

32ND ANNUAL REPORT 2019-20



टीएचडीसी इंडिया लिमिटेड
THDC INDIA LIMITED



VISION

A world class energy entity with commitment to environment and social values.



MISSION

- To plan, develop and operate energy resources efficiently.
- To adopt state of the art technologies.
- To achieve performance excellence by fostering work ethos of learning and innovation.
- To build sustainable value based relationship with stakeholders through mutual trust.
- To undertake rehabilitation and resettlement of project affected persons with human face.



CONTENTS



Corporate Overview

Board of Directors	04
Reference Information	05
Key Financial Performance Highlights	06
Chairman's Address	12
Directors' Brief Profile	17
Business Overview Report - Capital Creation in Sustainable Way 2019-20	20

Directors' Report 2019-20 and Annexures

Directors' Report 2019-20.....	34
Annexure-I Report on Corporate Governance	64
Annexure-II Corporate Social Responsibility Report	83
Annexure-III Management Discussion and Analysis Report	101
Annexure-IV Energy Conservation Measures, Technology Adaptation, Absorption and Foreign Exchange Earnings and Outgo	107
Annexure-V Business Responsibility Report	111
Annexure-VI Form No. MGT-9 Extract of Annual Return	133
Annexure-VII Secretarial Audit Report	141

Financial Statements 2019-20

Balance Sheet	146
Statement of Profit & Loss	148
Cash Flow Statement	150
Notes on Accounts	154
Independent Auditor's Report on the Financial Statements	209
Comments of the C&AG of India	223

CORPORATE OVERVIEW

- Board of Directors
- Reference Information
- Key Financial Performance Highlights
- Chairman's Address
- Directors' Brief Profile
- Business Overview Report-
Capital Creation in Sustainable Way 2019-20





BOARD OF DIRECTORS

As on 22nd September, 2020



Shri D.V. Singh
Chairman & Managing Director



Shri Raj Pal
Economic Adviser, MoP, Govt.
Govt. Nominee Director



Shri T. Venkatesh
Add. Chief Secretary (Irrigation,
Water Resources & Waste Land
Development Deptt.), GoUP
Govt. Nominee Director



Shri Vijay Goel
Director (Personnel)



Shri J. Behera
Director (Finance)



Shri R.K. Vishnoi
Director (Technical)



Shri Anand Kumar Gupta
Nominee Director
NTPC Limited (till 31.07.2020)



Shri Ujjwal Kanti Bhattacharya
Nominee Director
NTPC Limited



Shri Anil Kumar Gautam
Nominee Director
NTPC Limited

REFERENCE INFORMATION

Registered Office

THDC India Limited

CIN:U45203UR1988GOI009822
 Bhagirathi Bhawan (Top Terrace)
 Bhagirathipuram, Tehri Garhwal – 249001
 Contact No. (0135) 2473403,2439309
 Fax: (0135) 2439442 & 2436761
 Website: www.thdc.co.in

Company Secretary & Compliance Officer

Ms Rashmi Sharma

Ganga Bhawan, Pragatipuram,
 By-Pass Road, Rishikesh-249201
 Contact No. (0135) 2439309 &2473403
 Fax: (0135) 2439442
 Email: rashmi@thdc.co.in
[/csrcksh@thdc.co.in](mailto:csrcksh@thdc.co.in)

Corporate Office

THDC India Limited

Ganga Bhawan, Pragatipuram, By-Pass Road
 Rishikesh-249201.
 Uttarakhand

Registrar & Share Transfer Agent

Karvy Computershare Private Limited

Karvy Selenium Tower – B, Plot 31-32,
 Gachibowl, Financial District, Nanakramguda,
 Hyderabad-500032
 Tel: +91-40-33211000,
 Email: rakesh.jamwal@karvy.com

Statutory Auditors

M/s S.N Kapur & Associates.

Ajay Seth,1 Maitri Vihar, Bypass Road,
 Haridwar.

Cost Auditors

M/s K.G. Goel & Associates, New Delhi
 M/s K.B. Saxena & Associates, New Delhi
 M/s S.C. Mohanty & Associates, New Delhi

Debenture Trustee

VISTRA ITCL INDIA LIMITED

A-268, 1st Floor, Bhisma Pitamah Marg,
 Defence Colony, New Delhi-110024.

Bonds Listed at

National Stock Exchange of India Limited
 Bombay Stock Exchange

Depositories

Central Depository Service(India) Limited

Regd. Office: 17th Floor, P J Towers, Dalal
 Street, Fort, Mumbai-400001.

National Securities Depository Limited

Trade World, A wing, 4th Floor, Kamala Mills
 Compound,
 Lower Parel, Mumbai - 400013

Bankers/Financial Institutions

1. Punjab National Bank
2. State Bank of India
3. World Bank
4. Jammu and Kashmir Bank
5. Power Finance Corporation of India Limited
6. Rural Electrification Corporation of India Limited
7. Axis Bank

Credit Rating Agency

CARE (Credit Analysis & Research Ltd)
 India Ratings & Research Pvt Limited
 ICRA Limited

Secretarial Auditor

M/s P.S.R. Murthy
 178 RPS Flats, Sheik Sarai Phase-1,
 New Delhi-110017.



KEY FINANCIAL PERFORMANCE HIGHLIGHTS

(Amount in lakh)

		2019-20	2018-19*	2017-18	2016-17	2015-16
A. Revenue						
1	Revenue from Operations	212310	244926	218510	209474	246649
2	Other Income	28226	39409	3809	14123	1481
3	Deferred Revenue on account of Irrigation Component	6374	6915	6822		
4	Less: Depreciation on Irrigation Component	6374	6915	6822		
5	TOTAL REVENUE	240536	284335	222319	223597	248130
B. Expenses						
6	Employees Benefits Expense	36030	41183	30649	25425	22857
7	Generation, Administration & Other Expenses	23933	20978	20342	19513	18003
8	Provisions	0	4985	0	445	9
9	Extraordinary items				16146	34830
10	TOTAL EXPENDITURE	59963	67146	50991	61529	75699
11	GROSS MARGIN(PBDIT) (5-10)	180573	217189	171328	162068	172431
12	Depreciation & Amortisation	57610	55500	57452	52557	49663
13	GROSS PROFIT(PBIT) (11-12)	122963	161689	113876	109511	122768
14	Finance Cost	24034	19954	22787	29106	32887
15	Profit before Tax and net movement in regulatory deferral account balance (13-14)	98929	141735	91089	80405	89881
16	Income Tax	16312	30659	19056	17154	24252
17	Deferred Tax Asset	-5302	-6676	-5083	-8142	-16269
18	Profit for the period before net movement in regulatory deferral account balances (15-16-17)	87919	117752	77116	71393	81898
19	Net Movement in Regulatory Deferral Account Balance Income/ (Expense)	4106	1239			
20	Profit for the period from continuing operations (18+19)	92025	118991	77116	71393	81898
21	Other Comprehensive income	-1247	-299	563	-414	-301
22	Income Tax on OCI- Deferred Tax Assets/ Liability	-435	-104	195	144	104
23	Total Comprehensive Income (20+21+22)	90343	118588	77874	71123	81701
C. Assets						
24	Tangible and Intangible Assets (Net Block)	659219	683099	732801	780687	752460
25	Capital Work In Progress	498980	454434	395027	303529	239099
26	Right of Use Assets	38071				
27	Long term Loans and Advances	3890	4079	4483	4694	4702
28	Deferred Tax Assets (Net)	93971	89104	82532	70941	62655
29	Non Current Tax Assets (Net)	2455	6785			

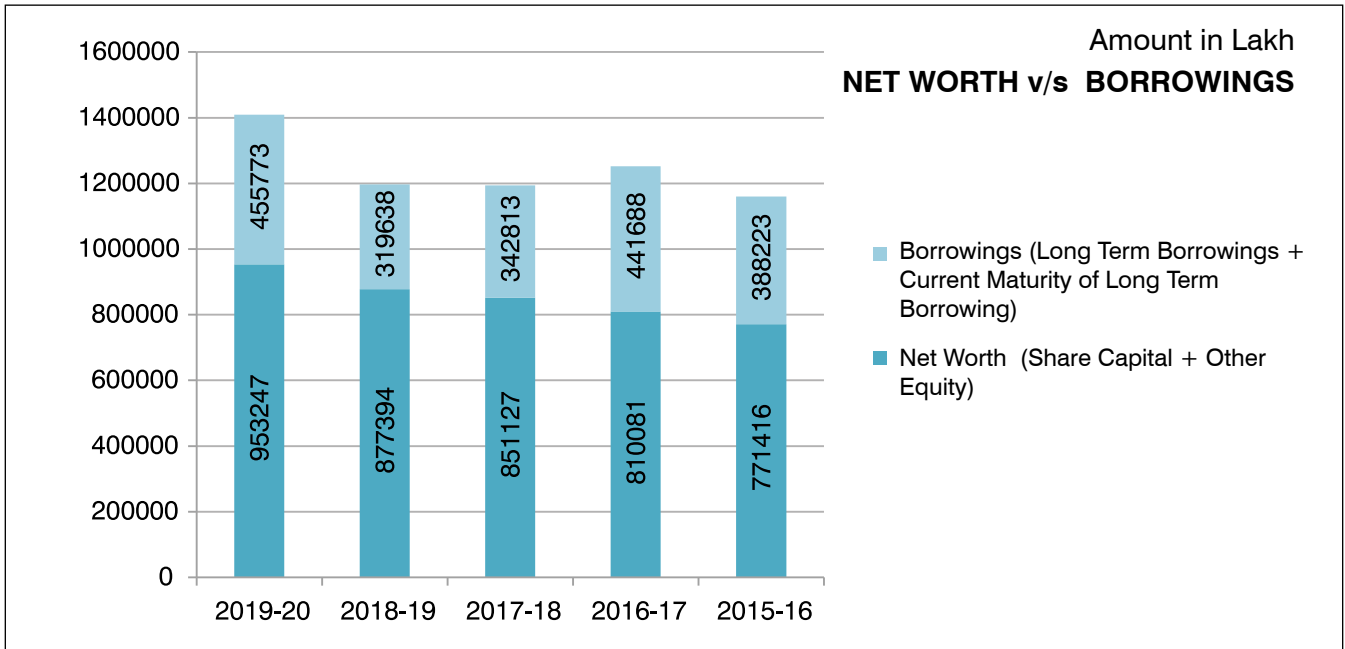
30	Other Non- Current Assets	158289	120942	71547	93795	63999
31	Current Assets	281365	190559	159640	227149	232220
32	Regulatory Deferral Account Debit Balance	18622	8781			
33	Total Assets	1754862	1557783	1446030	1480795	1355135
D. Liabilities						
34	Equity Share Capital	366588	365488	362743	359888	355888
	Other Equity					
35	Reserves and Surplus	586659	511906	488384	450193	415528
36	Contribution towards Irrigation Component	0	0	0	83458	89989
37	Total Other Equity	586659	511906	488384	533651	505517
38	Long Term Borrowings	395696	265201	241530	404185	349792
39	Other Long Term Liabilities and Provisions	120968	132517	135478	61395	54666
40	Short term Borrowings	111506	121840	64663	38724	3677
41	Current Maturity of Long Term Debt	60077	54437	101283	37503	38431
42	Other Current Liabilities	51505	49397	45636	45449	47164
43	Regulatory Deferral Account Credit Balance	61863	56997	6313		
44	Total Liabilities	1754862	1557783	1446030	1480795	1355135
		-	-	-	-	-
45	Net Worth (34+35)	953247	877394	851127	810081	771416
46	Capital Employed (45+38-25)	849963	688161	697630	910737	882109
47	Dividend For the year	12600	42312	33521	30389	14000
48	Value added (11)	180573	217189	171328	162068	172431
49	Number of Employees	1835	1891	1922	1936	1990
50	Number of share (in Lakh) (Par value of Rs. 1000/- share)	366.59	365.49	362.74	359.89	355.89
E. Ratios						
	Earning per share including net movement in regulatory deferral account balance (Par value of ₹1000/- share) (in ₹)	251.22	326.35	213.14	198.85	230.52
	Current Ratio [31 / (40+41+42)]	1.26	0.84	0.75	1.87	2.60
	Debt to Equity ((38+41) / 45)	0.48	0.36	0.40	0.55	0.50
	Return On capital Employed (PBIT/ Capital Employed) (13 / 46)	14.47%	23.50%	16.32%	12.02%	13.92%
	Return on Net Worth (23 / 45)	9.48%	13.52%	9.15%	8.78%	10.59%
	Net Profit to Revenue from Operations (23 / 1)	42.55%	48.42%	35.64%	33.95%	33.12%
	Book value per share (in ₹) (45/50)	2600.32	2400.61	2346.36	2250.93	2167.58
	Value added per employee (₹ in Lakh) (48/49)	98.40	114.85	89.14	83.71	86.65
	Dividend Per Share (in ₹) (Share of ₹1000/- each)	34.37	115.77	92.41	84.44	39.34
F. Operating Performance						
	Generation (M.U.)	4526.85	4687.18	4540.94	4430.00	4348.29

* Data is on the basis of restated financial statements.

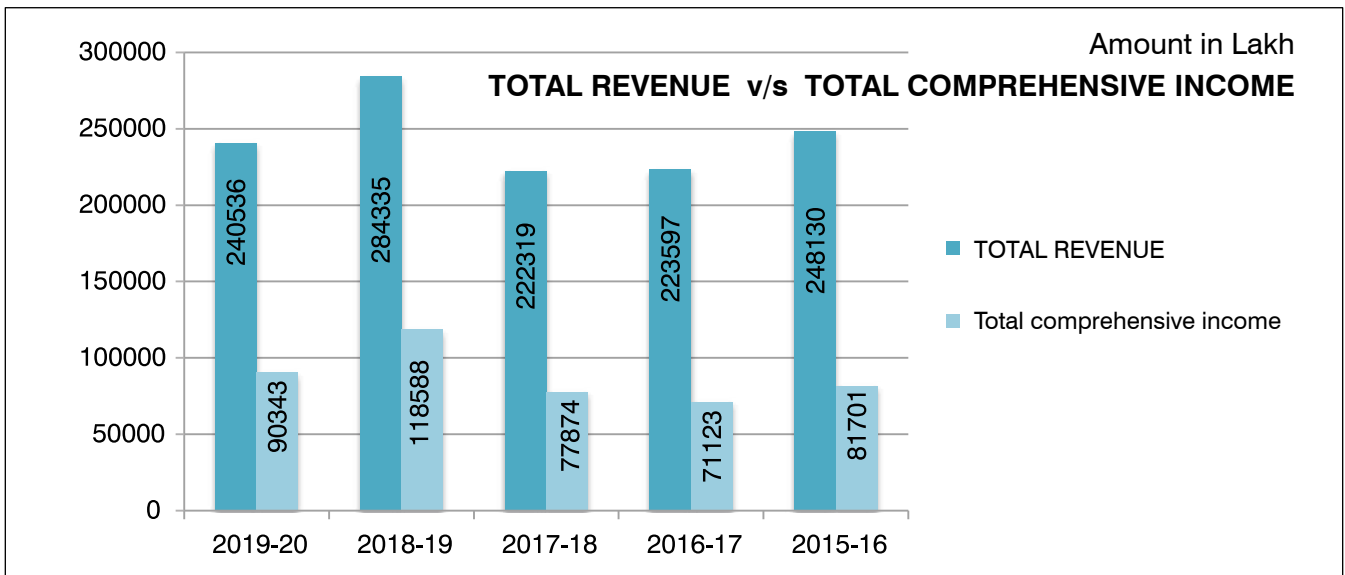


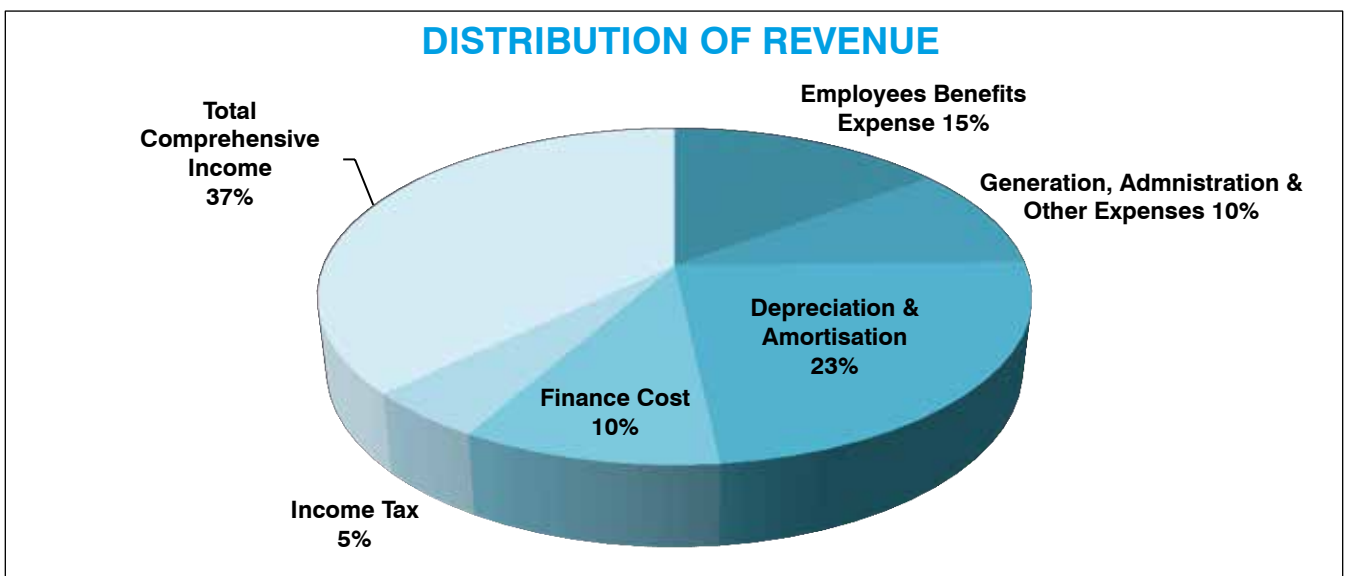
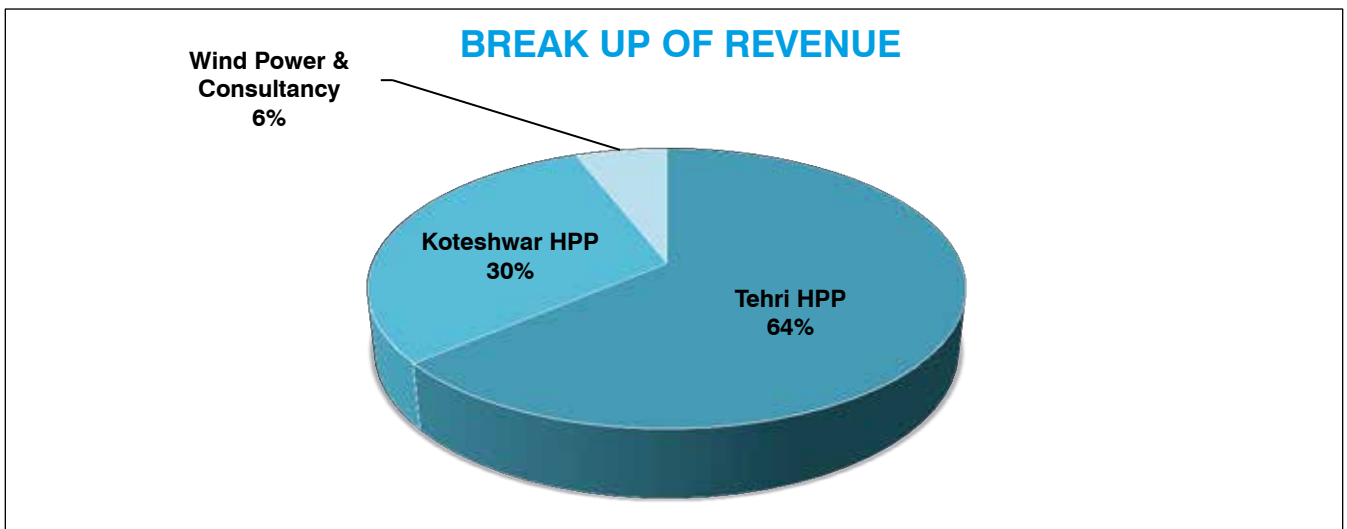
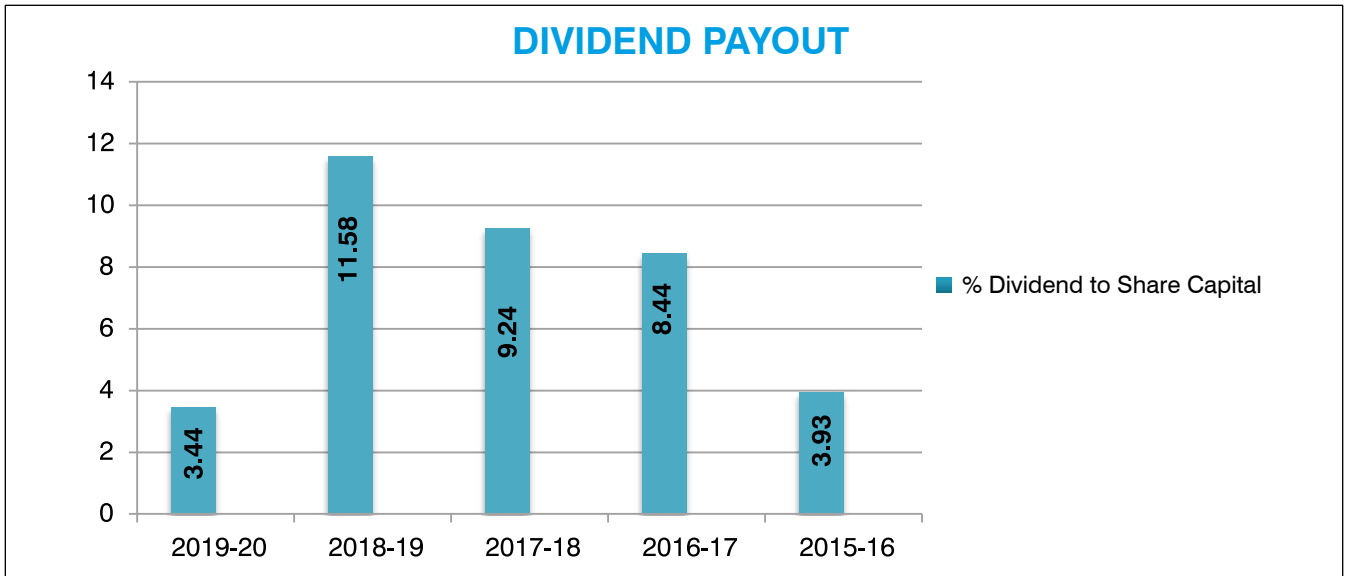
KEY FINANCIAL PERFORMANCE CHARTS

NET WORTH v/s BORROWINGS



TOTAL REVENUE v/s TOTAL COMPREHENSIVE







Unveiling ceremony of “Special Issue on Koteswar Hydro Electric Project”
in “Water and Energy International” published by CBIP



Shri D.V. Singh, CMD alongwith Shri R.K. Vishnoi, Director (Technical) and other Senior Officers of THDCIL receiving the CBIP (Central Board of Irrigation and Power) Award for Best Performing Utility for Tehri Dam Project from Sh. R.L. Kataria the Hon'ble MoS (Water Resources), Govt. of India at SCOPE Convention Centre, New Delhi



Dear Members,

I feel privileged and it gives immense pleasure to welcome you all to 32nd Annual General Meeting of your Company, and to present Report of the Auditor's and Directors' Report for the year 2019-20 along with Annual Audited Accounts. I would now seek your permission to take them as read.

As per directions of Govt, NTPC signed the share purchase agreement to buy the entire 74.496% stake of Govt. of India in THDCIL on 25th March-20 and acquisition of stake completed on 27th March-20. However management control of the Company remains with and through Ministry of Power only. We also welcome two nominated functional Directors of NTPC to the THDCIL Board.

Three decades of sustained hard work and excellence has enabled your Company carve itself a place amongst its peers in the Power Sector. Through sheer performance and execution, THDCIL has transformed from a single project into a diversified Power major having presence in five states.

I am delighted to state that your company has commissioned 24 MW Dukhwan SHP and started commercial operations from 13th Jan-20. With this, installed capacity of your company has increased to 1537 MW.

I again feel honored to state that THDCIL's Two

Operational Hydro Power stations played a key role in ensuring Grid Stability during **"Prime Minister's 09 Minutes Switch Off Lights Call"** at 9 PM on 5th April-20, as it provided the flexibility of a quick ramp up & ramp down of generation in very short tranches of time. During the event, the total reduction in all India demand recorded was 31,089 MW.

- At our Tehri HPP, Total station load at 20:50 Hrs was maintained at 760 MW, grid frequency 49.90 Hz. At 20:58 Hrs, in coordination with NRLDC and monitoring the grid frequency, total station load was gradually reduced up to 98 MW, grid frequency 50.10 Hz as per grid requirement. The station load was gradually increased to 595 MW at 21:35 Hrs, in coordination with NRLDC amid monitoring the grid frequency.
- At Koteswar HEP, during the event, Station load was gradually ramped down from 211 MW to 37 MW by monitoring the grid frequency. After the event, the station load was gradually increased to 190 MW in consultation with NRLDC.
- Both of our projects have successfully met the requirement of ramp up and ramp down at very short period of time.

The outbreak of COVID-19 Pandemic has presently shaken the entire World. Almost entire activities

on the Universe came to halt. The economy of the world has taken a deep slow down. During the COVID-19 Lockdown period, there was huge drop down in the Energy demand, which is now picking up slowly with gradual un-lock. We all are eagerly waiting to see end of this deadly Pandemic from our lives. At this critical juncture of crisis, as a responsible Corporate Citizen, besides other relief measures to local communities, THDCIL has also contributed ₹10.00 Cr. to PM CARES fund and ₹2.00 Cr. to CM relief funds of GoUK, including one day salary of employees.

The Government of India has an ambitious target of 175 GW cumulative Renewable Power installed capacity by the year 2022. The electricity generation target of conventional sources for the year 2020-21 has been fixed as 1330 Billion Unit (BU), i.e. growth of around 6.33% over actual conventional generation of 1250.784 BU for the previous year (2019-20). The conventional generation during 2019-20 stood at 1250.784 BU as compared to 1249.337 BU generated during 2018-19, representing a growth of only 0.12%. As per CEA, contribution of renewable energy sources is estimated to be around 21% of the total electricity demand of the country in the year 2021-22 and 24% by 2026-27.

The implementation of New Hydro Policy by Govt. of India in March-19, shall certainly prove to be a milestone in growth of Hydro Sector. Further initiatives / stimulus announced by Govt. during COVID-19 Lockdown, shall certainly improve financial health of Generators. With significant amount of wind and solar power into the Grid, it requires balancing strategies and storage options through the Pumped Storage Schemes (PSS). Incentivizing hydro sector, especially Pumped Storage Plants is the need of the hour as they balance the grid for demand–supply fluctuations.

After Investment Approval of your maiden Thermal Power Project, 1320 MW Khurja STPP and Amelia Coal Mine Project in March-2019, three major packages were awarded during FY 2019-20 and work was progressing in right direction until start of COVID-19. However, with ease in lockdown, works were re-started on the very first day i.e.

20th April-20 with limited available resources and taking all prescribed safety measures and precautions against COVID-19 and works are gradually picking up thereafter.

Your company has issued Corporate Bonds Series -III amounting to ₹800 Cr. with base issue size of ₹300 Cr. and green shoe option of ₹500 Cr. The bidding was done on 22nd July 2020. The coupon rate discovered through Electronic Bidding Platform (EBP) is 7.19%. These corporate bonds have tenor of 10 years and the bond proceeds shall be used to partly meet debt requirement of ongoing projects and recoupment of expenditure already incurred and repayment of loan.

With our continuous efforts towards par excellence and outstanding contribution to the Nation, your 1000 MW Tehri Hydro Power Plant has bagged the Best Performing Utility in Hydro Power Sector award declared by CBIP in February 2020.

Review of Previous FY 2019-20

I feel delighted to apprise that during 2019-20, Company's all Operational Plants performed exceptionally well. Total cumulative generation from all plants was 4527 MUs, above the MoU target of 4500 MU. Plant Availability Factor (PAF) of 82.73 % and 76.31 % was achieved for Tehri HPP and Koteshwar HEP respectively, against the revised normative figures of 80% and 68% respectively. Patan and Dwarka Wind Power Plants achieved Capacity Utilisation Factor (CUF) of 23.70% and 32.13% against targeted CUF of 24.91% and 26.26% respectively.

Gross sales during the year 2019-20 is ₹2123.10 Cr. Total realization during the year 2019-20 is ₹1973.09 Cr. The net Profit is ₹903.43 Cr. this year. MoU rating of your company for the year 2019-20 is expected to be 'Excellent'.

Projects

After the introduction of financial arrangement with the consent of MoP in March-19, work on both the projects (1000 MW Tehri PSP and 444 MW Vishnugad Pipalkoti HEP) was getting momentum and Tehri PSP was fully on track, while progress at VPHEP improved significantly. At VPHEP, TBM has been commissioned in November 2019 and



pushing into the Launching Chamber was also completed in February 2020.

But due to sudden outbreak of COVID-19 Pandemic, all construction works at THDC projects remained suspended since 22nd March-20 in compliance of “Lockdown Guidelines”. However, both Operational Hydro Plants and Wind Projects of THDCIL were kept in continuous operation taking all prescribed safety measures and precautions against COVID-19 during Lockdown period. Further, with ease in lockdown, works on all under construction Projects were re-started with limited available resources and taking all prescribed safety measures and precautions against COVID-19. Due to exodus of migrant labourers, as trend seen all over country, the work progress at our projects also got affected. However, with the efforts made by THDCIL, the situation has now significantly improved at all under construction projects. As a result, 50 MW Kasargod Solar Power Project is now anticipated to be commissioned by Dec-2020. With its commissioning, installed capacity of your company would increase to 1587 MW.

For main works of 1320 MW Khurja STPP, three packages, namely; Steam Generator (SG) and Associated Packages, Turbine Generator (TG) and Associated Packages, Switchyard package have been awarded, while balance packages are scheduled to be awarded by Dec-2020. At Amelia Coal Mine, a total of 1412.37 Ha. land acquisition is under various stages of clearances. The Mining Plan has been approved by MoC. Tender documents for selection of Mine Developer and Operator (MDO) have been prepared and process to appoint MDO is under progress.

Corporate Social Responsibility and Sustainability

Your Company continued extensive activities towards Corporate Social Responsibility (CSR) in Company’s operational areas through company sponsored society ‘SEWA-THDC’.

THDCIL’s operational area is quite large and mandatory CSR fund of the company is not adequate to address even the basic necessary requirements of the stakeholders. To overcome the situation, your company entered into the

partnership projects with various State / Central Govt. Deptts. /agencies and successfully mobilised additional funds amounting to more than ₹8.00 Cr. available in agriculture, horticulture, watershed development, rural development, health and irrigation fields etc. for overall and sustainable improvement in the lives of the targeted communities.

In line with the DPE directives, your company has been able to utilize 60% of CSR Budget on CSR Theme for 2019-20 “School Education, Health Care and Nutrition”. On the Health front, your Company, under joint project with State Health Dept., has scaled up telemedicine project in 20 new locations (Total 40 centres) in remote areas of district Tehri Garhwal as per stakeholders’ requirement, which are now able to cater around one lakh population of approximately 200 Gram Sabhas.

To give boost to Government’s target of doubling of farmers’ income by the year 2022, total 83 Farm Machinery Banks have so far been established in district Tehri Garhwal and Haridwar to enhance efficiency of the farmers by supporting them with modern equipment like Power Tillers, Tractor, Thresher etc through Self-Help-Groups. In order to achieve maximum success, efforts were made to envisage the CSR projects with people’s participation, preferably women starting from identification to selection and implementation of CSR activities. Under these efforts, 100 plus SHGs and 2 cooperatives were created for beneficiaries during the financial year.

I am delighted to inform you that your company took lead and was first organization to commemorate the first CSR Day on 9th May, 2019. Addl. Secretary, Deptt. of Public Enterprises also joined the function and applauded the CSR activities undertaken by THDCIL and its convergence projects in livelihood, telemedicine, health care and farm machinery banks. It was incredible CSR work of THDCIL that made it pioneer in releasing the book “10 Years of Enlightening Lives” on CSR Day, which Addl. Secretary, DPE termed as not merely a record of achievements, but an authentic document of tested CSR practices providing choices to other CPSEs to replicate best practices.

THDCIL has strongly stood with the Govt. in the fight against COVID-19 pandemic. Employees of the company, actively participated in protection and relief operations in all project areas and nearby localities with the support of local administration.

It's a matter of great pride for all of us that during FY 2019-20, your company was conferred with various awards under different domains, namely, CSR Health Impact Award-2019 by IHW Council under Category "Rural Health Initiative", National CSR Leadership Award-2019 by ZEE Business under Category "Concern for Health", CSR Times Award-2019 by National CSR Summit under Category "Rural Development and Infrastructure" and World CSR day Congress and Awards 2020 by ET Now under Category "Concern for Health".

Corporate Governance

Your company believes in conducting business in a manner that complies with the philosophy of Corporate Governance, exemplifies each of our core values and positions us to deliver consistent stakeholders' value enhancement, favourable outcomes to our customers, and opportunities to our employees, making the suppliers our partners in progress and enriching the society. Your Company has been complying with the requirements of Guidelines issued by Department of Public Enterprises, GoI and all other applicable provisions of Companies Act, 2013 and SEBI Regulations. I am pleased to share with you that your Company has been continuously achieving "Excellent" rating for compliance with DPE guidelines on Corporate Governance.

The Company has a strong legacy of fair, transparent and ethical governance practices. In pursuit of which your company established separate vigil Mechanism report for taking action against unethical conduct. As an integral part of such Vigil Mechanism, the Whistle Blower Policy of your company has been put in place. All information regarding Whistle Blower Policy is available on the website of company. For taking up complaints of the Investors, your company uses centralized web based Complaint Redressal mechanism of SEBI, SCORES. I am pleased to share with you that your Company has not received any investor grievances during the financial year.

Your Company's philosophy of Corporate Governance stems from its belief that the spirit of good governance lies in adherence to highest standards of transparency, accountability, ethical business practices, compliance of law in true letter and spirit, adequate disclosures, corporate fairness, social responsiveness and commitment to the organization to meet stakeholder's aspirations and societal expectations.

Your Company is a socially responsible corporate entity which is committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development. In pursuit to help "save environment", your Company has shifted to web based e-office with the help of NIC. Further, your Company has also implemented paperless Board for transparency and good governance many years ago. It reduces usage of paper to large extent and has brought accountability and speedy clearances of files.

Future Outlook

To meet the increasing electricity demand in the country, need of the hour is to commission our under construction projects on fast track. Exploring new business avenues is the prime agenda for sustainable growth of the company. Taking all necessary precautions and safety to avert COVID-19 Pandemic, I am sure that dedicated and experienced employee force of company would put in their best efforts to achieve the above feet.

Your company is fully concentrated to take more Hydro Projects in the Uttarakhand as well as in other hydro rich states of the country. The renewable energy projects are also on the prime agenda for Sustainable economic growth of the company.

It gives me immense pleasure to inform that MNRE has allotted THDCIL to develop 2000 MW UMREPPs through SPV/JVC in the state of Uttar Pradesh and 1500 MW in Rajasthan. Formation of JV Company with UPNEDA is already done. TUSCO Limited (THDC UPNEDA Solar Corporation Limited) is formed with 74% & 26% Equity partnership of THDC and GoUP respectively.



Screenshot of 32nd AGM conducted through Video Conferencing on 22nd September, 2020

Acknowledgment

Gentlemen, in the past one year, entire employee force with their dedicated efforts, brought the Tehri PSP back on the track and VPHEP started progressing well. But still VPHEP needs more management interventions which will be out of contract and out of box to bring it on track fully. The activities of Khurja STPP, Amelia coal Mine are moving in right direction as perceived. The truly commendable efforts by entire THDCIL family needs appreciation and to be applauded soundly. On your behalf, I would seek their continued support with same zeal in the time to come. In recognition, their efforts would be rightly awarded in the time to come.

I would like to thank Govt. of India, Ministry of Power and other Ministries of Govt. of India, Govt. of UP & Govt. of Uttarakhand for their guidance and whole hearted support. I also convey my gratitude to CEA, CWC, CERC, DPE,

SEBI, BSE, NSE, other regulatory authorities and Non-Governmental agencies, for their immense support and co-operation.

Our stakeholders for their support and trust shown, is also required to be thanked. I also thank our Contractors and Suppliers, Banks and financial institutions, for their contribution and support in the growth of your Company.

Before I end to my words and patient hearing by you all, I thank my esteemed colleagues on the Board from the bottom of my heart and seek their encouragement and valuable guidance in future.

With best wishes,

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

Place: Rishikesh
Date : 22.09.2020

DIRECTORS' BRIEF PROFILE



SHRI DHIRENDRA VEER SINGH

He assumed charge as Chairman and Managing Director (CMD) of THDC India Ltd on 01.12.2016. Shri Singh is a civil engineering graduate from NIT Rourkela (1983), and has more than three decades of exhaustive experience in underground works, powerhouse works, spillways, contracts, material management, rehabilitation and heavy civil construction. Before joining THDCIL, Mr. Singh worked with Larsen & Toubro.

Shri Singh played a key role in the construction of Tehri powerhouse and was in charge of its planning and construction. He was also actively involved in the construction and planning of the Spillway System of the Tehri Project as well as its associated jobs like contracts and material management, construction of building and roads etc. He was also deeply involved in the relocation and rehabilitation of people displaced by the Project.

Shri Singh is also credited for his leadership in helping turnaround of the Koteswar Hydro-Electric Project (4x100 MW) when it was almost derailed by delays. He introduced several innovations in implementation that helped THDCIL commission the project in a record period of four years. Shri. Singh was also honored with the 'Eminent Engineering Personality' award at national convention of 'Institutions of Engineers' (India) in 2012, at IIT Roorkee. He has also been conferred with "Chartered Engineer" by Institution of Engineers (India) for this project.



SHRI RAJ PAL

He has been appointed as Nominee Director, Govt. of India in THDC India Limited w.e.f. 30.08.2017. An Economic Adviser, Ministry of Power, Shri Raj Pal belongs to Indian Economic Service. He has done his Masters and M. Phil in Economics. He has also done Diploma in Development Studies from Institute of Developing Economics, Tokyo, Japan. As a Member of Indian Economic Service, Shri Raj Pal has experience of about 29 years working in different Ministries of Government of India like Ministry of Finance, Planning Commission, Ministry of Industry, Ministry of Labour etc. He has also worked as Adviser, Economic Regulation in Telephone Regulatory Authority of India prior to joining his current posting as Economic Adviser, Ministry of Power.



SHRI T. VENKATESH

He is Additional Chief Secretary (Irrigation, Water Resources & Waste Land Development Deptt.) in GoUP and has been appointed as Nominee Director of Govt. of U.P. on the Board of THDC India Ltd. w.e.f. 14.05.2018. He obtained his B.E. and M.E. in Mechanical Engineering with First Division. He belongs to the 1988 Batch of Indian Administrative Service. Shri T. Venkatesh began his career as Assistant Collector and later worked on many important positions in Uttar Pradesh including Project Director, Aligarh, CDO and Chief Officer in different District Administration, District Magistrate of Gonda, Almora and Bareilly, Special Secretary under Govt. of U.P. and Commissioner under Gorakhpur Division from January, 2005 to August, 2005. He went on deputation to Government of India from August 2005 to August, 2012 and from March, 2017 to November, 2017 and took over the responsibility of Joint Secretary, CVO etc. there.



SHRI VIJAY GOEL

He has taken over the charge of Director (Personnel) of THDC India Limited (THDCIL) on 26.03.2018. He has vast experience of more than 35 years in the field of Human Resource Management. Prior to this, Sh. Goel was discharging the responsibility of General Manager (P and A) w.e.f. 01-06-2015 and was also In-Charge of Corporate Communications, Law and Arbitration functions. His key areas of interventions are Policy Formation, Manpower Planning, Establishment and Estate Functions, Employee Relations, Compliance of Labour Laws and overall formulation and implementation of Policies. He joined THDCIL in the year 1990 as Sr. Personnel Officer (SPO) from NHPC Limited. He played vital role in putting in place initial HR Systems immediately after the establishment of the Corporation in July, 1988. Sh. Goel is a Graduate in History (Hons.) from Hansraj College, University of Delhi and Masters in Business Administration (MBA) from University of Lucknow.



SHRI J. BEHERA

He assumed the charge as Director (Finance) of THDC India Limited on 16.08.2019. He is a graduate in commerce and a Member of The Institute of Cost Accountants of India. He has a vast experience of more than 30 years in various areas of Finance and Accounts department of THDC. He has the experience of working at Project site as well as Corporate Office. He also holds the position of Chief Financial Officer of the THDC since last two years. He was instrumental in computerising activities of Finance and Accounts department by developing and implementing Financial Management System(FMS) as project leader. He also played a key role in THDCIL bond issue and foray in to Wind Power sector.



SHRI RAJEEV KUMAR VISHNOI

Shri Rajeev Kumar Vishnoi assumed charge as Director(Technical) of THDC India Ltd. on 01.09.2019. Shri Vishnoi is an Hons. Graduate in Civil Engineering from BITS Pilani and has more than 33 years of vast and rich experience in Design, Engineering and construction of hydro project structures. He has also attained the qualification of MBA and has undergone Professional Up-gradation Programme in Design and Construction of Hydraulic Structures and Hydropower Constructions from State University of Moscow, Russia. He has also attended Advance Management Programme in Leading Strategic Change from ASCI, Hyderabad in association with SDA Bacconi School of Management, Italy. He has various prestigious achievements to his credit while working with the Tehri, Koteshwar and Vishnugad-Pipalkoti hydro projects. He had conceptualized, articulated and included the widely appreciated Risk Sharing Mechanism in contract document of Pipalkoti project with consistent support flowing from World Bank(WB) Experts. He has participated as member of WB Expert Group to deliberate and constitute guidelines in respect of EPC v/s Unit Rate contracts at their Headquarters in Washington DC, USA on their invitation. He is currently representing India in international Commission on Large Dams for Technical Committee on Seismic Safety of Dams.



SHRI ANAND KUMAR GUPTA

He has been appointed as Nominee Director of NTPC Limited in THDC India Limited w.e.f. 23.04.2020. He is a graduate in Electrical Engineering from MotiLal Nehru National Institute of Technology, Allahabad. He has an illustrious career, spanning over 38 years, in NTPC which entails all areas of power generation business viz. engineering and design of power projects, plant operations and Maintenance, marketing and business development and commercial and regulatory affairs. He has also visited many international power plants, substation installations and equipment manufacturing plants across the globe and is well versed with international best practices. He has also participated in several managerial and leadership programmes from the best global institutions. He is currently functioning as Director (Commercial) in NTPC Limited. Shri Gupta Superannuated on 31.07.2020.



SHRI ANIL KUMAR GAUTAM

He has been appointed as Nominee Director of NTPC Limited in THDC India Limited w.e.f. 23.04.2020. He is a Graduate in Commerce and a fellow member of the Institute of Cost Accountants of India. He is also a Law Graduate. He has over 34 years of rich experience in various aspects of Finance & Accounts in Power Sector including resource mobilization from domestic and international markets, long-term financial planning, taxation, budgeting, investment appraisals, investor services and regulatory affairs. He is currently functioning as Director (Finance) in NTPC Limited.



SHRI UJJWAL KANTI BHATTACHARYA

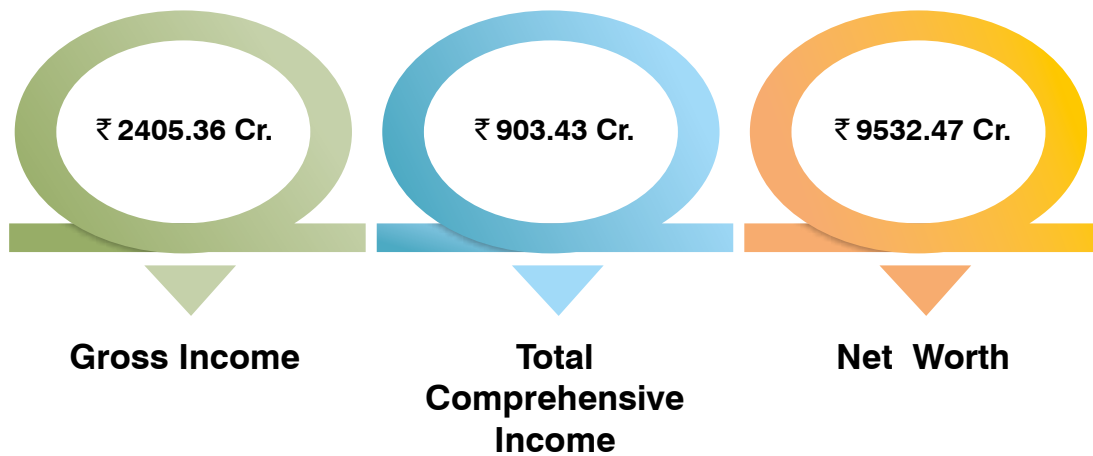
He has been appointed as Nominee Director of NTPC Limited on the Board of THDC India Limited w.e.f. 26.08.2020. He is an Electrical Engineering Graduate from Jadavpur University, Kolkata. He has also completed his PG Diploma in Management from MDI, Gurgaon. Shri Bhattacharya joined NTPC in the year 1984 as Ninth Batch of Engineering Executive Trainees and was initially posted at NTPC Korba. He started his career in Green Field Project Construction, followed by working in the areas of Power Plant Operation & Maintenance, Renovation & Modernization, Environment Management, and Technical Services at 1600 MW Farakka STPP. He has significantly contributed for NTPC's vertical & horizontal business diversification as well as growth through inorganic route. He had illustrious career in Business Development function of NTPC in Domestic as well as International Arena with special focus on NTPCs diversification into hydroelectricity with acquisition of Koldam and setting up of subsidiary company NESCL for electricity distribution business. He has been at the forefront of JV formulation & Project conceptualization for 1320 MW Maitree Power Project at Bangladesh. Before appointment as Director (Projects), NTPC he has worked as MD and CEO (Bangladesh India Friendship Power Company Limited), ED (Business Development) and ED(Projects), NTPC.



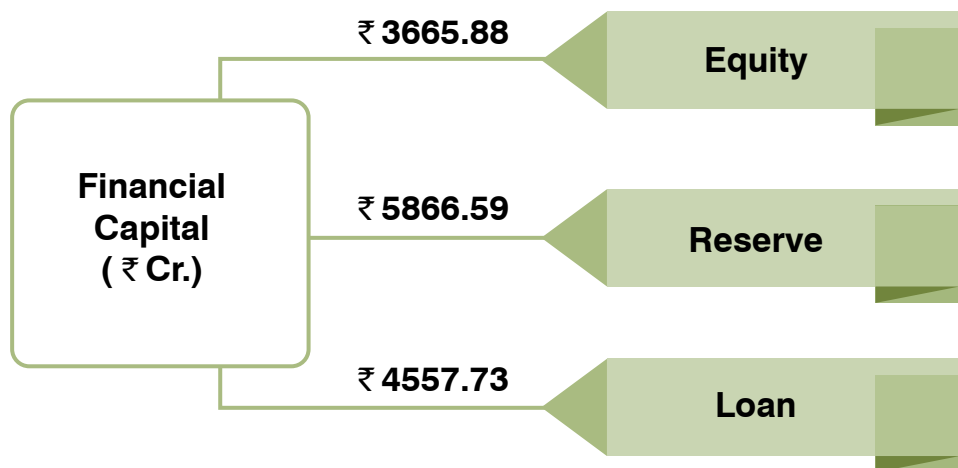
BUSINESS OVERVIEW REPORT – CAPITAL CREATION IN SUSTAINABLE WAY 2019-20

Financial Capital

THDCIL values financial interest of all its stake holders and always thrives to optimize value addition to its financial capital by earning profit along with discharging its social responsibility not just restricting itself to statutory minimum.

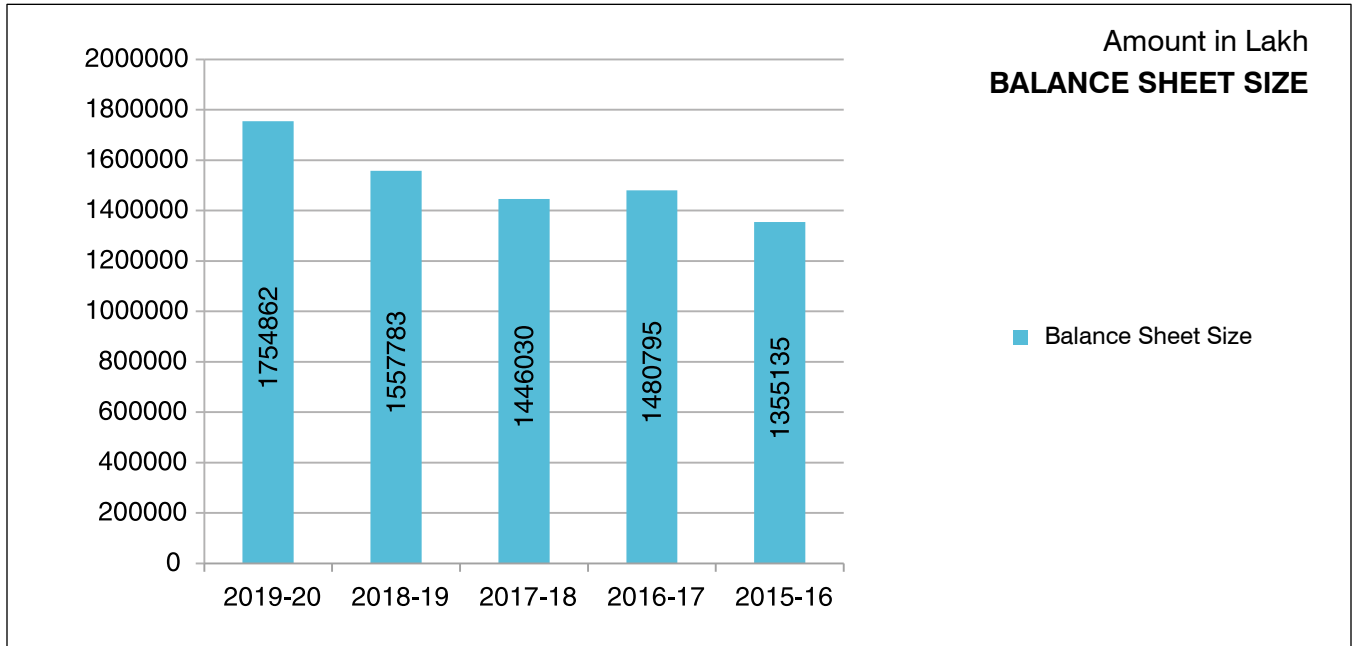


Paid up Equity capital of THDCIL as on 31.03.2020 is ₹3665.88 cr, reserves upto 31.03.2020 is ₹5866.59 cr. and long term borrowing is ₹4557.73 cr.



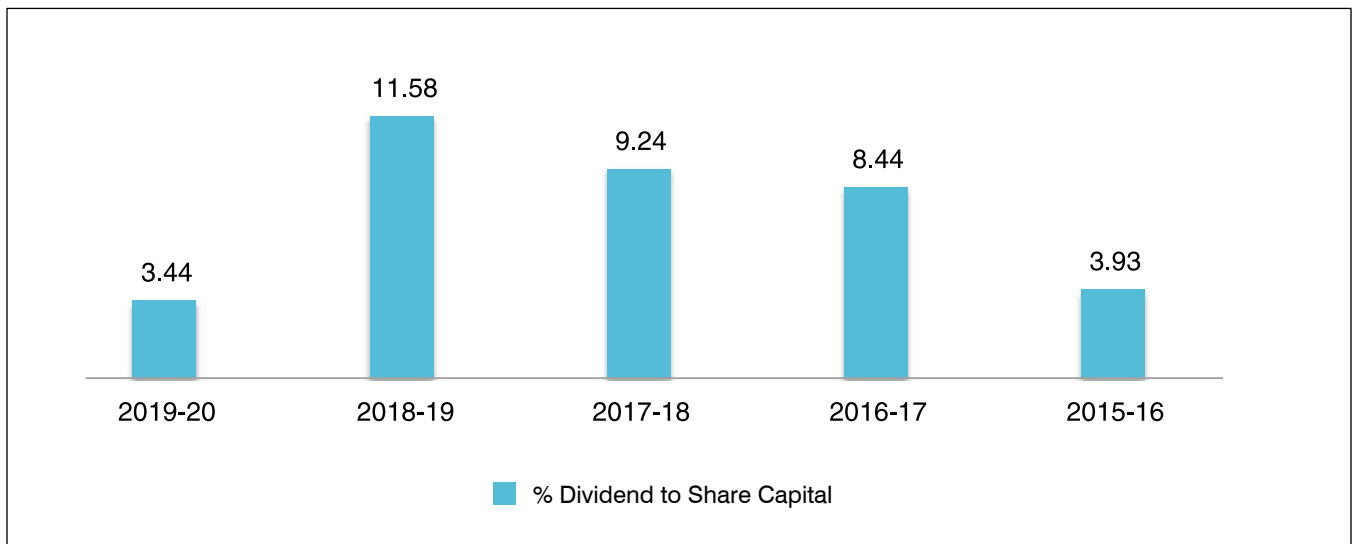
Financial capital generated after commercial operation through profit up to 31.03.2020 comes to ₹ 8306.00 cr., of this dividend distributed including tax up to 31.03.2020 is ₹ 2439.41 cr., and reserved for plough back is ₹ 5866.59 cr.

BALANCE SHEET SIZE:



DIVIDEND PAYOUT:

The company is consistently paying dividends to its shareholders at an increasing trend in proportion to its shareholding. The Company has paid final dividend of Rs.1260 million for the FY 2018-19 during the FY 2019-20. Further in compliance of MoP's letter F.No./8/16/2019-Th.I dated 16.09.2020, the Board of Directors of the Company have proposed a final dividend of ₹ 4027.1 million for the FY 2019-20 which is 44.58% of Total Comprehensive Income.





PLANNING AND BUDGETING:

THDCIL believes that the success and growth of company is largely influenced by company's capability to make reliable and realistic financial forecast. Accordingly, in synchronization with long term corporate plan, financial forecast has been prepared to ensure strategic investment decisions and remunerative revenue stream. Annual plans are managed and monitored through annual financial budgeting.

KEY INITIATIVES:

Automation

- To facilitate prompt and efficient decision making, it is imperative that real time financial information is available to the management. In this direction, THDCIL has an efficient web based financial management. To avoid human interface and make timely payments to stake holders, THDCIL had migrated to e-payment system. All payments to suppliers and contractors and employees are made through e-payment.
- To go paperless and in order to save environment, THDCIL has replaced various forms of reimbursement to employees with online forms such as telephone, conveyance Reimbursement which helps in 100% transparency and accuracy. It does not save only the cost of paper but also reduce the manpower cost.

Stringent Internal Control Norms

Internal financial control system plays an important role in directing the efforts of the corporation to achieve its objectives along with minimizing financial risks. The financial control system put in place takes care of efficient use of scarce financial capital of the company without sapping the efficiency or speed of decision making. Financial management manuals and other control systems are reviewed time to time to make them relevant to the changing ecosystem.

Credit Rating and Annual Surveillance

Annual surveillance of financial rating of THDCIL

is done by M/s CARE Limited and INDIA Rating Limited. It helps in raising debt capital from banks & other financial institutions at competitive rates of interest and also helps our stakeholders to know about the credit risk of the company. **Current Rating of THDCIL is AA+ by India Rating and AA Stable by CARE and ICRA.**

NEW INITIATIVE- 2019-20

- **Issue of THDCIL Bond Series-II:** THDCIL has successfully issued the THDCIL Bonds Series-II amounting to ₹ 1500 crore at a coupon rate of 8.75% with an overwhelming response from the investors which shows the faith and trust of our stakeholders in THDCIL.
- **Calibration of instruments-** For implementation of robust ISO system in THDCIL, an initiative has been taken to develop an online system that provide advance information of instruments for respective projects for which calibration will be due that leads to authenticity to testing by the instruments which helps in complying ISO requirements regarding timeliness of completion of activities.
- **Computerisation of Dispensary-** In order to make THDCIL as digitally converged a new initiative has been taken in the series of digitalisation of THDCIL which include digitalisation of procedure of medical health check up of employees in THDCIL Niramya Swastha Kendra which is not only helpful in achieving the benefits of digitalisation like saving of cost but also provide a complete medical history of employee at a single place.
- **Timely Completion of activities:** During the period of lockdown due to COVIND-19, our series of initiative taken in past are more helpful in completion of work from home and also prompt us to move towards digitalisation and thus conduct various meeting with stakeholders through Digital mode. Various activities like conducting our audit online etc facilitated THDCIL to Close its account in a timely manner and helped in achieving efficiency in both Finance and Environment Capital.

Social and Relationship Capital

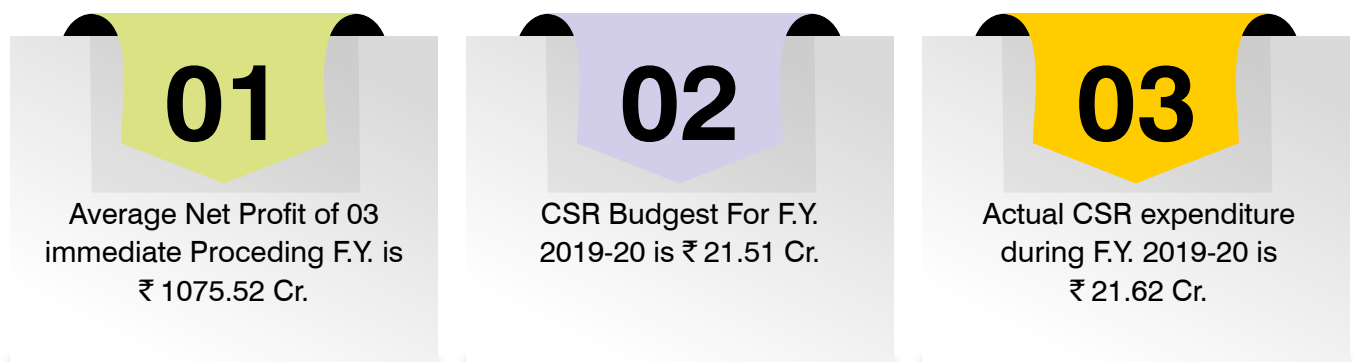
As a socially responsible organisation, THDCIL has always adopted CSR programs on holistic development approach by implementing long term Holistic Development Programme involving activities for Ecological Restoration and Socio-Economic Empowerment of Rural Communities for Sustainable Livelihood. All the CSR interventions were made considering different spheres i.e. social, economic and environment development and sustainable change in the lives of targeted communities. The 7 CSR identified domains broadly encompassing the activities enlisted in Schedule VII of the Act are as under:

- THDC Niramaya (Health) • Nutrition, Health and Sanitation and Drinking Water projects
- THDC Jagriti (Initiatives for a Bright future) • Education initiatives
- THDC Daksh (Skill) • Livelihood Generation and Skill development initiatives
- THDC Utthan (Progress) • Rural Development
- THDC Samarth (Empowerment) • Empowerment initiatives
- THDC Saksham (Capable) • Care of the aged and differently abled.
- THDC Prakriti (Environment) • Environment protection initiatives

For the implementation under various holistic development programmes, Shaheed Bhagat Singh Evening College, Delhi University and two non-profit organisations were engaged through company sponsored/ established registered society SEWA-THDC. THDCIL also has a Board approved CSR Communication strategy in place for regular dialogue and communication with stakeholders regarding the selection and implementation of CSR and sustainability activities.

Our CSR Spending

As per statutory compliance, total amount to be spent during the financial year is two percent of average net profit(PBT) of the last three financial years.





Flagship Initiatives in different spheres:



THDCIL continuously strives to come up with solutions and health services facilities

through various health camps and awareness drive with reputed hospitals and institutions. Some major community oriented efforts of THDCIL in the area of health are as under-

A. Allopathic Dispensary at Deengaoon, Tehri:

- THDCIL established an Allopathic Dispensary at Deengaoon run by Shaheed Bhagat Singh (Eve) Collage, University of Delhi having annual expenditure of ₹ 30 Lakh approx.
- Free of cost consultation and medicines are provided. All basic facilities are available (i.e. MBBS Doctor, Paramedical staff, and basic pathological tests, X-ray, ECG, on call ambulance facility & Minor OT).
- Caters to a population of around 15000 from 40 villages in surrounding area.

B. Multi-Speciality Medical Camps:

- Every year SEWA-THDC also conducts 10-15 multispecialty medical camps including eye camps in Tehri district and dental camps in partnership with Seema Dental College, Rishikesh.
- Rotary International, another reputed NGO is also being roped in to further enhance the health benefits to remote villages of Tehri Distt. in consultation with State Deptts.

C. Tele-Medicine Centres:

- Tele-Medicine scheme uses telecommunication and IT to provide clinical health care from a distance. First of its kind in Uttarakhand, started in December' 2017. Total 40 Tele-Medicine Centres are operational in District Tehri in convergence with District Administration,

Tehri and serves to the need of 200 Gram Sabhas and approx. 1 Lakh people.

D. COVID-19:

- Contribution of ₹ 10 Crs. to PM CARES fund and ₹ 2 Crs. to Uttarakhand State relief Funds was made by THDCIL which includes part contribution from salary of its employees.
- THDCIL also deposited ₹ 5.00 Lakh in CM Relief Fund of Madhya Pradesh.
- Besides this, THDCIL also released ₹ 25 Lakhs to DM, Tehri Garhwal and ₹ 8 Lakh to CMO, Tehri Garhwal for purchase of medical equipment.

Education is the key to Success

Effective interventions have been made for providing education to deprived/under privileged communities, establishment of centre for higher & technical education, vocational education and infrastructural support. Prominent interventions under education domain are as under:

• Running Schools for deprived/under privileged communities:

- THDCIL is running three schools in Bhagirathipuram and Koteswar in district Tehri and Rishikesh in district Dehradun.
- Having collective strength of about 900 plus students with approx. 50% girls having free of cost uniform, books & stationary, bus service etc. and Mid Day Meal under "Naivedyam" scheme with an annual expenditure over ₹ 6 Cr.

• Elite Classes – An educational support programme:

- For teaching Hindi, English, Science, Reasoning and Mathematics by dedicated faculties for grooming the students for Jawahar Navodaya and Rajiv Gandhi Navodaya Vidhyalaya Entrance Examination.
- Total 287 students benefited from the project.

Rural Development



- Promoting custom hiring centres/farm machinery banks to help easy farming, more produce, save time and check migration.
- Total 83 farm machinery banks have so far been established in various locations of District Tehri and District Haridwar of Uttarkhand. To boost farming activities approx. 350 nos. SHGs has been created and 3 cooperative societies are registered for collection of farming produce through small collection centres.

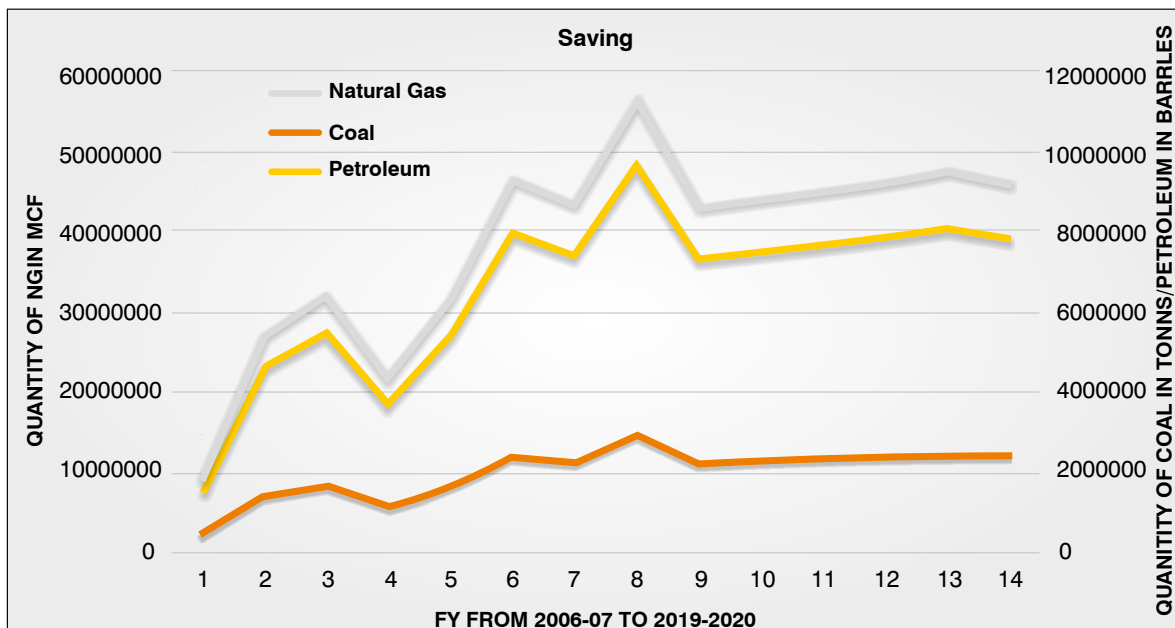
Natural Capital

Natural Capital can be defined as the world's stocks of natural assets which include geology, soil, air, water and all living things. It refers to the natural resources we use or save to create values for our external and internal stakeholders and community at large as well as actions we take to promote natural resource preservation / environmental mitigation.

THDCIL, since inception, has placed Natural Capital as one of its key focus areas. The efforts by the company have focussed on all aspects of reducing environmental impacts by following measures:

A. CONTRIBUTION IN ECONOMIC DEVELOPMENT OF COUNTRY ALONG WITH SAVING VARIOUS NATURAL RESOURCES

- Since 1st year of operation i.e. from 2006-07 till 2019-20, THDCIL is continuously powering the nation and has generated 53,138.863 MU of Clean Energy. By this, THDCIL has helped country in saving coal, natural gas and petroleum which could be burnt to produce same amount of electricity. The net saving that have been made by THDCIL by its operation are 27632208.76 Metric Tonnes of coal, 581635444.7 MCF of Natural Gas and 99754568.18 barrels of petroleum respectively.



1: http://www.cea.nic.in/reports/monthly/installedcapacity/2020/installed_capacity-04.pdf

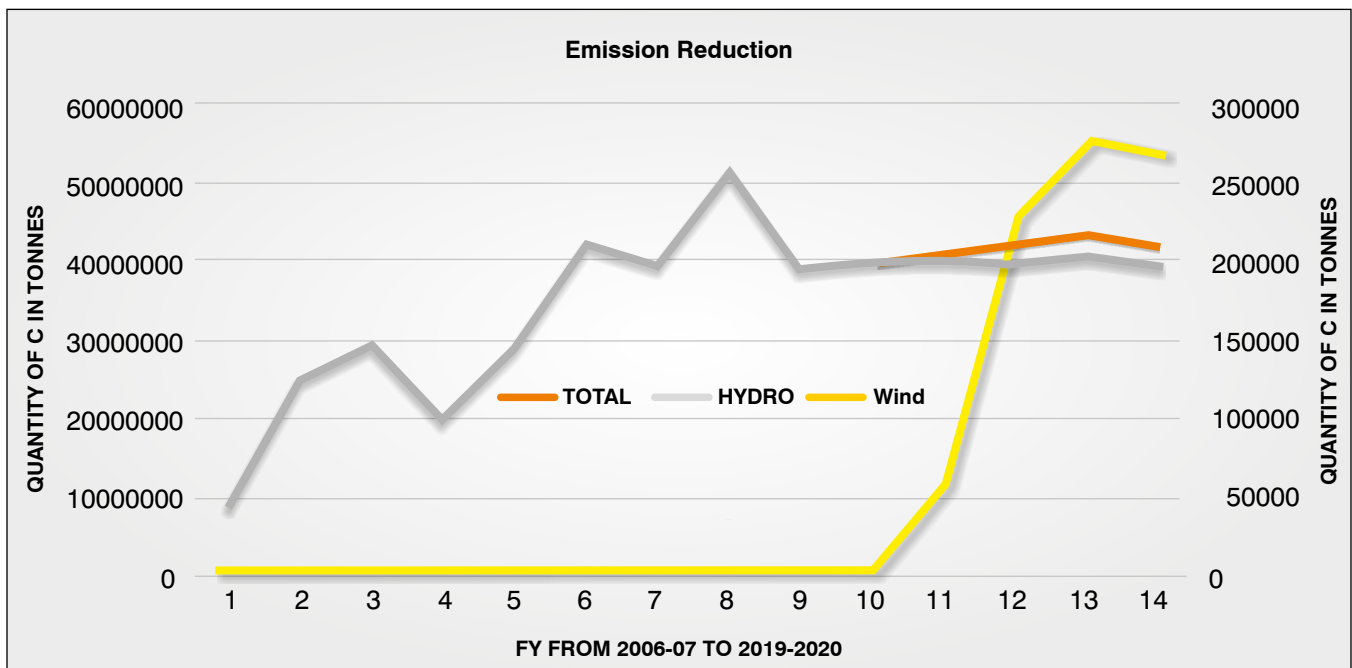
2: As per U.S. Energy Information Administration, amount of fuel used to generate 1 kWh: Coal = 0.00052 short tons or 1.04 pounds or Natural gas = 0.01011 MCF (an MCF equals 1,000 cubic feet) or Petroleum = 0.00173 barrels (or 0.07 gallons) (<https://www.eia.gov/tools/faqs/faq.cfm?id=667&t=2>)



Goal & Achievement

REDUCTION IN GREEN HOUSE GAS EMISSION

- THDCIL has saved generation of 4,75,62,888 tonnes of CO₂ from their hydro projects and around 8,19,170 tonnes of CO₂ from their Wind projects³, that could be generated by burning coal to produce 53138.863 MU of electricity from 2006-07 to 2019-20⁴.



3: CO₂ baseline data: http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/user_guide_ver14.pdf

4: THDCIL project status report: <https://www.thdc.co.in/project-list>

CREATION OF CARBON SINK: GREEN BELT

- THDCIL strictly follows the Compensatory Afforestation guidelines as per Forest Protection (Conservation) Act 1980.
- Catchment Area Treatment: THDCIL has completed treatment of whole CAT area i.e. 52204 ha. of Tehri Reservoir which includes forest area of 44157 ha. and agricultural area of 8047 ha.
- A green belt has been developed along the Tehri reservoir rim area to increase vegetal cover.
- Compensatory Afforestation: THDCIL has done Compensatory Afforestation in an area of 4586 ha. non forest land in Lalitpur and Jhansi Districts of Uttar Pradesh in lieu of 4193.44 ha. forest land (including 338.932 ha. of Koteshwar Project) used for the construction of Tehri Dam in Tehri and Uttarkashi Districts.
- Green Belt will be developed over 400-acre land across the KSTPP with around 2000-2500 trees per hectare in multi layer and plant height will be 6-10 ft at the time of plantation. This will play an important role in pollutant trapping as well as in the carbon sink.

BIODIVERSITY CONSERVATION & ECOLOGICAL BALANCE

- In addition to already existing herbal garden at Tehri project, Herbal Garden has been developed in the VPHEP over an area of 1800 sqm approx. An expenditure of Rupees 15.32 lakhs has been incurred upto March 2020 for development and maintenance works in the Herbal Garden.
- A Fish Hatchery for conservation of the Snow Trout Fishes is being constructed at VPHEP.
- In FY 2019-20, 18538 nos. plants have been planted in the project areas under CSR (including 12500 high yield variety of fruit bearing trees distributed to villagers).

NATIONAL ENERGY CONSERVATION CAMPAIGN

- Under the National Awareness Campaign on Energy Conservation Campaign of Bureau of Energy Efficiency, Ministry of Power, Govt. of India, THDCIL as a Nodal Agency for Uttarakhand annually organizes State Level Painting Competition for School Students.

ENVIRONMENT MANAGEMENT & MONITORING

- Waste Management Practices:
 - THDCIL has empanelled third party e-waste handlers authorized by Central Pollution Control Board (CPCB) for disposal of e-waste.
 - The canteen and horticultural waste being generated at Rishikesh Township are being utilized in a Biogas plant.
- Muck Management:
 - Dumping of muck is being done at identified area & well above the high flood level. Work of plantation of Vetivar (*Chrysopogon Zizanioides*) grass as slope stabilization measure at Dumping yards at VPHEP has been started from September 2018.
 - Environment Monitoring:
 - Periodic monitoring of air, water and noise quality is being done.
- Wildlife Protection:
 - THDCIL is committed to safe guard all the nearby ecosystem. THDCIL provides LPG gases and mess facility to all the labour camps, to reduce their dependacy over the forest for the fuel wood and poaching of the wild animal. Also a regular awareness programme related to wild life protection conduct at project site.



Intellectual Capital

Intellectual capital is the group of knowledge assets that are attributed to an organisation and most significantly contribute to an improved competitive position of the organisation by adding value to key stakeholders.

NEW MEASURES FOR TECHNOLOGICAL UPGRADATION

Condition Monitoring of EM Equipment of Tehri HPP & Koteshwar HEP

In F.Y. 2019-20, Condition monitoring work of EM-equipment of Tehri HPP and Koteshwar HEP was carried out and test results have confirmed the healthiness of equipment.



Automatic generation control (AGC) of project by NLDC

As per CERC, respective OEMs of SCADA system at Tehri HPP & Koteshwar HEP were contacted and necessary requirement and implementation procedures were studied. Accordingly, implementation of AGC system at both power plants is in process.

Vibration Measurement instrument

The in-house testing facility/ lab was upgraded with the introduction of vibration analyzer for monitoring of vibrations in rotating machines. Any

deviation from the vibration limit is identified in-house and necessary rectification work is taken up timely

Micro Seismological Network

THDCIL has expanded & upgraded micro seismic network from 12 stations to 18 stations network. The upgraded network of 18 stations has been commissioned on 08.08.2019 and online data is being received continuously at both the CRS viz. New Tehri station and DEQ, IIT Roorkee.

The objective of setting up of micro seismological network in the surrounding area, is to collect long term data on micro earthquake activity of the

region around Tehri dam site and to collect data on earthquake of engineering interest before, during and after impounding of water in Tehri reservoir.

Research and Development

In-house R&D activities carried out for technology absorption. A separate R&D cell has been established at Corporate Office, Rishikesh for implementation of R&D activities. On-going R&D activities are as under:

- A. Assessment of Sediment Yield from the Catchment Area of Tehri Reservoir.
- B. Expansion & updation of Micro Seismic

Network around Tehri region (longTerm).

- C. Comprehensive solution for slope stability of road between Zero bridge to Koteshwar.
- D. Consultancy for improvement in real time inflow forecasting system for Tehri Dam reservoir:
 - A) For consultancy services and
 - B) For installation and commissioning
- E. Comprehensive remedial treatment scheme for BhaitogiNala.
- F. Condition Monitoring of EM equipment of Tehri & KHEP. (For FY 2019-20).
- G. Analysis and mitigation of oscillations in Hydro Generator fed Transmission lines.

Collaborative Knowledge Desk

In order to facilitate internal exchange of knowledge, information, key learning, success

stories etc. THDCIL has started a **Collaborative Knowledge Desk** on its web portal in which employees can log in and share their experiences which can help in process improvement and knowledge up gradation of employees.

Quality Circle

THDCIL has been encouraging its employees and engaging them quality circle. It is concept where the employees identify the problems of their respective fields and propose the solution by their own and implement them as well. Annual Quality Circle Meet is organized and selected Quality Circles represent the Corporation in many national events. Out of 9 teams, 03 teams were Par Excellence, 02 teams were Excellent and 04 teams were Distinguish NCQC 2019 at IIT, BHU, Uttar Pradesh Organised by Quality Circle Forum of India

Tangible Asset

As on date THDC India Ltd., has an installed capacity of 1537 MW comprising of three Hydro power Projects i.e. 1000 MW Tehri HPP, 400 MW Koteshwar HEP, 24 MW Dhukwan SHEP and Wind Power projects i.e. 50 MW Patan Wind Farm and 63 MW Dwarka Devbhoomi Wind Farm in Gujarat.

Tehri Power Complex (2400 MW)

To achieve the maximum benefits from Tehri Dam, Koteshwar HEP has been constructed downstream of Tehri Dam and is under operation. Tehri Pump Storage Plant for which Tehri and Koteshwar reservoirs acts as upstream and downstream reservoirs is under construction. Integrated Operation of all three projects of Tehri Complex is nothing less than tightrope walking between protecting social & religious interests and commitment to feed Grid with high reliability and security.

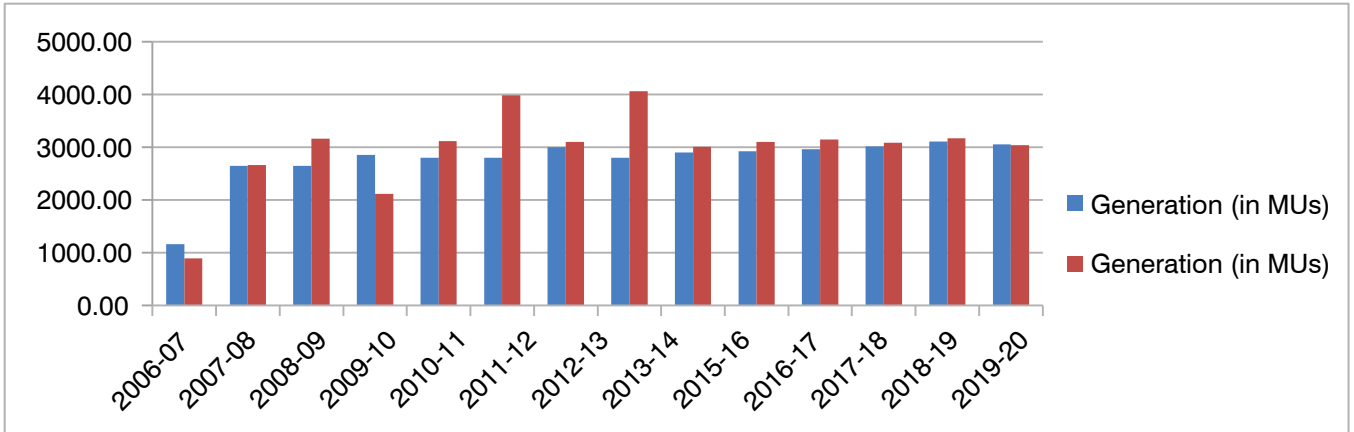
Tehri HPP (4*250 MW)

- Tehri HPP, 260.5 m high Earth and rock fill dam being the highest dam in India and 4th Highest in the World in its category is located on the

confluence of river Bhagirathi and Bhilangana.

- The Tehri Project is a multipurpose Project providing power benefits to the Northern Region, Irrigation benefits to Uttar Pradesh, and Drinking Water benefits to NCT Delhi and U.P.
- In addition to this, Tehri machines have the provisions to be operated under synchronous condenser mode, so that reactive power (for the improvement of Voltage) could be supplied to the grid, if required.



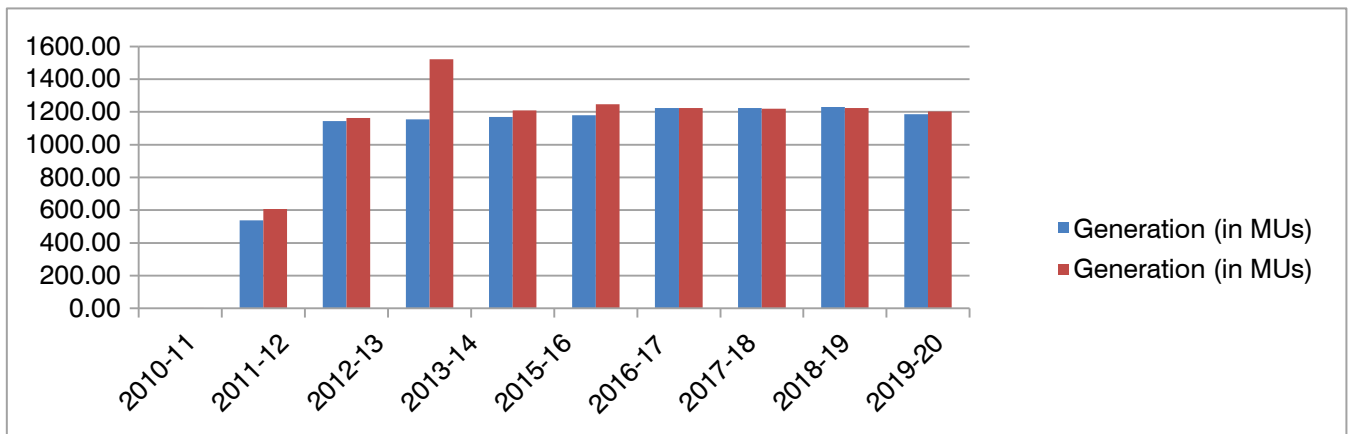


Koteshwar HEP (4*100 MW)

400 MW Koteshwar power house is located in the downstream of Tehri reservoir. Koteshwar Power Plant also enjoys the provision for black start capability by virtue of which it plays an important role in the restoration of grid in the event of grid failure.



Generation of KHEP is as follows:



Dhukwan SHEP (3x8 MW)

The 24 MW Dhukwan Small Hydro Electric Project on Betwa river in Distt. Jhansi (UP) has been commissioned on 20.12.2019. PPA signed with UPPCL of Dhukwan Project has been approved by Hon'ble UPERC during online hearing held on 13.05.2020. UPPCL vide letter no.-112/CE/PPA-R, dtd. 05.06.2020, has consented the COD of Dhukwan SHEP at 00:00 Hrs on 13.01.2020.



DIVERSIFICATION INTO OTHER FORMS OF ENERGY

WIND ENERGY

25 nos. of wind turbines of 2 MW each i.e. 50 MW are installed by M/s Gamesa in Patan district of Gujarat were commissioned ahead of schedule on 29.06.2016 and are under operation since then.

Another 30 Number wind turbines of 2.1 MW each i.e.63 MW installed by M/s Suzlon in Devbhoomi Dwarka were commissioned on 31st March 2017 and continuously generating Electricity more than its designed CUF.



Year	Patan Wind Power Project		Devbhumi Dwarka Wind Power Project	
	Energy Generation (MU)	CUF (%)	Energy Generation (MU)	CUF (%)
2016-17	59.04	13.48%	0.139	0.03%
2017-18	90.22	20.60%	149.44	27.08%
2018-19	108.32	24.73%	183.51	33.25%
2019-20	104.07	23.70%	177.83	32.13%

SOLAR ENERGY

THDCIL is diversifying into solar energy and also signed a tripartite agreement with SECI, Kerala State Electricity Board for development of solar project in Distt. Kasargod, Kerala. 50 MW Solar Power Project is under construction at Kasargod and is expected to be commissioned by Dec-2020. With its commissioning, 50 MW will be added to installed capacity.



➤ **Development of Mega Solar Parks:**

THDCIL is in the process to develop UMREPPs through SPV in the state of Uttar Pradesh. A JV Company THDC UPNEDA SOLAR POWER

Ltd. (TUSCO Ltd.) with equity participation of THDCIL and UPNEDA in the ratio of 74:26 is in process and a MoU has been signed to develop UMREPPs of capacity 2000 MW in Uttar Pradesh.

In addition, THDCIL is also in the process of formation of JVC with Rajasthan Renewable Energy Corporation Ltd. (RRECL) for development of 1500 MW UMREPP in the state of Rajasthan.

Thermal Energy (Khurja Super Thermal Power Project - 1320 MW)

It is a coal based 1320MW Super Thermal Power Plant in District Bulandshahr of Uttar Pradesh. Total annual generation from the Plant would be 9828 MU corresponding to 85% Plant Availability Factor(PAF). Cabinet Committee on Economic Affairs (CCEA) has also accorded investment approval on 07.03.2019 to this Project and associated Amelia Coal Mine in District Singrauli, Madhya Pradesh at an estimated cost of ₹ 11,089.42 crore and ₹ 1587.16 crore (Dec'2017 PL) respectively.



Hon'ble Prime Minister laid foundation stone of Khurja Super Thermal Power Project on 09.03.2019. After award of three major Packages, work is progressing well at Khurja STPP.

HYDRO PROJECTS UNDER CONSTRUCTION

1. TEHRI PUMPED STORAGE PLANT (4X250 MW)

- The 4X250 MW Tehri Pumped storage plant, biggest PSP in India on completion shall add a generating capacity of 1000 MW peaking power to the Northern Region. It is based on

the concept of recycling of water discharged between upper reservoir and lower reservoir. The Tehri Dam reservoir shall function as the upper reservoir and Koteshwar reservoir as the lower balancing reservoir. The Power House works are in advance stage. Assembly of EM equipment at service bay and erection of EM equipment in unit area is in progress. 1st Unit of the Project is expected to be commissioned by June 2022.

2. VISHNUGAD PIPALKOTI HEP (VPHEP) (4*111 MW)

- The VPHEP is a run-of-the-river project. The project is located in district Chamoli in the state of Uttarakhand. It envisages construction of a 65 M high concrete dam harnessing a gross head of 237 M on River Alaknanda. It will generate 1674 MU units (90% dependable year). On dovetailing the Civil & HM Works and EM Works, the 1st Unit of the project is anticipated to be commissioned in June 2023.

Human Capital

Human Capital is basically the skills, knowledge, and experience possessed by an individual or population, viewed in terms of their value or cost to an organization. The knowledge, skills, habits, and social and personality attributes all form part of the human capital.

THDCIL inducts fresh blood to its human pool to ensure perpetuity and continuity in competence. The Company hires executives in various specialized disciplines viz HR, Engineering, Finance, Legal, Mass Communication, Environment etc. through All India Test, GATE, UGC-NET, Campus Interviews.



Employees as on 31.03.2020
i.e. 1835 nos.

NEW RECRUITS -
16 Executives



5767
Training Man- days



6.05% of Women in
Workforce

Our Human Capital and their strengthening

- THDCIL has a human capital of 1835 personnel as on 31.03.2020 comprising of 845 Executives, 101 Supervisors, 889 Workmen. THDCIL has inducted 16 Executive Trainees in various disciplines of Engineering during the year.
- A dedicated state of the art HRD centre at Rishikesh caters to the training needs of the company. Various skill trainings, behaviour trainings and paper presentations are conducted at THDCIL by in-house experts as well as external trainers, to improve the potential, capability and skillset of our employees. We also provide consulting services to different agencies. Our Company has in-house expertise in a range of related engineering disciplines, viz. hydrology, electrical, civil and geotechnical design.

TRAINING OF BOARD MEMBERS

THDCIL firmly believes the importance of Leadership and Leadership pipeline. To cater specific training needs of Board Members for building leadership qualities, Corporate Governance etc. Independent Directors are also nominated for external training programmes organised on Corporate Governance, Company Law and new enactments in force.

Employee Engagement Through Social Media And Social Interaction Platforms :

To enhance Corporate Branding and ensure engagement of stakeholders THDCIL has a dedicated PR department handling day to day Public Relation issues with all professionalism and responsibility. THDCIL acknowledges the power of Social Media in reaching out masses and stakeholders through this medium. THDCIL has an active and engaging facebook page & twitter handle which is also linked to facebook page and twitter handle of Ministry of Power (MOP) & PMO. These platforms are used to disseminate information to our stakeholders and employees also constantly share their views



and feedback on these digital platforms, thus these social media handles provide a two way communication and gateway for knowledge and information sharing.

THDCIL firmly affirms the importance of physical, emotional and social wellness. Therefore, the company has established various platforms of Social Interaction, maintaining work life balance and to strengthen the Internal Communication. **THDC Officers’ Club, THDC Ladies Welfare Association have active presence in Social Media. There is also महिलामंडलदल to ensure contribution of women power in overall wellness.** The clubs are equipped with all amenities viz. gym facility, library, and canteen facilities. Employees of the Corporation and their family members use these platforms for regular social interaction.

POLICY FRAMEWORK

THDCIL acknowledges the importance of Policy framework for regulating corporate affairs and ensure responsible behaviour. THDCIL as a responsible Corporate Citizen believes in transparent corporate behaviour and therefore is a firm believer of free flow of information amongst its stakeholders. There is a vibrant transparent and diverse policy framework in place.



DIRECTORS' REPORT

- Directors' Report 2019-20
- Annexure-I Report on Corporate Governance
- Annexure-II Corporate Social Responsibility Report
- Annexure-III Management Discussion and Analysis Report
- Annexure-IV Energy Conservation Measures, Technology Adaptation, Absorption and Foreign Exchange Earnings and Outgo
- Annexure-V Business Responsibility Report
- Annexure-VI Form No. MGT-9 Extract of Annual Return
- Annexure-VII Secretarial Audit Report





DIRECTORS' REPORT 2019-20

Dear Members,

Your directors are pleased to present the 32nd Annual Report on the performance of your Company along with audited financial statements, Auditors' Report, Report of Secretarial Auditor and review of financial statements by the Comptroller and Auditor General of India for the Financial Year ended on 31st March 2020.

KEY PERFORMANCE HIGHLIGHTS

- Power generation in year 2019-20 is 4527 MU.
- Revenue realization from DISCOMs during year 2019-20 is ₹ 1973.09 Cr.
- Company is expecting 'Excellent' MoU Rating for the Year 2019-20.
- Capital Expenditure (CAPEX) incurred during the year 2019-20 was ₹ 1480.19 Cr.
- Dhukwan SHP (24 MW) on Betwa river in Distt Jhansi, Uttar Pradesh has been fully commissioned on 20th December, 2019 and the plant started commercial operation from 13.01.2020.

- Profit for the year 2019-20 stood at ₹ 903.43 Cr.
- Company has successfully issued corporate Bonds of ₹ 800 Cr. @7.19% for financing its upcoming projects.

Khurja STPP (1320 MW):

- For main works of 1320 MW Khurja STPP, 03 main packages (SG, TG and Switchyard) worth ₹ 5774 Cr. have been awarded and work at site is in progress.

Solar Power Project (50 MW):

- Work of setting up 50 MW Solar PV Project in Kasaragod, Kerala, awarded to M/s Tata Power Solar System Limited, is in advance stage of Completion. Project is anticipated to be commissioned by Dec-2020.

Ultra-Mega Renewable Energy Power Parks (UMREPPs):

- MNRE has allotted THDCIL to develop UMREPPs through SPV/JVC in the state of Uttar Pradesh and Rajasthan. The capacity of UMREPPs to be developed in UP is 2000 MW and in Rajasthan 1500 MW.



A view of Underground Power House of Tehri HPP(1000 MW)

FINANCIAL RESULTS

The Financial Results of the operations during the year ending 31st March 2020 are summarized as under :

(₹ in Million)

PARTICULARS	2019-20	2018-19
Income		
Revenue from operations	21231	24492*
Other Income	2822	3941
Deferred Revenue on account of irrigation component	637	691
Less: Depreciation on Irrigation Component	637	691
Gross Income (a)	24053	28433
Expenditure		
Employee Benefit Expenses	3603	4118
Finance Costs	2403	1995
Depreciation	5761	5550
Generation, Administration & other expenses	2393	2098
Provisions for doubtful debt, receivable and write-off	0	499
Total Expenditure (b)	14160	14260
Profit Before Tax and net movement in regulatory deferral account balance (PBT) (c = a-b)	9893	14173
Tax (d)	1101	2398
Profit For the Period net movement in regulatory deferral account balance (e=c-d)	8792	11775
Net movement in regulatory deferral account balance Income/ (Expense) (f)	410	124
Profit For the Period From Continuing Operations (I = d+f)	9202	11899
II Other Comprehensive Income		
Re-measurements of the Defined Benefit Plans	-125	-30
Income tax relating to items that will not be reclassified to profit or loss-Deferred Tax Assets	-43	-10
Other Comprehensive Income (II)	-168	-40
Total Comprehensive Income (I+II)	9034	11859

* Data is on the basis of restated financial statements.

FINANCIAL PERFORMANCE

Gross Revenue & Profit

Revenue from Operations, Gross Revenue, Total Comprehensive Income and % change in Total Comprehensive Income to Gross Revenue are tabulated below:

(₹ in Million)

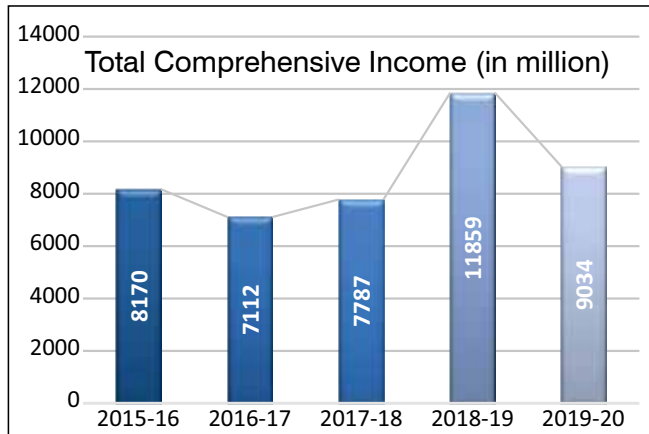
Particulars	2019-20	2018-19	Decrease
Revenue from operations	21231	24492*	3261
Gross Revenue	24053	28433	4380
Total Comprehensive Income	9034	11859	2825
Total Comprehensive Income % to Gross Revenue	37.56%	41.71%	

* Data is on the basis of restated financial statements.



The above decrease is mainly due to impact of tariff order on Revenue from Operations which was received in the FY 2018-19.

Graphical Presentation of Total Comprehensive Income of last five years is shown below:



Dividend

Your Directors have paid final dividend of ₹1260 million for the FY 2018-19 during the FY 2019-20. In compliance of MoP's letter F.No./8/16/2019-Th.I dated 16.09.2020, the Board of Directors of the Co. have proposed a final dividend of ₹40271 Lakh for the FY 2019-20 which is 44.58% of Total Comprehensive Income.

CAPITAL STRUCTURE AND NET WORTH

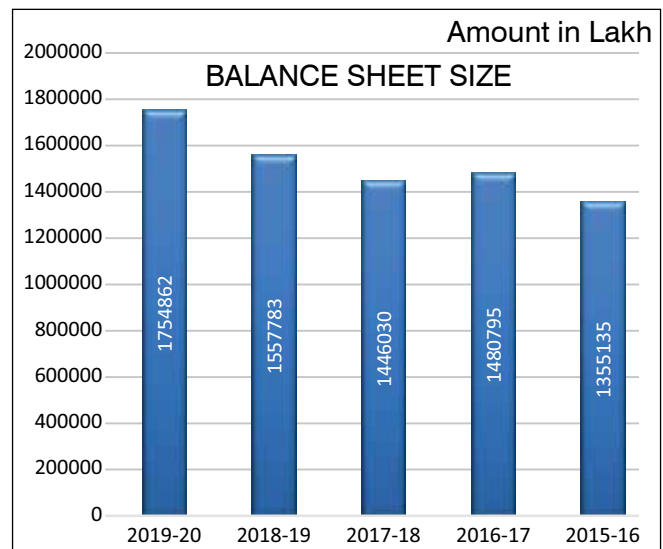
Share capital:-

The Authorized Share Capital of the Company is ₹40000 million. During the Year Company has allotted Equity share of ₹110 million to Govt. of India towards equity component of the VPHEP project. It includes share pending allotment of ₹40 million shown during 2018-19 and allotted during 2019-20.

Thus paid up share capital and net worth of the company as on 31.03.2020 is ₹36658.8 million and ₹95324.70 million respectively.

GOI's equity shareholding in THDC India Limited was transferred to NTPC Ltd. On 27th March 2020 under the process of strategic sale of THDCIL. A Share Purchase Agreement was executed between President of India and NTPC Limited on 25.03.2020. The Aggregate consideration for acquisition of 2,73,09,406 (Two Crore Seventy-three lakh nine thousand four hundred and six) shares and Six Nominees shares was ₹7500,00,00,000 (Seven thousand Five Hundred Crore) calculated at the rate of ₹2746.31 per sale share.

Further, M/s NTPC Limited has agreed to fulfil the investment commitment of ₹92.30 Cr. in respect of VPHEP project, which GoI has already committed.



OPERATIONAL PERFORMANCE 2019-20

POWER GENERATION

During the year 2019-20, total power generation from Hydro and Wind Projects was 4527 MU against MoU target of 4500 MU.

During the financial year 2019-20, Power Generation and Plant Efficiency of Hydro and Wind Power Plants is tabulated below:

Name of Plant	Generation (MUs)		PAF/ CUF (%) (Weighted Average)	
	MoU Target (Very Good)	Total generation	MoU Target (Very Good)	Achievement
Hydro Power Plants	4246	4245	79.82	80.89
Wind Power Plants	254	282	25.66*	28.40
Total	4500	4527		

*as per Design CUF and was not part of MoU target.

Commercial Performance

Your Company believes in rendering best services to the beneficiary DISCOMS. This has been acknowledged by the beneficiaries expressing their satisfaction with 'Excellent' rating in the Annual Feedback Form. The Commercial Performance in terms of Revenue from operations of your company is as under:

(₹ in Million)

Description	2019-20	2018-19
Revenue from Operations	21231	24492*
Cash Realisation (%)	81.94%	86.43%

* Data is on the basis of restated financial statements.

The Company has also filed tariff petitions before the Hon'ble CERC for Tehri HEP & Koteshwar HEP for determination of true up tariff for the period 2014-19 and tariff for period 2019-24.

Besides, Hon'ble CERC has disposed off the review tariff petitions of Koteshwar HEP for the period 2011-14 & 2014-19 and granted modified tariff vide its Orders dated 16.04.2019 and 04.06.2019 respectively. The impact of the above tariff orders has been considered in the Balance Sheet for FY 2019-20.

Project Financing

Tehri PSP Project:

1. The Company made financial tie up with SBI led consortium in the year 2012 for availing ₹ 15000 million long Term Loan for funding Tehri PSP. As against above sanctioned amount ₹ 12276.50 million was availed till 31st March 2018. The Company has repaid entire amount of ₹ 12276.50 million by May 2018.
2. The Company has availed a medium term loan of ₹ 7000 million from PNB in the Financial Year 2018-19 for funding of Tehri PSP Project. The term loan shall be repaid in 20 quarterly installment upto March 2024. The net loan outstanding as on 31st March 2020 is ₹ 5950 millions.

3. THDCIL has issued Bonds series-II for ₹ 15000 million, out of which ₹ 14200 million has been utilized in Tehri PSP project.
4. The Company had made financial tie up with Societe Generale of Euro 83.87 million for Tehri PSP project but loan is yet to be drawn.
5. Balance Debt requirement shall be financed through term loan / bond proceeds.

VPHEP Project:-

The Company had made financial tie up of US\$ 648 million with the World Bank for VPHEP project. Against this, THDCIL has surrendered loan components of US\$ 100 million due to change in dollar conversion rate, which was accepted by World Bank vide their letter dated 20.08.2019. During the year 2019-20, an amount of US\$ 39.97 million has been drawn and total drawl upto 31.03.2020 is US\$ 140.95 million. Further, an amount of US\$4.93 million has been repaid and total repayment upto 31.03.2020 is US\$ 11.20 million. Thus net loan outstanding as on 31.03.2020 is US\$ 129.75 million equivalent to ₹ 9781 million.

Corporate Bond Issue

During the financial year 2019-20, company had also issued secured redeemable non convertible bonds series-II of ₹ 15000 million with coupon interest rate of 8.75% to meet out the capital expenditure requirement of ongoing projects under construction including recoupment of expenditure already incurred on private placement basis. Bonds shall be redeemed after 10 years and interest is payable on annual basis. Out of this, an amount of ₹ 14200 million has been utilized for Tehri PSP project and ₹ 800 million has been utilized for Dhukwan project. These bonds were rated AA+ by India Rating and AA stable by ICRA.



Summarized data on Project Financing for the F.Y. 2019-20 is as below-

Lender name	Loan Amount	Opening balance of loan as on 01.04.2019	Amount Drawn during the Year 2019-20	Loan Repaid	Loan outstanding as on 31.03.2020
IBRD loan from World Bank	US \$ 648 million	₹ 6551 million	₹ 3578 million*	₹ 348 million	₹ 9781 million
Term Loan from PNB	₹ 7000 million	₹ 7000 million	NIL	₹ 1050 million	₹ 5950 million
Societe Generale	Euro 83.87 million	NIL	NIL	NIL	NIL
Corporate Bonds-Series-I	₹ 6000 million	₹ 6000 million	NIL	NIL	₹ 6000 million
Corporate Bonds – Series-II	₹ 15000 million	NIL	₹ 15000 million	NIL	₹ 15000 million

*Includes exchange rate variation of ₹ 712 million

PROGRESS AND STATUS OF PROJECTS UNDER CONSTRUCTION:

Tehri PSP (4 X 250 MW):

Based on the principle of recycling of water, 4 reversible Turbines of 250 MW each will convert the off-peak energy to peak Energy. Consuming Energy of the order of 1651.66 MU have the capacity for pumping operation during off-peak hours, it will generate additional peaking power of 1321.82 MU by working in Turbine Mode during Peak hours. The pump storage plant will assume greater significance in the new power scenario of the company which is being constantly enriched by adding renewable energy plants. Pumped Storage Plants plays big role in the Grid stability. Hon'ble Minister of Power during his several meetings has laid great emphasis on the faster



Unit-5 erection work is on progress at Tehri PSP (4X250 MW)

development of PSPs in India. Therefore as per direction of MoP, a "Study on PSP's development around the world and design of draft development model for India" is being conducted by THDCIL with the association of NHPC, NEEPCO and SJVN to develop a commercially viable working model for installation of PSPs in India.

All initial problems like adverse geological conditions, design issues, delay in statutory clearances and fund liquidity crisis of main civil contractor M/s HCC has been overcome. Approval taken from MoP to tide over the financial distress of contractor has brought good results and now Tehri PSP is fully on track and in self-sustaining mode.

Excavation of all major underground cavities of the Project have been either completed or is in advance stage. Machine Hall excavation has been completed and works for erection of EM equipment in all 4 Units is in progress. Erection of Draft Tube Elbow Liners of Unit - 5 & Unit- 6 completed on 16.01.2020 and 19.03.2020 respectively and in Unit-7 and Unit- 8 work is in progress. Assembly of Stator of Unit-5 has been completed and assemblies of Stator of Unit-6 & Rotors of Unit-5 & 6 are under progress in service bay. Construction of Control room is in advance stage. Significant progress in excavation of all 4



TBM pushing in progress at Vishnugad Pipalkoti (VPHEP)
(4x111 MW)

Surge Shafts has been achieved. Excavation of geologically challenged structures like Butterfly Valve Chamber and Penstock Assembly Chamber has also been completed successfully and widening of vertical Penstocks is being taken up. In TRTs, out of total length 2406 m, excavation in Heading and Benching is in advance stage and concrete lining is in progress at faster pace. TRT Outlet structure slope stabilization works are also in advance stage.

In HM works, fabrication of all Penstock steel liners is complete. Supply of almost 90% EM equipment worth ₹ 951 Cr. has reached site. Testing and pre-commissioning activities of all 04 Generator Step Up (GSU) Transformers have been completed in March 2020 and erection work of GIS-GIB also completed in October 2019.

Investment approval to the project was accorded by CCEA in July-2006, at a cost of ₹ 1657.60 Cr. including IDC of ₹ 81.64 Cr. at Dec.'05 PL. RCE-I of ₹ 2978.86 Cr. at Apr'10 PL was approved in Nov'11. RCE-II of ₹ 4835.60 Cr. (incl. IDC & FC of ₹ 1089.80 Cr.) has been vetted by CEA on 29.11.19 and further process of RCE-II approval is under progress.

Expenditure incurred on Tehri PSP Project till August-2020 is ₹ 3583.91 Cr. and first unit of the project is anticipated to be commissioned by June-2022.

Vishnugad Pipalkoti HEP (VPHEP) (4X111 MW):

The VPHEP is a run-of-the-river Project. It envisages construction of 65 M high concrete dam harnessing a gross head of 237 M on River Alaknanda to generate 1657.09 MU.

The construction of coffer dam has been completed on 31.07.2019 after diversion of river Alaknanda through diversion tunnel. Excavation in Intake Tunnel - 2 & 3 has been completed. TBM has been commissioned and pushed inside the TBM launching adit up to the face. Excavation in De-Silting Chambers, Downstream Surge Shaft, stabilization of crown of Machine Hall & Transformer Hall with rib support and fabrication of Penstock Steel Liners are under progress.

Model testing of Turbine has been completed. Power House Station Layout and longitudinal Section, BFV Chamber Plan & Section View, Design drawings and documents of generator, Design documents of Excitation system, Power House Grounding system and auxiliaries' transformers are approved. Design documents/drawings related to Turbine i.e. Runner, Shaft, servomotor, guide bearing and control gear of turbine, Governor etc. has also been approved.

The progress of the project has been suffering mainly due to cash flow problem with M/s HCC, the main Civil & HM contractor. M/s HCC, being under financial stress, is not even able to provide Bank Guarantees against gap funding. In addition, other reasons such as intermittent stoppages/hurdles by the local residents, inadequate resource deployment by the contractor, geological variations and COVID-19 effect have also taken its toll on the project during this financial year.

Investment approval to the project amounting to ₹ 2491.58 Cr. (Mar'2008 PL) was accorded by CCEA in August 2008. RCE of ₹ 3860.35 Cr. at Feb'2019 PL has been vetted by CEA on 20.03.2020.



Machine Hall of Dhukwan SHEP (24 MW)



An upstream view of Koteswar Dam & Reservoir

Expenditure incurred on the Project till August-2020 is ₹ 2021.39 Cr. First unit of the project is anticipated to be commissioned by June 2023.

Dhukwan Small Hydro Project (24 MW):

Dhukwan Small Hydro-Electric Project constructed at the toe of existing Dhukwan Masonry cum Earthen Dam across Betwa River in District Jhansi, U.P, having installed capacity of 24 MW (3 x 8 MW) and annual generation of 97.82 MU, is a part of overall development of the power potential of the Betwa River.

Dhukwan Project that was awaiting clearance for commercial operation since its commissioning on 20.12.19 has finally been allowed to start generation and inject power to the grid by UPSLDC and UPPCL. After availability of water, Project has started providing power to Uttar Pradesh since evening of 05.05.2020 and running successfully as per water head available. PPA signed with UPPCL of Dhukwan Project has also been approved by Hon'ble UPERC during Online hearing held on 13.05.20. UPPCL vide letter no.-112/CE/PPA-R, dtd. 05.06.20, has consented the COD of Dhukwan SHEP at 00:00 hrs on date 13.01.2020.

DIVERSIFICATION INTO OTHER ENERGY AREAS

THDCIL has diversified its activities from Hydro Power to other sources of energy, viz; Wind, Solar and Thermal. Status of such projects are as under:

Wind Power Plants:

Wind Power Plants- Patan WPP (50 MW) and

Devbhumi Dwarka WPP (63 MW) are under operation since 2016-17. In the financial year 2019-20, Patan WPP generated 104.07 MU with CUF of 23.70% and Devbhumi WPP generated 177.83 MU with CUF 32.13%.

Solar Power Project (50 MW) Kasargod, Kerala:

THDCIL and Solar Energy Corporation of India (SECI) have signed an MOU on 13.02.2015 for setting up 250 MW Solar PV Projects in India. Power Sale Agreement of 50 MW was signed between KSEB and THDCIL on 16.01.2019. Land use agreement and implementation agreement had also been signed between THDCIL and RPCKL on 07.02.2019.

The work of 50 MW (AC) Solar PV Power Plant has been awarded to M/s Tata Power Solar System Limited on 08.08.2019. The scheduled time period of completion of the project is 09 months i.e. by May 2020, which has been delayed due to COVID-19 pandemic and anticipated to be completed by Dec, 2020.

The work of Main Control Room and Inverter Station Rooms (for all 4 blocks) has been completed. Boundary fencing, DC cable trench excavation and laying is in advanced stage of completion. All 16 nos. Inverters and 4 nos. transformers have been installed at the project. The work of MMS pile casting, MMS and Module installation is in progress. All supplies of PV Modules have been received at Project and erection of PV Modules has commenced.

The infrastructure work for power evacuation from the project to substation is in the scope of Kerala State Electricity Board Limited. The work is in progress.



An overview of Tehri Dam & Reservoir



Installation of Solar Modules in advance stage at Solar Power Plant (50 MW), Kasargod, Kerala

An expenditure of ₹ 147.19 Cr. has been incurred till August 2020 against the total estimated cost of ₹ 275 Cr. Anticipated commissioning of the Project is Dec 2020.

Khurja Super Thermal Power Project (1320 MW):

- Investment approval for 1320 MW Khurja STPP and Amelia Coal Mine in District Singrauli, Madhya Pradesh amounting to ₹ 11,089.42 Cr. and ₹ 1587.16 Cr. (at Dec-17 PL) respectively has been accorded on 7th March 2019.
- Hon'ble Prime Minister has laid foundation stone of the Khurja Super Thermal Power Project on 09.03.2019.
- Plant shall generate 9264 MU of energy at 85% PLF. Cost of power to be generated from this project is ₹ 3.61/ unit (levelized) and first year tariff is estimated as ₹ 3.90/ unit.
- PPAs for entire power to be generated already signed with Uttar Pradesh, Uttarakhand, Rajasthan, Himachal Pradesh and Delhi. 60% of power to go to UP.
- Physical possession of total 1200.843 Acres land has been obtained.
- Statutory Clearances including Environmental Clearance, Construction of 275 M high Chimney, Water commitment, Railway Siding and Construction power etc. has been accorded.

Status of major plant packages:-

- 1st Main plant package "Steam Generator and associated packages including site leveling (SG Pkg)" has been awarded to M/S L&T MHPS Boiler Pvt. Ltd. (LMB). Presently work of Site leveling and area grading, Priority Roads and Drains, Construction Power-Ring main, Watch tower is in progress. RMC Batching Plant has been installed. Casting of Test Piles have been completed and job Piles is in progress.
- 2nd Main plant package namely "Turbine Generator and associated packages (TG Pkg)" has been awarded to BHEL. Works of Store, Open Storage Yard, Site Office of BHEL and internal drain are in progress. RMC Batching Plant has been commissioned. Casting of Test Piles have been completed and job Piles is in progress.
- 3rd Main plant package namely, Switchyard package has been awarded to M/s GE T&D. Contract Agreement has been signed on 17.06.2020. After completion of Geo-Technical Investigation, site mobilization by the agency is in progress.
- Balance main package i.e. "Water System Package", "Cooling Tower Package", "Ash Dyke Package", and "Rail Corridor (Railway siding) Package", "Coal, Limestone and Gypsum Handling Plant Package" and "Misc.



Building and other packages” are under different stages of tendering and targeted to be awarded by Dec’2020.

Status of other works at project site:

- **Construction Power:** Work for construction of 1st Ckt of 33 KV Line has been completed. Tendering for alternative 2nd Ckt. of 33 KV Line is under process by PVVNL.
- **Land Acquisition for Railway siding:** Section-19 notification has been published on 25.07.2020 for acquisition of 36.85 Ha. private land. Land License Agreement with North Central Railway has also been signed on 21.07.2020 for transfer of required 2.89 Ha Railway Land in the name of THDCIL.
- **Make-up Water:** DPR for construction of makeup water system is expected to be finalized shortly by UP Jal Nigam. Work of canal lining in lieu of make-up water for plant has also been taken-up by UPID for which design, drawing and estimation of Head regulator, Interconnecting Regulator and Cross Regulator is under process by UPID.
- **Re-routing of NH-91 by NHAI:** Land acquisition is in advance stage by NHAI. Award of Civil work for Re-routing is expected to be done shortly by NHAI. Work is scheduled to be completed by Dec’2022.
- **Evacuation of Power:** UPPCL will take 60% power (792 MW) for UP from the plant. For balance 40% power (528 MW) to be supplied to other beneficiary states, connectivity has been granted. Agreement for construction of 400kV Double Ckt Line from Khurja Project to Aligarh Sub-Station of PGCIL (length 50km) along with associated bays at ISTS substation with a completion period of 24 months has been signed on 26.06.2020 with PGCIL. Preliminary survey of transmission lines has been taken-up by PGCIL.
- **Construction of Boundary Wall:** Approx. 70% work has been completed.

Commissioning of the Project:

Expenditure incurred on Khurja STPP till

August-2020 is ₹1039.75 Cr. and 1st Unit is anticipated to be commissioned by Feb-2024.

Amelia Coal Mine:

- Revised Mining Plan (including Mine Closure Plan) for reduced PRC of 5.6 MTPA has been approved by MoC on 13.03.2020.
- Agreement for 8 MVA power supply has been signed with MPPKVCL on 02.05.2020.
- Environmental Clearance for Amelia Coal Mine was earlier issued in the name of prior allottee i.e. MP State Mining Corporation Limited by MoEF and CC. Continuous efforts are being made to get it transferred in the name of THDCIL.
- Matter for grant of Mining Lease for Amelia Coal Mine is being followed up with Director (Geology & Mining), Govt. of MP, Bhopal.
- Stage-I Forest Clearance has been accorded by MoEF and CC, Gol, New Delhi for diversion of 843.76 ha forest land vide Order dated 12.12.2018. For Stage-2 FC, APCCF(LM), Bhopal recommended the case to MoEF and CC, New Delhi for approval on 01.05.2020. Matter is being perused with MOEF & CC New Delhi for Stage-II Forest Clearance.
- Land acquisition of 337.35 Ha. Private/Tenancy land is in progress with the help of Distt. Administration. Revised award has already been declared by Land Acquisition Officer/ Collector Singrauli on 31.08.2019 and disbursement of compensation by SLAO is in progress.



Job Piling work in progress at Khurja STPP (1320 MW)

- Transfer of 178.13 Ha. Govt. Land of Coal Block area, Allotment of 53.13 Ha. Govt. land and its declaration as “Abadi Land” for development of R&R site are under process.
- R&R policy has been approved by Commissioner on 24.12.2019.
- Work of diversion/shifting of existing 3 HT lines passing through the Amelia Coal Mine is in progress as deposit work by PGCIL.
- Revised Project Report of Amelia Coal Mine for 5.6 MTPA has been submitted to THDCIL by CMPDIL on 29.05.20.
- Matter is being regularly followed up with MoC to allot the land of approx. 26.22 Ha for Coal Evacuation Corridor and Railway Siding of Amelia Coal mine.
- Tender documents for selection of Mine Developer and Operator (MDO) for development and operation of Amelia Coal Mine on the basis of revised Mining Plan and Revised Project Report prepared by CMPDIL are being prepared.
- Expenditure incurred on Amelia Coal Mine till August-2020 is ₹ 353.23 Cr.

Ultra-Mega Renewable Energy Power Parks (UMREPPs):

MNRE has allotted THDCIL to develop UMREPPs through SPV/JVC in the state of Uttar Pradesh and Rajasthan. The capacity of UMREPPs to be developed in UP is 2000 MW and in Rajasthan 1500 MW.

In Uttar Pradesh:

The Proposal for formation of JV Company with equity participation of THDCIL and UPNEDA in the ratio of 74:26 has been approved by UP Cabinet on 16.06.2020 and MoU between THDCIL and UPNEDA for formation of JV has been signed on 06.08.2020. Process for registration of JV is under progress.

Initially, 600 MW each UMREPP is planned to be established in district Lalitpur and Jhansi, Uttar Pradesh. In Lalitpur about 3019.82 acres land (Govt land-1742.61 acres and Private land -1277.21 acres) has been identified, whereas,

in Jhansi about 3756.82 acres land (Govt land-345.65 acres and Private land -3410.90 acres) has also been identified. Revenue Maps of all the identified land have been obtained and further action of allotment of land to JV Company is underway.

In Rajasthan:

THDCIL vide letter dated 20.11.2019 requested Principal Secretary (Energy), Govt of Rajasthan to allocate a land parcel of around 7500 acres for the development of UMREPPs. THDCIL further requested the Principal Secretary to nominate an organization of Govt of Rajasthan for formation of SPV/JV Company with THDCIL.

PROJECTS UNDER SURVEY AND INVESTIGATION:

Bokang Bailing HEP (200 MW):

- Bokang Bailing HEP is proposed on river Dhauliganga (a tributary of Kali/ Sarda river) in District Pithoragarh in Uttarakhand.
- Government of Uttarakhand (GoUK) entrusted the implementation of Bokang Bailing HEP to THDC India Limited (THDCIL) and MoU was entered in Nov-2005.
- Project was excluded from the list of 24 Projects by Hon'ble Supreme Court and also from Askot Musk Deer Sanctuary by MoEF & CC and WLB in Oct-2015.
- Formation cutting of Single lane road (45 km) up to Tidang Village was completed by State Govt in the year 2018.
- Consultancy work for preparation of DPR has been awarded to JV of M/s JSC, Moscow and M/s Sai Foundation Engineering in Mar-2019.
- Various studies including drilling & drifting works at site are under progress.

Jhelum Tamak:

- Project is proposed on Dhauliganga river, a tributary of River Alaknanda, in district Chamoli of Uttarakhand. DPR was initially submitted to CEA with an installed capacity of 128 MW in Dec-2010.
- Revised DPR with installed capacity of 108



MW submitted to CEA in Dec-2012 based on the recommendations of MoEF on minimum environmental flow and free riverine stretch.

- CEA returned the DPR in Aug-2019 stating that “In view of the revised e-flow release as notified in the Gazette notification dt. 8th Oct-18, project is technically not viable for the IC of 108 MW which is likely to be reduced. Further, project is included in the list of 24 HEP’s under review by Hon’ble Supreme Court and fate of the project will depend on the decision of the Hon’ble Supreme Court.”
- Subsequent to clearance from Supreme Court, DPR may be re-submitted with revised IC as per the latest guidelines of CEA. ‘Power Potential Study and Economical Evaluation of Jhelam Tamak HEP’ was submitted to Director (HPP&I), CEA on 11.03.2020.

Development of Projects in Bhutan

A. Sankosh HEP Complex (2585 MW):

- The Sankosh HEP is proposed on Sankosh river near village Kerabari of Sarpang district in Southern Bhutan.
- The project envisages construction of 215m high RCC Main Dam (2500MW) with energy generation of 5949.05 MU and Regulating Dam (85MW) located at 13 km downstream of Main Dam with installed capacity of 85 MW with energy generation of 416.34 MU.
- TEC of the Project has been accorded by CEA in June, 2017 on the DPR updated by THDCIL.
- Sankosh HEP is to be developed in intergovernmental (IG) Mode with some modifications. Within the IG mode, an Indian PSU is proposed to be given single point responsibility for execution of the entire project.
- Discussions at various levels between two Govts i.e. Gol and RGoB are in progress for finalization of implementation mode of the Project.

B. Bunakha HEP (3 X 60 MW):

- Bunakha HEP is the upper most project

proposed on River Wangchu near village Bunakha, district Chukha, Bhutan. The proposed project envisages construction of a Storage Dam and Toe Power House with installation of 180 MW (3x60 MW) vertical Francis Turbine with annual energy generation of 707.44 MU. Bunakha HEP is to be implemented in JV mode with Bhutanese PSU.

- DPR of the Project was submitted to CEA in Aug, 2011 and TEC was accorded by CEA in Aug, 2013. Final DPR was submitted to RGoB in Nov, 2013 and DPR was approved by RGoB in Feb, 2014.
- Discussion at various levels at MOP, MEA and RGoB are being held for implementation of the Project.

DAM SAFETY MEASURES IN THDCIL

The Dam safety plan of Tehri HPP and Koteshwar HEP is quite elaborative. Dam safety monitoring is being carried out through instrumentation and visual inspections. For assessment & monitoring the behavior of Tehri and Koteshwar Projects and to verify the assumptions made during the design phase, an extensive scheme of instrumentation has been provided in the body of its appurtenant structures. Further, inspection galleries have also been provided to visually inspect the behavior of body of dam. In addition to above, seismic instrumentation network for studying the strong motion and micro seismic events of the Tehri region before and after impoundment of reservoir has also been deployed.

As per the Govt. directives, dam safety inspection is mandatory to ensure the safe functioning of dam and appurtenant structures. At present, the periodical (Pre-monsoon, Post-monsoon) visual inspections / monitoring of dams and appurtenant structures are being carried out by THDCIL to ensure the safety of structures, as per the guidelines of Central Water Commission (CWC), New Delhi and prevailing practices in other organizations. Central Water Commission (CWC), New Delhi, has conducted the annual dam safety inspection of Tehri HPP during the year 2009 & 2013 and for Koteshwar HEP in the year 2013. In addition to

above, a comprehensive review of Tehri Project for verifying existing safety dam practices was conducted through a renowned internationally recognized agency viz. USBR during the year 2016. Furthermore, to evaluate the safety of Koteshwar HEP and acquiring professional advice on improvements in existing safety practices, a comprehensive review of Koteshwar HEP through HPI, Moscow was also carried-out during 2018-19.

The Dam Safety Plan of THDCIL focuses on evaluating and implementing actions to resolve safety concerns of Dams and increases the overall safety of dams.

1. Condition Monitoring of EM Equipment of Tehri HPP and Koteshwar HEP

To improve availability, reliability, life of machines and performance of plant, condition monitoring and Diagnostic testing of Electro-mechanical equipment of Tehri and Koteshwar HEP is being carried out since 2011-12. In F.Y. 2019-20, Condition monitoring work of EM-equipment of Tehri HPP and Koteshwar HEP was conducted and test results have confirmed the healthiness of equipment

2. Safety Audit

External and internal safety audits of all projects are being conducted to identify the area for improvement and deviation from standards i.e. applicable statutory Acts, CEA 2011, BOCW Act 1996, Factories Act 1948, OHSAS 18001:2007, IS14489:1998 and THDCIL SHE manual and other applicable Acts as per project safety requirements.

3. Reservoir Operation & Flood Mitigation measures in THDCIL

Tehri reservoir is filled every year utilizing the excess inflow during the monsoon period i.e. from 21st June up to 31st Oct. Reservoir filling is done as per reservoir rule curve provided in the Operation & Maintenance manual of Tehri dam. The rule curve helps in filling the reservoir at predetermined rate and keeping reasonable storage space for incoming floods during active monsoon period so that, most of the time, regulated / controlled discharge is passed to minimize the direct consequences of floods downstream of the

dam. The real time inflow forecasting system for Tehri reservoir having its control room at Tehri dam is operational since 2016 and presently issuing forecasts with 6 and 24 hours lead time which is also helping in better management of the reservoir. An Early Warning System (EWS) consisting of speakers/sirens at eight locations in the downstream from Koteshwar dam to Rishikesh have also been established in Dec' 2017 which is operated from control rooms at Koteshwar dam and State Emergency Operation Centre, Dehradun. EWS helps to alert/ warn downstream population along the river through voice messages and sirens when water is released from the dam.

REHABILITATION AND RESETTLEMENT

Your company has always been committed to take up the Rehabilitation & Resettlement (R&R) of affected families with human face. Rehabilitation & Resettlement is being taken up in such a manner that after a reasonable transition period, the affected families improve or at least regain their previous standard of living, earning capacity and production levels. THDCIL believes in building harmonious relationship with Project Affected Families (PAF) through mutual cooperation and regular consultations.

Compensation against acquisition of assets and R&R benefits being extended are at par with the applicable norms / guidelines. Besides compensation towards loss of assets, emphasis is also being given on economic upliftment of project affected families by way of various initiatives such as skill development programs, income generation activities, etc.

Monitoring & Evaluation of RAP was carried out through a third party independent agency on periodic basis to ensure its smooth implementation. Also, to evaluate whether the outcome of the R & R Policy / RAP objectives are being achieved with respect to those who have physically resettled, re-establishing their income, lost their land, reconstructed common property resources, etc.

For VPHEP, the Policy is based on the National Rehabilitation & Resettlement Policy 2007 (NRRP-2007) assimilating the World Bank Guidelines for better features. Compensation against acquisition



of assets and R&R benefits being extended are at par with the applicable norms / guidelines along with World Bank's Social Safeguard Policies, as VPHEP is World Bank financed project.

In VPHEP, around 94% of Compensation amount has been disbursed by Special Land Acquisition Officer (SLAO) and approx. 88% R&R grant has been disbursed by your company. Various activities such as Dairy Development, Poultry, Tailoring and Stitching, Wool Knitting, Bee Keeping, Mushroom cultivation benefitting around 500 PAPs have also been promoted to create livelihood opportunities. Scholarship to meritorious/poor/ girls students, construction of additional class rooms and toilets etc. have been provided to promote education. THDCIL has also sponsored around 300 project affected unemployed youths for vocational Trainings like hotel management, Excavator operator, Electrician, Fitter, Refrigerating and Air Conditioning etc. through renowned institutions such as GMR Foundation, Dr. Reddy Foundation and Industrial Training Institutes in nearby areas for providing better employment opportunities. Around 20 Project Affected Persons have been provided job on Company's roll.

To meet the fuel requirement of Super Thermal Power Project at Khurja, UP, your company has been developing Amelia coal block in Distt. - Singaruli, Madhya Pradesh, allotted to THDCIL by Govt. of India, Ministry of Coal. R&R policy for resettlement and rehabilitation of PAF's of Amelia Coal Mine has already been approved by the Commissioner, Rewa in December, 2019. In the meantime, various activities related to income generation through vocational trainings, skill enhancement, health and sanitation, infrastructure development etc. are being carried out.

ENGINEERING CONSULTANCY

THDC India Limited has extended its professional expertise to State Govt. and other government statutory bodies in providing complete engineering solution in the field of water resource projects and landslide preventive measures. THDCIL has undertaken several MoUs in the field of consultancy in Design and Engineering

services in associated fields. Subsequent to above, THDCIL has prepared 2 DPRs for Bhutan viz. Bunakha (180MW), Sankosh (2585MW) Hydro Electric Projects and viability studies for seven hydro power projects and a pumped storage plant on Indravati river based on integrated river basin concept in Chhattisgarh.

In the field of landslide stabilisation consultancy, some 50 DPRs for Landslide protection/ treatment works have been prepared from concept to commissioning of projects for State Govt. Deptts. of Uttarakhand and Shrine Board of Shri Mata Vaishno Devi and Holy Cave for Shri Amarnathji Shrine Board in J&K. THDCIL has successfully completed the stabilization works of Varunavat Parvat landslide in district Uttarkashi, Uttarakhand, 20 other vulnerable landslide zones in parts of Uttarakhand and 33 pre-identified vulnerable sites on the track of Shri Mata Vaishno Devi Shrine, Katra (J&K).

RESEARCH AND DEVELOPMENT

Research and Development Centre of THDC India Limited was established in Dec-2011 at Rishikesh. The R&D Policy was approved by Board of Directors in 2012. Various R&D projects through reputed institutions were under progress during FY 2019-20, namely; Earthquake monitoring stations established around Tehri Region, Expansion and upgradation of Micro Seismic Network around Tehri region, Consultancy for Improvement in Real Time Inflow Forecasting System for Tehri Dam Reservoir, Annual Condition Monitoring of EM equipment of Tehri and KHEP, Analysis and Mitigation of Oscillations in Hydro Generator fed Transmission Lines, Comprehensive solutions for slope stability of road between Zero bridge to Koteshwar etc. These projects are also continuing during FY 2020-21.

Some of the major R&D projects completed during FY 2019-20 are detailed below.

1. **Setting up of satellite based real time inflow forecasting system for catchment area of Tehri Reservoir** – The project was aimed at “safeguarding the dam as well as downstream population and infrastructure” by giving



Celebration of Republic Day- 2020

information in advance regarding the inflow of water into the reservoir before and after the monsoon.

The system is capable to observe real time meteorological and hydrological data and transmitting the same to earth station established at Tehri to further process the data for forecasting the inflow for Tehri reservoir. Since July-2018, inflow forecast with 6 hrs lead time having accuracy of the order of 80-90% are being issued by IIT Roorkee. The refinement of mathematical model is continuing to increase its efficiency under R&D project "Consultancy for Improvement in Real Time Inflow Forecasting System for Tehri Dam Reservoir".

2. **Condition Monitoring of EM equipment of Tehri and KHEP-** Periodic Condition monitoring and health assessment of critical EM- Equipment ensures high reliability and availability of plants. Condition monitoring is proven preventative maintenance approach that indicates early signs of deterioration, malfunctioning and inception of faults through testing, analysis and diagnosis. This process also alerts the plant manager and enables to initiate proactive measures to avoid unforeseen outages of equipment.

THDCIL in association with Central Power

Research Institute (CPRI), Bengaluru has been conducting Condition monitoring and Health assessment of EM-Equipment of Tehri HPP and Koteshwar HEP on yearly basis since 2012-13. The project has been completed for the year 2019-20.

3. **Micro Seismological Network -** The objective of setting up of micro seismological network in the Tehri region, is to collect long term data on micro earthquake activity of the region around Tehri dam site and to collect data on earthquake of engineering interest before, during and after impounding of water in Tehri reservoir. The seismicity around Tehri dam is being thoroughly investigated by this network and the observations collected till date from this network shows no correlation of seismic activity with reservoir filling. The analysis and interpretation of seismological data obtained from this network shall also be helpful for developing the seism tectonics model of the Himalaya around the study region.

THDCIL has expanded and upgraded micro seismic network from 12 stations to 18 stations network. The upgraded network of 18 stations has been commissioned on 08.08.2019 and online data is being received continuously at both the CRS, viz; New Tehri station and DEQ, IIT, Roorkee.



4. Other R&D Works

Technical research papers have also been written and submitted for presentation in different technical journals/conferences during the year. Following technical research papers have been written and submitted for presentation in the Symposium on Sustainable development of Dams and River basins "ICOLD 2020":

1. Analytical study of Sediment yield characteristics of Tehri catchment in upper Himalayas.
2. Sediment Yield and Deposition Pattern in Long Conical Tehri Reservoir.

During financial year 2019-20, an expenditure of ₹ 612 Lakh has been incurred under Research and development activities on various R&D projects against the approved R&D budget of ₹ 664.83 Lakh.

QUALITY ASSUARANCE

THDC India Limited has full-fledged centralized Quality Assurance and Inspection (QA&I) wing for achieving a better performance of plant

equipment. In this regard, a Model Quality Management System is in force to carry out quality assurance and inspection activities of hydro power projects under implementation for ensuring the quality of each and every equipment in regard to all the generating units and its auxiliaries including plant auxiliaries being supplied at site for the ongoing projects in accordance with the Model Quality Management System. The quality management system has its role at every stage of equipment i.e. Preparation of QA&I requirement for tender document, Bid evaluation for QA&I aspect, Finalization of Quality co-ordination procedure, Sub-vendor approvals, Approval of Quality assurance plans, Conducting stage and final Inspections, Recommendation of Material dispatch clearance certificate (MDCC). Further, QA&I wing also ensures the quality of the work being carried out during the installation of equipment at site by regular/periodical inspections at different stages of erection and commissioning of the plants. Till 31.03.2020, project wise details for vendor approval, QAP and inspections are mentioned below:

Project	Sub-vendors	Manufacturing quality plans	Pre-dispatch inspections
Tehri PSP	667	95	263
VPHEP	1629	39	228
Dhukwan SHEP	226	102	73

ENVIRONMENT MANAGEMENT

Your Company has always adopted the appropriate Environment safeguard measures to avoid, minimize and mitigate the negative impacts on Environment due to its activities at various offices and project fronts.

Your company is committed to conserve the natural resources, to protect and conserve the flora and fauna and to implement best practices at all of its workplaces. Your company aims in proper implementation of the Environment Management Plan for each of its projects. Various measures taken in this regard are as follows:

1. VPHEP:

- A five-member Environment and Social Panel

of internationally recognized experts has been engaged for monitoring and appraisal of Environment and Social issues involved in the development of 444 MW Vishnugad Pipalkoti Hydro Electric Project (VPHEP).

- WAPCOS Ltd., Gurgaon and Indian Council of Forestry Research and Education (ICFRE), Dehradun have been engaged for independent Third party monitoring of implementation of Environment Management Plan (EMP) and Catchment Area Treatment (CAT) Plan of VPHEP respectively.
- Directorate of Coldwater Fisheries Research (DCFR), Bhimtal has been engaged for the development and implementation of Fishery Management Plan at VPEHP.

- For Wildlife Protection at VPHEP, Camera Traps have been provided to the Forest Department for installation and monitoring at appropriate forest locations nearby the project sites. 02 Watch Towers have been installed at identified locations at Powerhouse and Tunnel Boring Machine site nearby the boundary of Kedarnath Wildlife Sanctuary.
- Controlled Blasting techniques are being practiced and the same being monitored by construction contractor through CIMFR, Roorkee.
- Herbal Garden is being developed in the VPHEP colony over an area of 1800 sq.m. approx., under the consultancy of HRDI, Mandal Gopeshwar. Various medicinal plants have been planted.
- The development of Green Belt at VPHEP is being undertaken under the supervision of noted Environmentalist Sh. Jagat Singh Chaudhary alias "Junglee". Till Mar' 2020, cumulatively 8800 nos. (approx.) trees are planted (including 1550 high yield variety of fruit bearing trees distributed to villagers).

2. Khurja STPP:

- Your company is implementing the 1320 MW Khurja Super Thermal Power Plant, wherein various Environment Management and Protection activities envisaged under the EIA-EMP report are to be executed pari-passu with the construction activity.
- By using some advance tools and techniques at Khurja STPP, your Company has planned to protect the direct emission of hazardous gases and particle into the atmosphere. Some of these techniques are listed below;
 - Electrostatic precipitators (ESP) with 99.89% efficiency would be installed to control the emission of fly ash particles. The precipitators would be designed to limit the particulate matter concentrations below 30 mg/Nm³.
 - The boilers will be provided with Low NOx

Burners and the flue gases shall be passed through Selective Catalytic NOx Reduction and Flue gas desulphurization systems to limit NOx and SO₂ concentrations below 100 mg/Nm³.

- An ash management scheme shall be implemented consisting of dry collection of fly ash, supply of ash to entrepreneurs as already being identified for utilization and promoting ash utilization to maximum extent and safe disposal of unused ash. The plant shall have two different systems for ash disposal –Conventional wet slurry disposal with ash water re-circulation for bottom ash and High Concentration Slurry Disposal (HCSD) for fly ash.

In order to sensitize people, World Environment Day (WED) is celebrated on June, 5th of every year at corporate office as well as at all project locations. The WED 2019 has been celebrated at Centre for Sustainable Livelihood Development, Jolly Grant, Bhaniyawala. A group of school children also presented a colorful dramatic presentation to prevent air pollution and the message of environmental protection was given to the people present.

IMPLEMENTATION OF RISK MANAGEMENT:

Since, majority of Hydropower projects are located in the Himalayan region, the landform of project areas represents mega folds, faults, thrust structures etc. which are related to the Himalayan tectonic activities. Various risks arouse during construction of different projects due to these geological features. The Company has adopted Risk Management Manual to maintain a uniform and structured Risk Management System in the company at various Power Projects during different stages of execution.

Risk Management Committee is in place, comprising of members from Project Site as Risk Officer, Project Finance and Corporate Design (Civil and HM) Deptt. for each ongoing construction project and nominated an executive as Corporate Risk Management Officer to monitor the Risk Management Plans being implemented



in well-organized way at ongoing projects.

Detailed information on Implementation of Risk Management is enclosed separately in the Corporate Governance Report (**Annexure-I**). Major elements of risk are given in the Management Discussion and Analysis Report enclosed as **Annexure-III** of this Report.

INFORMATION TECHNOLOGY AND COMMUNICATION

In THDCIL, Information Technology is used as strategic tool to improve overall productivity and efficiency. We have successfully implemented various software solutions to help in optimum utilization of generating assets, accelerated development of construction projects thereby improving quality, productivity and profitability of the organization. THDCIL has latest Information Technology and Communication Infrastructure. All key business functions viz. Finance, HR, Procurement and Contracts, Inventory, Project Management, Power Plant Operation and Maintenance, Energy Sales and Accounting, Quality Assurance etc. have computerized Systems. These applications are web based and are being accessed over internet.

All locations have dual high speed internet lease lines for uninterrupted access to internet and software applications. Further, for the transparency of payments, we have also implemented web based Bill Tracking Software to track the status of bills submitted by vendors/ contractors. Contractors / vendors also know the status of their bills, shortcomings are also known to them. Grievance Tracking System is for the public to register their complaint and get the status of their grievances.

During the recent past, the following value additions have been achieved:

- Information on website is being updated regularly. Online information Management system for project progress is also part of the website.
- The FMS application Software has already made Ind-AS compliant. Further, the software

is continuously upgraded with new features. Budgetary control system has been developed and implemented for Capital and Revenue Budget.

- Development of application software for online submission of “Quarterly Vigilance clearance reports of executives of E-05 and above”.
- Online Performance Management System (PMS) has been implemented in the Company.
- In order to move gradually towards paperless office for improving the efficiency, consistency and effectiveness in the responses from individual / section / department in handling the letters, notes and files, THDCIL has successfully implemented e-Office software (Developed by NIC). It has reduced substantial time / processing delays and established transparency and accountability.
- To secure the IT system and software applications, regular audit of software applications and IT infrastructure are being audited by CERT-In empaneled Security Auditors and also cyber security awareness workshops are being conducted regularly to sensitize employees about cyber security. A session on Cyber security has been organized for new graduate engineer trainees to make them aware of the various aspect of Cyber Security.
- The online Annual Property Return (APR) system has been developed in the HRMS and implemented since 2018.
- The Company has well established multi-point Video Conferencing system for conducting VC among the different project offices and Corporate office.
- The new software module in HRMS for Talent management and Exit procedure has been developed and implemented.

During the COVID19 Lockdown and thereafter, most of the works are being done by the online software and meetings are also conducted through video conferencing applications.



Celebration of 33rd Foundation Day

AWARDS AND RECOGNITIONS

Your Company has been recognized and appreciated by the Govt. of India and other prestigious organizations and institutions in the form of various awards/accolades in various categories from time to time.

Your Company is expected to be rated 'Excellent' for its performance for year 2019-20 as per MoU with the Ministry of Power.

Your company was conferred with various awards under different domains namely:

- Company has received prestigious "Rajbhasha Kirti Award", for the year 2018-19 on 14.09.2019 for best implementation of the official language policy of the Govt. of India in Region – "A" Category under Public Sector undertaking. Corporate Office was also conferred the 1st Prize of Rajbhasha Vajyanti Scheme of TOLIC (Town Official Language Implementation Committee) for the year 2018-19.
- Tehri Dam Project has been conferred with "CBIP award for Best Performing Utility in Hydro Power Sector" by CBIP (Central Board for Irrigation and Power) on 19.02.2020 in a glittering award ceremony held at SCOPE Convention Centre, New Delhi.
- CSR Health Impact Award-2019 by IHW Council under Category "Rural Health Initiative".

- National CSR Leadership Award-2019 by ZEE Business under Category "Concern for Health".
- CSR Times Award -2019 by National CSR Summit under Category "Rural Development and Infrastructure".
- World CSR day Congress and Awards 2020 by ET Now under Category "Concern for Health".

HUMAN RESOURCE MANAGEMENT

Human Resource is the most valuable asset for sustainable growth and attaining competitive edge for a Company. Human Resource contributes immensely in achieving vital organizational targets and creating and improving brand image of the company. Your company firmly believes that among all resources Human Resource is core and most vital resource to manage and get results therefore it enables its employees to deliver on business requirements while meeting their career aspirations. Organizational development in your Company has the focus on fostering a successful system that maximizes utilization of Human Resources, as well as optimizes other resources as part of larger business strategies. Your company has a human capital of 1835 as on 31.03.2020 comprising of 845 Executives, 101 Supervisors, 889 Workmen. Your Company takes pride in its highly motivated and competent human resource that has contributed its best to bring the Company



to its present heights.

TRAINING AND DEVELOPMENT

Your Company's endeavor is to unleash the potentials of its employees through strategic HRD interventions by aligning with the business. Your company has organized 83 dedicated training on Technical, Managerial and Behavioral domains besides, external floated nominations for 5767 Training Man-days which is 44% more than the target.

Your company achieved Excellent rating in accomplishing the MOU target of "Assessment of Level in line with People Capability Maturity Model. Your company has been adjudged and certified as Level 4 in PCMM by Quality Council of India, Delhi.

Several initiatives were taken for Women Employees for achieving Work life Balance as well as Leadership Development by way of organizing various training programs for Overall growth of Women Professionals. In addition to this officers have been sponsored for external floated nominations for Technical/Managerial programs in various reputed Institutes viz. IIMs. Besides, Capability Development Programs were conducted for employees to build their Technical and Managerial Competencies for Higher positions with special focus on Web Learning Programs.

Your company is investing in the Skill Development of its employees as well as various vocational training initiatives under CSR for the youths from the nearby areas.

EMPLOYEE RELATIONS AND WELFARE

Cordial Employee Relation is of utmost importance for sustainable growth of the company. It is a driving force behind sustained stellar performance of the company. The Employee Relation in your company is founded on Justice, equity, mutual respect and management complemented each others' efforts in furthering the interest of the company as well as its stakeholders, signifying and highlighting over-all harmony and cordial employee relations prevalent in the Company.

Employee relations were cordial and harmonious at all THDCIL projects/stations/units during

the year. There was continuous dialogue and interaction between the management and the unions and associations. Structured meetings were organized during the year wherein issues relating to performance and productivity were extensively discussed. Representatives of workmen were allowed to participate in joint management council where equal number of employees and Management representatives participated in objective and constructive discussion. The Quality Circle team from THDCIL presented models on Quality concepts which were appreciated and the teams of THDCIL bagged 01 par Excellence and 04 Excellence awards in the National Quality Circle meet thus proving its mettle in commitment of continuous improvement and content-oriented approach.

Your Company firmly believes in Employee Welfare and Wellness and the company always endeavors to formulate new welfare policies aiming at increasing the Happiness and Wellness quotient of its employees. Your company organized several welfare activities during the year ranging from organizing summer sports, winter sports, inter CPSU sports etc and won medals in several sports events organized under the aegis of ICPSU including Badminton where Women Team bagged 1st prize in individual event as well as remained Runner up in Carom tournament. A number of other cultural activities were organized to de-stress the employees, as well as to create better relationship among each other by respective clubs. Cultural Programmes are regularly organized for promoting healthy community living. Various festivals like Diwali, Holi, Durga Puja, New Year, Raising Day etc. are celebrated collectively by organizing cultural activities etc.

Your company realizes the holistic importance of Yoga for better living and therefore has deputed trained and qualified Yoga instructors for imparting continuous yoga training to employees and their families. Celebration of Yoga Day, arrangement of workshops on several health related issues, Medical Checkup camps at different Units and blood donation camps etc. were also an additional feature throughout the year.

Initiatives for SC/ST and Physically challenged persons:

Your company endeavors to comply with the guidelines issued by Govt. of India from time to time on implementation of reservation policy on Direct Recruitment, promotion etc. for SC/ST and Physically challenged candidates. Your company implemented Govt. guidelines on welfare of SC/ST personnel and redressal of their grievances in letter and spirits. Your company has a dedicated grievance cell for SC/ST/OBC and minorities. Continuous Efforts are made to fill up backlog vacancies through the process of internal promotion and recruitment through Special recruitment drive. Your Company recruited 02 Nos. candidates from SC category in Group-C.

In compliance of implementation of United Nations Convention on the Rights of Persons with Disabilities, the Corporation has provided easy accessibility by way of erecting ramps in most buildings of the Corporation. Your company has been making all efforts towards creation of barrier free environment for differently abled by following the guidelines laid down under Sugamya Bharat Abhiyan. Your company has been nominating employees belonging to Physically Handicapped category to attend special training programmes. Your company has nominated Liaison Officers to identify the issues pertaining to differently abled employees and implementation of various welfare activities for them. Your company has Equal Opportunity Policy and is implemented in letter and spirit.

IMPLEMENTATION OF OFFICIAL LANGUAGE

Your Company has made sustained efforts to enhance the progressive use of Hindi in day to day official working. Your company believes that Hindi language has the power to create bonding and national spirit therefore, your company made vigorous efforts for the propagation and successful implementation of the official Language Policy of the Government of India. Several Hindi workshops and competitions were conducted at projects and corporate office during the year to encourage the employees to maximize the use

of Hindi in official work. All office orders, formats and circulars were issued in Hindi. The Contents are also being displayed in the official website bilingually. Important advertisements and house journals were released in bilingual form- in Hindi and in English.

During the year 16 numbers of workshops were organized by Rajbhasa section where 411 numbers of employees were imparted training. To provide bi-lingual working facility in Computers/Laptops, Hindi Software/Fonts have been installed. To encourage the employees to perform their work in Hindi, a Hindi typing/Stenography Incentive Scheme has also been introduced. Quarterly meetings of Official Language Implementation Committee were organized in subordinate offices/units. Attractive incentive schemes for employees working in Hindi have been implemented as per the government guidelines. Also, various awards and reward schemes have been introduced to encourage employees to actively participate in promotion of Hindi, by contributing articles/write-ups for in-house magazines, participating in events organized throughout the year including Hindi Pakhwada.

Your Company has established one of the best Hindi libraries at Corporate Centre along with other Hindi Libraries at various establishments of the Company, where popular/literary Magazines and News Papers have been made available for the employees.

Your company is also discharging the responsibility of chairmanship of TOLIC (Town Official Language Implementation Committee) Haridwar and Tehri. Various activities / programs of Town Official Language Implementation Committee were organized at regular intervals during the year such as half yearly meetings. All activities and programs have been uploaded on the website of Town Official Language Implementation Committee, prepared by the Department of Official Language.

Hindi "Kavi Sammelan" was organized during the year 2019 at Corporate and Units. Special Kavi Sammelan was organized on the occasion of 150th birth centenary of Father of the Nation



Mahatma Gandhi. Hindi house journal "PAHAL" is being published.

Your company was conferred prestigious "Rajbhasha Kirti Award", for the year 2018-19 for best implementation of the official language policy of the Govt. of India in Region – "A" Category under Public Sector undertaking. Corporate Office was also conferred the 1st Prize of RajbhashaVajyanti Scheme of TOLIC for the year 2018-19.

Effect of COVID-19 Pandemic on THDCIL

Novel Corona Virus (COVID-19) Pandemic has caused an unprecedented collapse in economic activities and has severely affected throughout the world. At this critical juncture of crisis, THDCIL is firmly standing by Govt. of India as well as State Govts. in fight against COVID-19. Out of available resources, all possible efforts are being made to contribute as per guidelines of Govt. of India and assist Distt. Administration / State Government to provide all possible help to the needy. Contribution of ₹ 10 Cr. to PM CARES fund and ₹ 2 Cr. to Uttarakhand State relief Funds was made by THDCIL which includes part contribution from salary of its employees.

All construction works at THDCIL under construction projects remained suspended since 22.03.2020 in compliance to various orders of Govt. of Uttarakhand and Govt. of India declaring complete "Lockdown". However, to support the economy in response to adverse impacts of spread of the COVID -19 pandemic, all Operational Plants of THDCIL i.e. Tehri HPP(1000 MW), Koteshwar HEP (400 MW), Patan Wind farm (50 MW) and Dev Bhoomi Dwarka Wind Farm (63 MW) were kept in continuous operation taking all prescribed safety measures and precautions against COVID-19 during Lockdown period.

The works on all four under construction Projects of THDCIL i.e Tehri PSP(1000 MW), VPHEP(444 MW) , Khurja STPP(1320 MW) and Solar Power Project Kasargod (50 MW) was re-started w.e.f. 20.04.2020 with limited available resources, taking all prescribed safety measures and precautions against COVID-19 in Compliance to MHA order dt. 15.04.2020 and other guidelines issued by Govt. / Authorities from time to time.

Due to restriction on inter-state transportation of material, equipment and manpower, closure of stone crushers, Plants of construction material, there was shortage of required resources. Contractors for many new works or even running works could not mobilize at Site due to restrictions imposed by Govt.

Therefore, progress of work remained slow at site due to availability of limited resources and compliance of mandatory safety guidelines. However, progress at various under construction projects is gaining momentum after implementation of Unlock guidelines as issued from Government from time to time.

It is expected that completion schedule of various under construction Projects viz. Tehri PSP, VPHEP, Khurja STPP and Kasargod Solar Plant may be impacted by about 6 months.

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 2019-20, total 144 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, 16 appeals have been received by First Appellate Authority, all the appeals have been disposed off by the Appellate Authority. Besides, during the year 2019-20, 01 appeal was filed before Central Information Commission (CIC), New Delhi and the same were disposed off by the Commission.

Women Employee Welfare:

Your Company formed “Internal Complaints Committees” as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 reflecting its commitment to provide a safe and caring environment to female employees.

It is hereby declared that the company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and it is also declared that during the year there were no cases filed and no complaints received by the committee under this Act.

Your company has also constituted WIPS (Women in Public Sector) committee and is a life time member of WIPS. Your company has nominated members of WIPS to attend National conferences. Several training programmes, health and wellness workshops were organized for women employees.

PR Initiatives and Activities:

Your Company firmly believes in constructive communication and follows innovative and diversified means for engagement of various stakeholders. The key areas of productive interventions of during F.Y.2019-20 are:

Company has developed active and diverse Social Media Assets viz. Verified Facebook Page, You Tube Channel, Instagram Page, Twitter Handle and these social media tools have been linked with Ministry of Power, PMO, and My Gov.(Citizen Engagement Platform) of Govt. of India. Your Company has established Social Media Centre (SMC)-One Stop Destination for carrying out prudent Social Media Interventions and to ensure its implementation and centralized effective monitoring at THDCIL Corporate office Rishikesh.

Your company also has developed Electronic Magazine(THDCIL Communication Charter) for interesting, informative content sharing together and Bulk Messaging Service for speedy real-time communication with employees. Your company also started a new initiative of VOICE CALL SERVICE as well.

Your company organized various workshops viz. Media Workshop for CMD and Directors as well as key Executives of the Corporation. CSR and Community Outreach Workshop for CSR and PR Personnel under Capacity Building and Institutional Strengthening (CBIS).

Your company convened Media Round Table wherein the achievements of the Corporation were shared with Media Personnel. Your Company also played an important role in wider publicity of major flagship programmes of Govt. of India

VIGILANCE ACTIVITIES

To address the issues of corruption, pro-active and preventive approach has been of prime importance to the Vigilance deptt. For increasing transparency and accountability, the strategy of predictive and preventive vigilance have been drawn and implemented for an environment of integrity and added values to the system. The approach of preventive vigilance has been coupled with the measures like the review of rules and policies, particularly concerning procurement and recruitment, awareness measures and focusing on specific functional areas. THDCIL in its endeavor to eradicate/ mitigate corruption has adhered to utilize leveraging various IT packages as effective tools in THDCIL administration.

Preventive Vigilance:-

Preventive vigilance is the adoption of a package of measures to improve systems and procedures to reduce /minimize corruption. Preventive Vigilance is comparatively more important as these are likely to reduce the number of vigilance cases considerably.

It covers various types of checks viz. CTE type inspection, Regular Checks, Surprise Inspections etc. The main thrust of Vigilance Department had been on streamlining the Systems in consultation with peer departments to bring transparency and accountability to curb the corruption to the maximum extent possible. For achieving the objective, following measures have been taken:

- Vigilance deptt. did adhere to the time schedule laid down by the Central Vigilance Commission (CVC) for conducting enquiries



and investigations.

- Agreed list was reviewed and finalized in consultation with CMD and HOB(CBI), Dehradun. List of Officers of Doubtful Integrity were also finalized.
- E-Governance :
 - ❖ Online complaint management system, a major step to extend transparency, was developed and deployed. Vigilance MIS System and Grievance Tracking System (GTS) through URL both are in operation with fruitful results.
 - ❖ The Bill Tacking System (BTS), web based application software has been implemented in THDCIL to facilitate the vendors /contractor to upload their bills and monitor the payment process and progress of their bills.
 - ❖ In compliance to the MOU between MOP and THDCIL, link for Online Quarterly Vigilance Clearance updation for Senior Executives (Manager and above) has been developed and implemented in THDCIL.
 - ❖ Through E-payment practice introduced in THDCIL, 100 % contractual payments are being made electronically. Accordingly, Tender Conditions have been modified in the tender documents.
 - ❖ Online submission of Annual Property Return (APRs) is being done by all the employees of the corporation.

Proactive vigilance:-

Emphasis is given on Proactive Vigilance for combating corruption as well as to have good organizational governance. To bring awareness and sensitize employees on vigilance and allied matters, following proactive vigilance activities are being adopted:

- ❖ Simplifying rules and procedures
- ❖ Curtailing discretions
- ❖ Bringing fairness, competitiveness and accountability in the organization
- ❖ Promoting awareness amongst contractors/ vendors

- ❖ Educating/sensitizing the officials
- ❖ Monitoring of rotation of officials in sensitive posts

Systemic Improvements:-

Certain Observations during the course of inquiry / investigation / CTE type inspection and Surprise inspection were noticed. These issues could have been avoided, had the concerned executive taken a more careful/transparent approach. Such issues/matters were brought to the notice of all concerns through Systemic Improvement circulars from time to time to avoid repetition of similar nature of opacity in future by other deptt./units of THDCIL. This activity is a continuous process of Vigilance deptt. on the concept of “A stitch in time, saves nine.” During the year, 15 numbers of Systemic Improvements were issued.

Vigilance Awareness Week, 2019:-

- i. Vigilance Awareness Week-2019 was observed with full enthusiasm with maximum participation from all categories of employees/contractors/ vendors/other stakeholders in THDCIL from 28.10.2019 to 02.11.2019 with the theme “**Integrity – A way of Life**” as specified by CVC this year. On the occasion, the Vigilance Department published a Booklet on “**Problem Areas of Corruption in Work Contracts/ Constructions identified by CTE and Systemic Improvements issued by Vigilance Department**”, to create awareness amongst all the officials. A lecture on “**Integrity-A way of life**” was delivered by Sh. Ramanath Jha, Executive Director, Transparency International India at Pragatipuram, Rishikesh on 01.11.2019. A 03- days Residential Training Program on “Public Procurement and Preventive Vigilance” was held at HRD Centre, Rishikesh from 30.10.2019 to 01.11.2019.
- ii. Posters/Bannerson Anti-corruption, Resolution of Govt. of India on PIDPI guidelines related to whistle blower mechanism were published and distributed to all the projects/offices of THDCIL for display. Various Programs were organized for THDCIL employees, students of schools and colleges in the nearby areas



Commencement Programme of Vigilance Awareness Week

of the THDCIL Offices and Projects. Integrity clubs formed in Schools at Rishikesh, Tehri and Pipalkoti were also involved to create awareness amongst the public.

PROCUREMENT FROM MICRO AND SMALL ENTERPRISES

During the financial year 2019-20, THDCIL has procured goods and services from MSEs constituting 36.16 % of total annual procurement

value after excluding the value of items/ equipment/ services which are either Original Equipment Manufacturers (OEMs) proprietary equipment and/ or not manufactured/provided by MSEs.

The details of the procurements made Micro and Small Enterprises (MSEs) during the FY 2019-20 as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 is as under:

Sl. No	Particular	Figures (₹ in Cr.)
I	Total Annual procurement (in value)*	37.1753
II	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs).	13.4412
III	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs.	0.1974
IV	Total value of goods and services procured from only MSEs owned by Women entrepreneurs.	0.1375
V	% of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement	36.16%
VI	% of procurement from MSEs owned by SC/ST entrepreneurs out of total procurement	0.53%
VII	% of procurement from MSEs owned by Women entrepreneurs out of total procurement	0.37%
VIII	Whether Annual Procurement Plan for purchases from Micro and Small Enterprises are uploaded on the official website.	Yes

*This includes procurement of goods and services only.

Special vendor development program in coordination with Ministry of Micro, Small and Medium Enterprises has also been organized. Annual procurement plan including items to

be procured from Micro and Small Enterprises (MSEs) have been uploaded on THDC Website for benefits of MSMEs. Nodal officer of THDCIL is regularly updating the implementation progress to Ministries of MSME and Power, Gol.



CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2019-20, the Company has not entered into any material transaction with any of its related party in terms of Section 188 of Companies Act 2013.

Disclosures of particulars of contracts/arrangements referred to in sub-section (1) of section 188 of the Companies Act, 2013, Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014 is as under :

Particulars	Details
Details of contracts or arrangements or transactions not at arm's length basis.	Nil
Details of material contracts or arrangement or transactions at arm's length basis.	Nil

CORPORATE GOVERNANCE

Your Company has endeavored to adopt Good Corporate Governance Practices. The Corporate Governance mechanism in your Company is based on parameters like Transparency and Fairness, Timely and Balanced Disclosures, Integrity in Financial Reporting, Promote Ethical and Responsible Decision Making Obligations towards Environment and protection of Rights and Interests of Stakeholders.

In compliance to "Securities and Exchange Board of India (LODR) Regulations, 2015" and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, a detailed report on the Corporate Governance is annexed as per **Annexure -I**.

A certificate from practicing company secretary regarding compliance of conditions of corporate governance according to DPE guidelines is also obtained from PCS and is enclosed as part of Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABLE DEVELOPMENT (SD)

Your Company is committed to the National and International goals and has greater concern for social and environment sustainability. As required under Companies Act 2013 and CSR Rules, your Company has introduced CSR and Sustainability policy 2015 with the approval of the board. Accordingly, 2% of average net profit of the company for 03 preceding years has been allocated for implementation of CSR.

All CSR Projects are considered by the Below Board Level Committee (BBLC) and approved by the Board Level CSR Committee (BLC). Before implementation of CSR Projects Baseline Survey is done to priorities the activities.

During the Financial year 2019-20 total expenditure to be incurred on CSR activities as 2% of net average profit of last three years was ₹ 21.48 Cr. However, the actual expenditure on CSR activities is ₹ 21.62 Cr, out of which THDCIL contribution is ₹ 21.48 Cr.

Detailed Report on CSR is attached as **Annexure- II**
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with DPE Guidelines on Corporate Governance a separate Report on Management Discussion and Analysis is attached as **Annexure-III** to the Directors' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are attached as **Annexure-IV**.

BUSINESS RESPONSIBILITY REPORT

As a part of Good Corporate Governance Practice Business Responsibility Report, regarding the disclosures of initiatives taken by the Company

on environmental, social and governance issues is attached at **Annexure-V**.

EXTRACT OF ANNUAL RETURN

Extract of annual return of the Company in accordance to section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached at **Annexure- VI**.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm the following:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have 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 at the end of the Financial Year and of the profit of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY DISCLOSURES

- a. There was no change in the nature of business

of the Company during the financial year 2019-20.

- b. The Company has not accepted any public deposits during the financial year 2019-20.
- c. Information on composition, terms of reference and number of meetings of the Board and its Committees held during the year, establishment of vigil mechanism/whistle blower policy and web-links for familiarization/training policy of Directors, Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and Policy for determining Material Subsidiaries, Compensation to Key Managerial Personnel, Sitting fees to Independent Directors, etc. have been provided in the Report on Corporate Governance, prepared in compliance of provisions of SEBI (LODR) Regulations, 2015, as amended from time to time, which forms part of the Annual Report.
- d. Since the provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder, related to Managerial Remuneration, are not applicable to Government Companies, no disclosure is required to be made.
- e. There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year i.e. March 31, 2019 and the date of this report.
- f. The Company has not issued any stock options to the Directors or any employee of the Company.
- g. The details related to vigilance cases, replies to audit objections and RTI matters, etc. are duly incorporated in this report.
- h. The Board is of the opinion that all Independent Directors possess requisite qualification, experience, expertise and hold high standards of integrity and being eligible and offered themselves to be continued as the Independent Director of your Company.



OTHER DISCLOSURES

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Statutory Auditor of the Company i.e. M/s S.N. Kapur & Associates, Chartered Accountants have in their report stated that the Company has in all material respects, an adequate internal financial control system with reference to financial reporting and company has adequate policies in place for prevention and detection of Frauds.

PARTICULARS OF LOANS AND GUARANTEES GIVEN, INVESTMENTS MADE AND SECURITIES PROVIDED

Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given or securities provided by a company engaged in the business of financing of companies or of providing infrastructural facilities in the ordinary course of its business are not applicable to the Company, hence no disclosure is required to be made.

DETAILS OF SIGNIFICANT AND MATERIAL, ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and company's operations during the FY 2019-20.

MAINTENANCE OF COST RECORDS

Your Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the year 2019-20.

Declaration by Independent Directors

All the Independent Directors have met the requirements specified under Section 149(6) of

the Companies Act 2013 regarding holding the position of 'Independent Director' and necessary declaration from each Independent Director under Section 149(7) has been received.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Your Company being Government Company, the appointment of Statutory Auditors is made by Comptroller and Auditor General of India under Section 139 of the Companies Act, 2013. M/s S N Kapur & Associates, Chartered Accountants, 1 Maitri Vihar, Haridwar Bypass Road, Dehradun-248001, were appointed as Statutory Auditor of the Company by C&AG vide their letter no. CA.V/COY/CENTRAL GOVERNMENT, TEHRIL (I) /243 Dated 02/08/2019 under Section 139 of the Companies Act, 2013.

As required under Section 142 of the said Act, proposal for fixation of the remuneration payable to the Statutory Auditor is being placed in the ensuing Annual General Meeting (AGM) for consideration.

The report of the Statutory Auditors 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 2019-20. Hence comments of the Company is "NIL".

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

The Comments of Comptroller and Auditor General of India as supplement to the Statutory Auditors' Report under Section 143(6) of the Companies Act, 2013 on the Accounts of the Company for the year ended March 31, 2020 are attached with Financial Statements.

The C&AG has issued 'Nil' Comments on the Annual Accounts. Accordingly, the Management reply is 'Nil'.

Cost Auditors and Cost Auditors' Report

M/s K G Goel & Associates, Cost & Management

Accountants, New Delhi and M/s K B Saxena & Associates, Cost & Management Accountants, New Delhi, M/s S.C Mohanty & Associates, Cost & Management Accountants, New Delhi, have been appointed by the company as Cost Auditors to conduct the Audit of Cost Accounting Records for Tehri Unit, Koteshwar Unit and wind power projects respectively for the Financial Year 2019-20 under Section 148 of the Companies Act, 2013. Out of the above appointed Cost Auditors, M/s K G Goel & Associates, Cost & Management Accountants, New Delhi is lead Cost Auditor.

The Cost Auditor has not given any reservations or Qualifications in his Report for the F.Y 2019-20.

Secretarial Audit

Secretarial Audit for the FY 2019-20 has been done by M/s PSR Murthy, a Practicing Company Secretary in compliance of Section 204(1) of the Companies Act, 2013. The Company has complied with all the Secretarial Provisions and no case of default is reported. The Report of the Secretarial Auditor is attached as **Annexure VII**.

DEBENTURE TRUSTEES

The details of Debenture Trustees appointed for the Corporate Bonds issued by your company are as under:

Name and Address of Trustee
Vistra ITCL (India) Ltd. (Formerly IL&FS Trust Company Limited)
The IL&FS Financial Centre, Plot C-22, G-Block, Bandra Kurla Complex, Bandra East, Mumbai-400051

ACKNOWLEDGEMENT

The Board of Directors of your Company are highly thankful for the enormous support and guidance extended by the Ministry of Power, Govt. of India, Central Electricity Regulatory Commission, State Governments and their Ministries, Departments/Boards, Bankers, Financial Institutions, Lenders and Investors. The Board places its special appreciation to our valued customers, State Electricity Boards and Discoms and other valuable clients of our consultancy assignments.

Your Directors thank all stakeholders, business partners and all members of the THDC Family for their faith, trust and confidence reposed in the Board.

Your Directors acknowledge the constructive suggestions received from Statutory Auditors and Comptroller and Auditor General of India and are grateful for their continued support and cooperation. Your Directors wish to extend their sincere appreciation for the dedicated efforts and enthusiasm put in by the THDC ians at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of Board of Directors.

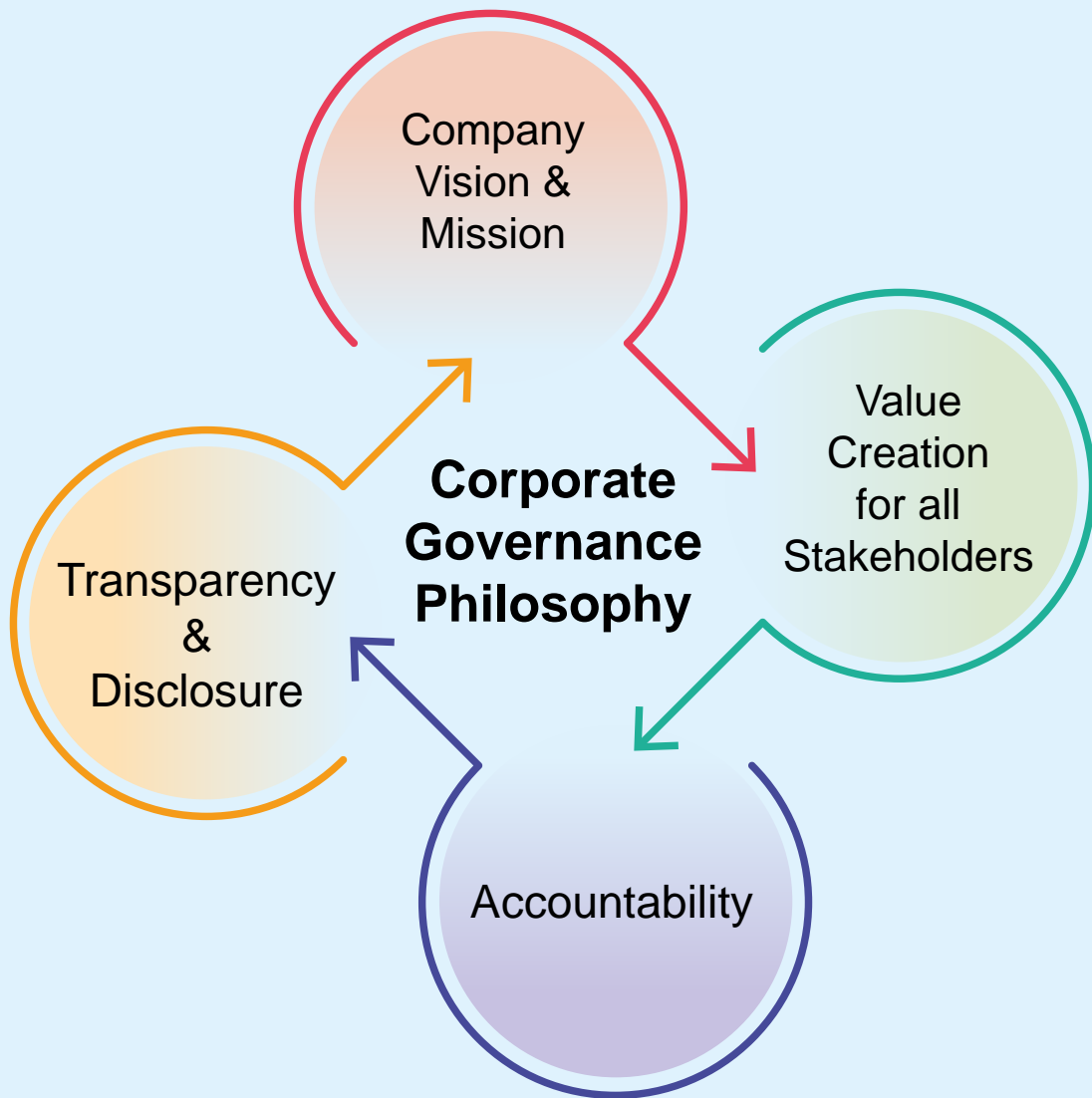
(D.V. Singh)

Chairman & Managing Director

DIN: 03107819

Date : 22.09.2020

Place : Rishikesh



REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

To

The Members

Corporate Governance is about promoting Fairness, Transparency and Accountability in best interest of various stakeholders of the company. The Company believes that Corporate Governance is respect for the inalienable rights of the shareholders as the true owners of the Company.

Your Directors are pleased to present the Company's Report on Corporate Governance for the Financial Year 2019-20. The Company was originally incorporated as a Joint Venture Company by Government of India and Government of Uttar Pradesh in ratio of 75:25. In the Financial Year 2019-20, Government of India sold its entire shareholding in THDCIL to NTPC Limited under strategic sale. Your company is complying with the changes brought in the area of Corporate Governance by the Companies Act, 2013 and SEBI Corporate Governance Norms.

Besides adhering to provisions of the SEBI (LODR) Regulations, 2015, we also follow Guidelines on Corporate Governance of CPSEs issued by Department of Public Enterprises (DPE), Government of India. The Company has adopted good practices of Corporate Governance required under Companies Act, 2013 and DPE Guidelines. Your company is complying with all the Corporate Governance Guidelines issued by DPE. The Company has got 'Excellent' rating from DPE for complying the guidelines on Corporate Governance for the year 2019-20.

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. The Company's corporate governance principles

conform and adhere to all the relevant and applicable laws, rules and regulations. We believe that sound corporate governance is critical to enhance and retain stakeholders trust. We always strive to ensure that we attain our professional goals with integrity. The basic purpose of Company's corporate governance policy is to continue and maintain the corporate culture of conscience and consciousness towards shareholders and other stakeholders.

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

The Board of Directors are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company. The Board of Directors function in accordance with the powers delegated under the Companies Act 2013, AoA, DPE and other guidelines issued by the Government of India from time to time as may be applicable on the Company. The Board of Director of THDCIL comprises of Chairman and Managing Director, Functional Directors, Nominee Directors of NTPC, Government of India and Govt. of Uttar Pradesh. The Powers delegated by Board of Directors to CMD are further sub delegated to various executives with the concept, intent and purpose that it will effectively contribute to the smooth, expeditious and efficient implementation



of company's laid down goals and targets within set policy framework. THDCIL has also prepared and implemented standard Policies and Procedures for procurement of goods and services with a view to make procedures more systematic, transparent and easy to administer with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility.

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.

The compliance of the company with the conditions of the Corporate Governance and the disclosure requirements for the Year 2019-20 are given below:

2. BOARD OF DIRECTORS

2.1 SIZE OF THE BOARD

Your Company is a Government Company within the meaning of Section 2(45) of Companies Act, 2013 with Equity Share Holding of 74.496 by NTPC Limited and 25.504 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 THE BOARD

The Board of Directors has an ideal combination of executive and non executive Directors and is in conformity with the provisions of Companies Act, 2013 which inter alia stipulates that the Board should have an optimum combination of Executive and

Non-executive Directors with at least one Woman Director. Presently, the Board comprises of the Chairman and Managing Director, Functional Directors, Nominee Directors of NTPC and Government Nominee Directors. THDCIL Board generally comprises of four Functional Directors including Chairman, one Government of India Nominee Director, one GoUP Nominee Director two NTPC Nominee Directors and 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 and Managing Director and Whole Time Directors is 60 years. The Chairman and Managing Director 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 Administrative Department of Govt. of India/ Govt. of Uttar Pradesh will retire on ceasing to be an official of that Administrative Department. Independent Directors are appointed by Government of India usually for tenure of three years.

2.4 TRAINING PROGRAMMES OF DIRECTORS

At the time of induction of a new Director, a welcome letter is addressed to them alongwith details of duties and responsibilities required to be performed as a director. In addition to the compliances required from them under the Companies Act, 2013, SEBI (LODR) Regulations 2015 and other applicable regulations relevant disclosures are taken from the Directors and the management of the Company.

The Company has framed a training policy for its Directors which aims at honing leadership qualities and providing a platform to share the

knowledge, skills and experience gained by the Directors which consecutively familiarizes the new Director about the Company, its operations, various divisions of the Company

and their role and responsibilities, the governance and internal control, processes and other relevant important information concerning the Company.

APPOINTMENT AND CESSATION OF DIRECTORSHIPS

Shri J. Behera Director (Finance)	Appointment	16.08.2019
Shri Rajeev Kumar Vishnoi Director (Technical)	Appointment	01.09.2019
Shri H.L. Arora Director (Technical)	Cessation	31.08.2019
Shri Bachi Singh Rawat	Cessation	22.12.2019
Shri Mohan Singh Rawat	Cessation	22.12.2019
Prof. Maharaj K. Pandit,	Cessation	22.12.2019
Shri Anand Kumar Gupta NTPC Nominee Director	Appointment	23.04.2020
Shri Anand Kumar Gupta NTPC Nominee Director	Cessation	31.07.2020
Shri Anil Kumar Gautam NTPC Nominee Director	Appointment	23.04.2020
Shri Ujjwal Kanti Bhattacharya NTPC Nominee Director	Appointment	26.08.2020

2.5 BOARD MEETINGS AND ATTENDANCE

Eight Board Meetings were held during the financial year 2019-20. Details of Dates of Meeting, Strength of Board and No. of Directors Present are given in **Table 1**:

Table 1: Details of Board Meetings during the year 2019-20

Sr. No.	Date of Board Meetings	Strength of Board	No. of Directors Present
1.	May 8, 2019	8	7
2.	July 30, 2019	8	7
3.	August 26, 2019	9	9
4.	September 27, 2019	9	9
5.	November 14, 2019	9	8
6.	January 20, 2020	6	5
7.	February 14, 2020	6	5
8.	March 20, 2020	6	5

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 2019-20 are placed in **Table 2** :


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

S. No.	Directors	Number of Board Meeting held during the tenure	Number of Board meetings attended	Attendance at last AGM	Other Directorships held	Other Positions	
						Chairman	Member
FUNCTIONAL DIRECTORS							
1.	Shri D. V. Singh (Chairman and Managing Director)	8	8	Attended	-	-	-
2.	H.L Arora Ex-Director (Technical) (till 31.08.2019)	3	3	Not Attended	-	-	-
3.	Vijay Goel Director (Personnel)	8	8	Attended	-	-	-
4.	Shri J. Behera Director (Finance) (w.e.f. 16.08.2019)	6	6	Attended	-	-	-
5.	Shri Rajeev Kumar Vishnoi Director (Technical) (w.e.f. 01.09.2019)	5	5	Attended	-	-	-
NOMINEE DIRECTORS							
6.	Shri Raj Pal	8	8	Attended	2	-	-
7.	Shri T. Venkatesh	8	2	Attended	1	-	-
8.	Shri Anand Kumar Gupta (from 23.04.2020 to 31.07.2020)	0	0	Not Attended	9	-	-
9.	Shri Anil Kumar Gautam (w.e.f. 23.04.2020)	0	0	Not Attended	4	-	-
INDEPENDENT DIRECTORS							
10.	Shri Bachi Singh Rawat (up to 22.12.2019)	5	5	Attended	-	-	-
11.	Shri Mohan Singh Rawat (up to 22.12.2019)	5	5	Attended	-	-	-
12.	Prof. Maharaj K. Pandit (up to 22.12.2019)	5	5	Attended	-	-	-

2.6 DIRECTORS' COMPENSATION AND DISCLOSURES:

Your Company, being a Government Company under the administrative control of Ministry of Power, Govt. of India, thus 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 are nominated by Government and NTPC Limited in Ex-officio capacity are not paid any kind of remuneration. Independent Directors are paid sitting fees @ ₹ 20,000 per sitting for meetings of Board as well as Committee meetings (sitting fee is fixed by Board) as per Rule 4 of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with section 197 of Companies Act, 2013.

The Details of payments made towards sitting fees to Independent Directors during the year 2019-20 are given in **Table 3:**

Table 3: Details of payments made as sitting fees to Independent Directors

Name of Independent Directors	Sitting Fees (in ₹)				Total (in ₹)
	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	CSR & Sustainability Development Committee Meetings	
Shri Bachi Singh Rawat	100000	80000	60000	20000	260000
Shri Mohan Singh Rawat	100000	80000	NIL	40000	220000
Prof. Maharaj K. Pandit	100000	80000	60000	NIL	240000

Details of remuneration of Whole-time Functional Directors, Chief Financial Officer and Company Secretary of the company paid for F.Y. 2019-20 are given below:

Table 4: Remuneration of Whole-time Directors and Key Managerial Personnel

Amount (in ₹)

Name of Directors	Designation	Salary and Allowances	Bonus/ Commission*	Performance Related Pay(PRP)	Gross Total
Sh. D.V. Singh	Chairman and Managing Director	4230140	-	2740321	6970461
Sh. Vijay Goel	Director(Personnel)	6356246	-	2446337	8802583
Sh. J. Behera	Director (Finance)	6276596	-	1582943	7859539
Sh. Rajeev K. Vishnoi	Director (Technical)	5256641	-	1976671	7233312
Sh. H.L. Arora (Till 31.08.2019)	Ex-Director (Technical)	2361339	-	301145	2662484
Ms. Rashmi Sharma	Company Secretary	1502014	-	402950	1904964



2.7 KMP (KEY MANAGERIAL PERSONNEL)

As per the Section 203(1) of Companies Act, 2013, and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 every company belonging to prescribed class or classes of companies shall have the whole-time Key Managerial Personnel (KMP). Accordingly THDCIL has designated following key managerial personnel.

1. Shri D.V. Singh, Chairman and Managing Director
2. Shri J. Behera, Director(Finance) and Chief Financial Officer
3. Ms. Rashmi Sharma, Company Secretary and Compliance Officer

2.8 BOARD MEETING PROCEDURES:

- i) 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 seek to systematize the decision making process in Board meetings in an informed and efficient manner.
- ii) 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 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 documents 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.

iii) Recording of minutes of the Board/ Committee meetings:

The draft Minutes of the proceedings of each Board/Committee Meeting are duly circulated to all members for their comments within fifteen days of the conclusion of the Meeting. The Directors communicate their comments on the draft Minutes within seven days from the date of circulation thereof. A comparative sheet of all comments received from Directors are placed before the Chairman & Managing Director/Chairman of respective Committees for consideration and approval thereof. The approved minutes of proceedings of each Board/Committee Meeting are duly recorded in the minutes book.

iv) Follow-up mechanism:

Directions issued by the Board are regularly communicated to concerned Departments and an action-taken on the decisions of the Board is regularly placed before the Board which helps in effective reporting on follow-up and review of decisions.

v) Compliance:

It is our endeavor to ensure compliance of all applicable provisions of law, rules and guidelines. The company ensures compliance of all applicable provisions of the Companies Act, 2013 (to the extent these are applicable), SEBI Regulations & Guidelines, Listing

Agreement and other statutory requirements under different laws. The Board of Directors review the legal compliance report placed before it from time to time.

vi) Information to be placed before Board of Directors:

- Annual operating plans, budgets and related updates.
- Capital budgets and related updates.
- Quarterly/Annual Financial results of the Company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Major investments, formation of subsidiaries, joint ventures and strategic alliances.
- Quarterly information with respect to purchases/works/contracts awarded on nomination basis.
- Status of Progress report of projects.
- Quarterly report on compliance of various laws.
- Disclosure of interest by directors about their directorships.
- Significant capital investment proposals or award of large contracts.
- Status of arbitration cases.
- Changes in significant accounting policies and practices along with reasons thereof.
- Any other information required to be presented to the Board either for information or approval as per the requirement of applicable laws.

3. COMMITTEES OF BOARD OF DIRECTORS

Presently, the company has three Board Level Committees which are as under:

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

The Company Secretary serves as the Secretary to all Board Level Committees.

3.1 AUDIT COMMITTEE

The Company has constituted Audit Committee as per Section 177 of the Companies Act, 2013. Composition, Quorum, Scope, etc. of the Audit Committee are in line with the Companies Act, 2013 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 in accordance with DPE Guidelines on Corporate Governance and Companies Act, 2013.

3.1.1 COMPOSITION OF AUDIT COMMITTEE

As per Companies Act, 2013 and 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 is given in **Table 5:**

Table 5: Name of Members of Audit Committee and their Categories

S. No.	Name of Members	Category of Members
1.	Shri Bachi Singh Rawat	Independent Director - Chairman
2.	Shri Mohan Singh Rawat	Independent Director - Member
3.	Prof. Maharaj Krishan Pandit	Independent Director - Member
4.	Shri H.L. Arora (till 31.08.2019)	Ex-Director (Technical) - Member
5.	Shri R.K. Vishnoi (w.e.f. 27.09.2019)	Director (Technical) - Member

The Director (Finance) invariably attended the Audit Committee meeting as Special Invitee.

Note: Audit Committee is not functional since December 2019 due to expiry of Tenure of Independent Directors. Appointment of Independent Directors from Administrative Ministry is under process.



3.1.2 TERMS OF REFERENCE OF AUDIT COMMITTEE

The Terms of Reference of Audit Committee include following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Recommendation for remuneration and terms of appointment of auditors of the company.
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 - Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to :
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in the draft audit report.
 - Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 - Reviewing, with the management, performance of statutory auditors, internal auditors and adequacy of the internal control systems.
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - Approval or any subsequent modification
- of transactions of the company with related parties.
- Scrutiny of inter- corporate loans and investments.
 - Valuation of undertaking or assets of the company, wherever it is necessary.
 - Evaluation of internal financial controls and risk management systems.
 - Discussion with internal auditors and/or auditors any significant findings and follow up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors/ auditors/agencies 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.
 - To look into the reasons for substantial defaults in the payment.
 - To review the functioning of the Whistle Blower Mechanism.
 - To review the follow up action on the audit observations of the C&AG audit.
 - Review and pre-approve all related party transactions in the company.
 - Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
 - Consider and review the following with the independent auditors and the management:
 - The adequacy of internal controls including computerized information system controls and security, and
 - Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

- Consider and review the following with the management, internal auditors and the independent auditors:
 - Significant findings during the year, including the status of previous audit recommendations.
- Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

3.1.3 POWERS OF AUDIT COMMITTEE:

Commensurate with its role, the Audit Committee shall exercise powers, which include the following:

- The Audit Committee shall have authority to investigate into any matter specified above or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the company.
- To seek information on and from any employee.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant

expertise, if it considers necessary.

- The recommendations of the Audit Committee on any matter shall be considered by the Board.

3.1.4 REVIEW OF INFORMATION BY AUDIT COMMITTEE

The Audit Committee shall review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;

3.1.5 MEETINGS AND ATTENDANCE

Four Meetings of Audit Committee were held in the year 2019-20. Details of Meeting held are given in **Table 6**.

Table 6: Details of Audit Committee meeting held during the year 2019-20

S. No.	Date of Audit Committee Meetings	Members Strength	No. of Members Present
1.	May 8, 2019	4	4
2.	August 26, 2019	4	4
3.	September 27, 2019	3	3
4.	November 14, 2019	4	4

The details of the meetings of Audit Committee attended by the members for the year 2019-20 are given in **Table 7**.

Table 7: Details of Audit Committee meeting attended by the members:

S. No	Name of Members of Audit Committee	No. of Meetings held during his tenure	No. of Meetings attended
1.	Shri Bachi Singh Rawat	4	4
2.	Shri Mohan Singh Rawat	4	4
3.	Prof. Maharaj K. Pandit	4	4
4.	Shri H.L. Arora	2	2
5.	Shri R.K. Vishnoi	1	1

The Director (Finance) invariably attended the Audit Committee meeting as Special Invitee.



3.2 REMUNERATION COMMITTEE

As per the DPE Guidelines on Corporate Governance, Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Remuneration Committee was constituted to decide the annual bonus/variable pay pool and policy for its distribution across the executives and non-unionized supervisors and workers within the prescribed limits. The Remuneration Committee comprises of three members. Name of members and their category are placed in **Table 8**.

Table 8: Name of members of Remuneration Committee and their Categories:

S. No.	Name of Members	Category of Members
1.	Shri Bachi Singh Rawat	Independent Director - Chairman
2.	Prof. Maharaj K. Pandit	Independent Director - Member
3.	Shri Raj Pal	Nominee Director, Gol - Member

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

Note: Remuneration Committee is not functional since December 2019 due to expiry of Tenure of Independent Directors. Appointment of Independent Directors from Administrative Ministry is under process.

3.2.1 MEETINGS AND ATTENDANCE

Three meeting of the Remuneration Committee were held during the financial year 2019-20. The details of the meeting of Remuneration Committee attended by the members are as under:

Table 9: Name of members of Remuneration Committee and their attendance:

S. No.	Member of Remuneration Committee	Category of Members	Meeting held during his tenure	Meeting attended
1.	Shri Bachi Singh Rawat	Chairman	3	3
2.	Prof. Maharaj K. Pandit	Member	3	3
3.	Shri Raj Pal	Member	3	3

Director (Personnel) attended the meetings as Special Invitee.

3.3 CSR & SUSTAINABILITY COMMITTEE

As per Section 135 of the Companies Act, 2013 and CSR & Sustainability Policy-2015 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 during the F.Y 2019-20 is given in **Table 10**:

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

S. No.	Name of Members	Category of Members
1.	Shri Mohan Singh Rawat	Independent Director- Chairman
2.	Shri Bachi Singh Rawat	Independent Director- Member
3.	Shri H. L. Arora (up to 31.08.2019)	Functional Director- Member
4.	Shri Vijay Goel	Functional Director- Member
5.	Shri R.K. Vishnoi (w.e.f. 27.09.2019)	Functional Director- Member

Head of the Social & Environment Department may be specifically invited to be present as special invitee for the meetings of the CSR & Sustainability Committee as may be decided by the Chairman of the Committee.

Note: CSR & Sustainability Committee is not functional since December 2019 due to expiry of Tenure of Independent Directors. Appointment of Independent Directors from Administrative Ministry is under process.

3.3.2 MEETINGS AND ATTENDANCE

Two meetings of the CSR & Sustainability Committee were held in the FY 2019-20. Details of Meeting held are given in **Table 11:**

Table 11: Meeting of CSR & Sustainability Committee and attendance:

Sr. No.	Date of CSR & Sustainability Committee meetings	Members Strength	No. of Members Present
1.	June 8, 2019	4	3
2.	November 14, 2019	4	4

Table 12: Details of CSR & Sustainability Committee meeting attended by the members:

S. No	Name of Members of Committee	No of Meetings held during his tenure	No. of Meetings attended
1.	Shri Mohan Singh Rawat	2	2
2.	Shri Bachi Singh Rawat	2	1
3.	Shri H. L. Arora (up to 31.08.2019)	1	1
4.	Shri Rajeev Kumar Vishnoi	1	1

3.3.3 Functions of CSR & Sustainability Committee

The Board Level CSR & Sustainability Committee steers the Implementation and Monitoring of the CSR-SD Programs/ 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 deemed necessary etc.

4. GENERAL BODY MEETINGS

4.1 Annual General Meeting

Date, time and location where the last three Annual General Meetings were held are given in **Table 13.**


Table 13: Details of Last three Annual General Meetings:

Annual General Meetings	31 st Annual General Meeting held on 27 th September, 2019	30 th Annual General Meeting held on 28 th September, 2018	29 th Annual General Meeting held on 20 th September, 2017
Time	6:00 P.M	2:00 PM	12:45 PM
Venue	THDC INDIA LIMITED, 1 st Floor, East Tower, NBCC Place, Bhisma Pitamah Marg, New Delhi	THDC INDIA LIMITED, 1 st Floor, East Tower, NBCC Place, Bhisma Pitamah Marg, New Delhi	THDC INDIA LIMITED, 1 st Floor, East Tower, NBCC Place, Bhisma Pitamah Marg, New Delhi
Special Business	<ul style="list-style-type: none"> To fix Remuneration of Cost Auditors for the F.Y. 2019-20. To issue secured, Non-Convertible, Non-Cumulative Bonds on Private Placement Basis. 	<ul style="list-style-type: none"> To fix Remuneration of Cost Auditors for the F.Y. 2018-19. To issue secured, Non-Convertible, Non-Cumulative Bonds on Private Placement Basis. 	<ul style="list-style-type: none"> To fix Remuneration of Cost Auditors for the F.Y. 2017-18.

4.2 Extra - Ordinary General Meeting

Extra - ordinary General Meeting	3 rd Extra- ordinary General Meeting held on 14 th February, 2020
Time	5:30 P.M
Venue	THDC INDIA LIMITED, 1 st Floor, East Tower, NBCC Place, Bhisma Pitamah Marg, New Delhi
Special Business	<ul style="list-style-type: none"> To approve the alteration of Articles of Association by passing Special resolution as proposed in the Explanatory Statement enclosed.

5. DISCLOSURES

5.1 VIGIL MECHANISM

The Company has separate Vigilance Department which deals with fraud or suspected fraud involving employees/representatives of suppliers, contractors, consultants, service providers or any other party doing business with THDCIL.

The Company has a defined and established whistle blower policy (vigil mechanism) for reporting instances of unethical/improper conduct and for taking suitable steps to investigate and correct the same. The whistle blower policy is available on the Company's website at www.thdc.co.in. The provisions of this policy are in line with the provisions of section 177(9) of the Companies Act, 2013.

During the year 2019-20, no complaint has

been reported under whistle blower policy. Further, no personnel had been denied access to the Audit Committee of THDCIL.

5.2 SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND DPE GUIDELINES ON CORPORATE GOVERNANCE

The company has complied with the requirements of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations & Guidelines** on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises. There were no penalties or strictures imposed on the company by any statutory authority for non-compliance during the year.

5.3 ACCOUNTING TREATMENT

In the view of management, all applicable Indian

Accounting Standards are being followed for preparation of Financial Statements.

5.4 PERFORMANCE EVALUATION OF BOARD MEMBERS

Ministry of Corporate Affairs (MCA) vide General Circular dated 5th June, 2015 has exempted Government Companies from the provisions of Section 178 (2) which provides about manner of performance evaluation of Board of Directors, Committee of Board of Directors and Director by the Nomination & Remuneration Committee. The aforesaid circular of MCA further exempted listed Govt. Companies from provisions of Section 134(3) (p) which requires mentioning the manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board’s Report, if Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case maybe, the State Government as per its own evaluation methodology.

In this regard, Deptt. of Public Enterprise (DPE) has already laid down a mechanism for performance appraisal of all functional directors. DPE has also initiated evaluation of Independent Directors. It may also be

noted that THDC enters into Memorandum of Understanding (MoU) with Government of India each year, containing key performance parameters for the company. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals. The internal MoU covers all operational and performance parameters like Plant Performance and Efficiency, Financial targets, Cost cutting targets, Environment, Welfare, Community development and any other relevant factor. The performance of the Company is evaluated by the Department of Public Enterprise vis-à-vis. MoU entered into with the Government of India.

5.5 SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

THDCIL Board had three Independent Directors, however tenure of all Independent Directors was completed on 22.12.2019. Since then appointment of Independent Directors in THDCIL is pending on part of MoP. No separate meeting of Independent Directors was held during the Financial Year 2019-20. MCA as a special measure in view of COVID-19 has issued General Circular No. 11/2020 on 24th March, 2020 that if the separate meeting of Independent Directors is not held, then same shall not be viewed as a violation of Act.

5.6 INFORMATION FOR INVESTORS

5.6.1 LISTING ON STOCK EXCHANGES

THDC INDIA LIMITED Corporate Bonds are listed on the following stock exchanges:

BSE Limited	National Stock Exchange of India Limited
Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	Address: Exchange Plaza, Plot No. C/1, G Block, Bandra (East), Mumbai - 400051
ISIN : Corporate Bonds Series-I :INE812V07013 Corporate Bonds Series-II :INE812V07021	

The annual listing fee for the Financial Year 2019-20 has been paid to both Stock Exchanges.



5.6.2 REGISTRAR AND TRANSFER AGENTS

KFin Technologies Private Limited
 Karvy Selenium Tower B,
 Plot 31-32, Gachibowli,
 Financial District, Nanakramguda,
 Hyderabad-500 032

5.6.3 DEBENTURE TRUSTEE

VISTRA ITCL (INDIA) LIMITED

A-268, 1ST Floor,

Bishma Pitamah Marg

New Delhi-110014.

Mobile: +919619105439

E-Mail- Sanjay.Dodti@vistra.com

5.6.4 INVESTOR GRIEVANCES:

During the Financial year ending 31st March 2020,

the company has not received any investors' grievances.

5.6.5 CENTRALIZED WEB BASED REDRESSAL SYSTEM-SCORES

The centralized web based Complaint Redressal System of SEBI i.e. SCORES is used in the company. Through SCORES, Bondholders can register their complaints against the Company for redressal. Status of every complaint lodged can also be viewed online. SEBI disposes off the complaints if it is satisfied that the complaints have been redressed adequately.

5.6.6 NAME AND DESIGNATION OF COMPLIANCE OFFICER

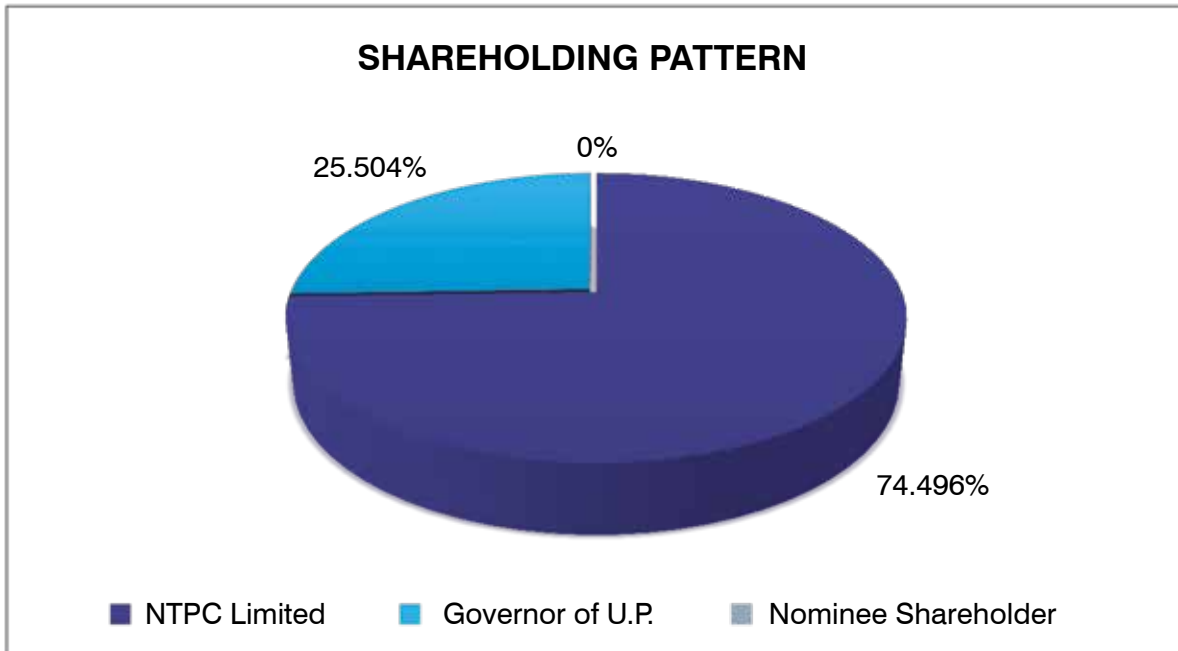
Ms. Rashmi Sharma, Company Secretary is the Compliance Officer in terms of Clause 6 of the Listing Agreement.

6. PAYMENT OF DIVIDEND :

Dividend for the year	Dividend paid during the year	Type of Dividend	Total Amount of Dividend Paid (₹ in Crore)	Date of AGM in which dividend was declared
2017-18	2017-18	Interim Dividend	256.10	28 th September, 2018
2018-19	2018-19	Interim Dividend	338.76	
	2018-19	Special Dividend	84.36	
	2019-20	Final Dividend	126.00	27 th September, 2019
2019-20	2020-21	Final Dividend	402.71	22 nd September, 2020

SHAREHOLDING PATTERN:

S. No.	Category	Total Shares	% To Equity
1	NTPC Limited	27309406	74.496
2	Governor of U.P	9349401	25.504
3	Other Nominal share holders	10	-



7. WHISTLE BLOWER POLICY

The Company has a Board approved 'Whistle Blower Policy' for Directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. It also provides safeguard against victimization of employees, who avail the mechanism and for direct access to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee. The mechanism for prevention of frauds is also included in the policy.

- 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.
- Facilitate highest possible standards of ethical, moral and legal business conduct in the company.

8. GRIEVANCE REDRESSAL MECHANISM

The Grievance Redressal Committee has been constituted in line with the DPE Guidelines with

an objective to provide an easily accessible mechanism for expeditious settlement of employee grievances leading to increased job satisfaction and improvement in productivity and efficiency of the organization.

9. RISK MANAGEMENT

Under Corporate Governance in India, the Company has adopted 'Risk Management Manual' in June, 2012. The Manual provides a uniform & structured Risk Management System in the Company for various Power Projects at different stages of implementation. As per the Manual, the Risk Management Committee comprising of members from Project Finance, Planning, Design etc. had been constituted to develop and implement a 'Risk Management Plan' for various ongoing projects. Committee meetings are being held regularly with suggestions to improve the effectiveness of Risk Management Plan.

In line with the Manual, Risk Management Plan is being implemented. Each project has a Risk Register for different structures / works and nominated their Nodal Risk Officer for coordinating activities as mentioned in 'Risk Management Plan' & 'Risk Management Manual'. In case of occurrence of any risk the



same is being recorded in 'Risk Experience Register' and action is being taken to mitigate it. The Risk Management of the company is being reviewed periodically by the Management. Board also reviews the Risk Management on a regular basis.

10. RECORD MANAGEMENT SYSTEM

THDC has adopted Record Management Manual in line with guidelines of National Archives of India. Chief Record Officer has been appointed to oversee the Record Management System of the company. Separate Record Office has been created in Rishikesh with all required facilities as per the Guidelines of National Archives of India.

11. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meeting, Newspapers and disclosure through website. Periodical financial results of the company are announced within the time specified in Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These results are published in the national and local dailies. The company has maintained its official website with extensive material available for public at large as well as employees. All the material information about the company have been hosted at the Website (www.thdc.co.in). Information, latest updates and announcements regarding the company can be accessed at company's website through www.thdc.co.in including the following-

- Annual Financial Results
- Shareholding pattern
- Corporate Governance Report
- Corporate disclosures made from time to time to the Stock Exchange.

The Company's official news releases, other press coverage, presentations made to investors or to the analysts are also hosted on the website.

12. COMPTROLLER AND AUDITOR GENERAL OF INDIA:

Your Company being a PSU comes under jurisdiction of Comptroller and Auditor General of India and is also subject to parliamentary oversight under Section 139 of Companies Act, 2013.

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 Statutory Auditors. In addition, the Comptroller and Auditor General of India conduct a test audit of the accounts of your company and submit reports. The Audited Accounts of the Company are placed before both the Houses of Parliament within a prescribed time limit.

13. CORPORATE ETHICS POLICY

The Board of Directors of your company has adopted 'Corporate Ethics Policy' as a part of Corporate Governance initiative. The Policy will serve to guide the Employees of the Company to observe highest standard of Professional Ethics, Good Governance, Probity, Integrity and Impartiality while discharging official duties.

14. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Company is committed towards conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Company has in place Code of Conduct for Directors and Senior Management Personnel with a view to enhance ethical and transparent process in managing the affairs of the Board Members including Govt. Nominee(s) & Independent Directors and Senior Management Personnel of the Company. 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.

Annual Affirmation is obtained regarding Compliance of Code of Business Conduct and Ethics from Board Members and Senior Management of the Company up to the level of AGM. All members of the Board and Senior Management i.e. 'Key Executives' have confirmed compliance with the Code of Conduct for the year under review. A declaration signed by chairman & Managing Director is given below:

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, 2020.'

(D.V.Singh)
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

The Certificate on Corporate Governance has been obtained from practicing company secretary as per DPE Guidelines which forms part of this report.

15. ADDRESS FOR CORRESPONDENCE

THDC INDIA LIMITED

Pragatipuram, By Pass Road,
Rishikesh- 249201
Uttarakhand.

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

Company Secretary	Ms. Rashmi Sharma
Office Contact Nos.	0135-2439309, Fax- 0135-2439442
E-Mail	rashmi@thdc.co.in
For Public Grievances	Sh. R.N. Singh, GM(SP)/ Director of Public Grievances
Contact	0120-2776490, Fax - 0120-2776433
E-Mail	rnsingh@thdc.co.in



P.S.R. MURTHY
PRACTICING COMPANY SECRETARY
C.P. 13090

CORPORATE GOVERNANCE CERTIFICATE FOR 2019-20

To,
The Members,
THDC India Limited
Tehri – 249 001

I have examined the compliance conditions of Corporate Governance by **THDC India Limited (the “company”)** CIN.U45203UR1988GOI009822 for the Financial Year 2019-20 in accordance with the provisions of the Companies Act, 2013 read with Guidelines issued by the Department of Public Enterprises for Central Public Sector Undertakings in May 2010. THDC India Limited is a Debt-listed Government of India Enterprise with equity participation from Government of India and Government of Uttar Pradesh till 26th March 2020. Pursuant to the decision of Government of India to sell its shares in the Company to NTPC Limited, Share Purchase Agreement was executed between Government of India and NTPC Limited on 25th March 2020 and pursuant to the Agreement, the equity of Government of India comprising 74.496% of total equity was transferred to M/s NTPC Limited on 27th March 2020. Thus, THDC India Limited, a Government of India Enterprise, is a Subsidiary of NTPC Limited.

1. The compliance of conditions of Corporate Governance is the responsibility of the Management. My 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.
2. In my opinion and to the best of my information and according to the explanations and assurance given to me, I certify that the Company generally complied with the conditions of Corporate Governance excepting women Director on the Board of Directors of the Company during the year under Report. Further, the Independent Directors whose term was completed on 22nd December 2019 were ceased as such and thereafter till the date of the Report, the appointment of Independent Directors is pending. The Company submitted that as per the Articles of Association, the powers to appoint Director vests with the Government and accordingly proposal for appointment was referred to the Government of India and the proposal is pending.
3. As a result of non-availability of Independent Directors, the Statutory Committees where Independent Directors are required to be Chairman/Members are, thus, not functional.
4. I 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.

(P. S. R. Murthy)
Practicing Company Secretary
UDIN A005880B000564581

Place: New Delhi
Dated: 08th August 2020

CORPORATE SOCIAL RESPONSIBILITY REPORT





Initiative for Plantation of Saplings

CORPORATE SOCIAL RESPONSIBILITY REPORT

Your Company has a well structured system for implementation of its CSR Programs. THDCIL has always adopted CSR program on holistic development approach than addressing the needs of the stakeholders in piecemeal by implementing long term Holistic Development Program involving activities for Ecological Restoration and Socio-Economic Empowerment of Rural Communities for Sustainable Livelihood. All the CSR interventions were made considering all three spheres i.e. social, economic and environment development and sustainable change in the lives of targeted communities.

Brief outline of the Company's CSR Policy

The company has its own Board approved 'CSR and Sustainability policy-2015' in place in compliance of Section 135 (1) of the Companies Act, 2013, subsequent CSR rules and guidelines issued by Ministry of Corporate Affairs/DPE (Web Link : <https://thdc.co.in/sites/default/files/CSR-CD-policy28.05.13.pdf>). However, new rules/ guidelines were also followed during the successive period since April-2014.

A. INSTITUTIONAL MECHANISM

Board Level CSR Committee

In compliance of Section 135 (1) of the Companies Act, 2013, a four member Board Level CSR Committee (BLC) was in place under the chairmanship of an Independent Director. Other members were one more Independent Director and two functional Directors. Company Secretary is Secretary to the CSR Committee.

The CSR Committee acts as per the roles & responsibilities defined in the companies act/ new guidelines issued by GOI and meets regularly to review the progress of CSR works & to discuss the related issues.

Below Board Level Committee

An officer, of the level of General Manager/ED,

heading the CSR and Sustainability functions is the designated Nodal Officer and is head of the Below Board Level Committee (BBLC). The other members of the BBLC are from various functional Departments. Independent outside Experts in the field of CSR and Sustainable development are also members of the BBLC.

B. PLANNING

Resources

At least 2% of the average net profit of the Company made during the three immediate preceding financial years is spent in pursuance of its CSR & Sustainability Policy 2015. The unspent amount would not lapse and will be carried forward to the next financial year. The Budget and Annual CSR and Sustainability Plan is approved by the Board on the recommendation of the CSR Committee.

Selection of CSR Programs

Selection of CSR programs is related to the activities as specified in Schedule VII of the Companies Act 2013. THDCIL CSR initiatives are titled 'THDC Sahridaya' (Corporate with a Human heart). Focus areas where THDCIL undertakes CSR programs is titled by the objective they seek to achieve as under:

- THDC Niramaya (Health) - Nutrition, Health and Sanitation and Drinking Water projects
- THDC Jagriti (Initiatives for a Bright future) – Education initiatives
- THDC Daksh (Skill) - Livelihood Generation and Skill development initiatives
- THDC Utthan (Progress)- Rural Development
- THDC Samarth (Empowerment)- Empowerment initiatives
- THDC Saksham (Capable) - Care of the aged and differently abled
- THDC Prakriti (Environment) - Environment protection initiatives



Selection of location and beneficiaries

Preference of CSR and Sustainability projects is given to the local area i.e. (i) the periphery of the Company's plant / project / business activities and (ii) the Broad Geographical Area directly impacted by the Company's business operations and activities.

C. IMPLEMENTATION

The CSR and Sustainability programs are mainly implemented through SEWA-THDC and THDC Education Society (TES), the two Company sponsored / established registered Societies.

SEWA-THDC

THDC INDIA LTD has formed a Company sponsored Non-Government Organization, "SEWA-THDC" under Society Registration Act, 1860 for the implementation of the CSR & Sustainable activities of the Company. SEWA-THDC has started working since 2009-10. Aims and objectives of the society are charitable and non-profitable. The Managing Committee has 07 members designated employees of THDCIL & nominated by THDCIL. CMD THDCIL is the ex-officio Patron of the society.

THDC Education Society (TES)

THDC started to impart education to the children of Project affected population as well as nearby marginalized and under privileged society in district Tehri in the year 1992 through Education Management Board. It was renamed as THDC Education Society in year 2010 on registration under Society Registration Act 1860. At present, the society is running two schools under the auspices of TES-one at Bhagirathipuram, Tehri offering education from 6th to 12th standards and another school at Pragatipuram, Rishikesh offering education from 1st to 10th standards.

D. MONITORING

To ensure transparency and effective implementation of the CSR programs undertaken, a robust monitoring mechanism is instituted by the Company using the following indicative medium:

- i. Monthly Progress Report
- ii. Quarterly Progress Report
- iii. Video Conferencing
- iv. Site Visits
- v. Documentary evidence including photographs, films and videos
- vi. In-house monitoring mechanisms, as determined by the CSR Committee
- vii. Third Party is also engaged for monitoring

E. REPORTING

Quarterly progress report on CSR and Sustainability is placed before the Board after consideration by the Board Level CSR Committee.

The Annual Report also includes report on CSR & Sustainability containing particulars as specified in the Act/ Policy and the same is displayed on the THDCIL's website. A brief narrative on the action taken for implementation of DPE guidelines on sustainability initiatives is also be included in the Board's Report on CSR.

Annual Sustainability Report is also published and displayed on Company's website as per the 'THDCIL's CSR Communication Strategy'.

CSR Communication Strategy: THDCIL has a Board approved CSR communication strategy in place for regular dialogue and communication with stakeholder regarding the selection and implementation of CSR and sustainability activities.

Impact Assessment

Impact assessment of all completed CSR & Sustainability programs above ₹ 5.00 lakh is done through specialized external agencies and the report containing the success/failure is also submitted to Board Level CSR Committee.

1. Overview of the CSR Projects undertaken during FY 2019-20

THDCIL integrates its CSR and Sustainability planning with its business plans and strategies. The activities are planned well in advance, targets are fixed at different milestones, with



SEWA-THDC Computer Training Centre at Indiranagar, Rishikesh

pre-estimation of quantum of resources required within the allocated budget and having a definite time span for achieving desired outcomes.

CSR and Sustainability plans are categorized into long-term, medium-term and short-term projects. The company accords priority for CSR & SD Projects to those stakeholders who are directly impacted by its operations.

The areas addressed in holistic development are:

- Women empowerment to reduce women drudgery;
- Income generation through intervention in agriculture and horticulture activities income generation through revolving fund among SHGs, revival/promotion of traditional ecological knowledge by construction/rejuvenation of Chal-Khals (ponds);
- Promotion of water harvesting structures; modernizing traditional water mills for enhanced efficiency, plantation of fuel, fodder & medicinal plants;
- Health services through dispensaries and medical camps in both discipline of medicine i.e. allopathy and homeopathy;
- Providing safe drinking water; sanitation facilities;
- Promoting education (among economically weaker section SC/ST and OBC);

- Skill training in computer & tailoring and generation of employment including assistance to local ITI's;
- Ensuring environmental sustainability; ecological balance, etc.

To promote the outreach of CSR project activities among the project affected districts, THDC also took sincere efforts to dove-tail various state govt. agencies like Agriculture Department & Horticulture Department of Uttarakhand, NABARD, District Health Deptt., Tehri and non-govt. agencies like Rotary International funds and resources in the mode of convergence and implemented numerous projects in the field of health (Tele-medicine), farm mechanisation (custom hiring centres), ambulance services (Rotary-International), irrigation (mirco & mini sprinklers), off-season farming (poly-houses), solid waste management (vermin-compost), water-shed development, etc. Under above initiatives ₹ 897.26 Lakh were successfully mobilised from various sources to complement the projects activities implemented through the approved CSR funds of the company for the financial year.

As per directives of DPE, THDCIL was also able to successfully utilise 60% of the annual CSR budget during the financial year toward the CSR annual theme decided by the GoI, i.e. 'Health, School Education and Nutrition' in its major operational area Distt. Tehri Garhwal and two govt. allocated aspirational districts viz. Singrauli, Madhya Pradesh and Haridwar, Uttarakhand.

2. The composition of Board Level CSR Committee is as follows:

- Shri Mohan Singh Rawat, Independent Director : Chairman (term Completed on 22.12.2019)
- Shri Bachi Singh Rawat, Independent Director : Member (term Completed on 22.12.2019)
- Shri H.L. Arora, Director (Technical) : Member (term Completed on 31.08.2019)



- Shri Vijay Goel, Director (Personnel): Member
 - Shri R.K. Vishnoi, Director (Technical): Member
- Company Secretary is Secretary to the CSR Committee.

3. **Average net profit of the company for the last three year.** : ₹ 1074.17 Cr.

4. **Prescribed CSR expenditure (i.e 2% of item 3 above)** : ₹ 21.48 Cr.

5. **Details of CSR spent during the financial year:**

(i) **Total amount spent during the financial year** : ₹ 21.62 Cr.

(ii) **Amount unspent, if any** : NIL

(iii) **Manner in which the amount spent during the financial year** : As per Appendix 1

6. **In case the CSR spent is less than two percent of the average net profit of the last three financial years or any part thereof, reasons for not spending the amount shall be specified in the Board's report –**

Not Applicable

The responsibility statement of CSR committee that, the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company.

Sd/- (Chairman & Managing Director)	Sd/- (Chairman CSR Committee)
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VARIOUS PROMINENT CSR ACTIVITIES DURING F.Y. 2019-20

THDC NIRAMAYA - HEALTH & SANITATION INITIATIVES

Good health stimulates almost everything that people desire, to be free from illness and to escape poverty, hunger, to work to secure freedom, to gain education, learning, to be treated without discrimination, to be able to claim their rights and to live in a safe environment. **The United Nations 2030 agenda for Sustainable Development Goals (SDG) embraces these aspirations. SDG- 3 states 'Ensure healthy lives and promote wellbeing for all at all ages'.** In Uttarakhand, health system are mostly affected among villagers living in the hills due to long time in travel apart from limited available means. Tehri distt. of Uttarakhand with a total area of 4421 sq. km, is so far major functional area of THDC. The

lack of pathological, radiological & expert facilities etc. also forces the public to travel distant cities to get diagnosed and avail treatment, which in turn puts pressure on city health care facilities, infrastructure & patient kitty. Keeping in view of this, THDCIL being a socially responsible organization, continuously strives to come up with solutions and health services facilities through various health camps and awareness drive with reputed hospitals and institutions. Some major community oriented efforts of THDC in the area of health are:

- **Allopathic dispensary at Deengaon, Tehri:** It is located in the remotest area of Distt. Tehri and caters around 15000 population of surrounding approx. 40 villages. The dispensary is equipped with all basic facilities



Shri R.K. Vishnoi, Director (Technical), THDCIL flagging off Farm Machinery Bank Equipments to the Farmers of Tehri Garhwal Distt., Uttarakhand



including MBBS Doctor, Paramedical Staff, and basic pathological tests like X-Ray, ECG, on call ambulance facility, minor OT & free medicine. Total OPD registered during the financial year were 11994 nos.

- **Multi-specialty Medical Camps:** Every year SEWA-THDC also conducts 10-15 multi-specialty medical camps including eye camps in Tehri district through THDC doctors posted at Tehri & Koteshwar projects, Rishikesh and Nirmal Eye Institute Rishikesh. After MoU with AIIMS, Rishikesh medical camps were also being held at Tehri, Koteshwar & Rishikesh to scale up the health services in remote locations in liaison with CMO. Dental camps were also being organised in partnership with Seema Dental College, Rishikesh. During the financial year, total 36 medical camps were conducted at different project locations with total registration of 6909 OPDs including 212 cataract surgeries.
- **Tele-Medicine Scheme:** The project started in December 2017 with 20 centres in liaison with District Administration, Tehri, rose to 40 in numbers during the financial year and serves to the needs of 200 gram sabhas & approx. 1 lakh population. All Telemedicine centres are equipped with a medical kit (briefcase) having Pulse Oxymeter, ECG Machine, Wifi ECG recorder, X-Ray view box, Glucometer and other essential tools and a comprehensive pathological kit along with an android tablet having list of 500 essential medicines & portable hot spot to facilitate diagnosis, data transfer and communication with district hospital. Total OPDs registered in the financial year were 11316 nos.
- **Homeopathic Dispensaries:** Homeopathy is an alternate form of medicine based on doctrine of like cure like, a claim that a substance that causes the symptoms of a disease in health people would cure similar symptoms in sick people. Total six dispensaries were operational in Distt. Tehri, Uttarkashi and at Rishikesh to provide free of cost consultation

and medicine facilities. Total OPDs registered during financial year were 55,000 plus.

- **Initiatives under Swachh Bharat Mission:** Under Swachh Bharat Abhiyan and different Swachhta Pakhwadas scheduled by Gol, massive public awareness campaign on hygiene & sanitation had been done within THDCIL offices and Colonies at various locations, Schools, Hospitals, work places, streets, roads, markets, railway stations, bus stations, bank area of holy River Ganga, parks and other public places. As per need, cleaning was done in local areas and dustbins were provided at different locations in consultation with Nagar Nigam Rishikesh, Nagar Palika Parishad, Tehri and Nagar Panchayat Muni ki Reti. THDC also adopted 3 localities for cleanliness near THDC Corporate Office, Rishikesh -

i. Pragati Vihar ii. Nehru Gram iii. Indra Nagar along with 4 Km Stretch of Bypass Road, Rishikesh (Natraj Chowk to Mansa Devi Gram).

THDC has also adopted 4 schools in Rishikesh for cleanliness i.e. i. Govt. Primary School, Mansadevi gram ii. Govt. Primary & Upper Schools, Bapugram iii. Govt. Primary School, Bibiwala & iv. Govt. Primary School, Indra Nagar. In addition to above, tipper, water cooler, water filter, RO, sanitary napkin vending machines and dustbins were also distributed to various beneficiaries and institutions. To check open defecation and provide better sanitation facilities, toilets were repaired and ₹ 10 lakh were released for construction of 10 community toilets.

THDC JAGRITI – EDUCATION INITIATIVES

Considering education and skill development as an important aspect of employment generation, various steps taken up are as follows:

- (A) Schools at Pragatipuram, Rishikesh & Bhagirathipuram, Tehri: Two schools, one at Bhagirathipuram, Tehri is offering education

from class 6 to 12 and another at Pragatipuram, Rishikesh is offering education from class 1 to 10 under THDC Education Society (TES) for economically weaker sections including backward and SC/ST. Free of cost dress, books & stationary, bus service etc. are being provided to students including Mid Day Meal under "Naivedyam" scheme. Yearly budget for running of these schools was ₹ 4.65 Cr. In addition to quality education, students were also engaged in various extracurricular activities for overall development. During 2019-20, total 631 students (281 Boys & 350 Girls) were enrolled in these two schools.

(B) Jr. High School Koteshwarpuram: In addition to above, one English Medium Jr. High School is also being run at Koteshwar, Distt-Tehri with grant provided by SEWA-THDC to an NGO i.e. Omkaranand Saraswati Public School Education Society to provide quality education to children of project affected families of KHEP. During 2019-20, total 261 students (151 Boys & 110 Girls) were enrolled in this school. Yearly budget for running this school was around ₹ 50 lakh.

In addition to above, 108 furniture sets (three seater bench) were distributed to 02 schools of Tehri & Udham Singh Nagar Distt. 11 nos. computer centers were also established by SEWA-THDC for computer literacy of unemployed youth and students at project affected and rehabilitation area in Tehri and Dehradun district. 06 months' computer training programme was organised in all the centres and more than 480 youth and students were benefited from this programme in the year 2019-20.

THDC DAKSH - SKILL DEVELOPMENT INITIATIVES

Various vocational trainings such as Hotel Management, ANM, ITI, Hospitality, Food Production, Fitter & Plumber, Welder, Electrical & Electronics, Excavator Operator, AC & Refrigeration etc. were provided to youths belonging to weaker sections. Total 623 youths, including 67 for ITI



Free Medical Camp organised for poor and low income group people with the help of AIIMS, Rishikesh at Hariipurkala, Rishikesh

Course, 24 for Suryamitra and 06 for Hospitality Course and 10 for Hotel Management were sponsored for various skills trainings under CSR programs during the financial year.

THDC UTTHAN - RURAL DEVELOPMENT INITIATIVES

The agriculture and allied sector continues to be significant for the inclusive and sustainable growth of the Indian economy. **Sustainable Development Goal No. 2 calls specifically to : 'end hunger, achieve food security and improve nutrition and promote sustainable agriculture.'** In Uttarakhand agriculture sector not only ensures food security but also provides employment for substantial volume of population, directly & indirectly. THDCIL also strives to come up with solutions for rural development and agriculture promotion activities through various interventions like:

- Providing poly-houses, high yielding seeds, vermicompost pits, LDEP tanks, drip irrigation, sprinklers, rain water harvesting for irrigation, and tech. counseling by experts, etc.
- Custom Hiring Centers (CHCs) - An ideal model, envisaged in this project comprises farm machineries that are used for tillage operations for all crops, multi crop equipment and minimum of crop specific machinery. Each farm machinery bank is established in convergence mode with state agriculture /



horticulture deptt. by sharing the cost of the equipment in ratio of 4:1 between govt. funds and CSR funds along with certain contribution by the beneficiaries. These banks are being run by the local community in SHG mode, and benefits approx. 1125 farmers directly and nearly 7500 farmers indirectly.

- For holistic development of the project affected villages Shaheed Bhagat Singh Evening College under Delhi university and two Non-profit organisations are engaged to cover nearly 70 villages for endowing sustainable livelihood opportunity to community, empowering women and overall development of society.
- The major activities implemented under the three long term projects were Promotion of Poly Houses, Construction of Vermicompost Pits, Conducting Kissan Gosthies, Exposure visits and demonstration of Agriculture Plots through Experts, Awareness Programmes under “Swachh Bharat Abhiyan” for Cleanliness, distribution of Sanitary Napkins, Carrier Counseling programs, Construction of Rain water harvesting tanks, Mushroom production training for livelihood generation, Establishment of Kissan Clubs, etc. Under above efforts, approx. 100 plus SHGs and 2 cooperatives were created during the financial year.
- An MoU was also signed with NABARD Dehradun for various CSR based activities on cost sharing basis (SEWA- THDC Share to be 25% or more). Under this MoU, activity of Water Shed Management of Bhilangana Water Shed has been agreed. Around 1000 Hectares of area to be treated in next 4- 5 years, which will include plantation, check dams and various livelihood activities in the villages falling under the Water Shed. In the 1st phase, about 100 hectares water shed to be treated/ managed. Later on 900 Hectares area will be treated based on the success of the pilot project.

THDC SAMARTH - WOMEN EMPOWERMENT INITIATIVES

As an innovative pilot initiative, THDC established a Women Credit Cooperative Society in the remotest part of Distt. Tehri in the year 2016 with initial seed money of ₹ 10 Lakh for enabling hill women to meet their small credit needs w.r.t livelihood options of their own choice. The society is solely managed by the women and is running successfully with initial handholding by THDC in terms of guidance in financial & administrative matters, logistic help and rural based livelihood trainings through expert agencies. During the financial year, the society grew to 91 members. Out of them 35 members have borrowed loan for livestock rearing, 5 for general grocery store, 7 for stitching shop and 10 for vegetable cultivation.

In addition to above to provide better avenues of livelihood and income generation activities, THDC keeps on organising various skill development training for women and adolescent girls. During the financial year 13 knitting, stitching and beautician centers were established especially for the women of the weaker section of the society on free of cost basis. Total 770 women and adolescent girls benefitted from these 13 centers.

THDC SAKSHAM - CARE OF THE AGED AND DIFFERENTLY ABLED INITIATIVES

Everyone deserves the chance to make an honest living in an environment where they're treated as equal. THDC in liaison with JilaSamaj Kalyan Vibhag of Tehri Garhwal established, a bakery items production unit and shop named as Rajkiya Viklang Karmshala for specially abled youth of Chamiyala, Tehri Garhwal. The youths were given proper training and hand holding throughout the project to create a well-established market linkage. Bakery now has a FSSAI certification and provides livelihood to approx. 15 specially abled youth. Average month production of the bakery is to the tune of ₹ 25000 that is supplied to the local market of Ghansali and Chamiyala.

THDC PRAKRITI- ENVIRONMENT MANAGEMENT

Environment sustainability is one of the core dimensions of Sustainable Development Goals 2030 as out of total 244 indicators - 93 are environment related. To achieve Environmental Sustainability and to promote Ecological Balance under CSR thematic domain of Prakriti, following activities had been taken up with three objectives Soil & Water Conservation, Green Energy Generation & Technology Promotions and Environment Protection & Promotion. To conserve soil and water in the hilly area of Tehri Garhwal, watershed development initiatives were implemented in partnership with NABARD. Under this initiative, contour trenches, recharge pits, chal (percolation tank), gabion check dam, etc were constructed. Environment has been core consideration of THDCIL's CSR, hence, under all the long term livelihood CSR project of THDC Utthan theme, water conservation activities were incorporated to promote community participation and link enhance livelihood opportunity with conserved water resource. Major water conserving assests developed were Water Harvesting Tanks (capacity 3000 litres each), LDPE (Low density polyethylene) tanks, chal khal, were installed



Initiative for construction of Rain Harvesting Tanks in Project Affected Villages of Tehri Garhwal Distt.

in the project affected villages for rain water harvesting. To promote plantation of different fruit, fodder, fuel and medicinal plants, THDC in the year of 2019-20 planted 18538 saplings. Such as Mango, Guava, Awala, Bel, Lemon, Pomegranate, Orange, Kinnu, Mulberry, Jamun, Akhrot, Bamboo, Kachnar, Ashwagandha, Har-singar, Putrajeevak, Kadam, Arjun, Aloe vera, Harad, Bahera, Anwala, etc. In addition to above 2160 horticulture plants and 2000 napier saplings were also planted in convergence mode with NABARD at Sandana Watershed area. To maintain saplings for sustaining plantation activities, a nursery is also being maintained at THDCIL's Rishikesh campus.



DETAILS & EXPENDITURE ON CSR ACTIVITIES FOR F.Y. 2019-20

(Amount in ₹ Lakh)

1	2	3	4		5	6	7	8
			State	District				
Sl. No.	CSR projects or activities identified	Sector in which the project is covered	Project or Programs (1) Local area or other (2) State and district where project or programs was undertaken		Amount outlay (Budget) Project or program wise	Amount spent on project or programs Sub-head: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency (CSR works are being implemented through company sponsored NGOs)
1	(i) Running of 06 Homeopathy & 02 allopathic Dispensaries in project affected area. (ii) Multi Specialty medical camps (iii) Participating in National cleanliness campaign under Swachh Bharat Mission	Item Number (i) of Schedule VII of the Companies Act, 2013 i.e. Eradicating Hunger, Poverty & Malnutrition, Promoting health care including preventive health Care & Sanitation and making available Safe Drinking Water.	Uttarakhand	Local Area Tehri (Pratapnagar, Narendarnagar)	467.50	38.31	456.55	SEWA-THDC (company sponsored Society)
				Local Area Uttarkashi (Chinyalisour)		6.21		
				Local Area Dehradun (Doiwala)		8.08		
			UP	Local Area Bulandshahar (Khurja)		15.41		
			Uttarakhand	Local Area Tehri (Thauldhar, Pratapnagar, Narendarnagar, Jakhnidahr, Chamba, Bhilangana)		54.18		
				Local Area Uttarkashi (Chinyalisour)		0.32		
				Local Area Dehradun (Doiwala)		4.84		
			Uttarakhand	Local Area Dehradun (Doiwala)		109.20		
				Other Area Pauri Garhwal (Satpuli)		4.75		
				Local Area Haridwar (Bahadrabad)		3.63		

			Local Area Chamoli (Chamoli)		4.75		
			Local Area Tehri (Thauldhar, Pratapnagar, Narendarnagar, Jakhnidahr, Chamba, Bhilangana)		78.44		
		MP	Local Area Singrauli (Amelia)		1.39		
(iv) Health Medical equipment		Uttarakhand	Local Area Tehri (Thauldhar, Pratapnagar, Narendarnagar, Jakhnidahr, Chamba, Bhilangana)		65.35		
			Local Area Dehradun (Doiwala)		1.34		
			Other Area Udham Singh Nagar (Sitarganj)		14.48		
(v) Telemedicine		Uttarakhand	Local Area Tehri (Thauldhar, Pratapnagar, Narendarnagar, Jakhnidahr, Chamba, Bhilangana)		24.01		
(vi) Nutrition support		Uttarakhand	Local Area Tehri (Chamba, Pratapnagar)		1.37		
			Local Area Dehradun (Doiwala)		2.23		
(vii) Clean Food Street Hub		Uttarakhand	Local Area Dehradun (Doiwala)		2.41		
(viii) Water supply scheme for villages & distribution of water purifiers to Govt. schools		Uttarakhand	Local Area Tehri (Jakhanidhar & Chamba)		15.85		



2	(i) Providing infrastructure to run schools (Furniture, Books etc.)	Item Number (ii) of Schedule VII of the Companies Act, 2013 Promoting Education, including Special Education and Employment Enhancing vocation Skills etc.	Uttarakhand	Local Area Tehri (Chamba, Pratapnagar, Bhilangana, Narendarnagar, Thauldhar, Jakhnidhar)	1018.28	54.46	968.59	SEWA-THDC (company sponsored Society)
				Other Area Almora (Ranikhet)		1.94		
				Local Area Haridwar (Bahadrabad)		8.47		
				Local Area Dehradun (Doiwala)		28.49		
	(ii) Computer Training programs for youth of project affected area.		Uttarakhand	Local Area Tehri (Chamba, Pratapnagar, Bhilangana, Narendarnagar, Thauldhar, Jakhnidhar)		13.88		
				Local Area Dehradun (Doiwala)		4.54		
				Local Area Uttarkashi (Dunda)		0.49		
	(iii) Running of three schools at Rishikesh, Tehri & Koteswar		Uttarakhand	Local Area Tehri (Chamba & Narendarnagar)		278.56		
				Local Area Dehradun (Doiwala)		232.52		
	(iv) ITI & Skill Development training etc.		Uttarakhand	Local Area Dehradun (Doiwala)		0.29		
				Local Area Tehri (Chamba, Pratapnagar, Bhilangana, Narendarnagar, Thauldhar, Jakhnidhar)		14.23		
				Uttar Pradesh		Local Area Bulandshahar (Khurja)	2.94	
				UP		Local Area Bulandshahar (Khurja)	5.90	

	(v) Various activities for Ecological Restoration and Socio-economic Empowerment of Rural Community for Sustainable Livelihood and Resource Management.		Uttarakhand	Local Area Tehri (Chamba, Pratapnagar, Bhilangana, Narendarnagar, Thauldhar, Jakhnidhar)		303.64		
				Local Area Haridwar (Bahadrabad)		1.80		
				Local Area Dehradun (Doiwala)		15.65		
				Local Area Babina (Jhansi)		0.79		
3	(i) Assistance to Deepa MaaiMahila Credit Cooperative Swayat Society (ii) Women Empowerment programmes (cutting-tailoring, beautician & Mekram training etc.)	Item Number (iii) of Schedule VII of the Companies Act, 2013 Promoting Gender Equality, Empowering women etc.	Uttarakhand	Local Area Tehri (Pratapnagar)	30.00	1.25	31.67	SEWA-THDC (company sponsored Society)
				Local Area Tehri (Chamba, Pratapnagar, Bhilangana, Narendarnagar, Jakhnidhar)		5.79		
				Local Area Haridwar (Bahadrabad)		4.58		
				Local Area Dehradun (Doiwala)		15.39		
			Uttar Pradesh	Local Area Bulandshahar (Khurja)		4.00		
			MP	Local Area Singrauli (Amelia)		0.66		



4	(i) Plantation and development of nursery (To prepare the medicinal & fruit plants & seedling for distribution to villagers)	Item Number (iv) of Schedule VII of the Companies Act, 2013 Ensuring Environmental Sustainability, Ecological balance, Protection of Flora & Fauna, Animal Welfare, Agro forestry, Conservation of Natural Resources and Maintaining Quality of Soil, Air & Water.	Uttarakhand	Local Area Dehradun (Doiwala)	37.50	39.29	39.29	SEWA-THDC (company sponsored Society)
5	(i) Protection of national heritage, art and culture etc.	Item Number (v) of Schedule VII of the Companies Act, 2013 Protection of National Heritage, Art & Culture etc	Uttarakhand	Local Area Tehri (Chamba, Bhilangana, Pratapnagar)	326.24	8.64	206.43	SEWA-THDC (company sponsored Society)
				Local Area Uttarkashi (Chinyalisour)		2.00		
				Other Area Rudraprayag (Jakholi)		0.50		
				Local Area Haridwar (Bahadrabad)		3.50		
				Local Area Dehradun (Doiwala)		5.26		
	(ii) Strengthening of lighting arrangements & highlighting important structures with Façade/ decorative lights in Ganga Ghat area	Uttarakhand	Local Area Dehradun (Doiwala)	186.53				

6	Measures for the benefit of armed forces veterans, war widows and their dependents	Item Number (vi) of Schedule VII of the Companies Act, 2013 Measures for the benefit of armed forces veterans, war widows and their dependents			5.00	-	-	
7	Promotion of Sports (providing sports items & financial assistance for rural sports)	Item Number (vii) of Schedule VII of the Companies Act, 2013 Training to promote rural sports, nationally recognized sports, and Olympic sports	Uttarakhand	Local Area Dehradun (Doiwala & Raipur)	5.00	6.90	8.30	SEWA-THDC (company sponsored Society)
				Local Area Tehri (Chamba)		1.40		
8	Contribution on PM Care Fund for COVID-19	Item Number (viii) of Schedule VII of the Companies Act, 2013 Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government etc.	Delhi	Other Area Delhi	0.00	200.00	200.00	SEWA-THDC (company sponsored Society)
9	Contribution to the provided to Technology Incubators	Item Number (ix) of Schedule VII of the Companies Act, 2013 Contribution to incubators funded			2.00	-	-	



10	Construction of Shamshan Ghat, Pathway, Yatri Shed Solar Light & Community Centre	Item Number (x) of Schedule VII of the Companies Act, 2013 i.e. Rural Development Projects	Uttarakhand	Local Area Tehri (Pratapnagar, Jakhnidahr, Chamba, Narendarnagar)	160.00	48.23	118.85	SEWA-THDC (company sponsored Society)
				Local Area Haridwar (Bahadrabad)		14.11		
				Local Area Dehradun (Doiwala)		10.54		
			U.P	Local Area Bulandshahar (Khurja)		45.97		
11	Flood Protection Works	Item Number (xii) of Schedule VII of the Companies Act, 2013 Disaster management, including relief, rehabilitation and reconstruction activities.	Uttarakhand	Local Area Tehri (Pratapnagar, Kirtinagar, Chamba, Thouldhar)	27.52	9.77	25.37	SEWA-THDC (company sponsored Society)
				Local Area Uttarkashi (Chinyalisour)		6.21		
				Local Area Dehradun (Doiwala)		7.89		
				Local Area Bulandshahar (Khurja)		1.50		
12	Administrative overheads, capacity building, base line / need assessment survey, impact assessment etc.			72.00	106.76	106.76	SEWA-THDC (company sponsored Society)	
Total					2,151.04	2,161.81	2,161.81*	

*The actual expenditure on CSR activities is ₹ 21.62 Cr, out of which THDCIL contribution is ₹ 21.48 Cr.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT



Annexue- III to the Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BACKGROUND:

With increase of new industries and urbanization, Power sector in India has been consistently growing. Presently, installed power generation capacity is 371977 MW as on 31st July 2020 comprising of 62.2% Thermal, 12.3% Hydro and 23.7% Renewable Energy Sources, India emerges as the world's third-largest electricity producer as well as consumer.

Keeping in view the role of electricity in human and socio economic development, Government of India had formulated a scheme to ensure last mile connectivity and electricity connections to all remaining unelectrified households in the country. To achieve this objective Gol had launched SAUBHAGYA (Pradhan Mantri Sahaj Bijli Har Ghar Yojana). Per capita consumption of electricity as on 31.03.2019 was 1181 units which is much below the world average of 2674 units and also very low in comparison to many countries in Asia. To improve this Gol had introduced many schemes including SAUBHAGYA to improve the electricity ecosystem. On the generation side Gol has taken steps to expedite capacity addition as well as change the skewed power mix which is presently in favor of thermal generation. To promote hydro sector, measures have been announced by Gol which will go a long way in hydro capacity addition. Also it is targeted to achieve RE capacity of 175 GW by 2020 and further scale up to 450 GW by 2030. This is in line with India's NDC (Nationally Determined Commitment) in Paris accord for climate change to have at least 40% of installed capacity from non-fossil fuel sources of power by 2030.

The electricity demand growth was subdued at 1.2% in FY 2020, mainly because of lower demand from the industrial segment, resulted in overall slowdown in the economy during this period. While, the demand growth recovered in January

and February 2020, the demand witnessed a fall of 9.1 % in March 2020 due to spread of Corona virus Pandemic. It further deteriorated in April 2020, with a fall of 22 % due to COVID-19 lockdown. The conventional generation during 2019-20 stood at 1250.784 BU as compared to 1249.337 BU generated during 2018-19, representing a growth of only 0.12%. The electricity generation target of conventional sources for the year 2020-21 has been fixed as 1330 Billion Unit (BU), i.e. growth of around 6.33% over actual conventional generation of 1250.784 BU for the previous year (2019-20). However, Conventional electricity generation has flattened in July 2020, being reported at just 0.05 per cent higher than July 2019 levels.

Out of the capacity addition target of 175 GW cumulative Renewable Power installed capacity by the year 2022, capacity of 88.04 GW has already been set up by July 2020 constituting 23.7 % of the total installed capacity. India presently occupied 4th and 5th global positions in the wind and solar power development respectively. Renewable Energy Installed Capacity has increased 226% in last five years. Annually more than 10 million man-days employment is being created in the sector. Solar Power capacity has increased by more than 13 times in the last five years from 2630 MW to 35303 MW in July 2020. As per CEA, contribution of renewable energy sources is estimated to be around 21 % of the total electricity demand of the country in the year 2021-22 and 24 % by 2026-27.

THDCIL being the major player in power generation is committed to play a major role to facilitate achievement of Govt. objectives. This will in turn help the company to grow with a diversified portfolio of power generation.

The Company has Authorized Capital of ₹ 4000 Cr. and Paid up Capital of ₹ 3665.88 Cr. as on 31st March-20. THDCIL has commissioned 24 MW Dhukwan SHP on 20th Dec-19 and Commercial

Operation has started from 13.01.2020. THDCIL is committed to commission 50 MW Solar Power Project in Kasargod, Kerala in 2020-21, 1000 MW Tehri PSP & 444 MW VPHEP hydro projects in Uttarakhand State in 2022-23 & 2023-24 respectively and a Super Thermal Power Plant of 1320 MW at Khurja in the State of Uttar Pradesh in 2024-25. Under the Strategic Business Diversification Plan, THDCIL is exploring all possible Conventional / Non-Conventional and Renewable Power Projects throughout Country as well as neighboring / foreign countries.

Ministry of New and Renewable Energy, Government of India, has allocated State of Uttar Pradesh for the development of Ultra Mega Power Solar Parks under the Solar Park Scheme. THDCIL has formed JV Company with Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA) under the Companies Act wherein the equity shall be held in the ratio of 74:26 by THDC and UPNEDA respectively. The new company is named as TUSCO Limited (THDC UPNEDA Solar Company Limited). The JVC will develop and operate the Ultra Mega Solar Power Parks in UP.

SWOT ANALYSIS:

Analytical study of Opportunities and Threats vs. Strength and Weaknesses of your company is as under:

A) Strengths

- **Strong technical skill base:**
With two already Operational Mega Hydro Power Plants, two Wind Power Plants and recently commissioned 24 MW Dukhwan SHP, and with successful resolution of enormous challenges one after another, THDCIL has proven its presence and expertise in Power sector. This vital experience has created gems of technical know-how and established THDCIL a company full of exceptionally strong technical base among its competitors in Power Sector.
- **Capable in handling complex issues of Environmental and R&R involved in the implementation of Hydro Electric Generation Projects:**

With THDCIL's mission to minimize the environmental impact of its activities, our strategy on environmental sustainability is optimal use of water / energy, reducing carbon footprint and protecting/ reconstructing biodiversity. As a responsible citizen of country, THDCIL is responsibly handling e-waste, Household waste and muck disposal at its all Project locations. Further in the direction ahead, bio gas plant, sewerage treatment plants and water conservation measures are already in place.

THDCIL had carried out massive R&R in implementation of Tehri Hydro Power Complex. The experience and learning is presently being implemented in VPHEP & Khurja STPP. THDCIL has proven track record of helping local communities by developing infrastructure and taking various initiatives in the field of health, education, women empowerment, rural development, etc. during implementation phase of projects and even beyond that. THDCIL's commitment to Project Affected Families is to improve their socio-economic condition by offering suitable compensation/ sources of income generation.

- **Exceptional Engineering and constructional skills in underground works in complex Himalayan Geology:**

Himalayan region is famous for its complex Geology. The Power Sector has time to time praised application of Exceptional Engineering and constructional skills in Construction of huge mesh of underground structures in Tehri HPP. The experience of Tehri HPP proved immense useful in construction of Koteshwar HEP. The rich experience and know-how available is being used presently in under-implementation Hydro projects.

- **Efficient Operation and Maintenance:**

With in-house operation and maintenance of its operational Power Plants, THDCIL has developed enormous expertise continually looking towards maximising plant performance, effective monitoring, minimising



accidents and working smartly. This resulted in continuous un-hindered power generation and achievement of plant availability well beyond normative values.

THDCIL's Two Operational Hydro Power stations (Tehri HPP and KHEP) played a key role for ensuring Grid Stability during "Prime Minister's 09 Minutes Switch Off Lights Call" at 9 PM on 05.04.2020., as it provided the flexibility of a quick generation ramp down and up and as they took the least time to switch on or off.

- **Automated Plant Monitoring:**

Plants are being monitored through SCADA (Supervisory Control and Data Acquisition) system, which uses computers, network data communication supported by graphical user interface, which enable the company to perform high-level supervisory management of plant.

- **Competent and committed workforce:**

THDCIL has exceedingly strong asset of highly technical, professional Management Team and excellent Team of Support Staff consisting of 1835 employees (as on 31st March- 20).

- **Strong financial Management:**

THDCIL is a profit-making Company, ever since commissioning of its maiden project, Tehri HPP. With Reserves and Surplus more than Paid up Capital, company has robust platform to invest its resources for future expansion / capacity addition programs.

- **High employee retention rate:**

THDCIL has exceedingly high retention rate of exceptionally skilled, highly experienced and motivated staff.

B) Weaknesses

- Outstanding dues of DISCOMS, adversely affecting the financial performance of company.
- Being Hydro projects in complex Himalayan

region, Geological surprises encountered results in delay leading to time and cost overrun and increase in tariff.

- Very high gestation period in development of Hydro Power Projects.
- Two under construction Hydro Projects are being implemented by same Agency having acute cash crunch.
- Delay in tapping potential opportunities.
- Rising contingent liabilities.
- Procedural constraints associated with Public Sector ownership.
- Low utilization levels of existing and innovative technologies.
- Natural Attrition- Major chunk of experienced work force shall retire by 2022-23. Lacking in timely & adequate recruitment, which can compensate the knowledge drain due to natural attrition.

C) Opportunities

- **Enormous untapped Hydro Power potential and Rising share of infirm renewable injection:** Enormous Hydro Power potential available in India, but remains untapped. Current thrust towards renewable energy & thus deterioration of Hydro-Thermal Mix, is itself paving way / thrust to implement more Pumped Storage Plant for peaking support to the grid.
- **Opportunities in other Countries:** With multi Trade Corporation / expansion policy of Govt. of India among various countries in force, huge potential for growth of the business outside India has emerged, particularly in countries, where Government of India provides bilateral support, such as Nepal and Bhutan. To harness same, THDCIL is looking forward to utilize its power generation skills and focuses itself in the developing potential markets through collaborations with other firms to strengthen its business development activities in other geographies as well.

- **Strategic diversification:**

THDCIL has already diversified into conventional (Thermal) and non-conventional (Wind & Solar) sources in India and looking ahead for similar opportunities abroad.

- **Thermal Power:** Khurja Super Thermal Power Plant of 1320 MW having annual generation of 9828 MU would be ready by 2024-25 .
- **Wind Power:** Already commissioned two Wind Projects totaling 113 MW capacity. Looking forward for other projects.
- **Solar Power:** THDCIL has awarded the work of setting up 50 MW Solar PV Project with 10 year O & M in Kasaragod, Kerala to M/s Tata Power Solar System Limited on 8th Aug-19. Project is anticipated to be commissioned by Dec-2020.

Development of Mega Solar Parks: THDCIL is in the process to develop UMREPPs through SPV/ JVC in the state of Uttar Pradesh and Rajasthan. In Uttar Pradesh the formation of JV Company with equity participation of THDCIL and UPNEDA in the ratio of 74:26 has been approved by GoUP. The MoU between THDCIL and UPNEDA has been signed on 06.08.2020. Total capacity of UMREPPs to be developed in Uttar Pradesh is around 2000 MW.

In addition, THDCIL is in the process of formation of JVC with Rajasthan Renewable Energy Corporation Ltd (RRECL) for development of 1500 MW UMREPP in the state of Rajasthan.

- **Diversified in other emerging area:** With enormous expertise available and experience in treatment of chronic hill slope stabilization, THDCIL has completed various consultancy projects and engineering solutions for other Govt. Organizations and more are in pipeline.

D) Threats

- **Cumbersome Procedure & Delay in Clearances:** As well known among all Power

Sector companies, Capacity addition program of Hydro Projects gets badly affected due to delay in obtaining environmental, forest and Wild Life clearances for projects, due to existing stringent norms and cumbersome procedures of GoI. The opposition of Hydro Power Projects on environmental, religious grounds and vested interests of local communities, NGO's and other agencies, delays Project Clearances and implementation. For speedy growth of Power sector, GoI should implement introduction of Single Window for various Statutory Clearances.

In addition, the big and hidden risk of increase in e-flow by enforcing agencies, is also leading risk of abandoning the project, even after incurring huge project expenditure.

- **Geological uncertainties:** Geological surprises in complex and young Himalayan region create hindrances, which result in huge time and cost over-runs in Hydro Projects, viz-a-viz; increase in tariff.
- **Cumbersome Land acquisition process:** Present land acquisition process for infrastructure work as well as project components including submergence is quite cumbersome and time consuming. In fact, Project should be awarded, when all statutory clearances and more than 80% of land acquisition is in place.
- **Increasing Natural Calamities:** The Hydro projects are mainly located in hilly terrains. The hilly terrains are posed to threats of Natural calamities like landslides, frequent hill slope failures resulting in road blockades, increasing phenomenon of cloud bursts in monsoon. This results in severe setbacks in construction schedules, leading to huge time& cost overruns and tariff.
- **Skilled Labour Problem:** Due to COVID 19 Lockdown, a large chunk of labour force employed at Projects, has moved towards their native places / home town, posing a threat to pace of work at sites.



- **Deteriorating Financial Health of State DISCOMs:** Inability for realization for power procurement, especially costly tied-up power. However, Govt. has taken some steps / initiatives in this matter during COVID-19 Lockdown.
- **Poor financial health of the Civil Contractors of Hydro Sector:** The experienced Contractors of Hydro Sector in India are striving with huge cash crunch.
- **Changing Market Scenario:** Availability of cheaper Power in short term market.
- **Regulatory Risks:** One of the major risks is that Regulatory Authority may not consider the total incurred cost of the Project for tariff. Additionally, time to time changes in tariff regulations, may also affect cash flows & operational profits.

Future Outlook:

The Government of India has identified power sector as a key sector of focus, so as to promote sustained industrial growth. Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India.

The initiative of Govt. of India for providing 24X7 Power for all, investments in renewable energy and plan to achieve 175 GW of clean energy by 2022, is expected to be on track. Pumped Storage Hydro Power energy is expected to gain prominence and will support the system operator to manage the penetration of variable renewable energy. In the years to come, there will be renewed focus on meeting emission norms and investments on flue-gas desulfurization (FGD) in thermal assets for a cleaner environment.

With Government of India plans to establish renewable energy capacity of 500 GW by 2030, the future outlook of the company is to harness out of it for sustainable growth of the company. For which, the company needs:

- Expeditious completion of construction of Tehri PSP (1000 MW) and VPHEP (444 MW) without any further time and cost overrun.
- Expeditious completion of construction of Khurja STPP (1320 MW) as per schedule.
- Expeditious opening of Amelia Coal Mine matching with Khurja STPP requirement.
- To put on fast track, the Development of Mega Solar Parks in Uttar Pradesh and Rajasthan. Additionally, to explore development of Solar Parks in other States.
- Vigorously increase company's overall business development activities.
- Focus immensely to minimize outstanding dues of DISCOMs.
- Vigorously persuade Govt. of India for signing of Implementation Agreement between Govt. of India and Govt. of Bhutan for development of Sankosh HEP in Bhutan.
- Persuade Govt. of India for Implementation Agreement for Bunakha HEP in Bhutan.
- Explore green and untapped Hydro Power sources in Uttarakhand as well as different parts of country.
- In line with emphasis of Govt. of India for Geo-Strategic reach, explore business possibilities in rest of the World.

Annexure –IV to the Directors' Report

ENERGY CONSERVATION MEASURES, TECHNOLOGY ADAPTATION, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. ENERGY CONSERVATION MEASURES

Energy conservation and demand side management measures can reduce peak and average demand of energy. Conserve energy is important because it helps safe guard the environment and its resources. Investment in energy conservation at the margin provides a better return than investment in energy supply.

THDCIL believes in efficient use of electricity as a way to reduce demand. THDCIL is focusing on energy efficiency programs, within the company.

The following actions have been taken towards conservation of energy in last year:-

- (i) Work of replacement of Old bulbs including street light has been completed in all THDCIL project unit of THDCIL, however 90% work completed in our Tehri and Koteshwar projects being located in remote and hilly terrain area.
- (ii) Work of replacement of non energy efficient light fixtures in all office building complex of THDCIL, Rishikesh has been completed.
- (iii) Operation and Maintenance of the 500KW roof top solar power plant has been done successfully and energy amounting to Rs. 0.95 lakhs has been credited by UPCL towards export of supply to the grid for nine months besides own consumption for the FY19-20.
- (iv) All new non-residential complexes have provision of LED Lights.
- (v) Maintenance /renovation work of electrical distribution system for non-residential buildings have been taken up with LED lights.

(vi) Non-residential buildings have been provided with five star rated Air conditioners and all leased air conditioners were changed from non-star rated to five star rated.

(vii) Key Fob Switching has been provided in each room of Guest houses and in the offices of GM/HOD.

Approximately 576 ACs are running in the office complexes and guest houses, out of which 500 no ACs are star rated ACs to increase the energy efficiency. Balance ACs are also planned to be replaced with star rated ACs in phased manner in the Financial year 2020-21 as per guidelines from MOP.

Park area lighting and fencing of office and residential area has been done through Solar system. 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. Implementation of above measures has reduced the consumption of units by 10-13%.The company is using and promoting use of LED Lamps and efficient use of energy in all its business Installations.

B. TECHNOLOGY INNOVATION, ADAPTATION AND ABSORPTION

1. Debris Flow Barriers

From history, Gabions and RR masonry are often used in natural gullies, channels or chutes on the slopes to construct weir-like structures, which are positioned across vulnerable slopes to limit the initiation of a debris flow and to restrain it when a flow event happens. In recent past, a new advancement in flexible protection system technology has been developed to withstand the static and dynamic



loads caused by debris flows or mudflows in rivers/ natural nala course/ shallow landslides which is triggered by excessive water on and within slopes, by rainfall, glacier melt or similar activities and deliberately tested and are being used worldwide.

A flexible debris flow barrier system is typically placed in the river channel between the river banks, with a potential to span up to 15m (25m with additional posts) with heights ranging from 2 to 6m (market available). A steel net is spanned by support and lateral ropes. The ropes are anchored in the banks with anchor lengths depending on the load capacity of the ground. Plastically deforming and hence energy absorbing elements in the ropes allow large plastic deformations in the barrier system and reduce the peak loads during impact.

Debris Flow barrier is a site specific customized engineered system comprised of containment mesh, compression brakes, support ropes & Posts that provides safety against highly mobile flows of mixed material triggered by the rapid buildup of water within the slope, saturating the ground that can pose high risk and threat to people property & infrastructure (debris flow). DF Barriers are customized to suit the dimensions of the project, the anticipated debris material and expected volume of the flow. Upon impact by debris flow, the DF barrier should progressively deform with the compression brakes and systems absorbing the energy. The hydrostatic pressure within the flow shall rapidly dissipate once the debris flow has been arrested, leaving the volume of the debris within the barrier. Once the DF barrier has been deployed and arrested the debris flow, the debris shall be emptied and disposed of. Compression brakes shall be replaced whilst support ropes and containment mesh shall be checked for serviceability before reuse or replacement.

The system had been proposed in phase-II works at the nalas crossing the new track of Shri Mata Vaishno Devi by THDC India Limited

being the technical consultant of SMVDSB and has been successfully installed by Pioneer Engineering on the new track of Holy Shrine of Shri Mata Vaishno Devi, Katra.

2. Real Time Flood Forecasting System

Tehri Project has now been equipped with state of art "Real Time Flood Forecasting System". The six hour lead time forecast of reservoir level and inflow volumes are being issued. This forecasted information is available in public domain. One can access the website through URL 117.239.95.84.

In the 1st phase of this system, 11 no. AWS (Automatic Weather Stations) and 4 no. automatic river level and discharge radar sensors have been installed in the Tehri catchment up to Gangotri. Rainfall, temperature, relative Humidity, wind speed, sun radiation and atmospheric pressure data have been acquired through automatic sensors and stored in Data logger. Data transmission is being done to earth station situated at Dam top through GPRS/GPS technology. This data are being accessed through website by modelling centres situated at IIT Roorkee and Design Deptt. of THDC at Rishikesh. After processing and modelling, forecast is being issued and disseminated to Administrative and Engineering authorities. This type of system is being used first time in India. When the reservoir level is close to FRL, this lead time information provides the decision making time to the dam authorities. By spilling the water, 2 to 3 m conservation space may be converted into flood space and vice versa the extra energy may be generated using lead time information.

In the IInd phase few more AWS and automatic river level and discharge sensors will be installed. Data will also be transmitted through VSAT technology from few stations where the mobile signals are not available. The lead time of forecast will be increased by using the forecasted precipitation models and 12, 24 and 48 hours advance forecast will be published.

3. Digital Elevation Model (DEM)

Digital Elevation Model is a numerical data file that contains the elevation of the topography over a specified area, usually at a fixed grid interval over the surface of the earth. DEM is used as a tool to represent the earth's surface in many applications such as hydrological modelling, railways, civil engineering, large scale mapping & telecommunication.

In the Bokang Bailing HPP where the accessibility is limited, in this terrain the survey of the area has been done using the Digital Elevation Model with an accuracy of 15m.

4. Self-Drilling Rock Anchor (SDRA)

Since history rock anchors/ bolts are often used to support/ stabilize excavation in tunnels, slopes, or as a part of permanent retaining walls, or to resist up-lift forces on foundations etc. This system installed with cased or un-cased drilling systems to form the borehole on the surface to be supported/ stabilized into which the anchor components (either bar or strand) are inserted and grouted in place thereafter.

In recent past a new system "Self drilling rock anchors" reinforcement technology is widespread used to support/ stabilize as the system is ideally suited to both loose overburden and fractured rock surfaces. The basic application of self drilling anchors is installation under the conditions of the soil/ rock without the risk of drill hole collapse due to pulling out of drill bit as in the classical anchor installation process. Self drilling anchors can be installed in length greater than classic rod anchors (joining with coupling nuts). The self-drilling technique combines the placement of reinforcement and grouting in a single pass, without the need for a casing in ground conditions where boreholes are prone to collapse. Self-drilling anchor consists of a sacrificial drill bit, hollow steel bar of the appropriate outer and inner diameter and coupling nuts.

The anchor body is made of a hollow steel tube with an outer round thread. Steel tube has the sacrificial drill bit at one end and the corresponding nut with a steel end plate. Self drilling anchors are used in a way that hollow steel bar (rod) has a corresponding sacrificial drill bit on its top instead of a classic drill bit. The hollow steel bar is driven to the required depth by means of rotary percussive drilling. Injection of cement grout is carried out through hollow steel bar. Injection mixture flows through the holes at the sacrificial drill bit and automatically stabilizes the drilled hole. SDRA are available in sections with standard lengths of 2.0, 3.0 or 4.0 m. The standard outer diameters of the hollow steel bars are ranging from 30.0 mm to 127.0 mm. If necessary, hollow steel bars are continued with coupling nuts. Different types of sacrificial drill bits are used depending on the type of soil or rock mass. ***A hollow steel bar is better than a solid bar with the same cross-sectional area because of its better structural behavior in terms of buckling, circumference (bond area) and bending stiffness. The result is a higher buckling and flexural stability for the same amount of steel (cost of material).***

The system had been proposed during 1st phase works on the vulnerable slopes of Rajbhawan, Nainital by THDC India Limited being the technical consultant of PWD, Uttarakhand and has been successfully installed.

5. Double Shield Universal TBM with EPB.

Vishnugad Pipalkoti Hydro Electric Project (VPHEP) a 444 MW run-off-river project envisages approximately 16.4 Km long tunnel for conducting water. The water conductor system consists of a 13.4 Km long Head Race Tunnel (HRT) and 3 Km long Tail Race Tunnel. The 8.8 m dia (finished) HRT has been envisioned to be constructed by mechanized tunneling using Tunnel Boring Machine (TBM).

On the basis of experience gained from the projects in Himalayas a unique TBM has



been envisaged for VPHEP, having state of art technology. The selected TBM is a creative improvisation over conventional Double Shield Universal (DSU) and have special arrangement to handle Earth Pressure on the face of tunnel to negotiate weak rock strata. A similar type of TBM was also successfully utilised in the Beles project in Ethiopia, where the TBM has to pass through a wide range of geologies varying from very hard rock to squeezing and loose ground.

The design of the TBM for Vishnugad Pipalkoti HEP represents however a further step forward in the technology since it is designed to:

- Outperform in good and very hard rock
- Be able to switch from Double Shield Mode to Single Shield Mode without requiring modification and stand-by time for this operational mode change.
- Maintain typical advantage of a DSU TBM even in conditions requiring earth pressure balancing particularly w.r.t extended bore capacity and capacity to investigate and treat the strata in front of face.

The absorption of the above imported technology will take place after substantial completion of the head race tunnel.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lakh)

	PARTICULARS	2019-20	2018-19
A	Expenditure in Foreign Currency (on cash basis)		
	Travelling	29	129
	Consultancy & Professional Expenditures	181	306
	Repayment of loan & Interest	4657	4539
	Import of goods	5731	3417
	Nomination for Conference	0	3
	TOTAL	10598	8394
B	Earnings in Foreign Currency (on cash Basis)	0	0
C	Value of Imports calculated on CIF basis		
i)	Capital Goods	5957	3520
ii)	Spare parts	0	25
	Total	3545	3545
D	Value of Components, Stores & Spare parts Consumed		
i)	Imported (in lacs Rupees)	2	27
	(%)	0.25	4.89
ii)	Indigenous (in lacs Rupees)	700	532
	(%)	99.88	95.11
E	Value of Export	0.00	0.00



**BUSINESS
RESPONSIBILITY REPORT
2019-20**



BUSINESS RESPONSIBILITY REPORT 2019-20

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Company details

- | | |
|--|--|
| 1. Name of the Company | : THDC India Limited |
| 2. Year of Registration | : 1988 |
| 3. Corporate Identity Number (CIN) of the Company | : U45203UR1988GOI009822 |
| 4. Registered address | : THDC India Limited,
Bhagirathi Bhawan, Bhagirathipuram,
Top Terrace, Tehri Garhwal |
| 5. Website | : www.thdc.co.in |
| 6. Telephone | : 0135-2473224 |
| 7. E-mail id | : cmd@thdc.co.in |
| 8. Financial Year reported | : 2019-20 |

Products/services

- 9. Sector(s) that the Company is engaged in : Power
(industrial activity code-wise)**

*Group	Class	Sub-Class	Description
351	3510	35101	Electric power generation.

**As per classification under National Industrial Classification, Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India, New Delhi.*

10. Goods manufactured/services provided (top three by revenue):

- i. Hydro Power
- ii. Wind Power
- iii. Engineering Consultancy

11. Brands (top five by respective share of market) owned and percentage of revenue contributed:

THDCIL is engaged in generation of electricity. Electricity is supplied to Distribution Companies (DISCOMs) of States. There is no Brand.

Operations
12. Location of major offices:

SN	Name of Office/ Location	District	State	Projects undertaken / activity
1.	Corporate Office, Rishikesh	Dehradun	Uttarakhand	All projects of THDC India Limited.
2.	NCR Office, Kaushambi	Ghaziabad	Uttar Pradesh	Thermal Design and Liaison with Ministry of Power.
3.	Registered Office, Bhagirathipuram, Tehri	Tehri Garhwal	Uttarakhand	Tehri HPP (1000 MW), Tehri PSP (1000 MW) and Koteshwar HEP (400 MW)

4.	Project Office, Koteswarpuram, Koteswar	Tehri Garhwal	Uttarakhand	Koteswar HEP (400 MW)
5.	New Projects Office, New Tehri Town (NTT)	Tehri Garhwal	Uttarakhand	New Projects- Jhelam Tamak HEP (108 MW) and Bokang Bailing HEP (200 MW)
6.	Project Office, Alaknanda Puram, Vishnugad Pipalkoti	Chamoli	Uttarakhand	Vishnugad Pipalkoti HEP (444 MW)
7.	Liaison Office, Dehradun	Dehradun	Uttarakhand	Liaison With State Government and R&R related work
8.	Project Office, Khurja	Bulandshahar	Uttar Pradesh	Khurja STPP (1320 MW)
9.	Project Office, Joshimath	Chamoli	Uttarakhand	Jhelam Tamak HEP (108 MW)
10.	Project Office, Dharchula	Pithoragarh	Uttarakhand	Bokang Bailing HEP (200 MW)
11.	Liaison Office, Panchkula	Panchkula	Haryana	Liaison with Chandigarh, Punjab and Haryana
12.	Liaison Office, Nainital	Nainital	Uttarakhand	Judicial issues at Hon'ble High Court, Uttarakhand
13.	Liaison Office, Lucknow	Lucknow	Uttar Pradesh	Dhukwan SHP (24 MW) and Liaison with GoUP
14.	Project Office, Babina	Jhansi	Uttar Pradesh	Dhukwan SHP (24 MW)
15.	Project Office, Radhanpur	Patan	Gujarat	Patan Wind Power Plant (50 MW)
16.	Project Office, Kasargod	Kasargod	Kerala	Kasargod Solar Power Project (50 MW)
17.	Project Office, Devbhumi Dwarka	Devbhumi Dwarka	Gujarat	Devbhumi Dwarka Wind Power Plant (63 MW)
18.	Transit Camp, NBCC Tower	New Delhi	New Delhi	Liaison with Ministry and Renewable Energy Projects
19.	Consultancy Office, Katra	Reasi	J&K	Consultancy for Slope Stabilization between Katra and Vaishno Devi.
20.	Project Office, Waidhan	Singrauli	M.P.	Ameila Coal Mine

Employees

13. Number of permanent employees: 1835

14. Contractual employees (seasonal, non-seasonal): (as on 31.03.2020): 3206

15. Temporary employees: Nil

16. Percentage of women

- a. On the Governance Structure: Nil
- b. In top management, i.e. business and function heads; Nil



Associate entities

17. Names of subsidiary / associate companies: Nil

18. Details of Trust/Society/Section 8 company to further its CSR agenda:

- a. **Names:** 1) SEWA-THDC & 2) THDC Education Society (TES)
- b. **Organization form (Trust, Society, Company) and year of establishment:** SEWA-THDC & THDC Education Society, both are company sponsored societies registered under Society Registration Act 1860 in year 2009 & 2010 respectively.
- c. **Main objects/purpose:** The main objective / purpose of SEWA-THDC are to implement the approved Annual CSR plan of THDC.

The main objective / purpose of TES is to run two schools (one at Pragatipuram, Rishikesh and another at Bhagirathipuram, Tehri) for children of poor and weaker section of society.

d. Amounts and sources of funds received in the reporting year:

Sr. No.	Name of Society	Source	Amount
1	SEWA-THDC	THDC India Limited	₹ 21.48 Cr.
2	THDC Education Society	SEWA-THDC	₹ 4.65 Cr.

19. Contact details of Nodal Officer for this report (name, designation, email id, phone number)

Sh. Manoj Kumar Tyagi
Deputy General Manager (CP)
THDC India Limited
Ganga Bhawan, By-Pass Road
Rishikesh (Uttarakhand)
Email: thdccprksh@gmail.com
Telephone: 0135-2473447

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses, demonstrate the structures, policies and processes put in place towards adopting the Principles and Core Elements

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	Names of the policy / policies that covers each Principle	Please refer Table 1 (Below)								
2.	Core Elements related to the Principle that the policy/ policies cover									
3.	Policy/ policies relating to each principle that has been translated into guidelines and procedures									
4.	Extent to which manpower, planning and financial resources have been allocated for the implementation of the policy/ policies relating to each Principle	All policies related to each Principle (as defined in Table-1) are implemented religiously in THDCIL. All HR Policies of THDCIL are applicable to all its employees posted at various stations, projects, offices.								
5.	National and International codes and standards adopted mapped to various Principles	As a Government Company, THDCIL is governed by guidelines, procedures and policies issued from time to time by the Government of India. Additionally, keeping in view, vision of the company and changing business environment, THDCIL constantly reviews its business policies and practices towards developing a sustainable business agenda. Industry practices/ standards at National and International level are kept in view while devising such policies.								
Governance, leadership and oversight										
6.	Names of the above policies that have been approved by the Board/top management	<ul style="list-style-type: none"> • Conduct Discipline and Appeal Rules • Standing orders for workmen • Corporate Ethics Policy • Code of Business Conduct and Ethics • Whistle Blower Policy • Safety Policy • CSR & Sustainability Policy • HR Policies • R & R Policy • Vision & Mission • Environment Policy • CSR & Sustainability Policy • CSR Communication Strategy 								



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight										
7.	Name of the specified committee(s) of the Board/ Director / Officer and processes to oversee the implementation of the policy/ policies	Please refer Table 1 (Below)								
8.	The process for Board/top management to review performance against the above policies and incorporating inputs	Under the leadership of the Board, respective strategies, policies and procedures are established. The Board is assisted by several function specific committees. The Company Secretary acts as the Secretary to all the Board Level Committee(s).The Independent Directors are provided with the relevant information to ensure that stakeholder interests are protected. To ensure a strong focus on specific issues and expedient resolution of various matters, a number of committees have been formed under the Board, such as; Audit Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility Committee. The Committees are required to have meetings at regular intervals to discuss and resolve any persistent issues specific to their domain.								
9.	Process for Board/ top management to review compliance with statutory requirements of relevance to the Principles and rectify any non-compliances	Integrity and transparency are regarded as core values in every business activity of THDC India Limited. There is a strong commitment to act in compliance with the applicable laws and regulations without compromising honesty and integrity in every aspect of the business. For THDCIL, safe and healthy work environment is a prerequisite for ensuring employee well-being. Our leaders establish the vision, communicate the core values of safety, provide the tools and resources, engage the workforce, monitor progress, adapt to change and recognize accomplishments. Strict compliance with all statutory, and other applicable requirements related to the established policies is ensured across operations. Further, a report of compliance of all laws is prepared by each department which is subsequently apprised to the Board of Directors in the Board Meeting.								
10.	Frequency of the reviews of the business's alignment with the Principles and Core Elements conducted by the Board/ top management	Various principles and Core Elements performance are integral to the day-to-day operations of the Company and the same are reviewed by the Board/ Board Level Committee(s) as an integral item of business concerned on half yearly basis.								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Stakeholder Engagement										
11.	Description of the process to identify your business's key stakeholders	We identify our key stakeholders from time to time. The stakeholders are mapped based on their level of interest in issues and the level of influence they exert on it. We determine the level and mode of engagement to be adopted for each stakeholder group. All the identified stakeholders are significant to the company since they impact our operations directly or indirectly, to varying degrees. To ensure effective engagement, the stakeholders are classified into two broad categories: internal and external, based on whether company has direct or indirect control over the stakeholder group.								
12.	Description of the process to engage with your stakeholders on the Principles	<p>THDC India Limited employs a comprehensive stakeholder engagement process by utilizing formal and informal platforms to understand and address their concerns through various channels to focus on building strong, engaging and beneficial partnerships with them. Consistent dialogue with stakeholders is fundamental for business success because the engagement process reveals what issues is material to the stakeholders. Our stakeholder engagement process enables us to identify internal and external stakeholders, who are impacted by our business operations and also affect our business. Such stakeholder identification ensures stakeholder inclusive decision-making. Moreover, communicating and partnering with our stakeholders is relevant at every stage of our value chain and is critical in ensuring that, we secure and maintain our license to operate. Engagement with internal and external stakeholders also helps us identify new sources of material issues that in turn create a unique risk profile for the business. Risks identified through this process help upto provide essential input to our annual materiality assessment. Thus, engaging with stakeholder makes business sense, as it helps the company to remain competitive by being future ready against risks.</p> <p>Stakeholders Mode of engagement</p> <ul style="list-style-type: none"> • Customers: Power purchase Agreement, Regular / periodic meetings with B2B partners and also through external stakeholders meet. • Communities: Direct engagement at work centers through CSR programmes and HR departments. • Business partners/ contractors/vendors: Vendor meets; Business partner meets; Pre-bid conferences and also through external stakeholders meet. • Employees: Employee web portal and also through internal stakeholders meet. • Unions and Associations: Union & Association(s) Meetings 								



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
		<ul style="list-style-type: none"> • Regulatory bodies: Structured engagement through meetings with administrative Ministry; MoP, DPE etc. and also through external stakeholder meets. • Shareholders: AGM; Corporate web site and press releases/ press conference. 								
13.	Description of the processes to identify groups that are vulnerable and marginalized stakeholders.	<p>Stakeholder engagement is a continuous process and is crucial at the stage of planning and selection of CSR & Sustainability projects. THDCIL has a list of stakeholder, which is covered in the Citizen Charter. Since, THDCIL is expanding its activities and geographical boundaries, there is always a need for periodical identification and prioritization of the key stakeholders depending upon the changing requirements. Further, different stakeholders will be able to react to the organization and its activities at different pace & manner and will also be affected by organisation in different ways. Therefore, to identify vulnerable and marginalized stakeholders, a target group of internal stakeholders are provided with a list of stakeholders to give their assessment and feedback in YES/NO form on the impact of stakeholder group on the organization, impact of organization on the stakeholder group on environment, economic and social aspects. Based on the 'assessment feed-back' from the internal stakeholders, initial list of vulnerable and marginalized stakeholder is prepared.</p>								
14.	Description of the processes to identify issues related to inclusion and impact of adopting the Principles on vulnerable and marginalized stakeholders.	<p>Stakeholder engagement plays an important role toward sustainability. It is, therefore, imperative to sensitize all stakeholders to synergies their efforts with the organization's CSR & sustainability efforts. To sensitize internal stakeholders, HoD of S&E Dept., organizes meetings at various levels, viz; Corporate level with HoDs / HoPs level and Department level to understand the views / areas of improvement. Similarly, one day session devoted to CSR & Sustainability at Corporate Office Rishikesh and other project location is organized for target groups from the society to understand their views / aspirations / scope of improvements. In addition to above, THDC also conducts baselines / need assessment at various intervention locations to better streamline the CSR activities with the demands of prime stakeholders. Impact assessment of the CSR activities is an integral aspect of each project cycle. THDCIL also conducts impact assessment of all the CSR projects above ₹5 Lakh through third party for clear understanding of project execution, efficiency and objectives achieved. For transparency sake, details of all the projects awarded, budget provision & corresponding expenditures and impact assessment reports are uploaded on THDC website for public information and feedback.</p>								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Communications										
15.	Description of process to communicate to stakeholders, the impact of your policies, procedures, decisions and performance that impact them	<p>The impact of policies, procedures, decisions and performance is communicated to stakeholders through Annual Reports and Impact Assessment Reports, Communication Strategy and other such reports. Further, the policies are also placed on company's website, intranet and also is available through manuals.</p> <p>Each year at least 11 meetings related to CSR & Sustainability Projects / Activities are held with key stakeholders, including representatives of Central / State Govt. and / or District / local administration and / or public representatives at various locations. In these meetings, presentations on the project/ activity undertaken along with impact assessment findings are given and expectations & feedback of the stakeholders are also obtained for further improvement and their expectations on the new projects / activities. For further dissemination of information and stakeholder engagement, details of CSR projects undertaken during each financial year, budget outlay and corresponding expenditure and impact assessment reports are uploaded on THDCIL website under the CSR Head.</p>								
16.	Description of how the business communicates the results of stakeholder engagement in the public domain	<p>The policies are also placed on company's website, intranet and is also available through manuals. The Annual Reports are uploaded on THDCIL Website. An annual sustainability report and a chapter on CSR activities undertaken along with output achieved is published by the company, which is further forwarded to key stakeholders in digital form. In addition, articles / reports / success stories on CSR & Sustainability are published in in-house magazines 'Gangavataranam' and 'PAHAL'. CSR projects/ activities planned, awarded and their post implementation impacts/ evaluation reports brought out as a third party assessment are displayed on the company website. Short films / posters / banners on CSR projects / activities are also displayed during various Trade fairs/Exhibitions. THDCIL also explore various national and international platforms, like award functions and seminars to share its CSR efforts and credible programs with diverse section of audience.</p>								
17.	Description of the process of communicating performance against these Guidelines to relevant stakeholders	<p>Business Responsibility Report covering performance of THDCIL on all 09 Principles is an Integral Part of Annual Report of THDCIL since 2013-14. Various Stakeholders' Meetings are organized to disseminate and discuss performance of THDCIL on each principle separately with relevant stakeholders.</p> <p>THDCIL is also publishing Annual Sustainability Reports since 2008-09. Sustainability Report covers economic, financial and environmental performance of THDCIL against National guidelines on Responsible Business Conduct.</p>								



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
18.	Note on how disclosures and reporting helped in improving business performance / strategy	Disclosures and reporting helped in improving business performance / strategy in following ways: <ul style="list-style-type: none"> • It helps in identification of needs of stakeholders. • It helps in benchmarking of business performance with peer groups and guidelines. • It helps in better engagement with Stakeholders. • It provides a platform for dialogue with Stakeholders. 								

Table-1

Principle No	Description	Policy / Policies	Director(s) Responsible
Principle 1 (P1)	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and Accountable.	<ul style="list-style-type: none"> • Vision, Mission and Values • Conduct Discipline and Appeal Rules • Standing orders for workmen • Corporate Ethics Policy • Code of Business Conduct and Ethics • CDA Rules • Whistle Blower Policy • Integrity Pact • Record Management Manual of THDCIL • Training Policy for Directors of THDCIL. 	Director (Technical) Director (Personnel) Director (Finance)
Principle 2 (P2)	Businesses should provide goods and services in a manner that is sustainable and safe.	Safety Policy CSR & Sustainability Policy OHSAS 18001:2007	Director (Technical)
Principle 3 (P3)	Businesses should respect and promote the well-being of all employees, including those in their value chains.	HR Policies Placement and transfer Policy	Director (Personnel)
Principle 4 (P4)	Businesses should respect the interests of and be responsive towards all its stakeholders.	R & R Policy Vision & Mission	Director (Technical)
Principle 5 (P5)	Businesses should respect and promote human rights.	Vision, Mission & Values HR Policies	Director (Personnel)

Principle No	Description	Policy / Policies	Director(s) Responsible
Principle 6 (P6)	Business should respect and make efforts to protect and restore the environment.	Environment Policy ISO 14001:2015 (EMS)	Director (Technical)
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	<ul style="list-style-type: none"> Code of Conduct Core Value 	Director (Technical) Director (Personnel) Director (Finance)
Principle 8 (P8)	Businesses should promote inclusive growth and equitable development.	CSR & Sustainability Policy CSR Communication Strategy	Director (Technical)
Principle 9 (P9)	Businesses should engage with and provide value to their consumers in a responsible manner.	All the core elements identified under Principle-9 are duly followed by THDCIL through its commercial procedures. However, THDCIL feels that a separate policy on Principle 9 is not required because: <ul style="list-style-type: none"> THDCIL supplies electricity to the beneficiaries (bulk customers), majority of which are owned by respective State Government. Allocation of Power is made by Ministry of Power, Govt. of India based on certain policies and guidelines. Power Tariff for Hydro Power Projects of THDCIL is determined by Central Electricity Regulatory Commission (CERC) engaging all stakeholders. Tariff for Renewable Energy Projects is decided as per the mutual agreement between THDCIL and individual beneficiary State. Issues, if any, are discussed and resolved at common forums like Northern Regional Power Committee (NRPC), where Bulk Customers and generators are members. Separate feedback is obtained from customers (beneficiaries) to understand their needs and expectations. 	



SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping businesses, demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While, the Essential level is expected from every business that has adopted these Guidelines. The Leadership level is expected of businesses which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1

ESSENTIAL INDICATORS

1. **Month/year of last review by Governance Structure/ top management of performance of the business across the Principles and Core Elements of the Guidelines?**

Last review: September 2019

Reviewed on half yearly and annual basis.

2. **% Coverage of leadership team by awareness programmes on the Guidelines for Business Responsibility Reporting:**

Nil

3. **% of suppliers and distributors (by value), in the year:**

- a. **Covered by awareness programmes for the Guidelines?**

No such programme conducted by THDCIL

- b. **Had responsible/sustainable business policies in place?**

Business Analysis of all suppliers / distributors is done during pre tendering stages on the basis of Government norms and only credible suppliers / distributors are allowed in tendering.

4. **Number of meetings/ dialogues with stakeholders were organized in the year?**

Total 30 meetings / dialogues were conducted

with different stakeholders during the financial year 2019-20

5. **Number of complaints received on any aspect of the NGRBC in the year from:**

a. **Shareholders/investors- Nil**

b. **Lenders-Nil**

6. **Number of the above complaints pending resolution at close of year?**

NA

7. **Value of non-disputed fines / penalties imposed on your business by regulatory and judicial institutions in the year?**

During FY 2019-20, No fine/ penalty imposed on THDCIL.

8. **Number of complaints / cases of corruption and conflicts of interest that were registered in the year?**

A total of 32 complaints were received during the year 2019-20. Out of 32 complaints, 06 complaints were registered for further investigation, which were pertaining to wrong entitlement claimed by employee against outside referral for medical treatment in respect of his family member, availing of lease facility without compliance of lease rules of THDCIL, demand of bribe & delay in monthly bill payment, department favouring other firm by rejecting the firm which had quoted the lowest bid(L-1) in the tender, misuse/personal use of Govt. funds and irregularities in hiring of vehicles in Tehri Project. In compliance of CVC guidelines, remaining complaints were filed/ closed due to their anonymous and pseudonymous nature.

PRINCIPLE 2

1. **List top three goods /services (revenue in the year) which incorporate environmental and social concerns, risks, and/or opportunities in their design.**

THDCIL is involved in development and

operation of Power Plants. All electricity generation methods have environmental impacts. Being in Hydro Power Sector and Wind Power Sector, the impact is least as these are environment friendly energy sources. The company practices environmental management to limit the impacts of its operations on the environment with utmost care.

As a responsible corporate citizen, the company strives to control the environmental impact of its activities. THDCIL aims for reduction of atmospheric emissions (especially greenhouse gases), soil and water conservation, bio-diversity protection, integration of facilities with their surroundings, reduction at source, reuse and recycling.

Environment impact studies are conducted for construction projects that are likely to affect the bio-physical and human environment. Mitigation, compensation and follow-up measures are also developed. To ensure that its actions are effective, THDCIL counts on sound Environmental Management Systems. ISO 14001:2004 (EMS) has also been acquired by THDCIL. Third party monitoring is also invoked for effective implementation of the Environment Management Plan. In 444 MW VPHEP, 12 Km Head Race Tunnel is being constructed using Tunnel Boring Machine (TBM), which is environment friendly.

1320 MW Khurja STPP is under construction in Buladshahar, Uttar Pradesh. All out efforts are being made by THDCIL to minimize the social and environmental impacts of the project.

2. Details of investments in specific technologies to improve the environmental and social impacts (top three by value).

THDCIL is committed to provide sustainable power with least adverse impacts to the surrounding environment and adopting best management practices. Various advanced technique and process are being implemented at various project sites as per planned

environment management plan. Some of these specific technologies are listed below:

A. Environmental Impacts:

- ESP Unit at Khurja Super Thermal Power Project (KSTPP): Electrostatic precipitators (ESP) with 99.89% efficiency would be installed to control the emission of fly Ash particles. The precipitators would be designed to limit the particulate matter concentrations below 30 mg/Nm³. (Investment of INR 221.3 Cr.)
- SCR and FGD unit at KSTPP: The boilers will be provided with Low NO_x Burners and the flue gases shall be passed through Selective Catalytic NO_x Reduction (SCR) and Flue gas desulphurization (FGD) systems to limit NO_x and SO₂ concentrations below 100 mg/Nm³. (Investment of INR 990 Cr.)
- Fish Hatchery at VPHEP: To protect the sustainability of Snow Trout fish in Alaknanda river (project affected species), a separate fish management plan has been formulated in consultation with ICAR-DCFRI. Construction work of Fish Hatchery is in progress and approx. 77% of civil works has been completed. (Investment of INR 1.14 Cr.)

B. Social Impacts:

- Telemedicine Scheme: It uses telecommunication and information technology to provide clinical health care from a distance. It has been used to overcome distance barriers and to improve access to medical services that would often not be consistently available in distant rural communities. It is also used to save lives in critical care and emergency situations. 40 Telemedicine centres are operational in Distt. Tehri Garhwal through Distt. Health Dept. with a training & funding support of INR 1.0 Cr. by THDCIL.

3. % of input material and services (by value), in the year, sourced from suppliers adhering



to internal or external sustainability standards / codes / policies / labels.

All Procurements of goods/works/services are being carried out through e-tendering process. Only registered suppliers on GeM and / or other suppliers adhering to Government Norms / practices are considered for sourcing of Goods / Services. Compliance of sustainability standards / codes / policies strictly adhered to.

4. % of total raw material consumed in the year (by value) that consisted of material that was recycled or reused (provide details in 50 words):

- a. <5%
- b. between 5% and 25%,
- c. >25%.

THDCIL is generating electricity through Hydro and Wind Power. Hydro projects generate electricity by non-consumptive use of water and the said water is released for drinking and irrigation purpose. The Wind Power is generated only by using speed of wind and again no consumption / reduction of resource.

5. Describe the process in place to safely collect, reuse, recycle and dispose of your products at end-of- life (100 words).

THDCIL is generating electricity through Hydro and Wind Power and directly supplying to State DISCOMs. Hence, the question does not pertain to THDCIL.

PRINCIPLE 3

1. Complaints received on cases arising out of discrimination:

- a. Number received in the year- Nil

2. Number of the above complaints pending resolution at end of the year?

Nil

3. % of permanent employees who are members of the employee association(s) recognized by the management?

As on 31.03.2020, a total of 1501 (i.e. 81.76% of Permanent Employees) were member of the recognized THDCIL Unions and Association.

4. % of your establishments/value chain that has been audited in the year for:

- a. Child labour
- b. Forced/ involuntary labour

All Offices / Project Units have dedicated HR Department, which is responsible for ensuring that there is no Child Labour / Forced Labour engaged in works of THDCIL.

5. Number of cases of child labour in your establishments/ value chains identified to date:-

- a. Identify - Nil
- b. Resolved- NA
- c. Pending resolution- NA

6. Number of cases of forced/ involuntary labour identified to date:

- a. Identify - Nil
- b. Resolved-NA
- c. Pending resolution- NA

7. % of your employees, that were paid above the legal minimum wage in the last year?

Salary of all Permanent Employees are as per DPE Guidelines. All contract labours engaged were paid wages as per the minimum wage circulated from time to time by the office of Dy. Chief Labour Commissioner (C), Dehradun.

8. Ratio of the highest salary paid to the lowest salary paid amongst your permanent employees?

10.8 : 1

9. Number of cases of delay in payment of wages during the year:

No such cases of delay in payment of wages

- a. Resolved- NA
- b. Pending resolution- NA

10. Number of complaints related to harassment to date:

During the reporting period, No harassment complaint received.

11. Number of the following occurred during the year:

- a. **Accidents at the workplace-** Nil
- b. **Fatalities caused-** Nil
- c. **Disability caused-** Nil

12. % of employees (all categories) trained on health and safety issues and measures:

In the year- 19.12 % (351 No. Employees out of 1835 (Total Manpower as on 31.03.2020))

- a. **Total to date (since 2017-18)-** 891 out of 1835

13. % of employees provided training and skill up gradation:

During the Reporting Period, 54.55% (1001 out of 1835) employees trained.

PRINCIPLE 4

ESSENTAIL INDICATORS

1. List stakeholder groups that have been identified as key to your business?

List of identified stakeholders of THDCIL include:

- Government and Statutory Bodies,
- Employees,
- Customers / Beneficiaries,
- Suppliers & Contractors,
- Banker/ Financial Institution / Lenders
- Shareholders
- Media,
- Project Affected Persons/ Local and Indigenous communities,
- Non-Government Organizations,
- Vulnerable groups within local communities,
- Environment and Society at large.

2. Positions/ departments/ functions responsible for engagement with each stakeholder category identified above?

STAKEHOLDERS	MODE OF ENGAGEMENT	Positions/departments/ functions responsible
Government and Statutory bodies	<ul style="list-style-type: none"> • Signing of MoU • Correspondence • Annual Report • Meetings • Presentations • Site Visits 	Corporate Planning and MPS Department under guidance of Functional Directors and CMD.
Employees	<ul style="list-style-type: none"> • Publication of Magazines • Grievance Redressal Mechanism • Circulars and Officer Orders • Communal Programmes • Feedbacks • Suggestion Mela 	Corporate Personnel Department
Customers	<ul style="list-style-type: none"> • Signing of PPAs • Feedback survey • Meetings • Correspondence 	Commercial Department



STAKEHOLDERS	MODE OF ENGAGEMENT	Positions/departments/ functions responsible
Suppliers & Contractors	<ul style="list-style-type: none"> • Tenders • Open Bid Discussions • Policy and Procedures • Meetings • Joint Discussions 	Project Heads, Contracts and Services Department
Project Affected Persons/ Local and Indigenous communities	<ul style="list-style-type: none"> • CSR Programmes • Meetings • Grievance Redresseal • Magazines • Pamphlets / Website Disclosures • Public Information Centres 	Social and Environment Department
Media	<ul style="list-style-type: none"> • Press Briefings • Invitations to events 	Corporate Communication Department / DGM (PR)
Society at a large	<ul style="list-style-type: none"> • Press News • Notice • Publicity • CSR Programmes • Display on website • Facebook and Twitter Page 	IT Department / Corporate Communication Department/ S&E Department and all Employees at large.

3. Number of stakeholder groups that were formally engaged on environment and social issues in the last year?

Environmental issue:

- Water and Power Consultancy Services (India) Limited (WAPCOS): for third party monitoring of various activities under environment management plan of VPHEP.
- Directorate of Coldwater Fisheries Research (DCFR), Bhimtal: Fish management plan at VPHEP
- Indian Council of Forestry Research and Education (ICFRE), Dehradun: 3rdparty CAT (Catchment Area Treatment) Plan monitoring.
- Central Institute of Mining and Fuel Research (CIMFR), Roorkee : Noise and vibration monitoring during “Control Blasting” at VPHEP

- Haryana Test House, NABL accredited Lab: Air, Water and Noise Monitoring for under construction PSP Project
- Hindustan Construction Company (HCC) Limited: Responsible for implementation of EMP activities at project site.
- Project Affected Families and affected societies at large.

Social Issue:

- Public representatives (MP/MLA of Distt. Tehri Garhwal, Haridwar, Dehradun in Uttarakhand and MP/MLA of Distt. Singrauli, Madhya Pradesh): For need and identification of CSR activities in project affected areas.
- District Administration (Distt. Tehri, Haridwar & Chamoli in Uttarakhand and Distt. Singrauli, M.P.) : For identification / convergence of CSR activities.



- Community based organisation like farmer groups and SHGs for need assessment and capacity building.
- Project Affected Families and affected societies at large.

4. % of input material and services (by value), in the year, that were procured from local and small vendors /producers?

Total procurement of Goods & Services (Excluding procurement of Insurance services) of THDCIL during the year 2019-20: ₹ 37.1753 Cr.

Procurement from MSEs (including SC /ST): ₹ 13.4412 Cr.

% of Procurement from MSEs: 36.15%

PRINCIPLE 5

1. % of employees that have been provided training on human rights issues:

a	In Reporting Year (2019-20)	183 No. Employees (Total Manpower as on 31.03.2020 was 1835 No.)	10% Employees
b	Total to date (from 2017-18 onwards)	461 No. Employees	

2. Employee categories that are covered by the human rights policies of the business—Permanent/ Contract/ Casual.

All HR Policies of THDCIL are formulated keeping Human Rights in mind and are applicable to all its employees posted in various stations, projects, offices. Human Rights provisions, specially related to Labour Statutes, are also built in our bidding documents for supplies and execution contracts covering all suppliers and contractors.

3. Number of stakeholders that reported human rights related grievances and/or complaints:

- a. Received in the year- Nil
- b. Pending resolution- NA

PRINCIPLE 6

1. Material risks of potential or actual adverse impacts upon the environment and communities by the business:

- a. Identified in the year- Nil
- b. Mitigation and adaptation measures put in place for the above environmental risks?- NA

2. Good practices (up to three) in reduction, recycling, and reuse initiatives that contributed to lowering the adverse environmental footprint of your business activities.

A comprehensive Environment Management Plan (EMP) is implemented to minimize & mitigate the potential adverse impacts of the project, which varies with the nature of the projects.

- **The Environment Management Plan (EMP)** of the Vishnugad Pipalkoti Hydro Electric Project (VPHEP) was prepared in consultation with the World Bank. Efforts were made to incorporate all possible best practices for Environment Protection in the EMP of VPHEP. Mitigation measures as recommended in the EMP for various activities like Bio-diversity Management, Catchment Area Treatment, Muck Disposal Management, Fish Management, Greenbelt Development, Solid Waste Management, Public Health Management, Labour Camp Management and Environmental Monitoring Plan etc. are being adopted at site.
- **Reuse of Fly Ash at KSTPP:** An ash management scheme is planned to be implemented consisting of dry collection of fly ash, supply of ash to entrepreneurs as already being identified for utilization and promoting ash utilization to maximum extent and safe disposal of unused ash.



The plant shall have two different systems for ash disposal –Conventional wet slurry disposal with ash water re-circulation for bottom ash and High Concentration Slurry Disposal (HCSD) for fly ash.

- Generation of electricity from hydro and renewable sources not only saved the natural resources, but also helps the organization in becoming an active member in combating against the climate change. By virtue of operation of hydro projects and wind projects, THDCIL has saved generation of 4,75,62,888 tonnes of CO₂ and around 8,19,170 tonnes of CO₂ respectively¹, that could have been generated by burning coal to produce 53138.863² MU of electricity from 2006-07 to 2019-20.

Reference:

1: CO₂ baseline data: http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/user_guide_ver14.pdf

2: THDCIL project status report: <https://www.thdc.co.in/project-list>

3. Examples of any collective action by your business with other businesses/ NGOs/ government agencies/ international partners/ development institutions undertaken to address any of the environmental risks opportunities identified above:

During 2019-20, following Bodies /NGOs / Companies are acted as partner with THDCIL to address any of the environmental risks opportunities:

- Hindustan Construction Company (HCC): Responsible for implementation of various EMP activities.
- Herbal Research and Development Institute (HRDI), Mandal (Gopeshwar), Chamoli: Consulting in Herbal Garden development.
- Directorate of Coldwater Fisheries Research (DCFR), Bhimtal: Fish Management Plan at VPHEP
- World Bank: Funding agency.

4. Details of any adverse orders in respect of any show cause / legal notices from CPCB/ NGT/SPCB received during the year.

Nil

PRINCIPLE 7

1. Review public policy advocacy positions by the governance structure for consistency with Principles of these Guidelines:

- a. **Frequency-** Half yearly
- b. **Month/ year of last review -** September'19

2. Details of any adverse orders received from regulatory authorities for anti-competitive conduct by your business.

Nil.

3. Monetary contributions (if any) those have been made to political parties.

Being a Government Company, THDCIL does not make any contribution / donation to any Political Party.

PRINCIPLE 8

ESSENTAIL INDICATORS

1. Social impact assessments of your business operations conducted:

a. Number completed in the year?

Total 02 social impact assessments were conducted covering 12 CSR projects implemented during the year FY 2017-18.

b. Number conducted by an independent external agency.

All 02 social impact assessments were conducted by an independent external agency viz. A) TISS, Mumbai and B) SR Asia, Ghaziabad.

2. Examples of products, technologies, processes or programmes that contribute to the benefit of the vulnerable and marginalized sections of society

THDCIL, being a socially responsible organization, continuously strives to come up with solutions and innovative CSR projects

to provide benefit and cater the needs of vulnerable & marginalized section of the society. Some key interventions are as below:

- **Allopathic dispensary at Deegaon, Tehri:** It is located in the remotest area of distt. Tehri and caters around 15000 population of surrounding approx. 40 villages. The dispensary is equipped with all basic facilities including MBBS Doctor, Paramedical Staff, and basic pathological tests like X-Ray, ECG, on call ambulance facility, minor OT & free medicine.
- **Tele-Medicine Scheme:** The project started in December 2017 with 20 centres in liaison with District Administration, Tehri, rose to 40 in numbers during the financial year and serves to the needs of 200 gram sabhas & approx. 1 lakh population. All Telemedicine centres are equipped with a medical kit (briefcase) having Pulse Oxymeter, ECG Machine, Wifi ECG recorder, X-Ray view box, Glucometer and other essential tools and a comprehensive pathological kit along with an android tablet having list of 500 essential medicines & portable hot spot to facilitate diagnosis, data transfer and communication with district hospital.
- **Schools at Pragatipuram, Rishikesh & Bhagirathipuram, Tehri:** Two schools, one at Bhagirathipuram, Tehri offering education from 6th to 12th standards and another school at Pragatipuram, Rishikesh offering education from 1st to 10th standards under THDC Education Society (TES) for economically weaker sections including backward and SC/ST. Free of cost dress, books & stationary, bus service etc. are being provided to students including Mid Day Meal under “Naivedyam” scheme. Yearly budget for running of these schools was ₹4.65 Cr. In addition to quality education, students were also engaged in various extracurricular activities for overall development.

- **Jr. High School Koteshwarpuram:** In addition to above, one English Medium Jr. High School is also being run at Koteshwar, Distt-Tehri with grant provided by SEWA-THDC to an NGO, i.e. Omkaranand Saraswati Public School Education Society to provide quality education to children of project affected families of KHEP. Yearly budget for running this school was around ₹ 50 Lakh.
- **Women Cooperative Credit Society:** As an innovative pilot initiative, THDC established a Women Cooperative Credit Society in the remotest part of Distt. Tehri in the year 2016 with initial seed money of ₹ 10 Lakh for enabling hill women to meet their small credit needs w.r.t livelihood options of their own choice. The society is solely managed by the women and is running successfully with initial handholding by THDC in terms of guidance in financial & administrative matters, logistic help and rural based livelihood trainings through expert agencies. During the financial year, the society grew to 91 members. Out of them, 35 members have borrowed loan for livestock rearing, 5 for general grocery store, 7 for stitching shop and 10 for vegetable cultivation.

3. With respect to projects during the year for which R&R is applicable:

a. Number of persons that were affected displaced by these projects?

There are three projects of THDCIL having R&R that are under construction during the Year, namely; Visnugad Pipalkoti HEP, Khurja STPP, Amelia Coal Mine. During 2019-20, no person was displaced in these projects.

b. Gross amount paid out to project-affected and displaced persons?

Nil

4. Grievances/complaints received from local community:

a. Number received during the year: Nil

b. Number pending resolution: NA



5. Details of investments (top three by value) in regions which are under developed

Environment Domain			
Sl. No.	Plan	Budget as per consolidated EIA-EMP report made by CES 2009 (₹ in Cr.)	Amount Spent (₹ in Cr.)
1	Biodiversity Management Plan (including Monitoring of Kedarnath Wildlife Sanctuary) at VPHEP	6.81	1.438
2	Environment Monitoring Plan at VPHEP	2.231	0.9642
3	Fish Management Plan at VPHEP	1.14	1.6389

Social Domain		
Sl. No.	Activity / Project	Amount Spent (₹ in Cr.)
1	Health services through Tele-Medicine Scheme	1.0
2	Farm Mechanization in Distt. Tehri Garhwal	0.75

6. Examples of goods and services upto 3) that corporate Local Traditional knowledge.

In order to protect and promote the local traditional knowledge and culture, THDCIL has envisaged few interventions under its social commitment to the society. The key interventions are:

- Livelihood enhancement of 100 SC families of Tehri Garhwal through skill enhancement in making handicraft products from locally available raw material 'Ringal' (Local Bamboo).
- Renovation of Gharat (Water Mill) by modernization of key components, through participation of local community.
- Revival of local wisdom regarding water conservation by constructing traditional water recharge structures like Chal-Khal to maintain water availability throughout the year by effective rain water harvesting for maintaining for community and livestock.

7. Details of adverse orders or judgments in intellectual property rights disputes related

to traditional knowledge during the year (100 words).

Nil

8. Summary of the key themes covered by CSR initiatives (as per Section 135 of Companies Act 2013) or linked to the CSR Policy of the business (up to 100 words).

Selection of CSR programmes is related to the activities as specified in Schedule VII of the Companies Act 2013. THDCIL CSR initiatives are titled 'THDC Sahridaya' (Corporate with a Human heart). Focus areas where THDCIL undertakes CSR programmes is titled by the objective they seek to achieve as under:

THDC Niramaya (Health) - Nutrition, Health and Sanitation and Drinking Water projects

THDC Jagriti (Initiatives for a Bright future) – Education initiatives

THDC Daksh (Skill) - Livelihood Generation and Skill development initiatives

THDC Utthan (Progress)- Rural Development

THDC Samarth (Empowerment)-
Empowerment initiatives

THDC Saksham (Capable) - Care of the aged
and differently abled

THDC Prakriti (Environment) - Environment
protection initiatives

As per directives of DPE, THDCIL was also able to successfully utilise 60% of the annual CSR budget during the financial year toward the CSR annual theme decided by the Gol, i.e. 'Health, School Education and Nutrition' in its major operational area Distt. Tehri Garhwal. THDCIL is also carrying out CSR activities in two govt. allocated aspirational districts viz. Singrauli, Madhya Pradesh and Haridwar, Uttarakhand through additional budget.

PRINCIPLE 9

ESSENTIAL INDICATORS

1. Examples (upto three) where adverse impacts of goods and services of your business have been raised in public domain.

No adverse impacts raised.

2. % by value of goods and services of the business that carry information about:

a. Environmental and social parameters relevant to the product.

b. Safe and responsible usage.

Environment, i.e. "made up of all living and non living things surrounding to us". So goods and services in terms of environmental prospects is something which positively adds or protects their surroundings. Some of them are listed below:

A. Vishnugad Pipalkoti Hydroelectric Project (VPHEP): (Total cost of VPHEP-EMP: 76.09 Cr.)

1. Sustain the identity of riverine eco-system:
Sustainability in term of riverine eco-system contains their flow, biological and chemical parameters of water and their balance ecosystem. The River gets

effected by sewage disposal from the nearby society and the labour camps, during the construction period. To sustain the quality of the river, a provision of Septic tank and soak pit was planned in environment management plan of VPHEP, for safe disposal of sewage. (Budget for Septic Tanks: INR 4.25 Lakh)

2. Green Belt / Herbal Garden Development: (Budget: INR 67.53 Lakh)

To protect the near-by bio-diversity and natural plants, THDCIL is providing their goods and services as developing a herbal garden and green belt as a part of EMP of VPHEP. Accordingly, a herbal garden is being developed in the VPHEP colony over an area of 1800 sqm approx.

3. Protecting the wood fuel utilization from forest:

At project site, LPG gas cylinder is being distributed to the labour's mess to protecting the utilization of near-by forest wood as a fuel. This service balances the sustainability of the forest. (Budget: INR 2 Lakh)

4. Wild Life Protection: (Budget: INR 5 Lakh)

By providing the watch tower, proper management of construction activities, i.e. controlled blasting and restricting the human intervention in wild life, i.e. poaching of wild animals, THDCIL is sustaining the forest eco-system and insuring all rights of wild animal as per Wild Life Protection Act 1972.

5. Fish Management Plan: (Budget: INR 1.14 Cr.)

Fish has the significant impact from construction of any Hydro project on the river. The dam acts like a barrier for the fish's longitudinal movement during their reproduction time. This affects the overall population/growth of fish in that river reach.



Environment management plan of VPHEP has a proper fish management plan for protecting the Snow trout population in the Alaknanda River. To mitigate, a fish hatchery is being constructed in the consultation with DCFRE at VPHEP.

B. Khurja STPP (Total cost of KSTPP-EMP : ₹ 1783.5 Cr.)

By using some advance tools and techniques at Khurja STPP, (Part of Environmental management plan) THDCIL is protecting the direct emission of hazardous gases and particles into the atmosphere that have adverse impacts on surroundings health.

By dedicated units as listed below, THDCIL is providing valuable goods and services to the society:

- **ESP Unit at Khurja Super Thermal Power Project (KSTPP):** Electrostatic precipitators (ESP) with 99.89% efficiency would be installed to control the emission of fly ash particles. The precipitators would be designed to limit the particulate

matter concentrations below 30 mg/Nm³. (Investment of INR 221.3 Cr.)

- **SCR and FGD unit at KSTPP:** The boilers will be provided with Low NO_x Burners and the flue gases shall be passed through Selective Catalytic NO_x Reduction (SCR) and Flue gas desulphurization (FGD) systems to limit NO_x and SO₂ concentrations below 100 mg/Nm³. (Investment of INR 990 Cr.)

3. Number of consumer complaints in respect of data privacy:

- a. Received during the year. NIL
- b. Pending resolution. NA

4. Number of consumer complaints in respect of advertising:

- a. Received during the year. NIL
- b. Pending resolution. NA

5. Number of consumer complaints in respect of delivery of essential services:

- a. Received during the year. NIL
- b. Pending resolution. NA

Signature of the designated official responsible for this report.

Sd/-

Name: Manoj Kumar Tyagi

Designation: Dy. General Manager

Address: THDC India Limited, Ganga Bhawan, Bye Pass Road, Rishikesh

Telephone number: 0135-2473447

Email id: corpplanning@thdc.co.in

Annexure –VI to the Directors' Report

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
For the financial year ended on 31st March 2020

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

I. REGISTRATION AND OTHER DETAILS

i	CIN	U45203UR1988GOI009822
ii	Registration Date	12 th July, 1988
iii	Name of the Company	THDC India Limited
iv	Category / Sub category of the Company	Government Company
v	Address of the Registered office	Bhagirathi Bhawan, Top Terrace Bhagrathipuram, Tehri Garhwal Uttarakhand (249001)
vi	Contact Details	Company Secretary, THDC INDIA LIMITED By Pass Road, Pragatipuram Ganga Bhawan, Rishikesh-249201. Ph: - 0135-2439309
vii	Whether listed company	Yes - Debt Listed
viii	Name, Address & Contact Details of RTA	Kfin Technologies Private Limited Karvy Selenium Tower – B, Plot 31-32, Gachibowl, Financial District, Nanakramguda, Hyderabad-500032 Tel: +91-40-33211000,

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

S. NO	Name and Description of Main products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Generation of Electricity	3510	100%


III. Particulars of Holding, Subsidiary & Associate Company

S. No.	Name and Address	CIN	Holding/ Subsidiary/ Associate	% of holding	Section
1.	NTPC Ltd., New Delhi	L40101DL1975GOI007966	Holding	74.496	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A. PROMOTERS								
1. Indian								
a) Individual / HUF	0	10	10	0.00	4	6	10	0.00
b) Central Govt.	0	27199406	27199406	74.42%	Nil	Nil	Nil	Nil
c) State Govt(s)	0	9349401	9349401	25.58%	Nil	9349401	9349401	25.504
d) Body Corporate	0	Nil	Nil	Nil	27309406	Nil	27309406	74.496
Sub-Total A(1) :-	0	36548817	36548817	100%	27309410	9349407	36658817	100%
2. Foreign								
a) NRIs -Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A)(2) :-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter								
(A) = (A)(1) + (A)(2)	0	36548817	36548817	100%	27309410	9349407	36658817	100%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
B. PUBLIC SHAREHOLDING	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(1) Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B)(1) :-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(2) Non-Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual Shareholders holding Nominal share Capital upto ₹ 1lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual Shareholders holding Nominal share Capital in excess of ₹ .1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-								
Total Public Shareholding (B) = (B)(1) + (B)(2)								
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRs	Nil				Nil			
GRAND TOTAL (A+B+C)	0	36548817	36548817	100%	27309410	9349407	36658817	100%


(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
1	President of India	27199406	74.419	Nil	Nil	Nil	Nil	74.42
2	Governor of U.P.	9349401	25.581	Nil	9349401	25.504	Nil	0.08
3	NTPC Limited	Nil	Nil	Nil	27309406	74.496	Nil	74.496
4	Nominee of President of India	06	0.00	Nil	Nil	Nil	Nil	Nil
5	Nominee of NTPC Limited	Nil	Nil	Nil	06	0.00	Nil	Nil
6	Nominee of Govt. of U.P.	04	0.00	Nil	04	0.00	Nil	Nil
	Total	36548817	100	Nil	36658817	100	Nil	100

(iii) Change in Promoter's Shareholding

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	President of India				
A	At the beginning of the year	27199406	74.42	27199406	74.42
B	Allotment of Shares on 08.05.2019 Allotment of Shares on 30.07.2019 Transfer of Shares	40000 70000 (27309406)		Nil	Nil
C	At the End of the year (A+B) = C	Nil	0	Nil	Nil
2)	Governor of U.P.				
A	At the beginning of the year	9349401	25.58	9349401	25.58
B	No allotment/ transfer	Nil	Nil	Nil	Nil
C	At the End of the year (A+B) = C	9349401	25.50	9349401	25.50

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3)	NTPC Limited				
A	At the beginning of the year	Nil	Nil	Nil	Nil
B	Transfer of Shares	27309406	74.50	27309406	Nil
C	At the End of the year (A+B) = C	27309406	74.50	27309406	74.50
4)	Nominee of President of India				
A	At the beginning of the year	06	0.0	06	0.0
B	Transfer of Shares	(06)	0.0	00	0.0
C	At the End of the year (A+B) = C	Nil	Nil	Nil	Nil
5)	Nominee of NTPC Limited				
A	At the beginning of the year	Nil	Nil	Nil	Nil
B	Transfer of Shares	06	0.0	0.0	0.0
C	At the End of the year (A+B) = C	06	0.0	06	0.0
6)	Nominee of Govt. of U.P.				
A.	At the beginning of the year	04	0.0	04	0.0
B	Allotment/Transfer of Shares	Nil	Nil	Nil	Nil
C	At the End of the year (A+B) = C	04	0.0	04	0.0

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

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	Particulars of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri D.V. Singh	1	0.0	0	Nil
2.	Shri Vijay Goel	1	0.0	0	Nil
3.	Shri Judhistir Behera	1	0.0	0	Nil
4.	Shri Rajeev Kumar Vishnoi	1	0.0	0	Nil
5.	Shri Raj Pal	2	0.0	0	Nil
6.	Shri T. Venkatesh	2	0.0	2	0.0
7.	Shri Anand Kumar Gupta	0	Nil	0	Nil
8.	Shri Anil Kumar Gautam	0	Nil	0	Nil



IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **as on 31.03.2020**

(Amount in rupees)

Particulars	Secured Loans excluding deposits	Unsecured Loan	Lease obligations	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i) Principal Amount *	37596773909	6551038665	0	0	44147812574
ii) Interest due but not paid	0	0	0	0	0
iii) Interest accrued but not due	378002889	88502712	0	0	466505601
Total (i+ii+iii)	37974776798	6639541377	0	0	44614318175
Change in Indebtedness during the financial year					
i) Principal:					
- Addition	23962416289	3577994175	158776040.48		27699186504.48
- Reduction	14771123677	347964875	0		15119088552
ii) Interest due but not paid					
- Addition	0	0	0	0	0
- Reduction	0	0	0	0	0
iii) Interest accrued but not due					
- Addition	1126302992	88827657	0	0	1215130649
- Reduction	378002889	88502712	0	0	466505601
Net Change	9939592715	3230354245	158776040.48	0	13328723000.48
Indebtedness at the end of the financial year					
i) Principal Amount *	46788066521	9781067965	158776040.48	0	56727910526.48
ii) Interest due but not paid	0	0	0	0	0
iii) Interest accrued but not due	1126302992	88827657	0	0	1215130649
Total (i+ii+iii)	47914369513	9869895622	158776040.48	0	57943041175.48

Note - Principal Amount under secured loans includes STL and Overdraft balance and Bonds

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

S. No.	Particulars of Remuneration	Total Amount					Total
		Sh. D.V Singh	Sh. H.L. Arora	Sh. Vijay Goel	Sh. J. Behera	Sh. R.K Vishnoi	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) Of the income –tax Act, 1961	42.30	23.61	63.56	62.76	52.57	244.8
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961						
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	27.40	3.01	24.46	15.83	19.76	90.46
2.	Stock Option	Nil	Nil	Nil	Nil		Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil		Nil
4.	Commission						
	- As % of profit	Nil	Nil	Nil	Nil		Nil
	- Others, specify....	Nil	Nil	Nil	Nil		Nil
	Total (A)	69.70	26.62	88.02	78.59	72.33	335.26
	Ceiling as per the Act (per sitting)	N.A	N.A	N.A	N.A		N.A

B: Remuneration to other Directors:

(in ₹)

S. No.	Particulars of Remuneration	Name of Director			Total
		Shri Bachi Singh Rawat	Shri Mohan Singh Rawat	Prof. Maharaj K. Pandit	
1.	Independent Directors				
	• Fee for attending Board and committee meetings	260000	220000	240000	720000
	• Commission	Nil	Nil	Nil	0
	• Others, please specify	Nil	Nil	Nil	0
	Total (1)	260000	220000	240000	720000
2.	Other Non-Executive Directors				
	• Fee for attending board committee meetings	Nil	Nil	Nil	-
	• Commission	Nil	Nil	Nil	-
	• Others, please specify	Nil	Nil	Nil	-
	Total(2)	Nil	Nil	Nil	-
	Total (B)= (1+2)	260000	220000	240000	720000
	Ceiling as per the Act (per sitting)	100000	100000	100000	

Note: Sitting fees in THDCIL is paid @ ₹ 20,000 Per sitting


C: Remuneration to Key Managerial Personnel other than MD/Manager/WT

(₹ in lakh)

S. No.	Particulars of Remuneration	KMP	
		Company Secretary	Total
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the income – tax Act, 1961	15.02	15.02
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	4.02	4.02
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	- As % of profit		
	- Others, specify....		
5.	Others, please specify	Nil	Nil
	Total	19.04	19.04

VII. PENALTIES/PUNISHMENT /COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT	Appeal made, if any (Give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Annexure –VII to the Directors' Report

P.S.R. MURTHY

**PRACTICING COMPANY SECRETARY
C.P. 13090**

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
THDC India Limited
Tehri Garhwal,
Tehri-249 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THDC India Limited (the "company")** CIN No. U45203UR1988GOI009822. THDC India Limited is a Debt-listed Government of India Enterprise with equity participation from Government of India and Government of Uttar Pradesh till 26th March 2020. Pursuant to the decision of Government of India to sell its shares in the Company to NTPC Limited, Share Purchase Agreement was executed between Government of India and NTPC Limited on 25th March 2020 and pursuant to the Agreement, the equity of Government of India comprising 74.496% of total equity was transferred to M/s NTPC Limited on 27th March 2020. Thus, THDC India Limited, a Government of India Enterprise, is a Subsidiary of NTPC Limited. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by THDC India Limited for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Depositories Act 1996 and the Regulations and Bye-Laws framed thereunder;
- (iii) Implementation and Monitoring of Micro, Small and Medium Enterprises transactions and Returns filing with MCA as notified.



The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008;
- (v) The Securities and Exchange Bank of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993;
- (vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;
- (vii) The Debenture Trust Deed dated 30th November 2016 and dated 11th June 2019 executed between the Company and Debenture Trustee M/s Vistra ITCL India Limited;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and Corporate Governance Guidelines issued by the Department of Public Enterprises, Government of India.

During the period under review and based on the assurances, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. There was no women Director on the Board of Directors of the Company during the year under Report. Further, the Independent Directors whose term was completed on 22nd December 2019 were ceased as such and thereafter till the date of the Report, the appointment of Independent Directors is pending. The Company submitted that as per the Articles of Association, the powers to appoint Director vests with the Government and accordingly proposal for appointment was referred to the Government of India and the proposal is pending.
2. After the sale of its entire equity of the Government of India to NTPC Limited, the Government of India remitted a sum of ₹ 1400 lakhs as equity contribution on 26th March 2020. Since the Government divested its entire equity, the Company, sought clarification from the Ministry as to the allotment of shares against the equity contribution. Pending receipt of clarification, the Company treated the equity contribution as "Deposit" and booked under Current Liabilities.

I further report that

The Board of Directors of the Company, at the end of the financial year stands constituted with Executive Directors, Non-Executive Directors subject to the para-1 above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. However, Agenda and detailed notes on agenda were sent less than seven days in advance excepting few meetings. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions in the Board are unanimous and there were no dissenting views in the Minutes of the Board Meeting during the period under Report.

I further report that based on the compliance mechanism followed by the Company and on the basis of compliance report placed before the Board periodically which has been taken on record by the Board, I am of the opinion that there are systems and processes in the Company commensurate with



the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company had passed special resolution approving the issue of Secured Non-convertible non-cumulative bonds on private placement to the extent of ₹ 2,000 crore out of which the Company secured ₹ 1500 crore through issue of bonds (Series-II) on 06th September 2019 to meet the funding needs of the on-going Projects etc., and except the above, there were no other specific events/actions having a major bearing on the company's affairs.

(P.S.R. Murthy)
ACS 5880 CP No.13090
UDIN A005880B000564570

Place: New Delhi

Date: 09th August 2020

This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.

P.S.R. MURTHY

**PRACTICING COMPANY SECRETARY
C.P. 13090**

Annexure-A

The Members
THDC India Limited
Tehri Garhwal – 249 001

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

(P.S.R. Murthy)
ACS-5880 C P No-13090
UDIN A005880B000564570

Place: New Delhi

Date: 09th August 2020



FINANCIAL STATEMENTS

2019-20

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



BALANCE SHEET AS AT 31-March-2020

Amount In lakh ₹

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

Amount In lakh ₹

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

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

Date :- 24.06.2020

Place :- Lucknow

UDIN :- 20014335AAAADM3666



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

Amount In lakh ₹

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

Amount In lakh ₹

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

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

Date :- 24.06.2020

Place :- Lucknow



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

Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

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

Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

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

Note:

1. Cash and Cash Equivalents includes Balance with Banks of ₹ 58Lakh (Previous year ₹ 676 Lakh)which is not available for use by the Corporation.
2. Previous year's figures have been Regrouped / Rearranged / Recast wherever necessary.
3. Reconciliation of Cash & cash Equivalents has been made in Note No 41.20 (a)

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

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

Date :- 24.06.2020

Place :- Lucknow



STATEMENT OF CHANGES IN EQUITY -

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

Amount In lakh ₹

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

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

Amount In lakh ₹

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
 Company Secretary
 Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

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

Date :- 24.06.2020

Place :- Lucknow

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

Amount In lakh ₹

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

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

Amount In lakh ₹

Particulars	Note No.	Share Application Money Pending Allotment	Reserve & Surplus 01-Apr-2018 To 31-Mar-2019		Other Comprehensive Income	Total
			Retained Earnings	Debenture Redemption Reserve & Others	Actuarial Gain/(Loss)	
Opening Balance (I)		345	4,40,636	3,000	291	4,44,272
Profit For The Year			1,18,991			1,18,991
Other Comprehensive Income					(403)	(403)
Total Comprehensive Income			1,18,991		(403)	1,18,588
Dividend			42,312			42,312
Tax On Dividend			8,697			8,697
Transfer to Retained Earnings (II)			67,982			67,579
Transferred to Debenture Redemption Reserve (III)			(1,500)			(1,500)
Debenture Redemption Reserve Addition/ (Utilised) during the year (IV)				1,500		1,500
Share Capital Pending Allotment Deposited/ (Allotted) during the Year (V) (Net)		55				55
Closing Balance (I+II+III+IV+V)		400	507,118	4,500	(112)	5,11,906

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

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

Date :- 24.06.2020

Place :- Lucknow



NOTE NO:- 1

SIGNIFICANT ACCOUNTING POLICIES 2019-20

1. General

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

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

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

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

2. Estimates & Assumptions

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

3. Property Plant & Equipment (PPE)

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

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

3.3 Spares parts, stand-by equipment and servicing equipment meeting the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

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

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

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

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

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

Other lands acquired including lands under submergence are accounted for as per their use.

Cost of land acquired through SLAO is capitalized on the basis of compensation paid through SLAO or directly by the Company.

Payments made/liabilities created provisionally towards compensation, rehabilitation of the outsees and other expenses relatable to land in possession are treated as cost of land.

4. Capital work in progress

4.1 Expenditure incurred on assets under construction (including a project) is carried at cost under Capital work in Progress. Such costs comprise purchase price of asset including import duties, non-refundable taxes (after deducting trade discounts and rebates) and costs that are directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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



- 4.4 In respect of supply-cum-erection contracts, the value of supplies received at site is treated as Capital-Work-in-Progress.
- 4.5 Claims for price variation in case of contracts are accounted for on acceptance.
- 4.6 Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, depreciation on assets used in construction of project, and other costs attributable to construction of projects. Such costs are allocated on systematic basis over Construction projects/Capital Work in Progress.

5. Development expenditure on coalmines

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

6. Intangible Assets

- 6.1 Upto March 31, 2015, Intangible assets were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted under Ind AS 101, "First time adoption of Ind AS" to regard those amounts as deemed cost at the date of the transition to Ind AS (i.e. as on April 1, 2015).
- 6.2 Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
- 6.3 Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less

accumulated amortization and impairment losses if any.

- 6.4 An item of Intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are recognized in the Statement of Profit and Loss of the year in when the asset is derecognized.

7. Foreign Currency Transactions

- 7.1 The Company has elected to avail the exemption available under Ind AS 101, First time adoption of Ind AS with regard to continuation of policy for accounting of exchange differences arising from translation of long-term foreign currency monetary liabilities. Accordingly, exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of PPE.

- 7.2 Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.

8. Fair Value Measurement

- 8.1 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

8.2 However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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

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

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

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

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

9.3 Based on existing business model of the company and contractual cash flow characteristics of the financial assets, classifications have been made as follows:

- 1.) Financial Assets at amortized cost,
- 2.) Financial Assets at fair value through other comprehensive income, and
- 3.) Financial Assets at fair value through Profit/ Loss

9.4 Initial recognition and measurement:- All financial assets except trade receivables are recognized initially at fair value including the transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement of Profit and Loss and in other cases spread over life of the financial instrument using EIR (Effective Interest Rate) method. EIR is calculated at the end of every reporting period.

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

9.6 Subsequent measurement:- After initial measurement, financial assets classified at amortized cost are subsequently measured at amortized cost using EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR



amortization is included in finance income in the profit or loss.

- 9.7 **De-recognition:-** A financial asset is derecognized when all the cash flows associated with the said financial asset has been realized or such rights have expired.

10. Cash and cash equivalents

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

11. Inventories

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

12. Financial liabilities

- 12.1 Financial liabilities of the Company are

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

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

- 12.3 Classification, initial recognition and measurement.

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

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

12.4 Subsequent measurement

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

- 12.4.2 Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR

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

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

13. Government Grants

- 13.1 Grants-in-Aid received from the Central/ State Government/ other authorities towards capital expenditure is treated initially as non-operating deferred income under noncurrent liability and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of such contribution/grants-in-aid.

14. Provisions, Contingent Liabilities and Contingent Assets

- 14.1 Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date.
- 14.2 Contingent liabilities are disclosed on the basis of judgment of management/ independent experts. These are reviewed at each balance sheet date and reflected in the financial statements using current estimates made by the management.
- 14.3 Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

15. Revenue Recognition and Other Income

- 15.1 Under Ind AS 115, revenue is recognized when the entity satisfies a performance obligation by transferring promised goods or services to a customer. An asset is

transferred when control is transferred that is either over time or at a point in time. The company recognizes revenue in respect of amounts to which it has a right to invoice.

- 15.2 Sale of energy is accounted for as per final tariff notified by Central Electricity Regulatory Commission (CERC). In case of Power Station where final tariff is not notified, recognition of revenue is based on the parameters and method provided in the applicable Regulations framed by the appropriate authority i.e. CERC. The recognition of Revenue would be independent of the Provisional Rate adopted for the purpose of collection pending notification of 'Annual Fixed Charges' by CERC.

Recovery/refund towards foreign currency variation in respect of foreign currency loans are accounted for on year to year basis.

- 15.3 Amount realized from sale of power as generated from Wind Power Projects has been recognized as Revenue from operation in compliance with Ind AS 115 and Assets have been recognized as owned assets of the company in compliance with Ind AS16.
- 15.4 Adjustments arising out of finalization of Regional Energy Account (REA), which may not be material, are effected in the year of respective finalization.
- 15.5 Incentive/disincentives are accounted for based on the applicable norms notified/ approved by the Central Electricity Regulatory Commission or agreements with the beneficiaries. In case of Power Stations where the same have not been notified / approved / agreed with beneficiaries, incentives/disincentives are accounted for on provisional basis.
- 15.6 Advance against depreciation being considered as deferred income up to 31 March 2009 is recognised as sales on



straight line basis over balance useful life of 28 years after completion of 12 years from the date of commercial operation of the project, considering the total useful life of the project as 40 years.

- 15.7 Income from consultancy work is accounted for on the basis of actual progress/technical assessment of work executed or cost reimbursable in line with terms of respective consultancy contracts.
- 15.8 Late Payment Surcharge recoverable from trade receivables for sale of energy and liquidated damages/warranty claims are recognized when no significant uncertainty as to measurability or collectivity exists.
- 15.9 Interest earned on advances to contractors as per the terms of contract, are reduced from the cost incurred on construction of the respective asset by credit to related Capital Work-in-Progress Account.
- 15.10 Value of scrap is accounted for at the time of sale.
- 15.11 Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

16. Expenditure

- 16.1 Prepaid expenses of ₹ 5,00,000/- or below in each case, are accounted for in their natural heads of accounts.
- 16.2 Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which error occurred. If the error occurred before the earliest period presented, opening balances of assets, liabilities and equity for the earliest period presented, are restated.
- 16.3 Net income/expenditure prior to Commercial operation is adjusted directly in the cost of related assets and systems.
- 16.4 Preliminary expenses on account of new

projects incurred prior to approval of feasibility report are charged to revenue.

- 16.5 Amount at appropriate % of profit of previous year as prescribed under DPE guideline is set aside as non-lapsable fund for Research & Development.
- 16.6 Expenditure on CSR activities shall be made as per the provisions of Section 135 of the Companies Act 2013. Any unspent amount shall be set aside as non-lapsable fund as per DPE guidelines.
- 16.7 Provision for doubtful debts / advances/ claims outstanding over three years (except Government dues) is made unless the amount is considered recoverable as per management estimate. However, Debts / advances / claims shall be written off on case to case basis when unreliability is finally established.

17. Employee benefits

- 17.1 The company has established a separate Trust for administration of Provident Fund, employees defined contribution superannuation scheme for providing pension and post retirement medical benefit. The company's contribution to the Funds is charged to expenditure. The liability of the company in respect of shortfall (if any) in interest on investments made by PF Trust is ascertained and provided annually on actuarial valuation at the yearend.
- 17.2 Liability for employee benefits in respect of gratuity, leave encashment and post retirement medical benefits, baggage allowance, financial package for dependent of deceased employees etc. as defined in Ind AS-19 is accounted for on accrual basis based on actuarial valuation determined as at the year end.
- 17.3 Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability

and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

18. Borrowing Cost

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

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

Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as expenses in the period in which they are incurred.

19. Depreciation & Amortization

19.1 Depreciation on additions to /deductions

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

19.2 Depreciation is charged on straight-line method following the rates notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff. In case of addition and change in cost of asset due to increase/decrease in long-term liability on account of exchange fluctuations, award of Courts, etc, revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset.

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

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

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

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

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

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

19.9 Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related



plant and machinery at the rates and methodology notified by CERC.

20. Impairment of non-financial assets other than inventories

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

21. Leases

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

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

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of

the economic benefits from use of the asset through the period of the lease and

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

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

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

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

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

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

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

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

22. Income taxes

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

22.1 Current Income Tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in India where the Company operates and generates taxable income.

22.2 Deferred Tax

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

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

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



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

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

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

23. Statement of Cash Flows

23.1 Statement of cash flows is prepared in accordance with the indirect method

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

24. Current versus non-current classification-

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

24.1 An asset is classified as current when it is:

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

All other assets are classified as non-current.

24.2 A liability is classified as current when it is

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or

- Having no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

25. Regulatory deferral account balances

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

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

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

26. Earnings per share

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

upon conversion of all dilutive potential equity shares.

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

27. Dividends

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

28. Operating Segments

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

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

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses



allocated on a reasonable basis are considered as segment expenses.

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

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

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

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

29. Miscellaneous

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

**NOTE:- 2
PROPERTY PLANT & EQUIPMENT & INTANGIBLE ASSETS**

Amount In lakh ₹

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

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

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

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

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


NOTE :- 3
CAPITAL WORK IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT
Amount In lakh ₹

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

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

NOTE :- 4

NON CURRENT- FINANCIAL ASSETS- LOANS

Amount In lakh ₹

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


NOTE :- 5
NON CURRENT- FINANCIAL ASSETS-ADVANCES
Amount In lakh ₹

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

NOTE :- 6
DEFERRED TAX ASSET
Amount In lakh ₹

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

NOTE :- 7
NON CURRENT TAX ASSETS
Amount In lakh ₹

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

NOTE :- 8
OTHER NON CURRENT ASSETS
Amount In lakh ₹

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

NOTE :- 9**INVENTORIES**

Amount In lakh ₹

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

NOTE :- 10**TRADE RECEIVABLES**

Amount In lakh ₹

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

NOTE :- 11**CASH AND CASH EQUIVALENTS**

Amount In lakh ₹

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

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

Amount In lakh ₹

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

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


NOTE :- 13
CURRENT- FINANCIAL ASSETS- LOANS
Amount In lakh ₹

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

NOTE :- 14**CURRENT- FINANCIAL ASSETS- ADVANCES**

Amount In lakh ₹

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

NOTE :- 15**CURRENT- FINANCIAL ASSETS- OTHERS**

Amount In lakh ₹

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

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

NOTE :- 16**CURRENT TAX ASSETS (NET)**

Amount In lakh ₹

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


NOTE :- 17
OTHER CURRENT ASSETS
Amount In lakh ₹

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

NOTE :- 18
REGULATORY DEFERRAL ACCOUNT DEBIT BALANCE
Amount In lakh ₹

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

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

NOTE :- 19
SHARE CAPITAL
Amount In lakh ₹

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

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

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

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

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

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

NOTE :- 20**OTHER EQUITY**

Amount In lakh ₹

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

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


NOTE :- 21
NON CURRENT- FINANCIAL LIABILITIES- BORROWINGS
Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020	As at 31-Mar-2019
A.BONDS			
*BOND ISSUE SERIES-I- SECURED (7.59% p.a. 10 Years Secured Redeemable Non-Convertible Bonds of ₹ 10,00,000/- each). (Date of redemption 03.10.2026)		60,000	60,000
**BOND ISSUE SERIES-II- SECURED (8.75% p.a. 10 Years Secured Redeemable Non-Convertible Bonds of ₹ 10,00,000/- each). (Date of redemption 05.09.2029)		1,50,000	0
TOTAL (A)		2,10,000	60,000
B.SECURED			
***POWER FINANCE CORPORATION Ltd. (PFC)-78302003 (For Tehri HPP) (Repayable within 15 years on Quarterly instalment from 15th october 2008 to 15th July 2023, presently carrying floating interest rate @9.50%)		22,569	31,597
#POWER FINANCE CORPORATION Ltd. (PFC) -78302002 (For KHEP) (Repayable within 10 years on Quarterly instalment from 15th January2012 to 15th october 2021, presently carrying floating interest rate @9.50 % p.a.)		8,775	20,475
#Rural Electrification Corporation Ltd. (REC) (For KHEP) (UA-GE-PSU-033-2010-3754) (Repayable within 10 years on Quarterly instalment from 30th September 2012 to 30 June 2022, carrying floating interest rate @ 9.35% p.a.)		8,759	15,767
***Rural Electrification Corporation Ltd. (REC)-330001-(For Tehri HPP) (Repayable within 15 years on Quarterly instalment from September 2007 to March 2022, carrying floating interest rate @ 9.35% p.a.)		9,518	19,036
@Punjab National Bank (For PSP) PNB (Repayable within 5 years on Quarterly Installments from 30.06.2019 to 31.03.2024 Carrying Floating Interest rate @ 1 year MCLR p.a. i.e. presently 8.05%)		42,000	56,000
TOTAL (B)		91,621	1,42,875

Amount In lakh ₹

Particulars	Note No.	As at 31-Mar-2020		As at 31-Mar-2019	
C.UNSECURED					
Foreign currency Loans					
(Guaranteed by Govt. of India)					
\$World Bank Loan -8078-IN (For VPHEP)					
(repayable within 23 years on half yearly instalment from 15th Nov. 2017 to 15th May 2040 , carrying interest rate @LIBOR +variable spread.p.a. i.e. presently 2.61%)			93,049		62,326
TOTAL (C)			93,049		62,326
D. LEASE OBLIGATIONS					
Unsecured			1,026		0
TOTAL (A+B+C+D)			3,95,696		2,65,201
* The Bonds series I are secured by first charge on paripassu basis on movable assets of Tehri HPP Stage-I					
** The Bonds Series II are secured by first charge on paripassu basis on movable assets of Tehri HPP Stage-I including book debts.					
*** Long Term Loan Secured by first Charge on Pari Passu basis on Assets of Tehri Stage-I i.e. Dam, Power House Civil Construction, Power House Electrical & Mechanical equipments not covered under other borrowings and Project township of Tehri Dam and HPP together with all rights and interest appertaining there to.					
# Long Term Loan secured by first charge on Pari Passu basis on assets of Koteshwar HEP.					
@ Medium Term Loan secured against first charge on Pari Passu basis on assets of Tehri PSP.					
\$ With negative lien on the equipments financed under the respective loan ranking pari-passu.					
21.1 There has been no default in repayment of any of the Loans or interest thereon during the year.					
21.2 Details regarding moratorium facilities availed in respect of borrowings has been disclosed vide note no. 41.8.					

NOTE :- 22**NON CURRENT FINANCIAL LIABILITIES**

Amount In lakh ₹

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


NOTE :- 23
OTHER NON CURRENT LIABILITIES
Amount In lakh ₹

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

NOTE :- 24
NON CURRENT PROVISIONS
Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

Particulars	Note No.	As at 01-Apr-2019	For the Period Ended 31-Mar-2020			As at 31-Mar-2020
			Addition	Adjustment	Utilisation	
I. Employee Related		38,671	2,556	(3,838)	(3,702)	33,687
II. Others		812	0	(134)	(12)	666
TOTAL		39,483	2,556	(3,972)	(3,714)	34,353
Figure for Previous Period		35,087	4,651	3,492	(3,747)	39,483
24.1 Disclosure required by Ind AS-19 on employee benefit has been made in Note No 41.17						
24.2 Provision for others mainly includes provision for rehabilitation expenses						

NOTE :- 25
CURRENT- FINANCIAL LIABILITIES- BORROWINGS
Amount In lakh ₹

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

- # Short Term Loan from Bank of India is secured by way of first charge on book debts/ receivables of the company.
 & Short Term Loan from State Bank of India is secured by way of Trade receivables of Koteshwar HEP
 @ Short Term Loan from PNB is Secured by way of 2nd charge on Block of Assets of Tehri Stage-I and Koteshwar HEP
 * O.D. is secured by way of 2nd Charge on Block of Assets of Tehri Stage-1 and Koteshwar HEP including machinery spares, tools & accessories, fuel stock, spares & material at project site.

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

NOTE :- 26
CURRENT- FINANCIAL LIABILITIES- OTHERS

Amount In lakh ₹

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

NOTE :- 27
OTHER CURRENT LIABILITIES

Amount In lakh ₹

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


NOTE :- 28
CURRENT PROVISIONS
Amount In lakh ₹

(Figures in Parenthesis Represent Deduction)

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

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

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

NOTE :- 29
CURRENT TAX LIABILITIES (NET)
Amount In lakh ₹

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

NOTE :- 30
REGULATORY DEFERRAL ACCOUNT CREDIT BALANCE
Amount In lakh ₹

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

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

NOTE :- 30.1
EXPENDITURE DURING CONSTRUCTION

Amount In lakh ₹

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



Amount In lakh ₹

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

NOTE :- 31

REVENUE FROM CONTINUING OPERATIONS

Amount In lakh ₹

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

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

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

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

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

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

NOTE :- 32
OTHER INCOME

Amount In lakh ₹

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

NOTE :- 33
EMPLOYEE BENEFITS EXPENSES

Amount In lakh ₹

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


NOTE :- 34
FINANCE COSTS
Amount In lakh ₹

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

NOTE :- 35
GENERATION ADMINISTRATION AND OTHER EXPENSES
Amount In lakh ₹

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

Amount In lakh ₹

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

**NOTE :- 36
PROVISIONS**

Amount In lakh ₹

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

36.1 Provision of stores is mainly due to obsolescence

**NOTE :- 37
PROVISION FOR TAXATION**

Amount In lakh ₹

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


NOTE :- 38
NET MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCE
Amount In lakh ₹

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

NOTE :- 39
RE- MEASUREMENTS OF THE DEFINED BENEFIT PLANS
Amount In lakh ₹

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

40.1 Disclosures on Financial Instruments and Risk Management:

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

i) Credit risk

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

ii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Covid-19 has generated an additional liquidity risk in the market segment

iii) Market risk

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

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

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

Foreign currency risk is the risk that the fair value or future cash flows of a financial

instrument will fluctuate because of changes in foreign exchange rates.

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

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

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

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

Management of those Risks (mitigate)-

1. The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored and any expected losses are provided for as well.
2. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly state owned PSU DISCOM's.
3. CERC tariff regulations 2019-24 allows the Company to raise bills on beneficiaries for late-payment surcharge, which adequately compensates the Company for time value of money arising due to delay in payment.



4. Further, the fact that beneficiaries are primarily State Governments/ State DISCOM's and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables.
5. The Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment behavior and provides for expected credit loss on case-to-case basis.
6. As at the reporting date, company does not envisage any default risk on account of non-realization of trade receivables.

40.2 Impairment of financial assets:

In accordance with Ind AS-109, the Company has applied Expected Credit Loss (ECL) model in the FY 2018-19 for measurement and recognition of impairment loss on the following financial assets:

- a) Financial assets that are debt instruments and are measured at amortized cost.
- b) Financial assets that are debt instruments and are measured as at FVTOCI.
- c) Trade Receivables under Ind AS 115, Revenue Recognition.
- d) Lease Receivable under Ind AS 116, Leases.

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

For recognition of impairment loss on other financial assets, the company assess whether there has been a significant increase in the credit risk since initial recognition. If credit risk

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

40.3 COVID – 19 Risk

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

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

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

Hon'ble CERC relaxed the provisions of

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

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

Due to COVID-19 and consequent lockdown in the country, revenue collection from electricity consumers has been adversely

affected resulting into acute financial stress on Discoms. This has impaired the capability of Discoms to make payments to Generators for power purchased. Due to this, cash flow of THDCIL also been affected.

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

41. Other explanatory notes on accounts:

1. Estimated amount of contracts remaining to be executed on capital account including R & R and environment demands, not provided for (net of advances) is ₹ 6,80,551 Lakh (PY ₹ 1,99,727 Lakh).

2. Contingent Liabilities –

(₹ in lakh)

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

3. Company has been receiving FDRs/ CDRs with right to present before bank / financial institutions for claiming face value only against EMD/ SD. The company has FDRs/ CDRs amounting to ₹ 141 Lakh and ₹ 332 Lakh.

(PY ₹ 145 Lakh and ₹ 568 Lakh towards EMD and security deposit respectively besides this deposits money from contractors amounting to ₹ 9,579 Lakh (PY ₹ 8,445) as disclosed in Note 22 & Note 26 The same have been fair



valued on the basis of effective interest rate and the same are accounted as well.

4. The amount of borrowing cost capitalized and transferred to EDC during the year ₹ 21,693 Lakh & ₹ 156 Lakh respectively as per note 34 (PY ₹ 16,606 Lakh & ₹ 88 Lakh) after adjustment of an amount of ₹ 46 Lakh (PY ₹ 58 lakh) towards interest earned on short term deposit of surplus borrowed funds during the year. Further as per provisions of Ind AS 21, Deferral Account Balances- Debit balance have been recognised ₹ 4,591 Lakh (PY ₹ 1,926 Lakh) on account of Exchnage Rate Variation.
5. (i) Initially land was acquired by the then UP Irrigation Dept. and land records were in the name of Tehri Dam. Oustees handed over the land to the then UP Irrigation Department as mutation was not completed. Subsequent to formation of the Tehri Hydro Development Corporation of India Ltd, land was acquired in the name of the company. Consequent upon change in the name of the company as THDC India Ltd, process of converting all the land records in the present name of the company is under process. Out of total land of 3,135.26 Hac. (PY 3,033.79 Hac.) acquired by the company for various projects, title has been changed in the present name of the company for 2,143.84 Hac. Change of title for the balance land of 991.42 Hac is under process.
- (ii) Construction of Tehri Hydro Complex was commenced by the Irrigation Dept. of the then Uttar Pradesh State Govt in mid seventies. As the project area is inclusive of forest area, clearance for diversion of forest land for non forest use was sought from the MoEF, Govt. of India. The MoEF, Gol has conveyed clearance for diversion of 2,582.9 ha of forest land (2,311.4 ha Civil Soyam Land and 271.50 ha reserve forest land) vide their letter No. 8-32/06-FC dated 09th June 1987 addressed to Secretary Forest, Govt of Uttar Pradesh for construction of Tehri Dam. The said order was partially modified vide letter

No. 8-32/86-FC, dated 24/25th June 2004 of MoEF, Govt of India with directives to the Principal Secretary of Forest, Govt. of Uttarakhand for declaring the non forest land cleared for submergence as Reserve Forest / Protected Forest U/s.4 or Sec 29 of the Indian Forest Act, 1927 or the State Forest Act. In view of the above facts the aforesaid land cannot be mutated in the name of the company. The said land remains the property of the State Govt. as Reserved Forest/ Protected Forest. Relying upon clearance of the MoEF, dam reservoir water has been allowed to submerge the said area which has been declared as Reserved Forest.

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

- (iii) THDCIL has acquired 5.974 hac. land in the village Chopra on mutual negotiation basis for dumping excavated muck of Tehri PSP. Out of the said land, title deed has been changed in the present name of the company for 5.217 hac of land. Transfer of title of the balance land is under process.
6. 21 Flats (PY 24 Flats,) net valued ₹ 5 Lakh (PY ₹ 6 Lakh) on the land acquired by the company are in unauthorized occupation of various persons. Freehold land includes 0.458 Hectares costing ₹ 0.14 Lakh located at Sautiyal village encroached by unauthorized occupants.
7. (i) Due to slow progress of VPHEP project

owing the various factors beyond control of company i.e. adverse geological conditions, stoppage of work by local and financial crisis of civil work contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crisis of contractor THDC's Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of VPHEP project.

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

- (ii) Due to slow progress of Tehri PSP project owing the various factors beyond control of company i.e. adverse geological conditions, delay in permission for mining of aggregate from Asena Quarry, obstruction in dumping of muck, financial crisis of civil work contractor M/s HCC the work progress could not achieved at required level. Considering the acute financial crises of contractor. THDC's Board has approved arrangement for financial regulation of gap funding to M/s HCC for expeditious completion of PSP project.
- (iii) Investment approval for 1320 MW Khurja Super Thermal Power Plant (STPP) in Dist. Bulanshahar, UP and Amelia Coal Mine in Distt. Singaurali, MP at an estimated cost of ₹ 11,08,942 Lakh and ₹ 1,58,716 Lakh at Dec-2017 PL respectively has been accorded on 07.03.2019 and project is expected to be commissioned during the FY 2023-24.

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

- 8. (i) RBI vide Circular No. RBI 2019/186, DOR No. BPBC/21.04.048/2019/20 Dt.27th March 2020 has permitted all commercial banks to grant moratorium for a period of 3 months on payment of all instalments and interest thereon between 1st March 2020 to 31st May 2020. THDC has availed the above moratorium facility against Medium Term Loan and Short Term Loan from PNB and working capital limit from SBI. Accordingly, the amount due against the instalments amounting to ₹ 3,500 Lakh and Interest of ₹ 506 Lakh have been shown under Current Financial Liabilities-Others vide Note No.26.
- (ii) The Share Purchase Agreement (SPA) has been executed between Government of India and NTPC Ltd. on 25.03.2020. Govt. of India has accorded CCEA approval for the strategic sale of GOI Equity including nominee's shares to M/s NTPC Limited. Accordingly GOI Equity of ₹ 2,73,094 Lakh representing 74.496 % of total equity has been transferred to M/s NTPC Ltd. on dated 27.03.2020. Considering this THDCIL has become the subsidiary company of M/s NTPC Limited. Further THDC has received an amount of ₹ 1,400 Lakh on 26.03.2020 as equity infusion for Gol. However, considering the above facts, the matter has been referred to Gol vide letter no. THDC/Rksh/Fin./Budget/F-B-3/62 Dated 04.05.2020 for decision and the amount so received from GOI has been treated as deposit from Government of India and shown under Other Current Liabilities vide Note No.27.



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

(A) List of Related Parties:

(i) Parent:

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

(ii) Joint Ventures : Nil

(iii) Functional Directors & Key Managerial Personnel:

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

(iv) Post Employment Benefit Plans:

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

(v) Others

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

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

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

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

Name and nature of relationship with Government

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

(i) Transactions with related parties are as follows:

(₹ in lakh)

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

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

(₹ in lakh)

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

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

(₹ in lakh)

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



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

- (a) Transactions with the related parties are made on normal commercial terms and condition and at market rates.
- (b) The company has assigned consultancy jobs to parent company prior to strategic sale of Gol Equity to M/s NTPC Ltd. on 27.03.2020, for Khurja Super Thermal Power Project on cost plus basis after mutual discussion and after taking into account the prevailing market condition.

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

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

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

11. (a) Income tax expense

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

(₹ in lakh)

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

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

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

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

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

- ii) In compliance to the Ind AS 12 "Income Taxes" issued by the Ministry of Company Affairs. The net increase in the deferred tax assets of ₹ 4,867 Lakh (PY ₹ 6,572 Lakh and) has been booked to Statement of Profit & Loss.

(₹ in lakh)

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

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

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

(₹ in lakh)

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



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

- b. The company has incurred an amount of ₹ 2,148 Lakh (PY ₹ 1,735 Lakh) towards CSR expenditure during the current financial year 2019-20 as against stipulated amount of ₹ 2,148 Lakh (PY ₹ 1,735 Lakh) equivalent to 2% of average net profit of preceding three Financial years in terms of Section 135 of the Companies Act 2013.
- c. Details of expenditure during FY 2019-20 in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue) is as under:

(₹ in lakh)

		In cash	Yet to be paid	Total
(i)	Const./Acquisition of any assets	0.00	0.00	0.00
(ii)	On purpose other than (i)	2,148		2,148

(ii) Disclosure related to Research & Development Expenditure

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

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

(₹ in lakh)

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

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

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

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

(₹ in lakh)

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

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

(₹ in lakh)

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

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

(₹ in lakh)

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

(*) Excluding regrouping of ₹ 459 Lakh


Reconciliation of Earnings per share:

(₹ in lakh)

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

Notes :
Regulatory Deferral Account Balances :

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

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

Company has changed its accounting policy relating to treatment of FERV to align with the treatment done by parent company NTPC. Exchange differences arising from settlement/translation of monetary item denominated in

foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are now recognised on an undiscounted basis as 'Regulatory deferral account debit/credit balance' by credit/debit to 'Movements in Regulatory deferral account balances' during construction period, to be adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.

As a result of above

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

As at 01st April 2018 – ₹ 44,757 Lakh

As at 31st March 2019- ₹ 50,683 Lakh

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

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

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

As at 01st April 2018 – (₹ 646 Lakh)

As at 31st March 2019- ₹1,280 Lakh

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

15. Disclosure as per Ind AS 116 ‘Leases’

(A) Transition to Ind AS 116

- (a) Effective 1 April 2019, the Company adopted Ind AS 116 ‘Leases’ and applied the standard to all lease contracts existing on 1 April 2019, using the modified retrospective method. Accordingly, the comparatives as at and for the year ended 31 March 2019 have not been restated. On the date of initial application, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and a corresponding right-of-use asset adjusted for the amount of prepaid or accrued payments on the lease.
- (b) The Company has applied the following practical expedients on initial application of Ind AS 116:
 - (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
 - (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and small value leases on the date of initial application.
 - (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.
 - (iv) Elected to use the practical expedient not to

apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under IndAS17.

- (v) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- (c) On transition to Ind AS 116, the Company has recognised lease liabilities and equivalent amount of right-of-use assets amounting to ₹ 4,314 Lakh. Further, land, buildings, plant & equipment and vehicles amounting to ₹ 4,182 Lakh have been classified/reclassified and presented as Right-of-use assets on the Balance Sheet.
- (d) On transition to Ind AS 116, the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 8.75%.
- (e) The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019, as follows:

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

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


(B) Company as Lessee

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

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

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

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

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

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

(₹ in lakh)

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

(iii) Maturity Analysis of the lease liabilities:

(₹ in lakh)

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

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

(₹ in lakh)

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

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

(₹ in lakh)

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

16. Impact of changes in Significant Accounting Policy

Sl. No.	Policy Modifications	Impact / Remark
1.	In Accounting Policy No. 7.1 has been aligned with parent company and modified as under: The Company has continued with the exemption available under Ind AS 101, First time adoption of Ind AS with regard to continuation of policy for accounting of exchange differences arising from translation of long-term foreign currency monetary liabilities. Accordingly, exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of PPE.	Finance cost on account of FERV of construction project of ₹1,280 lakh has been transferred from CWIP to Regulatory Deferral Account Balance through Profit and Loss Account.
2.	In Accounting Policy No. 19.8 relating to amortization of computer software the word five years has been replaced with three years to align the policy with parent company NTPC.	Depreciation has been increased in by ₹43 lakh Corresponding decrease in WDV of intangible asset software.
3.	In Accounting Policy No. 21 relating to lease has been introduced to comply with Ind AS 116 relating to lease accounting	<ul style="list-style-type: none"> ➤ Lease hold land is replaced with Right to use and additional asset under Right to use amounting to ₹35,176 lakh has been booked with corresponding liabilities. ➤ Amortized amount on these additional assets is ₹614 lakh against annual rental of ₹2,861 lakh which would have been booked to expense as per earlier provisions.
4.	Accounting Policy No. 22.2.3 IInd Para relating to Deferred Tax has been modified as under: The deferred tax for the current period to the extent it forms part of current tax in the future year and affects the computation of return on equity (ROE), a element of tariff computation as per CERC Regulation is debited / credited to regulatory deferral account balance.	Increase in Regulatory Deferral Account by ₹50,684 lakh & corresponding decrease in Other Equity (Reserve & surplus)
5.	New Accounting Policies / certain changes in existing Accounting Policy have been made in Policies No. 1.1, 1.2, 1.3, 3.3, 3.4, 3.7, 4.2, 4.7, 5.1, 10, 13.1, 15.8, 15.11, 17.2, 18.1, 18.2, 19.2, 19.7, 22.1, 22.2.4, 26, 27.1 & 28.1 have been made and Policy No. 4.2 of 2018-19 has been deleted to align the policies with parent company and improved disclosure.	No financial impact due to these changes.



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

a. Defined contribution Plan: -Pension

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

b. Defined benefit plans:

(i) Employers contribution to Provident Fund:

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. Based on actuarial valuation ₹ 373 Lakh (PY ₹ Nil) as the Present Value of Obligations exceeds the Fair Value of Plan Assets by ₹ 373 Lakh (PY ₹ Nil-as the Fair Value of Plan Assets exceeds the Present Value of obligations by ₹ 4,969 Lakh) has been provided in the books Further, contribution to employee pension scheme is paid to the appropriate authorities.

(ii) Gratuity:

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

(iii) Leave encashment:

The Company has a defined benefit leave encashment plan for its Employees. Under

this plan they are entitled to encashment of earned leaves and medical leaves subject to limits and other conditions specified for the same. The liability towards leave encashment is recognised on the basis of actuarial valuation.

(iv) Post Retirement Medical Benefit (PRMB):

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

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

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

Provision for employee benefits has been made for the current period using the Actuarial Valuation done as at 31.03.2020. Accordingly, disclosure under the provision of Ind AS 19 on “Employee Benefits” for the Financial Year ended 31.03.2020 is given below:

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

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

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

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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

(₹ in lakh)

(Figures in Parenthesis represent in Negative Balance)

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


Table – 3: Amount recognized in Balance Sheet

(₹ in lakh)

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/Long Service Award/FBS
PVO at end of year	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	7,985 {7,002}	1,263 {1,243}
Fair Value of Plan Assets at the end of year	NA	NA	NA	7402	NA
Funded Laib./Prov	Nil	Nil	Nil	{3320}	Nil
Unfunded Laib./Prov	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	583 {3,682}	1,263 {1,243}
Unrecognised actuarial gain/loss					
Net liability recognized in Balance Sheet	19,101 {17,893}	5,607 {4,304}	10,906 {9,883}	583 {3,682}	1,263 {1,243}

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

(₹ in lakh)

(Figures in Parenthesis represent in Negative Balance)

Particular	Gratuity	Earned Leave (EL)	Sick Leave (HPL)	Post Retirement Medical Benefit (PRMB)	Others-Baggage Allowance/Long Service Award/FBS
Current Service Cost	581 {606}	1278 {1,236}	451 {427}	236 {217}	118 {448}
Past Service Cost					
Interest Cost	1387 {1,329}	333 {210}	766 {675}	543 {477}	96 {68}
Net Actuarial (gain)/ loss recognized for the year in OCI	874 {(12)}	1,160 {1,138}	83 {178}	276 {385}	44 {29}
Expense recognized Statement in Profit & Loss/EDC for the year.	1,968 {1,935}	2,771 {2,585}	1,300 {(1,279)}	307 {694}	214 {517}

Table – 5: Sensitivity analysis.

(₹ in lakh)

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

Other disclosures:

(₹ in lakh)

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

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

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



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

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

- 18. a)** The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipts of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers are generally done on 31st December. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) "External Confirmations", were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- b)** In the opinion of the management, the value of assets, other than property, plant & equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

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

(₹ in lakh)

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

*Subject to approval in Annual General Meeting.

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

(₹ in lakh)

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

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

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



(₹ in lakh)

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

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

For and on Behalf of Board of Directors

(Rashmi Sharma)
Company Secretary
Membership No.26692

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

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

As Per Our Report Of Even Date Attached

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

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

Date : 24.06.2020
Place : Lucknow

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
THDC INDIA LIMITED

Opinion

We have audited the accompanying Standalone Financial Statements of THDC India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit & total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements

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

Key Audit Matters

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

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



	<p>This is considered as key audit matter due to the nature and extent of estimates made as per the CERC Tariff Regulations, which leads to recognition and measurement of revenue from sale of energy being complex and judgmental.</p> <p>(Refer Note No. 31 to the Financial Statements, read with the Significant Accounting Policy No. 15)</p>	<ul style="list-style-type: none"> - Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. - Verified the accounting of revenue from sale of energy based on tariff rates approved by the CERC. <p>Based on the above procedure performed, the recognition and measurement of revenue from sale of energy are considered to be adequate and reasonable.</p>
<p>2</p>	<p>Contingent Liabilities</p> <p>There are a number of litigations pending before various forums against the Company and the management's judgment is required for estimating the amount to be disclosed as contingent liability.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgment in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 41.2 to the Financial Statements, read with the Significant Accounting Policy No. 14)</p>	<p>We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.</p>

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

- a) Para 7 (i) and (ii) of Note No. 41 of the Standalone Financial Statements regarding delay in completion of VPHEP and Tehri PSP projects owing to factors beyond control of company. Further, considering the acute financial crisis of M/s HCC, Board of Directors of the Company have approved arrangement of gap funding to contractor for expeditious completion of projects with financial regulation.
- b) Para 5 (i) of Note No. 41 regarding 991.42 Hac land acquired for various projects is being used for project works by THDCIL. The title deed of such land is yet to be executed.
- c) Note 40.1(ii), Note 40.3 and Note 41.8(i) of the Standalone Financial Statement regarding the management evaluation of COVID-19 impact on the performance of the company.
- d) Note 41.8(ii) of the Standalone Financial Statements regarding the Share Purchase Agreement (SPA) which has been executed between Government of India and NTPC Ltd. on 25.03.2020. Govt. of India has accorded CCEA approval for the strategic sale of GOI Equity including nominee's shares to M/s NTPC Limited. Accordingly GOI total equity has been transferred to M/s NTPC Ltd. On 27.03.2020. Considering this THDCIL has become the subsidiary company of M/s NTPC Ltd. Further THDCIL has received an amount of Rs.1400 Lakh on 26.03.2020 as equity infusion for GOI. However, considering the above facts, the matter has been referred to GOI for decision and the amount so received from GOI has been shown under Other Current Liabilities vide Note No.27.

Our opinion is not modified in respect of these matters.

Other Matter

- a) The Standalone Financial Statements of the

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

Our opinion is not modified in respect of this matter.

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

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the



Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

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

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

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

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'** a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller & Auditor-General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act 2013, the compliance of which is set out in **Annexure 'B'**.
3. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in



- agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) In terms of Notification No. G.S.R. 463(E) dated 05th June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Act regarding disqualification of directors, are not applicable to the Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'C'**; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41.2 to the Standalone Financial Statements;
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

Place: Lucknow
Date: 24.06.2020
UDIN: 20014335AAAADM3666

ANNEXURE- "A"

TO THE INDEPENDENT AUDITORS' REPORT

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

We report that:-

- i. (a) The Company has generally maintained records of Property, Plant and Equipment showing full particulars including quantitative details and situation of Property, Plant and Equipment. The records for movement of the assets have been properly maintained.
 - (b) The Property, Plant and Equipment have been physically verified by Independent Firms of Chartered Accountants during the year and discrepancies, though not material, noticed on such verification, have been dealt properly in the books of account. In our opinion, frequency of verification is reasonable having regard to the size of the Company and the nature of its business. It is further informed that physical verification of Generation Plant & Machinery, irrespective of their location (Tehri/Koteshwar/Patan/Devebhoomi/Dhukwan) is not done due to their immovable nature.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, Freehold land and Lease hold land acquired prior to change in name of company as THDC India Ltd. are either in the name of Tehri Dam Project or Tehri Hydro Development Corporation. Out of total land of 3135.26 Hac. (PY 3033.79 Hac.) acquired by the company for various projects, title has been changed in the present name of the company for 2143.84 Hac. Change of title for the balance land of 991.42 Hac is under process as disclosed vide Note No. 41.5 (i) and execution of lease deed for 44.429 Hac of civil soyam land is under process as disclosed vide Note No. 41.5 (ii). And 0.757 hac part of Freehold Land for which transfer of title and execution of lease deed is under process as disclosed vide note no 41.5(iii). As informed by the Management, value of the above referred land except 1128.41 Hac of land is yet to be ascertained.
- ii. The Management has conducted the physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed during physical verification.
 - iii. The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause (iii) (a), (b) and (c) of paragraph 3 of the Order is not applicable.
 - iv. In our opinion and according to information and explanation given to us the company has in respect of loans, investments, guarantees, and security, complied with the provision of section 185 and 186 of the Companies Act, 2013.
 - v. Since the Company has not accepted any deposits from the public, the question of compliance with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of Companies Act 2013, and rules framed there under, does not arise.
 - vi. The Central Government has prescribed maintenance of Cost Records under Section 148(1) of the Companies Act, 2013. The company is maintaining the required Cost



Records. Cost Audit for the F.Y. 2019-20 is under process.

- vii. (a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, other statutory dues applicable to the company and that there are no undisputed statutory dues

were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable. As informed, the provisions of the Employees State Insurance Act are not applicable to the Company.

- (b) According to the information and explanation given to us, details of disputed dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax and cess, if any as at March 31, 2020 are as follows:

Name of Statute	Nature of Duties	Amount (₹ in Lakh)	Financial year to which it pertains	Deposit under protest (₹ in Lakh)	Forum at which, case is pending
Uttarakhand Water Tax on Electricity Generation Act, 2012	Water Cess	47,686	2015-16 to 2019-20	Nil	High Court of Uttarakhand, Nainital
Uttarakhand Green Energy Cess Act, 2014	Green Energy Cess	16,125	2015-16 to 2019-20	Nil	High Court of Uttarakhand, Nainital
Building & Other Construction Worker Welfare Cess Act, 1996	Labour Cess	651.44	2004-05 to 2014-15	Nil	High Court of Uttarakhand, Nainital
Income Tax Act. 1961	Int u/s 234 B,C	172.11	2006-07	172.11	ACIT, Dehradun

- viii. On the basis of audit procedures adopted by us and according to the records and as per the information and explanation given to us by the management, the company has not defaulted in repayment of loans and borrowings to any financial institution, bank. However, the Company has availed the moratorium facility against Medium Term Loan and Short Term Loan from PNB and working capital limit from SBI vide RBI Circular No. RBI 2019/186, DOR No. BPBC/21.04.048/2019/20 dated 27th March 2020.
- ix. As per the information and explanation given to us by the management, the Company has applied the money raised during the year by way of equity, debt instruments i.e. Corporate Bonds (Series 2) on Private Placement

Basis to meet out the Capital expenditure requirements of ongoing projects under construction including recoupment of expenditure already incurred and term loans for the purposes for which they were raised.

- x. During the course of our examination of books and records of the company for the year, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud by the company or on the company by its officers or employees, nor any such case have been noticed or reported by the management during the year.
- xi. In view of exemption given vide in terms of notification No. G.S.R. 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, the provisions of section 197 read with

- schedule V of the Act regarding managerial remuneration, are not applicable to the company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and as per the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Notes to the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. In our opinion and as per the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

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

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

Place: Lucknow
Date: 24.06.2020



ANNEXURE-“B”

FORMING PART OF THE INDEPENDENT AUDITORS' REPORT

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

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

Sl.	Directions	Reply
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanation given to us and based on our audit all accounting transactions are routed through FMS System implemented by the Company.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	<p>According to the information and explanation given to us and based on our audit, there is no case of restructuring of an existing loan or case of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.</p> <p>However, Para 8(i) of Note 41 of the Standalone Financial Statements regarding RBI Circular No. RBI 2019/186, DOR No. BP/BC/21.04.048/2019/20 Dt.27th March, 2020 has permitted all commercial banks to grant moratorium for a period of 3 months on payment of all installments and interest thereon between 1st March 2020 to 31st May 2020. THDC India Ltd. has availed the above moratorium facility against Medium Term Loan and Short Term loan from PNB and working capital limit from SBI. Accordingly, the amount due against the installments amounting to Rs. 3500 Lakh and Interest of Rs. 506 Lakh have been shown under Current Financial Liabilities- Others vide Note No.26.</p>



Sl.	Directions	Reply
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	According to the information and explanation given to us and based on our audit, the funds (Equity) received for specific schemes (projects) from Central Government were properly accounted for/utilized as per the respective terms and conditions.

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

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

Place: Lucknow
Date: 24.06.2020



ANNEXURE- “C”

TO THE INDEPENDENT AUDITORS’ REPORT

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

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

We have audited the internal financial controls with reference to financial reporting of **THDC INDIA LTD.** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Controls over Financial Reporting

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

Opinion

In our opinion, the company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the ICAI.

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

Our opinion is not modified in respect of this matter.

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

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

Place: Lucknow
Date: 24.06.2020



सत्यमेव जयते

गोपनीय

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

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

दिनांक / Dated: 20.08.2020

सेवा में,

अध्यक्ष एवं प्रबंध-निदेशक,
टीएचडीसी इंडिया लिमिटेड,
लखनऊ

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

महोदय,

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

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

संलग्नक:- यथोपरि।

भवदीय,
ह./—
(डी. के. शेखर)
महानिदेशक



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THDC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of THDC India Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of THDC India Limited for the year ended 31 March, 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

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

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

Place : New Delhi
Dated : 20 August 2020



CERTIFICATE OF AWARDS

Silver Award In

Main Stream CSR Health Projects (PSU)

Category to

THDC India Ltd.





टीएचडीसी इंडिया लिमिटेड
THDC INDIA LIMITED

Schedule- A Mini Ratna PSU
 CIN : U45203UR1988GOI009822
 Corporate Office: Ganga Bhawan, Pragatipuram, Bye-Pass Road, Rishikesh - 249201
 Website : www.thdc.co.in

