. of India vide D.O. no.11/01/2008-BBMB dated 22.07.2008 has entrusted the updation work of the DPRs of Sankosh Project (4060 MW) and Bunakha HEP (180 MW) in Bhutan to THDCIL on consultancy basis. The agreements for the same have been signed between THDC India Ltd. and Royal Govt. of Bhutan on 23.03.10 for ₹ 1682 lac and 24.06.10 for ₹1379 lac respectively. Accordingly, work of updation of DPR has been taken up by THDC India Ltd.
- (iii) MOU has been signed between THDCIL, GOUP and UPPCL for establishing 1320 MW coal based super thermal power station at Khurja, District- Bulandshahar, U.P. subject to establishment of its techno- economic viability, tie up for fuel, funding, commitment for off take of power, signing of PPAs & obtaining of necessary clearances/approvals. Accordingly THDCIL has taken up DPR and other site related works.
49. As decided by the Govt. of India in Dec. 1998, the State Govt. of U.P./Uttarakhand (GOUP/ GOUK) have been entrusted with the responsibilities of rehabilitation activities of the Project, to be handled directly by them out of the funds to be made available by the Company. The expenditure incurred has been accounted for in the books of accounts of the Company as per consolidated expenditure details provided by GOUK which is compiled based on the monthly account rendered by the respective divisions of the GOUK to the AG, Uttarakhand. Establishment expenses of the Personnel of the GOUK engaged in the rehabilitation work have been booked to the extent reflected in the account statements received. Reimbursement of charges met directly by GOUK to be accounted for on receipt of claim for the same.
50. Cost of land & building constructed at Kedarpuram for rehabilitation of Tehri Dam oustees is included in unclassified land. Some of the buildings and appurtenant land not allotted to oustees is being used by Company. The title deed of the same is yet to be transferred in favour of the Company. Pending linking of details of cost from Rehabilitation record, the same is not transferred to land & building.
51. (i) Recoveries from KCT towards deduction against quantity variation as per contract provision for power house, the matter was referred to Arbitration as per court order and accordingly, the arbitral proceedings were commenced. Meanwhile, KCT challenged the appointment of Presiding Arbitrator. Thereafter, Tribunal pronounced its order that appointment of Presiding Arbitrator is in order which was challenged by KCT before District court, Tehri. The order of District court, Tehri maintaining the KCT's stand has been stayed by Hon'ble High Court, Nainital. The stay granted by the High Court, Nainital was extended till the date of listing. Mean while an urgency application for early hearing was filed by THDCIL. The matter is in active consideration of the court. The value of assets created under these contracts will vary depending upon finalization of case.
- (ii) Advance to contractors include ₹21275 lac (Principal ₹12829 lac and interest @ 16% ₹8445 lac) [P.Y. ₹19052 lac (Principal ₹12505 lac & interest @ 16% ₹6547 lac)] towards amount recoverable from contractor (M/s. PCL) of the KHEP on account of risk & cost account, mobilisation advance & equipment advance. The value of security (performance guarantee/cash) available with THDCIL upto 31.03.2013 is amounting to ₹5629 lac (P.Y. ₹5629 lac) only.
- In case of arbitration in respect of PCL, THDCIL had filed counter claim before Tribunal. While awarding the arbitral award, the interest on risk and cost advance has been disallowed by the Tribunal. A writ petition has been filed by THDCIL before High Court against the arbitral award. Pending Court decision no provision for interest has been made in the books on the amount of Arbitral award.
52. During the year 2010-11 due to very heavy rains flooding occurred in KHEP project and resulted in damages to some equipments in the works of Koteshwar Project which was in construction stage and damage was estimated amounting to ₹4573 lac approx. Insurance claim for damages has been lodged by the contractor i.e. M/s BHEL. The expenditure incurred on restoration / resumption of works had been transferred to CWIP and subsequently capitalised on commissioning of units. The management is of the view that on receipt of insurance claim amount, the same shall be adjusted from Assets already capitalised. Further, out of total claims lodged by M/s BHEL, claims for ₹1000 Lac have been received from the Insurance Company and same has been accounted for in F.Y. 2011-12. 53.
53. During the year, the Company has provided depreciation at the rates notified by Central Electricity Regulatory Commission (a body constituted under erstwhile Electricity Regulatory Commission Act, 1998 and recognized under the Electricity Act 2003) for the purpose of tariff,

which are different from the rates specified under Companies Act 1956. The MoP, GoI had notified the Tariff Policy which provides that the rates of depreciation notified by CERC would be applicable for the purpose of tariff as well as accounting. Accordingly, the rates notified under the present pertaining Tariff Regulations 2009-2014 are considered appropriate for charging depreciation for the year.

54. (i) The Company has taken on lease / rent premises for employees / offices / Guest Houses/Transit camps & vehicles. These lease arrangements are usually renewable on mutually agreed terms but are not cancellable. Rent include ₹794 lac (P.Y. ₹ 698 lac) towards lease payment (net off recoveries).
- (ii) THDCIL has taken office on lease covering 2270 sq. ft. area from Delhi Metro Railway Corporation Ltd, at NBCC Building, Lodhi Road, New Delhi on 1<sup>st</sup> July 2010 for a 6 years period @ ₹212 per sq. ft, totaling to ₹ 5 lac plus service tax per month. Out of the portion of leased office accommodation an area covering 1870 sq. ft. was sub leased to Ministry of Environment & Forest upto 8<sup>th</sup> Nov. 2012 @ ₹212 per sq. ft totaling to ₹4 lac plus service tax per month.
55. (i) Company pays fixed contribution to provident fund at pre-determined rates to a separate trust, which invests the funds in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to Profit & Loss Account. The trust is required to pay a minimum rate of interest on contributions to the members as specified by Ministry of Labour, GOI. However, the obligation of the company is limited to such fixed contribution and shortfall in meeting the interest obligation by the trust. Accordingly, as per Actuarial valuation the liability due to statutory interest rates guaranteed for provident fund as on 31.03.2013 as per AS-15(Revised) comes to ₹ 84 lac (P.Y. ₹590 lac) as against the revenue surplus of ₹79 lac (P.Y. ₹43 lac) available with the trust as on the Balance Sheet date. Therefore, an amount of ₹ 5 lac (P.Y. ₹546 lac) is shown as liability for CPF.
- (ii) Disclosure under the provisions of AS-15 on "Employees Benefits".  
Provision for employee benefits has been made for the current period using the Actuarial Valuation done as at 31.03.2013. Accordingly, disclosure under the provision of Accounting Standard 15 on "Employee Benefits" for the Financial Year ended 31.03.2013 is given below:

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

₹ in Lac

Particular	31.03.2013	31.03.2012
Mortality Table	LIC (1994-96) Duly modified	LIC (1994-96) Duly modified
Discount Rate	8%	8.5%
Future Salary Increase	6%	6%

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

₹ in Lac

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
PVO at Beginning of year	8319	3985	1759	3936	498
Interest cost	666	319	141	315	40
Past service cost					
Current service cost	501	249	70	245	46
Benefit paid	(473)	(1027)	(32)	(78)	(55)
Actuarial (Gain)/loss	598	740	89	176	125
PVO at end of year	9611	4266	2027	4594	654



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

₹ in Lac

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
PVO at end of year	9611	4266	2027	4594	654
Fair Value of Plan Assets at the end of year					
Funded Status	(9611)	(4266)	(2027)	(4594)	(654)
Unrecognised actuarial gain/loss					
Net liability recognized in Balance Sheet	(9611)	(4266)	(2027)	(4594)	(654)

**Table – 4 : Amount recognized in Profit & Loss Account/EDC Account.**

₹ in Lac

Particular	Gratuity	Leave Encashment	Post retirement medical benefit	Sick Leave	Baggage allowance/ Retirement award/FBS
Current Service Cost	501	249	70	245	46
Interest Cost	666	319	141	315	40
Past Service Cost					
Expected return on Plan Assets					
Net Actuarial (gain)/loss recognized for the year	598	740	89	176	125
Expense recognized in Profit & Loss/EDC for the year.	1765	1308	300	736	211

56. The Central Government has not notified the rate of cess payable under section 441A of Companies Act 1956. The Company has therefore not provided for any cess on turnover.

57. Payment to Auditors (including service tax)

(₹ in lac)

	PARTICULARS	2012-13	2011-12
I.	Statutory Audit Fees:	6 *	6
II.	For Taxation matter (Tax Audit)	2	2
III.	For Company Law matter	—	—
IV.	For Management services	—	—
V.	For other Services(Certification)	3	3
VI.	For Reimbursement of expenditure	3	4

\*Subject to approval in Annual General Meeting.

58. Additional information required as per Schedule VI of the Companies Act 1956 is as under :

(₹ in lac)

	PARTICULARS	2012-2013	2011-2012
<b>A</b>	<b>Expenditure in Foreign Currency (on cash basis)</b>		
	Travelling	11	13
	Consultancy & Professional Expenditures	2499	511
	Repayment of loan & Interest	2504	2414
	Import of goods	207	30
	Others (Advance)	128	0
	Nomination for Conference	2	7
	Purchase of Software	0	1
	<b>TOTAL</b>	<b>5351</b>	<b>2976</b>
<b>B</b>	<b>Earnings in Foreign Currency (on cash basis)</b>	<b>0.00</b>	<b>0.00</b>
<b>C</b>	<b>Value of Imports calculated on CIF basis</b>		
i)	Capital Goods	265	30
ii)	Spare parts		
	<b>Total</b>	<b>265</b>	<b>30</b>
<b>D</b>	<b>Value of Components, Stores &amp; Spare parts Consumed</b>		
i)	Imported (in lac ₹)	54	2
	(%)	43%	4%
ii)	Indigenous (in lac ₹)	73	64
	(%)	57%	96%
<b>E</b>	<b>Value of Export</b>	<b>0.00</b>	<b>0.00</b>



59. Licensed and Installed Capacities:-

Sl. No	Particulars	2012-2013	2011-2012
(i)	Licensed Capacity (M.W)	Not Applicable**	Not Applicable**
(ii)	Installed Capacity (M.W)	1400 MW	1400MW
(iii)	Approved Capacity(M.W)- (Based on investment approval by CCEA)	2844 MW	2844 MW
(iv)	Quantitative information in respect of Generation and sale of Electricity (In Million Units)		
(a)	Pre – Commercial period		
	Generation	NIL	45.1769 MU
	Sales	NIL	44.7251 MU
(b)	Commercial period		
	Generation	4266.03716 MU	4546.0793 MU
	Sales (net of free power to home state, auxillary consumption and transformation losses)	3735.06309 MU	3983.6996 MU

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

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

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

(S. Q. Ahmad)  
Company Secretary

(C. P. Singh)  
Director (Finance)

(R.S.T. Sai)  
Chairman & Managing Director

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

(Ravinder Bhatia)  
Partner  
Membership No.:- 17572

Date : 09.07.2013

Place : New Delhi

## AUDITOR'S REPORT

To  
The Members of  
**THDC INDIA LIMITED**

### REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of "THDC INDIA LIMITED" which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

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

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### OPINION

5. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the



information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss of the Profit of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### OTHER MATTERS

6. Without qualifying our report, we draw attention to the following :-
  - a. Note No. 20.1 (i & iii) - Accounting of sales is being done on provisional basis pending final fixation of tariff by CERC.
  - b. Note No.32(i) - Regarding balance amount due from Govt. of Uttarakhand amounting to ₹5880.00 Lacs on account of extra space as remaining due on 31.03.2013, after adjustment of dues towards Royalty which are yet to be recovered. The GOUA has adjusted the same and raised revised demand which could not be accounted for due to pending court case.
  - c. Note No.35 (i) - Rehabilitation expenditure of ₹ 2797 Lacs capitalized in accounts under the head 'Unclassified Land' has been booked in accounts on the

basis of account statements received from Uttarakhand Government/ Govt. Authorities and thus not subject to verification by us.

- d. Note No. 37 - Some of the balances for Sundry Debtors, Sundry Creditors, Security Deposits/ Earnest Money Deposits, Loans & Advances are subject to confirmation and reconciliation.
- e. Note No.38 (i) - Relating to unauthorized occupation of 43 flats (previous year 45 flats) by various persons on the land acquired by the Company.
- f. Note No. 51 (ii) - Advance to contractors includes ₹ 21275 Lacs towards the works executed at the risk and cost of the KHEP contractor (M/s PCL) against the security of ₹ 5629 Lacs.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable to the company.
8. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit & Loss, Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the Board of Directors as on March 31, 2013, none of the directors is

disqualified as on March 31, 2013 in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

**(Ravinder Bhatia)**  
Partner, FCA  
Membership No. : 17572

**Place:** New Delhi  
**Date:** 09.07.2013





## ANNEXURE TO THE AUDITOR'S REPORT

(ANNEXURE REFERRED TO IN PARAGRAPH 7 OF OUR REPORT OF EVEN DATE)

### I. In respect of its Fixed Assets

- a) The Company has generally maintained records of Fixed Assets, showing full particulars including quantitative details and situation of Fixed Assets. However, putting of identification numbers on the Fixed Assets is under process. The records for movement of the assets have been properly maintained.
- b) The assets have been physically verified by Independent Firm of Chartered Accountants during the year and discrepancies, though not material, noticed on such verification, have been dealt properly in the books of account. In our opinion, frequency of verification is reasonable having regard to the size.
- c) During the year the company has not disposed off substantial part of its Fixed Assets.

### II. In respect of its Inventories

- a) Physical verification of inventory has been conducted by Independent Firm of Chartered Accountants, except for the material lying with the contractors. In our opinion frequency of verification is reasonable.
- b) The procedures of physical verification of inventory, followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventory.

### III. In respect of Loans

The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, Clause (iii) of paragraph 4 of the Order is not applicable to the Company.

IV. In our opinion and according to the information and explanations given to us, there are adequate internal control systems, commensurate with the size of company and nature of its business, with regard to purchase of inventory and fixed assets. During the course of our audit we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the underlying internal control systems.

V. Based on the audit process applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need be entered in the register required to be maintained under that Section. The question of reasonableness of transactions of ₹500000/- or more during the year does not arise.

VI. Since the Company has not accepted any deposit from the public, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of Section 58-A, 58-AA and other relevant provisions of Companies Act, 1956, and rules framed there under, does not arise.

VII. The Company has an Internal Audit system

wherein external Chartered Accountant Firms are appointed to carry out periodic audits of different units of the Company. In our opinion, the scope and coverage of Internal Audit are commensurate with the size and nature of its business.

VIII. The Central Government has prescribed maintenance of Cost Records under Section 209 (1)(d) of the Companies Act, 1956. The company is maintaining the required Cost Records. However, the Cost Audit for the year 2012-13 has not been conducted so far.

IX. a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, custom duty, excise duty and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as on 31.3.2013 for a period of more than six months from the date they became payable. As informed, the provisions of the Employees State Insurance Act are not applicable to the Company.

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

Assessment Year	Amount ₹ in Lac	Nature of Dues	Present Status
2000-01	136.35		
Interest for 149 months	406.33	Entry Tax	The Entry Tax case is pending before Addl. Commissioner (Appeal), Dehradun.
2007-08	0.93	Trade Tax	THDCIL has filed appeal against the demand raised in assessment order dated 28.02.2011.

X. (a) The Company does not have accumulated losses at the end of

financial year and has not incurred any cash loss in the financial year under audit, and also in the immediately preceding financial year.

(b) In the case of ongoing projects of the company which are under construction stage, this clause of accumulated losses is not applicable.

XI. On the basis of audit procedures adopted by us and according to the records, the Company has not defaulted in repayment of dues to any Financial Institution or bank.

XII. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

XIII. The company is not a chit fund or nidhi/mutual benefit fund/society. Accordingly, Clause xiii of paragraph 4 of the Order is not applicable.

XIV. In our opinion and as per the information and explanations given to us, the Company is not dealing in or trading in shares, debentures, and other investments. Accordingly, Clause xiv of paragraph 4 of the Order is not applicable.

XV. As informed to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

XVI. In our opinion, and according to the information and explanations given to us,



the company has applied the term loans for the purpose, they were raised during the year.

- XVII. In our opinion, on an overall basis, and according to the information and explanation given to us, the company has not used the funds raised on short term basis for long term investment.
- XVIII. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act during the year.
- XIX. The Company has not issued any debentures during the year.
- XX. The Company has not made any public issue of any securities during the year.
- XXI. During the course of our examination of books and records of the company for the

year, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud on or by the company, nor have we been informed of such cases by the Management.

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

**(Ravinder Bhatia)**  
Partner, FCA  
Membership No. : 17572

**Place :** New Delhi  
**Date :** 09.07.2013





गोपनीय

संख्या: MAB-III/Rep/01-37/Acs-THDC/2013-14/VOL.IV/S24

भारतीय लेखा तथा लेखापरीक्षा विभाग

कार्यालय

प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा

एवं पदेन सदस्य लेखा परीक्षा बोर्ड-III

नई दिल्ली

**INDIAN AUDIT & ACCOUNTS DEPARTMENT**

OFFICE OF THE

PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT

& EX-OFFICIO MEMBER, AUDIT BOARD-III,

NEW DELHI

दिनांक / Dated 30 July 2013

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,

टीएचडीसी इण्डिया लिमिटेड,

ऋषिकेश

**विषय:** 31 मार्च 2013 को समाप्त वर्ष के लिये टीएचडीसी इण्डिया लिमिटेड, ऋषिकेश के वार्षिक लेखाओं पर कम्पनी अधिनियम 1958 की धारा 619(4) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, टीएचडीसी इण्डिया लिमिटेड, ऋषिकेश के 31 मार्च 2013 को समाप्त वर्ष के वार्षिक लेखाओं पर कंपनी अधिनियम 1958 की धारा 619 (4) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अंग्रेषित कर रही हूँ।

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

संलग्न: यथोपरि।

भवदीया,

(नयना अ. कुमार)  
प्रधान निदेशक



## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THDC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2013

The preparation of financial statements of THDC India Limited for the year ended 31st March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 09 July 2013.

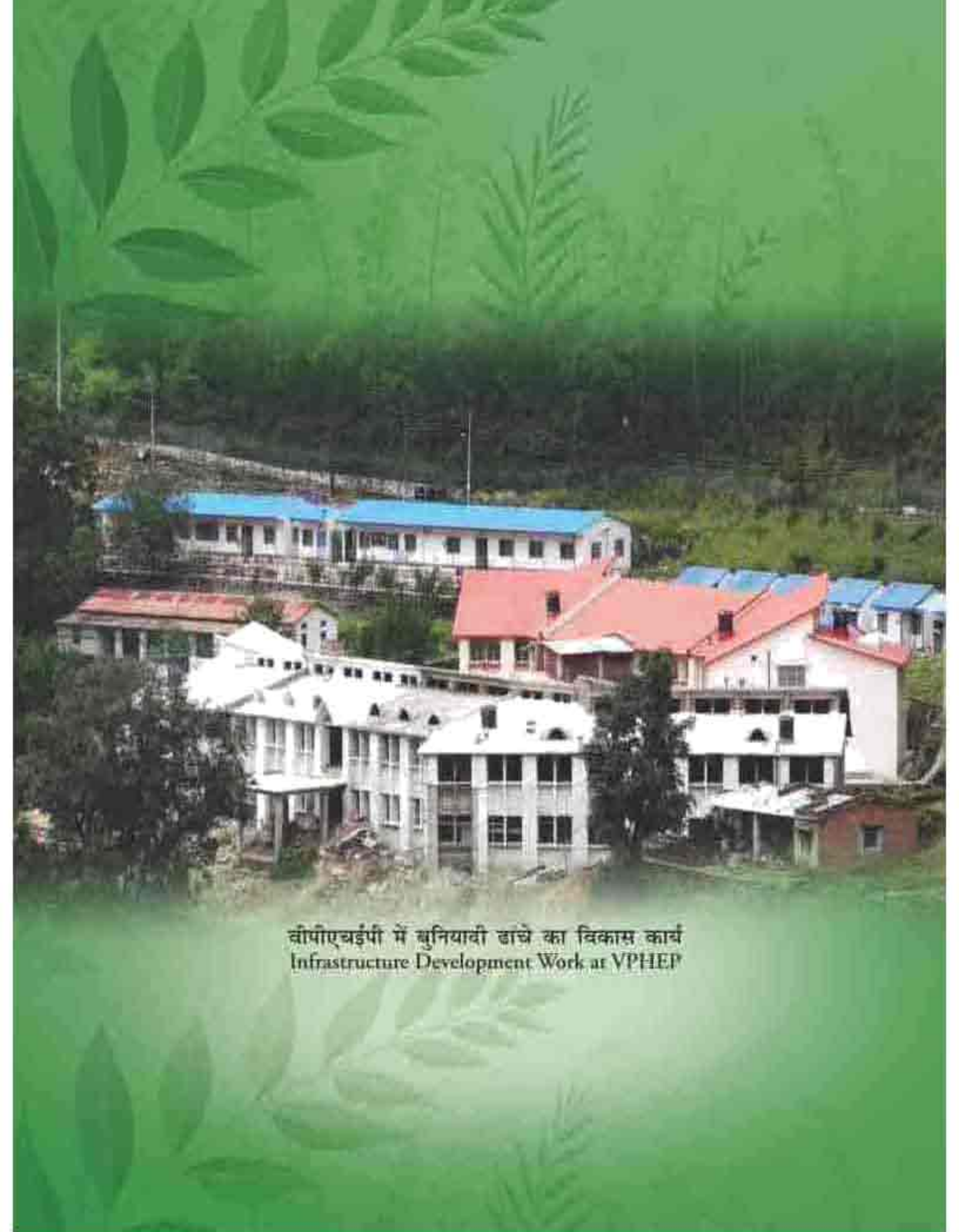
I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of THDC India Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without 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 the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619(4) of the Companies Act, 1956.

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

(Naina A. Kumar)  
Principal Director of Commercial Audit &  
Ex-officio Member Audit Board-III  
New Delhi

Place : New Delhi

Dated : 30 July 2013



वीपीएचईपी में बुनियादी ढांचे का विकास कार्य  
Infrastructure Development Work at VPHEP



## टीएचडीसी इंडिया लि.

(गोस्टेन सरकर व उत्तर प्रदेश सरकार का समुपल नपकन)

गंगा भवन, प्रगतिकुसुम, बाईपास रोड, ढरिषिकेश-249201-(उत्तराखंड)

### THDC INDIA LIMITED

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

Ganga Bhawan, Pragtiipuram, By Pass Road, Rishikesh-249201-(Uttarakhand)

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