FINANCIAL STATEMENTS

OF SUBSIDIARY COMPANIES

2016-17

Shri Ratish Kumar, Director (Projects) (3rd from left), Shri Balraj Joshi, Director (Technical) (4th from left) and Shri Mahesh Kumar Mittal, Director (Finance) (2nd from left) with other senior officers of NHPC during the Analyst Meet at Mumbai on 02.06.2017

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INDEPENDENT AUDITOR'S REPORT

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of NHDC Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), Cash Flows and Changes in Equity 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.

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

AUDITOR'S RESPONSIBILITY

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

EMPHASIS OF MATTERS

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

a) Note no. 34, point no. 1, to the financial statement, which describes the uncertainty related to the outcome of the claim/ arbitration proceedings and lawsuit filed by/ against the Company on/ by contractors and others. In some of the cases the arbitration award has been decided against the Company/ lost in lower Courts and the Company is pursuing the matter in higher courts. Management does not envisage any possible outflow in respect of decisions against the company other than those already provided for in the books of account.

b) Note no. 34 Point no. 15(a), to the financial statements about the various balances which are subject to reconciliation/ confirmation and respective consequential adjustments.

Our opinion is not modified in respect of these matters.

OTHER MATTERS

The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2016 and 31st March 2015 dated 9th May 2016 and 5th May 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been reviewed by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. The Comptroller and Auditor-General of India have issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act, 2013, the compliance of which is set out in "Annexure B".

3. As required by Section 143(3) of the Act, we report that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) Requirement of disclosure under section 164(2) of the Act is not applicable.

   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".

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 34 Other Explanatory Notes to Accounts;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 17 & 22 to the financial statements;

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

      iv. The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on Audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the company and as produced to us by the management (Refer Note No. 34).

For S.K. LULLA & CO.
Chartered Accountants
Firm's Registration No. 002336C

(CA Atul Jain)
Partner
Membership No. 097390

Place : New Delhi
Date : 17.05.2017

ANNEXURE – A TO THE AUDITORS' REPORT

[Referred to in our Report of even date on the Accounts of NHDC LTD. as at and for the year ended 31st March 2017]

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management in accordance with regular programme of verification, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Discrepancies have been appropriately dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except land right to use.

(ii) The management has conducted physical verification of inventories at all its locations at reasonable intervals during the year. The procedures of physical verification of inventory followed by management are in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) The company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The company has not accepted deposits from the public during the year, with reference to sec 73 to 76 of the Companies Act 2013.

(vi) We have broadly reviewed the books of account maintained by the company pursuant to rules made by the Central Government for the maintenance of cost records under section 148 of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the same.

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and as per the records of the company, there are no material dues which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax, duty of customs or excise, electricity duty, value added tax and cess which have not been deposited on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (₹ in Lacs)	Year to which it pertains	Forum at which case is pending
M.P. Entry Tax Act	Entry Tax on addition to Fixed Asset due to exchange rate variation and other additions.	4.67	2008-09	MPCT APPELLATE BOARD (₹ 2.10 Lacs deposited under protest)

(viii) The Company has settled all the loans or borrowings from the financial institution, banks and government or debenture holders and has nil borrowings as at the end of the year. The company has not issued any debentures.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) Based on our audit procedures, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards (Ind-AS 24 "Related Party Disclosure").

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For S.K. LULLA & CO.
Chartered Accountants
Firm's Registration No. 002336C

(CA Atul Jain)
Partner
Membership No. 097390

Place : New Delhi
Date : 17.05.2017

ANNEXURE - B TO THE AUDITORS' REPORT

[Referred to in our Report of even date on the Accounts of NHDC LTD. as at and for the year ended 31st March 2017]

Report on Directions under section 143(5) of Companies Act 2013 applicable from the Financial Year 2016-17

Sr. No.	Directions	Our Report	Action taken thereon	Impact on Accounts & Financial Statements of the Company
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	Yes	No action required.	No impact.
2	Whether there are any cases of waiver/ write off of debts/loans/ interest etc., if yes, the reasons there for and the amount involved.	No such Cases	No action required.	No impact.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	No such Cases	No action required.	No impact.

CA ATUL JAIN
Partner
Membership No. 097390
(Firm Registration No.002336C)

Place : New Delhi
Date : 17.05.2017

ANNEXURE - C TO THE AUDITORS' REPORT

[Referred to in our Report of even date on the Accounts of NHDC LTD. as at and for the year ended 31st March 2017]

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

We have audited the internal financial controls over financial reporting of NHDC Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to anaudit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 amaterial 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 toprovide reasonable assurance regarding the reliability of financial reporting and thepreparation 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 recordsthat, in reasonable detail, accurately and fairly reflect the transactions and dispositions of theassets of the company; (2) provide reasonable assurance that transactions are recorded asnecessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made onlyin accordance with authorisations of management and directors of the company; and (3)provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal 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 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 31 March 2017, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.K. LULLA & CO.
Chartered Accountants
Firm's Registration No. 002336C

(CA Atul Jain)
Partner
Membership No. 097390

Place : New Delhi
Date : 17.05.2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹ Lacs)

		PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
		ASSETS				
(1)		**NON-CURRENT ASSETS**				
	a)	Property Plant & Equipment	2.1	19,875	21,673	23,429
	b)	Capital Work In Progress	2.2	12,534	6,438	524
	c)	Investment Property	2.3	-	-	-
	d)	Other Intangible Assets	2.4	105,005	109,237	113,240
	e)	**Financial Assets**				
		i) Investments	3.1	-	-	-
		ii) Trade Receivables	3.2	27,582	6,456	33,593
		iii) Loans	3.3	2,090	2,022	1,964
		iv) Others	3.4	432,280	423,886	455,965
	f)	Non Current Tax Assets (Net)	12	4,161	1,412	1,412
	g)	Other Non Current Assets	4	1,785	2,319	2,354
(2)		**CURRENT ASSETS**				
	a)	Inventories	5	917	881	775
	b)	**Financial Assets**				
		i) Investments	6	-	-	-
		ii) Trade Receivables	7	36,345	35,102	40,872
		iii) Cash & Cash Equivalents	8	232	21,479	965
		iv) Bank Balances other than Cash & Cash Equivalents	9	190,183	115,029	114,412
		v) Loans	10	440	413	408
		vi) Others	11	38,531	78,216	79,209
	c)	Current Tax Assets (Net)	12	2,236	2,804	-
	d)	Other Current Assets	13	6,054	7,382	6,133
		TOTAL ASSETS		**880,250**	**834,749**	**875,255**
(3)		Regulatory Deferral Account Debit Balances	14	610	-	-
		TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		**880,860**	**834,749**	**875,255**
		EQUITY AND LIABILITIES				
(1)		**EQUITY**				
	(a)	Equity Share Capital	15.1	196,258	196,258	196,258
	(b)	Other Equity	15.2	491,953	447,222	411,223
(2)		**LIABILITIES**				
		NON-CURRENT LIABILITIES				
	a)	**Financial Liabilities**				
		i) Borrowings	16.1	-	-	52,763
		ii) Other financial liabilities	16.2	20	251	161
	b)	Provisions	17	1,865	1,635	1,296
	c)	Deferred Tax Liabilities (Net)	18	24,734	21,768	17,818
	d)	Other non-current Liabilities	19	129,549	135,624	141,387

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹ Lacs)

		PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(3)		**CURRENT LIABILITIES**				
	a)	**Financial Liabilities**				
		i) Trade Payables	20.1			
		Total outstanding dues of micro enterprises and small enterprises		204	67	36
		Total outstanding dues of Creditors other than micro enterprises and small enterprises		796	753	1,060
		ii) Other financial liabilities	20.2	2,387	2,666	21,929
	b)	Other Current Liabilities	21	8,968	8,713	8,943
	c)	Provisions	22	24,126	19,792	22,192
	d)	Current Tax Liabilities (Net)	23	-	-	189
		TOTAL EQUITY & LIABILITIES		**880,860**	**834,749**	**875,255**
		Significant Accounting Policies	1			
		Expenditure attributable to construction (EAC) during the year forming part of capital work in progress	32			
		Disclosure on Financial Instruments and Risk Management	33			
		Other Explanatory Notes to Accounts	34			
		Disclosure on First time adoption of IND AS	35			
		Note 1 to 35 form integral part of the Accounts				

As per our report of even date attached

For and on behalf of Board of Directors

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place : New Delhi
Date :17/05/2017

DHIMAN PARIJA
Managing Director
DIN:07348161

V. K. TRIPATHI
Co. Secretary

K. M. SINGH
Chairman
DIN: 02223301

B. L. SABOO
General Manager (Finance) &
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹ Lacs)

	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
INCOME			
i) Revenue from Operations	24	130,693	95,090
ii) Other Income	25	29,271	26,586
TOTAL INCOME		**159,964**	**121,676**
EXPENSES			
i) Generation and Other Expenses	26	16,858	16,412
ii) Employee Benefit Expenses	27	10,324	8,378
iii) Finance Cost	28	22	4,611
iv) Depreciation & Amortization Expenses	29	7,335	7,287
TOTAL EXPENSES		**34,539**	**36,688**
Profit before Exceptional items,Rate Regulated Activities and Tax		125,425	84,988
Exceptional items		-	-
PROFIT BEFORE TAX		125,425	84,988
Tax Expenses	30		
i) Current Tax		29,802	17,081
ii) Adjustments for Income Tax		9	70
iii) Deferred Tax		2,966	3,950
Total Tax Expenses		**32,777**	**21,101**
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		**92,648**	**63,887**
Movement in Regulatory Deferral Account Balances	31	610	-
Impact of Tax on Regulatory Deferral Accounts		130	-
Movement in Regulatory Deferral Account Balances (Net of Tax)		480	-
PROFIT FOR THE YEAR AFTER NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		**93,128**	**63,887**
Profit for the year from continuing operations (A)		**93,128**	**63,887**
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax		-	-
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		(209)	(15)
Less: Income Tax on remeasurements of the defined benefit plans		(72)	(5)
Less: Deferred Tax Adjustment Against Deferred tax Liabilities		72	5
- Movement in Regulatory Deferral Account Balances-Remeasurement of defined benefit plans		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
- Equity Investment		-	-
Less: Income Tax on Equity Investment		-	-
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-
Less: Income Tax on investment in Debt Instruments		-	-

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹ Lacs)

	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Other Comprehensive Income (B)=(i+ii)		**(209)**	**(15)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		**92,919**	**63,872**
Earning per share before movements in Regulatory Deferral Account Balances (Equity shares, face value of ₹ 1000/- each)			
Basic & Diluted (Amount in ₹)		472.07	325.53
Earning per share after movements in Regulatory Deferral Account Balances (Equity shares, face value of ₹ 1000/- each)			
Basic & Diluted (Amount in ₹)		474.52	325.53
Significant Accounting Policies	1		
Expenditure attributable to construction (EAC) during the year forming part of capital work in progress	32		
Disclosure on Financial Instruments and Risk Management	33		
Other Explanatory Notes to Accounts	34		
Disclosure on First time adoption of IND AS	35		
Note 1 to 35 form integral part of the Accounts			

As per our report of even date attached

For and on behalf of Board of Directors

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place : New Delhi
Date :17/05/2017

DHIMAN PARIJA
Managing Director
DIN:07348161

V. K. TRIPATHI
Co. Secretary

K. M. SINGH
Chairman
DIN: 02223301

B. L. SABOO
General Manager (Finance) &
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹ Lacs)

		For the year ended 31st March, 2017		For the year ended 31st March, 2016	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax for the year including movements in Regulatory Deferral Account Balance		125,906		84,988
	Less: Movement in Regulatory Deferral Account Balances		481		-
	Profit before Tax		**125,425**		**84,988**
	ADD :				
	Depreciation	7,335		7,287	
	Finance Cost (Net of EDC)	22		4,611	
	Provisions (Net loss)	282		2,154	
	Expenditure towards Regulatory Deferral Account Balances (net of finance and depreciation)	481		-	
	Tariff Adjustment (loss)	3,935		70	
	Loss on sale of assets/Claims written off	13		-	
			12,068		14,122
			137,493		**99,110**
	LESS :				
	Advance against Depreciation written back	-		-	
	Provisions (Net gain)	2,191		68	
	Net Gain/Loss on sale of Investmets	-		-	
	Profit on Sale of Assets \ Realization of Loss	1		-	
	Dividend Income	-		-	
	Interest Income	19,357		18,893	
	Exchange rate variation	-		-	
	Other Adjustments	7,225		7,166	
			28,774		26,127
	Cash flow from Operating Activities before Operating Assets & Liabilities adjustments		**108,719**		**72,983**
	Changes in Operating Assets and Liabilities:				
	Inventories	(36)		(106)	
	Trade Receivables	(22,369)		32,907	
	Other Assets, Loans and Advances	34,734		33,201	
	Other Liabilities & Provisions	2,472		(4,971)	
			14,801		61,031
	Cash flow from operating activities before taxes		**123,520**		**134,014**
	Less : Taxes		31,993		20,145
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**91,527**		**113,869**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Net expenditure on Property, Plant and Equipment, Other Intangible Assets & Expenditure on construction projects (including expenditure during construction forming part of Capital Work in Progress for the year)		(7,688)		(7,441)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹ Lacs)

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Creation of Regulatory Deferral Account Balances	(611)	-
	Realization/ (Payments) for Investments / Bonds	-	-
	Realization/ (Investment) in Bank Deposits	(75,154)	(617)
	Dividend Income	-	-
	Interest Income	17,568	17,368
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(65,885)**	**9,310**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Buyback of Equity Shares (including Premium Payment)	-	
	Dividend and Dividend Tax Paid	(48,188)	(27,873)
	Borrowings	-	
	Funds received from GOMP towards SSP, Irrigation component & R&R Subvention	1,308	1,528
	Repayment of Borrowings	-	(72,228)
	Interest & Finance Charges	(9)	(4,092)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**(46,889)**	**(102,665)**
D.	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**	**(21,247)**	**20,514**
	Cash & Cash Equivalents at the beginning of the year	**21,479**	**965**
	Cash & Cash Equivalents at the close of the year	**232**	**21,479**
	EXPLANATORY NOTES TO CASH FLOW STATEMENT		
1	Cash and Cash equivalents consists of Cash in hand, cheques/ drafts in hands and Bank Balances including Short Term Deposits with original maturity of less than three months. The details of Cash & Cash equivalents as per Note 8 of the Balance Sheet is as under:		
	Cash and Cash equivalents	232	21,479
	Cash and Cash Equivalents and Bank Deposits include an amount of ₹ 1036.45 Lacs (As on 31.03.2016 ₹ 989.90 Lacs) under lien with banks as per orders of Hon'ble Court of Law and an amount of ₹ 267.89 Lacs (As on 31.03.2016 ₹ 280.14 Lacs) representing deposit by oustees towards Land for Land in respect of Omkareshwar Project, which is not available for use as on 31.03.2017.	-	-

As per our report of even date attached

For and on behalf of Board of Directors

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place : New Delhi
Date :17/05/2017

DHIMAN PARIJA
Managing Director
DIN:07348161

V. K. TRIPATHI
Co. Secretary

K. M. SINGH
Chairman
DIN: 02223301

B. L. SABOO
General Manager (Finance) &
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2017

OTHER EQUITY

(Amount in ₹ Lacs)

Attributable to equity holders	Reserve & Surplus									Other Comprehensive Income		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Fund	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	Total
Balance as at 1st April, 2016	-	-	-	-	-	1,726	1,383	26,688	417,425	-	-	447,222
Change in Accounting Policy	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the Beginning of the Reporting Period (A)	-	-	-	-	-	1,726	1,383	26,688	417,425	-	-	447,222
Profit for the year		-	-	-	-	-	-	-	93,128	-	-	93,128
Other Comprehensive Income		-	-	-	-	-	-	-	(209)	-	-	(209)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**92,919**	**-**	**-**	**92,919**
Transfer to Retained Earning												
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Amount written back from Corporate Social Responsibility Fund	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-	-	-	-	-	-
Amount utilised from Self Insurance Fund	-	-	-	-	-	-	-	-	-	-	-	-
Others												-
Transfer from Retained Earning												
Dividend	-	-	-	-	-	-	-	-	(40,037)	-	-	(40,037)
Tax on Dividend	-	-	-	-	-	-	-	-	(8,151)	-	-	(8,151)
Transfer to Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Self Insurance Fund	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to CSR Fund						705			(705)	-	-	-
Transfer to Research & Development Fund	-	-	-	-	-	-	315		(315)	-	-	-
Trfr to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Total as on 31.03.2017	**-**	**-**	**-**	**-**	**-**	**2,431**	**1,698**	**26,688**	**461,136**	**-**	**-**	**491,953**

As per our report of even date attached

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place : New Delhi
Date :17/05/2017

For and on behalf of the Board of Directors

DHIMAN PARIJA
Managing Director
DIN:07348161

K. M. SINGH
Chairman
DIN: 02223301

V. K. TRIPATHI
Co. Secretary

B. L. SABOO
General Manager (Finance) & Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2016

OTHER EQUITY

(Amount in ₹ Lacs)

Attributable to equity holders	Reserve & Surplus									Other Comprehensive Income		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Fund	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	Total
Balance as at 1st April, 2015	-	-	-	-	16,052	2,334	1,002	10,636	381,199	-	-	411,223
Change in Accounting Policy												-
Restated Balance at the Beginning of the Reporting Period (A)	-	-	-	-	16,052	2,334	1,002	10,636	381,199	-	-	411,223
Profit for the year	-	-	-	-	-	-	-	-	63,887	-	-	63,887
Other Comprehensive Income	-	-	-	-	-	-	-	-	(15)	-	-	(15)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**63,872**	**-**	**-**	**63,872**
Transfer to Retained Earning												
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Amount written back from Corporate Social Responsibility Fund	-	-	-	-	-	(608)	-	-	608	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-	-	-	-	-	-
Amount utilised from Self Insurance Fund	-	-	-	-	(16,052)	-	-	16,052	-	-	-	-
Transfer from Retained Earning												-
Dividend (FY 2014-15)									(23,158)			(23,158)
Tax on Dividend (FY 2014-15)									(4,715)			(4,715)
Dividend (Interim 2015-16)		-	-	-	-	-	-					-
Tax on Dividend (Interim 2015-16)		-	-	-	-	-	-					-
Transfer to Bond Redemption Reserve		-	-	-	-	-	-		-			-
Transfer to Self Insurance Fund		-	-	-	-	-	-		-			-
Transfer to Research & Development Fund		-	-	-	-	-	381		(381)			-
Trfr to General Reserve								-	-			-
Total as on 31.03.2016	**-**	**-**	**-**	**-**	**-**	**1,726**	**1,383**	**26,688**	**417,425**	**-**	**-**	**447,222**

As per our report of even date attached

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place : New Delhi
Date :17/05/2017

For and on behalf of the Board of Directors

DHIMAN PARIJA
Managing Director
DIN:07348161

V. K. TRIPATHI
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Chairman
DIN: 02223301

B. L. SABOO
General Manager (Finance) & Chief Financial Officer

NOTE NO. 1: COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

(i) Reporting entity

NHDC Limited (the "Company") is a Company domiciled in India and limited by shares. The address of the Company's registered office is NHDC LTD., NHDC Office Complex, Shyamla Hills, Bhopal, MP -462013. The Company is primarily involved in the generation and sale of power to State Power Utility of state of Madhya Pradesh.

(ii) Basis of preparation

(A) Statement of Compliance

These financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015 & Companies (Indian Accounting Standards) Amendment Rules, 2016] and other applicable provisions of the Act, and the provisions of the Electricity Act, 2003 to the extent applicable. These are the Company's first Ind AS financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards', has been applied.

For all the periods upto and including March 31, 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

Note 35 explains how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(B) Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following financial assets and financial liabilities which are measured at fair value:

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

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

(C) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lacs for the Company.

(D) Use of estimates and management judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

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

Critical judgements and estimates

a) Determining whether an arrangement contains a lease

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

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

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

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

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

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

b) Useful life of Property, Plant and Equipment

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

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

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

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

d) Post-retirement benefit plans

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

e) Revenue

The Company records revenue from sale of power based on Tariff approved by the CERC, as per the principles of Ind AS 18. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

f) Provisions and contingencies

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

g) Recoverable Amount of Rate Regulated Assets

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

h) Impairment of Trade Receivables

Considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money owing to delay in realization of trade receivables, except to the extent already provided for.

i) Investment in Subsidiaries and Joint Ventures

Investment has been carried at costs and as per assessment by the Company, there is no indication of impairment on such investments. Any changes in assumption may have a material impact on the measurement of the recoverable amount.

j) Insurance Claim Recoverable

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

iii) SIGNIFICANT ACCOUNTING POLICIES- Company has adopted Accounting Policies of its Holding Company to ensure parity. A summary of the significant accounting policies applied in the preparation of financial statements are as given below. These accounting policies applied in the preparation of financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1.0 Property, Plant and Equipment (PPE)

a) Property, Plant and Equipment up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP and continue to follow the useful life of these assets as determined by CERC Tariff Regulations. The Company has elected to avail the exemption granted by 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).

b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

c) PPE are initially measured at cost of acquisition/ construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and available for use, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

d) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. PPE acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

e) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any.

f) Payments made/liabilities created provisionally towards compensation (including interest on enhanced compensation awarded by the Court till the date of award), rehabilitation and other expenses relatable to land in possession are treated as cost of land.

g) Assets over which the Company has control, though created on land not belonging to the Company are included under Property, Plant & Equipment.

h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant & Equipment are capitalized.

i) Spares parts (procured along with the Plant & Machinery or subsequently) which meet the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are treated as "stores & spares" forming part of the inventory.

j) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

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

2.0 Capital work in Progress

a) Capital work in Progress up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by 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).

b) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.

c) Costs including employee benefits, professional fees, expenditure on maintenance and up-gradation of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land

and infrastructure facilities on commissioning of projects.

d) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is accumulated under “Expenditure Attributable to Construction” and carried under “Capital Work in Progress” and subsequently allocated on a systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the “attributability” and the “Unit of Measure” concepts in Ind AS 16- “Property, Plant & Equipment”. Expenditure of such nature incurred after completion of the project, is charged to the Statement of Profit and Loss.

3.0 Investment Property

Up to March 31, 2015, Investment Property were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, “First time adoption of IND ASs” to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April1, 2015).

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of derecognition.

Transfers to or from investment property is made when and only when there is a change in use.

4.0 Intangible Assets

a) up to 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 by IND AS 101, “First time adoption of IND ASs” to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).

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

c) Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for as Land-Right to use.

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

e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.0 Foreign Currency Transactions

a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.

b) Exchange differences relating to fixed assets/ capital work-in-progress arising out of transaction entered into prior to April 1, 2004 are adjusted to the carrying cost of respective fixed asset/capital work-in-progress.

c) Exchange differences arising from translation of foreign currency borrowings entered into prior to March 31, 2016 recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff regulations are recognised as “Deferred Foreign Currency Fluctuation Recoverable/ Payable Account” and adjusted from the year in which the same is recovered/ paid.

d) Exchange differences arising from settlement/ translation of monetary items denominated in foreign currency entered into on or after 01.04.2016 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’ during construction period and adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

e) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

6.0 Regulatory Deferral Accounts

a) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Statement of Profit and Loss i.e. not allowed to be capitalized as part of cost of relevant PPE in accordance with the Ind AS, but is nevertheless permitted by CERC to be recovered from the beneficiaries in future through tariff, the right to recover the same is recognized as "Regulatory Deferral Account Balances."

b) Expense/ income recognised in the Statement of Profit and Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognised as "Regulatory Deferral Account Balances."

c) These Regulatory Deferral Account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

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

e) Regulatory Deferral Account Balances are tested for impairment at each Balance Sheet date.

7.0 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

8.0 Investments in subsidiaries and joint ventures

Investments in equity shares of subsidiaries and joint ventures are carried at cost.

9.0 Financial assets other than investment in subsidiaries and joint ventures

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

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

a) Classification

The Company classifies its financial assets in the following categories:

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

The classification depends on the following:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

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

b) Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

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

c) Subsequent measurement

Debt instruments at amortised cost

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

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

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

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

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

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii) The asset's contractual cash flows represent SPPI.

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

Equity investments:

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading, if any, are classified at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Company classifies the same as at FVTOCI. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes on an equity instrument classified at FVTOCI, are recognized in the OCI. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the company's right to receive payments is established.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in the Statement of Profit and Loss.

d) Derecognition

A financial asset is derecognised only when:

i) The Company has transferred the rights to receive cash flows from the financial asset, or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

e) Impairment of financial assets

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

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

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

iii) Contract Assets under Ind AS 11, Construction Contracts

iv) Lease Receivables under Ind AS 17, Leases.

v) Trade Receivables under Ind AS 18, Revenue.

The Company follows 'simplified approach' permitted under Ind As 109, "Financial Instruments" for recognition of impairment loss allowance on contract assets, lease receivables and trade receivables resulting from transactions within the scope of Ind AS 11, Ind AS 17 and Ind AS 18, which requires expected life time losses to be recognised from initial recognition of the receivables.

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

10.0 Inventories

Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipments and are valued at cost or net realizable value (NRV) whichever is lower. The cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

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

11.0 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognised as change in equity in the period in which they are approved by the Company's shareholders and the Board of Directors respectively.

12.0 Financial liabilities

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

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

a) Classification, initial recognition and measurement

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

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

b) Subsequent measurement

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

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

c) Derecognition

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

d) **Offsetting of financial instruments**

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

13.0 Government Grants

a) The benefits of a government loan at a below market rate of interest is treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities and government grant is recognized initially as deferred income and subsequently in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

b) Monetary grants received from the Government for creation of assets of Power Stations are recognised as deferred income and amortised over the useful life of the related assets.

14.0 Provisions, Contingent Liabilities and Contingent Assets

a) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision net of any reimbursement is presented in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion.

b) If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

c) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

d) Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

15.0 Revenue Recognition and Other Income

a) Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuous management involvement and the amount of revenue can be measured reliably. Revenue from the sale of power is measured at the fair value of the consideration received or receivable.

b) Revenue from the sale of power (except for power stations which are considered as Finance/Operating Lease) is accounted for as per tariff notified by Central Electricity Regulatory Commission. In case of Power Stations where tariff is not notified, sale is recognized on provisional rates worked out by the Company based on the parameters and method adopted by the appropriate authority. Customers are billed on a periodic and regular basis. As at each reporting date, revenue from sale of power includes an accrual for sales delivered to customers but not yet billed (unbilled revenue). Rebates given to beneficiaries as early payments incentives are deducted from the amount of revenue. Recovery/ refund towards foreign currency variation in respect of foreign currency loans and recovery towards Income Tax are accounted for on year to year basis.

c) Recovery towards deferred tax items recognized till March 31,2009 are accounted for when the same materialises.

d) Incentives/Disincentives are recognised as per Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations. In case of Power Stations where tariff have not been notified, incentives/disincentives are recognized provisionally on assessment of the likelihood of acceptance of the same.

e) Adjustments arising out of finalisation of Regional Energy Account (REA), though not material, are effected in the year of respective finalisation.

f) Advance Against Depreciation (AAD) considered as deferred income up to 31st March 2009 is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the project, considering the total useful life of the project as 35 years.

g) Revenue on Project Management / Construction Contracts/ Consultancy assignments is recognized on percentage of completion method. The percentage of completion is determined as proportion of "cost incurred up to reporting date" to "estimated cost to complete the concerned Project Management / Construction Contracts and Consultancy assignment".

h) Dividend income is recognized when right to receive the same is established.

i) Interest/Surcharge recoverable from customers and liquidated damages /interest on advances to contractors is recognised when no significant uncertainty as to measurability and collectability exists.

j) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

16.0 Employee Benefits

i) Short-term employee benefits

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

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

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trusts and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Employees Defined Contribution Superannuation Scheme (EDCSS) for providing pension benefits and contribution to Social Security Scheme are accounted as defined contribution plan.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme, Retired Employees Health Scheme (REHS), Provident Fund Scheme, Allowance on Retirement/Death and Memento on Superannuation to employees are in the nature of defined benefit plans.

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

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

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

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

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

iv) Other long-term employee benefits

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

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

v) Termination benefits

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

17.0 Borrowing costs

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

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

18.0 Depreciation and amortization

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

b) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff except for Construction Plant & Machinery and Computer & Peripherals.

c) i) Depreciation on Property, Plant & Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for Construction Plant & Machinery and Computer & Peripherals.

ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.

d) Depreciation in respect of following items of PPE is charged on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:

(i) Construction Plant & Machinery

(ii) Computer & Peripherals

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

f) Tangible Assets valuing ₹ 5000/- or less but more than ₹ 750/- are fully depreciated during the year in which asset is made available for use with Re. 1/- as WDV.

g) Low value items, which are in the nature of assets (excluding immovable assets) and valuing upto ₹ 750/- are not capitalized and charged off to revenue in the year of use.

h) Leasehold Land, in case of operating units, is amortized over the period of lease or 35 years whichever is lower, following the rates and methodology notified vide CERC tariff regulations.

i) Leasehold Land, in case of units other than operating units, is amortized over the period of lease or 35 years whichever is lower.

j) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.

k) Land-Right to use is amortized over a period of 30 years from the date of commercial operation of the project in line with CERC tariff regulations notified for tariff fixation.

l) Cost of software recognized as 'Intangible Assets' is amortized on straight line method over a period of legal right to use or three financial years, whichever is earlier, starting from the year in which it is acquired.

m) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such assets at the rate of depreciation and methodology notified by CERC tariff regulations.

n) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

o) 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.

19.0 Impairment of non-financial assets other than inventories

a. The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

b. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

c. In case of expenditure on survey & investigation of projects, if it is decided to abandon such a project under survey & investigation, expenditure incurred thereon is charged to the Statement of Profit and Loss in the year in which such decision is taken.

d. In case a project under survey and Investigation remains in abeyance by the order of appropriate authority/ by injunction of court order, any expenditure incurred on such projects from the date of order/ injunction of court is provided in the books from the date of such order till the period project is kept in abeyance by such order/ injunction. Provision so made is however reversed on the revocation of aforesaid order/ injunction.

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

20.0 Income Taxes

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

a) Current tax

i) The current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws applicable at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences).

ii) Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

b) Deferred tax

i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

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

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

iv) Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

v) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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

21.0 Compensation from third parties

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

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

22.0 Segment Reporting

a) In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.

b) Electricity generation is the principal business activity of the Company. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.

c) The Company is having a single geographical segment as all its Power Stations are located within the Country.

23.0 Leases

a) Company as a Lessee:

i. Leases of property, plant and equipment (mainly land acquired through lump sum upfront payments), where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance lease. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments.

ii. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease.

b) **Company as a Lessor:**

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

i) For embedded leases in the nature of a Finance Lease, the investment in the plant is recognised as a Lease Receivable. The minimum lease payments are identified by segregating the embedded lease payments from the rest of the contract amounts including Advance Against Depreciation (AAD) recognised in accordance with CERC Tariff regulations 2004-09 up to 31st March 2009 and considered as deferred income. Each lease receipt is allocated between the receivable and finance lease income so as to achieve a constant rate on the Lease Receivable outstanding.

ii) In the case of Operating Leases or embedded operating leases, the lease income from the operating lease is recognised in revenue over the lease term to reflect the pattern of use benefit derived from the leased asset. The respective leased assets are included in the Balance Sheet based on their nature and depreciated over its economic life.

24.0 Statement of Cash Flows

a) Cash and Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within Borrowings under Current Liabilities.

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

25.0 Current versus non-current classification

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

a) **An asset is current when it is:**

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

All other assets are classified as non-current.

b) **A liability is current when:**

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

All other liabilities are classified as non-current.

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

26.0 Miscellaneous

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

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

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2017

(Amount in ₹ Lacs)

		GROSS BLOCK							DEPRECIATION				NET BLOCK	
			Additions		Deductions									
Sl. No.	PARTICULARS	As at 01-Apr-2016	IUT	Others	IUT	Others	Other Adjust-ments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjust-ments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i)	Land – Freehold	-	-	-	-	-	-	-	-			-	-	-
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	37,533	-	5	-	-	-	37,538	15,864	1,799	-	17,663	19,875	21,669
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Water Supply System/ Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Computers	-	-	-	-	-	-	-	-	-	-	-	-	-
xviii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xix)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
xx)	Research and Development Equipment	6	-	-	-	6	-	-	2	-	(2)	-	-	4
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
xxii)	**Tangible Assets of minor value >750 and < ₹ 5000**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	37,539	-	5	-	6	-	37,538	15,866	1,799	(2)	17,663	19,875	21,673
	Previous year	37,495	-	44	-	-	-	37,539	14,066	1,800	-	15,866	21,673	23,429

Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹ Lacs)

	Particulars	As at 01-Apr-2016	Addition	Adjustment	Capitalised	As at 31st March, 2017
i)	Roads and Bridges	-	-	-	-	-
ii)	Buildings	53	120	-	71	102
iii)	Railway sidings	-	-	-	-	-
iv)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	6073	6329	-	10	12392
v)	Generating Plant and Machinery	-	-	-	-	-
vi)	Plant and Machinery - Sub station	-	-	-	-	-
vii)	Plant and Machinery - Transmission lines	-	-	-	-	-
viii)	Plant and Machinery - Others	1	-	-	-	1
ix)	Construction Equipment	-	-	-	-	-
x)	Water Supply System/Drainage and Sewerage	-	6	-	-	6
xi)	Other assets awaiting installation	24	6	-	-	30
xii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-	-
xiii)	Survey, investigation, consultancy and supervision charges	287	3	-	5	285
xiv)	Expenditure on compensatory Afforestation	-	-	-	-	-
xv)	Expenditure attributable to construction *	-	-	-	-	-
	Less: Provided for	-	-	282	-	282
	Sub total (a)	**6438**	**6464**	**(282)**	**86**	**12534**
	*** For addition during the period refer Note No. 32**					
	Construction Stores (for valuation refer Accounting Policy no.10)	-			-	-
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	**-**	**-**	**-**	**-**	**-**
	TOTAL	**6438**	**6464**	**(282)**	**86**	**12534**
	Previous year	**524**	**6470**	**(9)**	**547**	**6438**

Explanatory Note: -

1. CWIP of ₹ 12532 Lacs (As on 31.03.2016 ₹ 6144 Lacs) created on Land unclassified / right to use are included under relevant head.
2. Hydraulic Works above shown net of Insurance claim of ₹ 2154 Lacs (As on 31.03.2016 ₹ 2154 Lacs).
3. Provision of ₹ 282 Lacs towards expenditure incurred on Survey, Investigation, Consultancy & Supervision Charges in respect of REVA Thermal Power Plant has been created during the year in absence of coal linkage.
4. Figures in parenthesis represent deductions.

NOTE NO. 2.3 INVESTMENT PROPERTY

(Amount in ₹ Lacs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2016	Additions IUT	Additions Others	Deductions IUT	Deductions Others	Other Adjust-ments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjust-ments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i)	Land Freehold	-	-	-	-	-	-	-	-			-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTE NO. 2.4 Other Intangible Assets

(Amount in ₹ Lacs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION					
		As at 01-Apr-2016	Additions IUT	Additions Others	Deductions IUT	Deductions Others	Other Adjust-ments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjust-ments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i)	Land– Right to Use	147,082	-	1,303	-	-	-	148,385	37,845	5,535	-	43,380	105,005	109,237
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	147,082	-	1,303	-	-	-	148,385	37,845	5,535	-	43,380	105,005	109,237
	Previous year	145,598	-	1,484	-	-	-	147,082	32,358	5,487	-	37,845	109,237	113,240

Pending decision of ICAI on a reference by holding company in the matter of presentation and charging of depreciation on PPE at deemed cost on first time adoption of Indian Accounting Standards issued by ICAI (Ind AS 101), the company has continued to charge depreciation on opening historical cost as per the rate and methodology stipulated by the regulator and present the opening historical cost (Gross Block) as well as previous accumulated depreciation in the Notes to Balance Sheet (reconciliation statement of PPE) prepared under Division II- Ind AS Schedule III. In the opinion of the management, there is no impact on the carrying value of PPE as well as the depreciation charge for the year.

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2016

(Amount in ₹ Lacs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION					
		As at 01-Apr-2015	Additions		Deductions		Other Adjust-ments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjust-ments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
			IUT	Others	IUT	Others								
i)	Land – Freehold	-	-	-	-	-	-	-	-			-	-	-
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	37,489	-	44	-	-	-	37,533	14,064	1,800	-	15,864	21,669	23,425
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Water Supply System/ Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Computers	-	-	-	-	-	-	-	-	-	-	-	-	-
xviii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xix)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
xx)	Research and Development Equipment	6	-	-	-	-	-	6	2	-	-	2	4	4
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
xxii)	**Tangible Assets of minor value >750 and < ₹5000**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**37,495**	**-**	**44**	**-**	**-**	**-**	**37,539**	**14,066**	**1,800**	**-**	**15,866**	**21,673**	**23,429**

N

Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹ Lacs)

	Particulars	As at 01-Apr-2015	Addition	Adjustment	Capitalised	As at 31-Mar-2016
i)	Roads and Bridges	14	5	-	19	-
ii)	Buildings	185	77	-	209	53
iii)	Railway sidings	-	-	-	-	-
iv)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	44	6166	(9)	128	6073
v)	Generating Plant and Machinery	63	16	-	79	-
vi)	Plant and Machinery - Sub station	-	-	-	-	-
vii)	Plant and Machinery - Transmission lines	-	-	-	-	-
viii)	Plant and Machinery - Others	-	1	-	-	1
ix)	Construction Equipment	-	-	-	-	-
x)	Water Supply System/Drainage and Sewerage	-	-	-	-	-
xi)	Other assets awaiting installation	-	136	-	112	24
xii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-	-
xiii)	Survey, investigation, consultancy and supervision charges	218	69	-	-	287
xiv)	Expenditure on compensatory Afforestation	-	-	-	-	-
xv)	Expenditure attributable to construction *	-	-	-	-	-
	Less: Provided for	-	-	-	-	-
	Sub total (a)	**524**	**6470**	**(9)**	**547**	**6438**
	*** For addition during the period refer Note No. 32**					
	Construction Stores (for valuation refer Accounting Policy no. 10)	-			-	-
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	**-**	**-**	**-**	**-**	**-**
	TOTAL	**524**	**6470**	**(9)**	**547**	**6438**
	Previous year	**386**	**784**	**(4)**	**642**	**524**

Explanatory Note: -

1. CWIP of ₹ 6144 Lacs (As on 31.03.2015 ₹ 306 Lacs) created on Land unclassified / right to use are included under relevant head.
2. Hydraulic Works above shown net of Insurance claim recoverable ₹ 2154 Lacs (Previous Year NIL)
3. Figures in parenthesis represent deductions.

NOTE NO. 2.3 INVESTMENT PROPERTY

(Amount in ₹ Lacs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION					
		As at 01-Apr-2015	Additions		Deductions		Other Adjust-ments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjust-ments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
			IUT	Others	IUT	Others								
i)	Land Freehold	-	-	-	-	-	-	-	-			-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year											-	-	-

NOTE NO. 2.4 Other Intangible Assets

(Amount in ₹ Lacs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION					
		As at 01-Apr-2015	Additions		Deductions		Other Adjust-ments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjust-ments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
			IUT	Others	IUT	Others								
i)	Land– Right to Use	145,598	-	1,484	-	-	-	147,082	32,358	5,487	-	37,845	109,237	113,240
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	145,598	-	1,484	-	-	-	147,082	32,358	5,487	-	37,845	109,237	113,240

Pending decision of ICAI on a reference by holding company in the matter of presentation and charging of depreciation on PPE at deemed cost on first time adoption of Indian Accounting Standards issued by ICAI (Ind AS 101), the company has continued to charge depreciation on opening historical cost as per the rate and methodology stipulated by the regulator and present the opening historical cost (Gross Block) as well as previous accumulated depreciation in the Notes to Balance Sheet (reconciliation statement of PPE) prepared under Division II- Ind AS Schedule III. In the opinion of the management, there is no impact on the carrying value of PPE as well as the depreciation charge for the year.

NOTE NO. 3.1 NON-CURRENT - FINANCIAL ASSETS - INVESTMENTS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
		-	-	-
	Total	-	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - TRADE RECEIVABLE

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	Receivable from Beneficiary - Unsecured (Considered Good)	**27,582**	**6,456**	**33,593**
	Total	**27,582**	**6,456**	**33,593**

Explanatory Note: -

Above represents dues agreed for deferment receivable in equated monthy instalments along-with applicable interest, as per agreement.

NOTE NO. 3.3 NON-CURRENT - FINANCIAL ASSETS - LOANS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a)	**Employees (at amortised Cost)**			
	- Secured (considered good)	2,047	1,986	1,891
	- Unsecured (considered good)	43	36	73
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful Employees loans *1	-	-	-
	Sub-total	**2,090**	**2,022**	**1,964**
b)	**Contractor / supplier**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	-	-	-
	– Against bank guarantee	-	-	-
	– Others	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances to Contractor/ Supplier *2	-	-	-
	Sub-total	**-**	**-**	**-**
c)	**State Government in settlement of dues from customer**			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Less : Provisions for doubtful Loan to State Government *3			
	Sub-total	**-**	**-**	**-**
d)	**Deposits**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *4	-	-	-
	Sub-total	**-**	**-**	**-**
	TOTAL	**2,090**	**2,022**	**1,964**
	Provisions for doubtful Employees loans *1			

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Provisions for doubtful advances to Contractor/ Supplier *2			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Provisions for doubtful Loan to State Government *3			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Provision for Doubtful Deposits *4			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Explanatory Note: -			
i)	Loan-Employees includes due from directors or other officers of the company at the end of the period (at original value)	11	14	16
ii)	Advance due by firms or private companies in which any Director of the Company is a Director or member	-	-	-
iii)	Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The Carrying value may be affected by the changes in the credit risk of the counterparties.	-	-	-

NOTE NO. 3.4 NON-CURRENT - FINANCIAL ASSETS - OTHERS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	Bank Deposits with more than 12 Months Maturity	41,342	14,706	27,715
B	Lease Rent Receivable	390,370	408,974	427,985
C	Interest Recievable on Lease	-	-	-
D	Interest accrued on:			
	- Bank Deposits with more than 12 Months Maturity	568	206	265
	- Others	-	-	-
	Total	432,280	423,886	455,965

Explantory Note:

1) Consequent upon application of converged Ind AS 17 Leases, the cost of Property, Plant & Equipments and Other Intangible Assets of Company (except represented by Grants) stands converted into Lease Rent Receivable. The value of Lease Rent Receivable represents the present value of principle outstanding.

2) Bank deposits with more than 12 months maturity includes an amount of ₹ NIL (as on 31.03.2016 ₹ 324 Lacs) under lien with banks as per order of Hon'ble Court of Law, which is not available for use as on 31.03.2017.

NOTE NO. 4 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**CAPITAL ADVANCES**			
	Secured (considered good)	-	-	-
	Unsecured (considered good)			
	– Against bank guarantee	50	456	320
	– Others	294	148	-
	Less : Provision for expenditure awaiting utilisation certificate	10	-	-
	Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances *1	-	-	-
	Sub-total	**334**	**604**	**320**
B.	**ADVANCES OTHER THAN CAPITAL ADVANCES**			
i)	**DEPOSITS**			
	- Unsecured (considered good)	223	284	569
	Less : Provision against demand raised by Govt.Depts.	-	-	-
	- Unsecured (considered doubtful)	-	50	50
	Less : Provision for Doubtful Deposits *2	-	50	50
		223	**284**	**569**
ii)	**Other advances**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
		-	**-**	**-**
C.	**Others**			
i)	**Defferred Foreign Currency Fluctuation**			
	Deferred Foreign Currency Fluctuation Assets	-	-	-
	Deferred Expenditure on Foreign Currency Fluctuation	-	-	-
		-	**-**	**-**
ii)	**Deferred Cost on Employee loans given**			
	Secured - Considered Good	1,211	1,415	1,416
	Employee loans - Unsecured	17	16	49
		1,228	**1,431**	**1,465**
	TOTAL	**1,785**	**2,319**	**2,354**
	Provision for doubtful Advances *1			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**
	Provision for doubtful Deposits *2			
	Opening Balance	50	50	50
	Addition during the year		-	
	Used during the year	50		
	Reversed during the year			
	Closing balance	-	50	50

NOTE NO. 5 INVENTORIES

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Valuation as per Accounting Policy No. 10)			
	Stores and spares	341	341	336
	Stores in transit/ pending inspection	74	25	56
	Loose tools	-	-	-
	Scrap inventory	18	17	28
	Material at site	484	498	355
	Material issued to contractors/ fabricators	-	-	-
	Inventory for Self Generated VER's	-	-	-
	Less: Provision for Obsolescence & Diminution in Value *1	-	-	-
	TOTAL	**917**	**881**	**775**
*1	**Provision for Obsolescence & Diminution in Value**			
	Opening Balance	-	-	-
	Addition during the year	-		
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Explantory Note:			
	i) During the period/year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.	-	-	-
	ii) Refer Note No. 34 for information of assets pledged with bank as security for related borrowings.	-	-	775
	iii) Events/circumstances led to the reversal of Write down value of inventories.	-	-	-

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	-	-	-
Total	-	-	-

NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Trade Receivables outstanding for a period exceeding six months from the date they become due for payment			
	- Secured - Considered good			
	- Unsecured - Considered Good	26,220	25,121	30,749
	- Unsecured - Considered Doubtful	-	2,154	-
	Less: Provision for doubtful debts *1	-	2,154	-
	Other Trade Receivables			
	- Secured - Considered good			
	- Unsecured - Considered Good	10,125	9,981	10,123
	- Unsecured - Considered Doubtful			
	Less: Provision for impairment	-	-	-
	TOTAL	**36,345**	**35,102**	**40,872**
*1	**Provision for doubtful debts**			
	Opening Balance	2,154	-	-
	Addition during the year		2,154	
	Used during the year			
	Reversed during the year	2,154		
	Closing balance	-	**2,154**	-
	Explanatory Note: -			
	i) Trade Receivables Unsecured - considered good includes dues agreed for deferment receivable in equated monthy instalments along-with applicable interest, as per agreement.	20,397	26,905	30,617
	ii) Debt due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director of the Company is a partner or a director or a member.	-	-	-
	iii) Debt due by subsidiaries/ Joint Ventures and others related parties of the company at point(i) above	-	-	-
	iv) Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.	-	-	-
	v) Refer Note No. 34 for receivable pledged as security.			40,872

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

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Balances with banks**			
	(• With scheduled banks)			
i)	- In Current Account	142	167	492
ii)	- In deposits account			
	(Deposits with original maturity of less than three months)	88	21,309	469
	(• With other banks)			
	(- In current account)			
B	**Cheques, drafts on hand**	-	-	-
C	**Cash on hand**			
	Cash on hand	2	3	4
	TOTAL	**232**	**21,479**	**965**
	Explanatory Note: -			
	1) Cash on hand -(Includes stamps on hand)	-	-	-

NOTE 9 : FINANCIAL ASSETS - CURRENT - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Balances with Banks**	**190,183**	115,029	114,412
B	**Deposit account-Unpaid Dividend / Interest**	-	-	-
	TOTAL	**190,183**	115,029	114,412

Explanatory Note: -

1) Cash and Bank Balances include an amount of ₹ 1036 Lacs (As on 31.03.2016 ₹ 666 Lacs) under lien with banks as per orders of Hon'ble Court of Law, which is not available for use as on 31.03.2017.

2) Cash and Bank Balances include an amount of ₹ 268 Lacs (As on 31.03.2016 ₹ 280 Lacs) representing deposit by oustees towards Land for Land in respect of Omkareshwar Project, which is not available for use as on 31.03.2017.

NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	OTHER LOANS			
	Employees (including accrued interest)			
	- Secured (considered good)	291	264	245
	- Unsecured (considered good)	149	149	163
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful Employee loans & advances *1	-	-	-
		440	**413**	**408**
	Contractor / supplier			
	- Secured (considered good)			
	- Unsecured (considered good)			
	– Against bank guarantee			
	– Others			
	- Unsecured (considered doubtful)			
		-	-	-
	Loan to State Government in settlement of dues from customer			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Less : Provisions for doubtful Other loans & advances			
		-	-	-
	Advances to Subsidiaries / JV's	-	-	-
	TOTAL	**440**	**413**	**408**
*1	**Provisions for doubtful Employee loans & advances**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**
	Explanatory Note: -			
	Loan due from directors or other officers of the company at the end of the period	**6**	**5**	**5**
	Advance due by firms or private companies in which any Director of the Company is a Director or member	**-**	**-**	**-**

NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Others			
a)	Claims recoverable	10,512	30,984	37,448
	Less: Provisions for Doubtful Claims *1	23	25	25
	Sub-total	**10,489**	**30,959**	**37,423**
b)	**Interest Income accrured on Bank Deposits**	6,949	5,751	4,409
c)	**Receivable from Subsidiaries / JV's**	-	-	-
d)	**Interest recoverable from beneficiary**	172	71	242
e)	**Lease Rent receivable-Current**	20,921	20,769	20,491
f)	**Interest recievable on lease**	-	-	-
h)	**Interest Accrued on Bonds**	-	-	-
i)	**Receivable on account of unbilled revenue**	-	20,666	16,644
(j)	**Interest accrued on:**			
	Loan to State Government in settlement of dues from customers	-	-	-
	- Considered Good	-	-	-
	- Considered Doubtful	-	-	-
	Less: Provisions for Doubtful Interest *2	-	-	-
	TOTAL	**38,531**	**78,216**	**79,209**
*1	**Provisions for Doubtful Claims**			
	Opening Balance	**25**	**25**	**25**
	Addition during the year			
	Used during the year	1		
	Reversed during the year	1		
	Closing balance	**23**	**25**	**25**
*2	**Provisions for Doubtful Accrured Interest**	-		
	Opening Balance	**-**	**-**	**-**
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**

Explanatory Note:-

1 Claims recoverable (at a) includes a sum of ₹ 10366 Lacs (As on 31.03.2016 ₹ 28595 Lacs) due from Govt. of Madhya Pradesh as per details in Other Explanatory Notes to Accounts (Note no. 34 at Serial no. 5) and a sum of ₹ NIL (As on 31.03.2016 ₹ 2166 Lacs) towards insurance claim recoverable for repair of Energy Dissipation Arrangements (EDA) at Indira Sagar Project. Further it includes a sum of ₹ 8 Lacs (As on 31.03.2016 ₹ 8 Lacs) towards TDS recoverable and duplicate payments recoverable from oustees of ₹ 12 Lacs (As on 31.03.2016 ₹ 12 Lacs) already provided for.

2 Receivable on account of unbilled revenue pertains to

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Revision of Tariff		20,666	16,644

NOTE NO. 12 NON CURRENT/CURRENT TAX ASSETS (NET)

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non Current			
Advance Income Tax & Tax Deducted at Source	21,243	50,521	44,590
Less: Provision for Taxation	17,082	49,109	43,178
Net Income Tax Advance	**4,161**	**1,412**	**1,412**
Current Tax (Refer Note No-23)	**2,236**	**2,804**	**-**

NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**Advances other than Capital Advances**			
a)	**Deposits**			
	- Unsecured (considered good)	**458**	455	473
	Less : Provision against demand raised by Govt.Depts.	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *1	-	-	-
	Sub-total	**458**	455	473
b)	**Advance to contractor / supplier**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)			
	– Against bank guarantee	-	-	-
	– Others	**97**	65	17
	Less : Provisions for expenditure awaiting utilization certificate	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances *2	-	-	-
	Sub-total	**97**	65	17
c)	**Other advances - Employees**			
	- Unsecured (considered good)	**4**	1	2
	- Unsecured (considered doubtful)	-	-	-
	Sub-total	**4**	1	2
D)	**Interest accrued on:**			
	Others			
	- Considered Good	-	-	1
	- Considered Doubtful	-	-	-
	Less: Provisions for Doubtful Interest *2	-	-	-
	Sub-total	-	-	1
B.	**Others**			
a)	Expenditure awaiting adjustment	-	-	-
	Less: Provision for project expenses awaiting write off sanction *3	-	-	-
	Sub-total	-	-	-
b)	Losses awaiting write off sanction/pending investigation	**1**	12	15
	Less: Provision for losses pending investigation/awaiting write off / sanction *4	**1**	12	15

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Sub-total	-	-	-
c)	**Work In Progress**			
	Construction work in progress(on behalf of client)	-	-	-
	Consultancy work in progress(on behalf of client)	-	-	-
d)	**Prepaid Expenditure**	666	742	775
e)	**Deferred Employee Costs**			
	Secured - Considered Good	274	70	65
	Unsecured	13	1	2
f)	**Surplus / Obsolete Assets held for disposal**	7	8	3
g)	**Others**	4,535	6,040	4,795
	TOTAL	**6,054**	**7,382**	**6,133**
*1	**Provisions for Doubtful Deposits**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*2	**Provisions for doubtful advances (Contractors & Suppliers)**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*3	**Provision for project expenses awaiting write off sanction**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*4	**Provision for losses pending investigation/awaiting write off / sanction**			
	Opening Balance	12	15	15
	Addition during the year			
	Used during the year		3	
	Reversed during the year	11		
	Closing balance	1	12	15
	Explanatory Note:-			
1	Loans and Advances due from Directors or other officers at the end of the year/ period	-	-	-
2	Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.	-	-	-
3	Others at (g) includes materialisation of deferred tax (Refer Note no. 24)	4,535	6,040	4,766
4	Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value.	7	8	3

NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Opening Balance	-	-	-
	Add: Movement in Regulatory Deferral Account Balances			-
a)	Employee Remuneration & Benefits	610	-	
b)	Generation & Other exps.	-	-	
c)	Provisions	-	-	
d)	Depreciation	-	-	
e)	Finance Cost	-	-	
f)	Other Income	-	-	
g)	Exchange Differences on Monetary Items	-	-	
h)	Re-measurement of Defined Benefit Plan	-	-	
	Add: Adjustment during the year			
	Less: Amortisation / Impairment during the year			
	Closing Balance	**610**	**-**	**-**

1) For details refer Note No.-34-Other Explanatory Notes to Accounts

NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
a)	Authorized Equity Share Capital (Par value per share ₹ 1000/-)	30,000,000	300,000	30,000,000	300,000	30,000,000	300,000
b)	No. of Equity shares issued, subscribed and fully paid (Par value per share ₹ 1000/-)	19,625,800	196,258	19,625,800	196,258	19,625,800	196,258
c)	**Changes in Equity Share Capital**						
	Opening number of shares outstanding	19,625,800	196,258	19,625,800	196,258	19,625,800	196,258
	Add: No. of shares/Share Capital issued/ subscribed during the year	-	-	-	-	-	-
	Less: Reduction in no. of shares/Share Capital on account of buy back of shares.	-	-	-	-	-	-
	Closing number of shares outstanding	**19,625,800**	**196,258**	**19,625,800**	**196,258**	**19,625,800**	**196,258**

d) The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.

e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: NIL

f) Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held : -

Shareholders	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
	Nos.	In (%)	Nos.	In (%)	Nos.	In (%)
- NHPC Limited (Holding Company) and on its behalf	10,024,200	51.08%	10,024,200	51.08%	10,024,200	51.08%
- Govt. of Madhya Pradesh and on its behalf	9,601,600	48.92%	9,601,600	48.92%	9,601,600	48.92%

g) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL

h) In preceding five financial years immediately preceding 31.03.2017, Company has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s).

i) Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date:- NIL

j) Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : NIL

k) Forfeited shares (amount originally paid up) : NIL

NOTE NO. 15.2 OTHER EQUITY

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(i)	**Capital Reserve**	-	-	-
(ii)	**Capital Redemption Reserve**	-	-	-
(iii)	**Securities Premium Account**	-	-	-
(iv)	**Bond Redemption Reserve**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings	-	-	-
	Less: Write back during the year	-	-	-
	As at Balance Sheet date	-	-	-
(v)	**Self Insurance Fund**			
	As per last Balance Sheet	-	16,052	16,052
	Add: Transfer from Surplus/Retained Earnings			
	Add: Transfer to General Reserve		(16,052)	
	Less: Utilisation during the year			
	As at Balance Sheet date	-	-	16,052
(vi)	**Corporate Social Responsibility Fund**			
	As per last Balance Sheet	1,726	2,334	2,334
	Add: Transfer from Surplus	705	-	
	Less: Write back during the year	-	608	
	Adjustments	-		
	As at Balance Sheet date	2,431	1,726	2,334
(vii)	**Research & Development Fund**			
	As per last Balance Sheet	1,383	1,002	1,002
	Add: Transfer from Surplus/Retained Earnings	315	381	
	Less: Write back during the year	-	-	
	As at Balance Sheet date	1,698	1,383	1,002
(viii)	**General Reserve**			
	As per last Balance Sheet	26,688	10,636	10,636
	Add: Transfer from Surplus/Retained Earnings			
	Less: Write back during the year			
	Add: Transfer from Self Insurance Fund		16,052	
	Less: Tranfer to Capital Redemption Reserve			
	As at Balance Sheet date	26,688	26,688	10,636
(ix)	**Retained Earnings/Surplus**			
	As per last Balance Sheet	417,425	381,199	381,199
	Add: Profit during the year	93,128	63,887	
	Add: Transferred from OCI	(209)	(15)	
	Add: Amount written back from Bond Redemption Reserve	-	-	
	Add: Amount written back from Corporate Social Responsibility Fund	-	608	
	Add: Tax on Dividend - Write back	-	-	
	Less: Dividend and CDT	48,188	27,873	
	Less: Transfer to Bond Redemption Reserve	-	-	
	Less: Transfer to Self Insurance Fund	-	-	
	Less: Transfer to Research & Development Fund	315	381	

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Less: Transfer to Corporate Social Responsibility Fund	705		
	Less: Transfer to General Reserve	-	-	
	Less: Transfer to Corporate Office			
	Add: Transfer from Power Stations and Projects			
	As at Balance Sheet date	461,136	417,425	381,199
(x)	**FVTOCI-Equity Instruments**			
	As per last Balance Sheet	-	-	-
	Add:-Change in Fair value of FVTOCI	-	-	
	Less:-Deferred Tax			
	As at Balance Sheet date	-	-	-
(xi)	**FVTOCI-Debt Instruments**			
	As per last Balance Sheet	-	-	-
	Add:-Change in Fair value of FVTOCI	-	-	
	Less:-Deferred Tax on change in Fair Value	-	-	
	Less:-Reclassification to P&L	-	-	
	As at Balance Sheet date	-	-	-
	TOTAL	**491,953**	**447,222**	**411,223**
	Nature and Purpose of Reserves	-	-	-

1 Self Insurance Fund : for unforseen contingencies relating to power plants.

2 Corporate Social Responsibility Fund (non lapsable fund) : for expenditure in respect of CSR as per guidelines in this regard.

3 Research & Development Fund : for expenditure in respect of R&D exp. as per guidelines in this regard.

NOTE NO. 16.1 FINANCIAL LIABILTIES - NON CURRENT - OTHERS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bonds			
- Secured	-	-	-
- Unsecured	-	-	-
Term Loans			
• From Banks			
- Secured	-	-	19,013
- Unsecured	-	-	-
• From Other Parties			
- Secured	-	-	33,750
- Unsecured	-	-	-
TOTAL	-	-	52,763

Redemption / terms of repayment etc.

i) Debt Covenants : Refer point no. 3 of Note no. 33.

ii) Particulars of Redemption & Repayments: Refer Annexures to Note 16.1

NOTE NO. 16.1 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(A) BONDS (Non-convertible and Non-cumulative)-Secured			
TOTAL BONDS (A)	-	-	-
(B) TERM LOANS - Secured (Banks) *1			
i) HDFC BANK LIMITED Loan-I	-	-	14902
(Repayable in 20 half yearly equal installments of ₹ 1862 Lacs each upto 31.03.2019 at floating interest rate of 12.50% p.a. as on 01.04.2015, since prepaid)			
ii) HDFC BANK LIMITED Loan-II	-	-	10076
(Repayable in 20 half yearly equal installments of ₹ 1120 Lacs each upto 30.09.2019 at floating interest rate of 11.75% p.a. as on 01.04.2015, since prepaid)			
Total Term Loan - Banks (Secured)	-	-	**24978**
(C) TERM LOANS - Un-secured (Banks)- Foreign Currency	-	-	-
Total Term Loan - Banks (Unsecured)			
(D) Term Loan-From other parties (Secured)	-	-	47250
i) POWER FINANCE CORPORATION LIMITED * 2			
(Repayable in 20 half yearly equal installments of ₹ 6750 Lacs each upto 15.07.2018 at floating interest rate of 10.29% p.a. as on 01.04.2015, since prepaid)			
Total Term Loan - Other Parties (Secured)	-	-	**47250**
(E) Term Loan-From other parties (Unsecured)			
Total Term Loan - Other Parties (Unsecured)	-		
Grand Total (A+B+C+D+E)	-	-	**72228**

*** Particulars of security**

1. Above outstanding 'Term Loans from Banks' are secured by way of first Charge in favour of the lender by deposit of title deeds of immovable property and also first charge on all present and future movable, fixed and current assets of Indira Sagar Project.
2. Above outstanding 'Term Loan from Other Parties' is secured by way of first charge in favour of the lender by deposit of title deeds of immovable property and also first charge on all present and future movable, fixed and current assets of Omkareshwar Project.

NOTE NO. 16.2 FINANCIAL LIABILTIES - NON CURRENT - OTHERS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits/ retention money	20	251	161
TOTAL	20	251	161

NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)**			
i)	**Provision for leave encashment**			
	As per last Balance Sheet	1,205	970	970
	Additions during the year	595	235	
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	1,800	1,205	970
ii)	**Provision for REHS**			
	As per last Balance Sheet	379	287	287
	Additions during the year		92	
	Amount used during the year	379		
	Amount reversed during the year			
	Closing Balance	-	379	287
iii)	**Provision for TTA (Baggage Allowance on Retirement)**			
	As per last Balance Sheet	49	37	37
	Additions during the year	13	12	
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	**62**	**49**	**37**
iv)	**Provision for Memento**			
	As per last Balance Sheet	2	2	2
	Additions during the year	1		
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	**3**	**2**	**2**
B.	**OTHERS**			
i)	**Provision For Committed Capital Expenditure**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	-	-	-
ii)	**Provision For Livlihood Assistence**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	-	-	-
iii)	**Provision For O&M Expenditure**			
	As per last Balance Sheet			
	Additions during the year	-		
	Amount used during the year			
	Amount reversed during the year			
	Unwinding of discount			
	Closing Balance	-	-	-
	TOTAL	**1,865**	**1,635**	**1,296**

Explanatory Notes:-

Information about Provisions are given in Note 34 of Balance Sheet

NOTE NO. 18 DEFERRED TAX LIABILITIES (NET) - NON CURRENT

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Deferred Tax Liability			
a)	Property, Plant and Equipments,Investment Property and Intangible Assets / Finance Lease Receivable	65,028	64,928	64,833
b)	Financial Assets at FVTOCI	(78)	(5)	-
c)	Other Items	3	18	5
	Less: Recoverable for tariff period upto 2009	39,466	42,433	46,383
	Less: Deferred Tax Adjustment against Deferred Tax Liabilities	(31)	205	235
	Net Deferred Tax Liablity	**25,518**	**22,303**	**18,220**
	Less:-Set off Deferred Tax Assets pursuant to set off provisions			
a)	Provision for doubtful debts, inventory and others			
b)	Provision for employee benefit schemes	715	521	402
c)	Other Items	69	14	-
	Net Deferred Tax Assets	784	535	402
	TOTAL	**24,734**	**21,768**	**17,818**

Explanatory Note: -

1 Deferred tax liability/(assets), is being created in compliance to the Ind AS 12 on “Accounting for Taxes on Income” since notified.

Annexure to Note 18.

Movement in Deferred Tax Liability

(Amount in ₹ Lacs)

Particulars	Property, Plant and Equipments, Investment Property and Intangible Assets.	Financial Assets at FVTOCI	Other Items	Recoverable for tariff period upto 2009	Deferred Tax Adjustment against Deferred Tax Liabilities	Total
At 1 April 2015	**64833**		**5**	**46383**	**235**	**18220**
Charged/(Credited)					-	-
-to Profit or loss	95	-	12	(3951)	(25)	4083
-to OCI		(5)			(5)	0
At 31 March 2016	**64928**	**(5)**	**17**	**42432**	**205**	**22303**
Charged/(Credited)						0
-to Profit or loss	100	-	(14)	(2966)	(163)	3215
-to OCI		(73)			(73)	0
At 31 March 2017	**65028**	**(78)**	**3**	**39466**	**(31)**	**25518**

Movement in Deferred Tax Assets

(Amount in ₹ Lacs)

Particulars	Provision for doubtful debts, inventory and others	Provision for employee benefit schemes	Other Items	Total
At 1 April 2015		**402**	**-**	**402**
Charged/(Credited)				-
-to Profit or loss		119	14	133
-to OCI				-
At 31 March 2016	-	**521**	**14**	**535**
Charged/(Credited)				-
-to Profit or loss		193	55	248
-to OCI				-
At 31 March 2017	-	**714**	**69**	**783**

NOTE NO. 19 OTHER NON CURRENT LIABILITIES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income received in advance (Advance Against Depreciation)	12,004	12,004	12,004
Deferred Foreign Currency Fluctuation Liabilities	-	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-	-
Grants in aid-from Government-Deferred Income	117,545	123,620	129,383
TOTAL	**129,549**	**135,624**	**141,387**
GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME			
As at the beginning of the year	130,907	136,666	136,666
Add: Received during the year	1,308	1,528	
Less: Released to Statement of Profit and Loss	7,335	7,287	
Balance as at the year end	124,880	130,907	136,666
Grants in Aid-from Government-Deferred Income (Current)	7,335	7,287	7,283
Grants in Aid-from Government-Deferred Income (Non-Current)	**117,545**	**123,620**	**129,383**

NOTE NO. 20.1 TRADE PAYABLE - CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total outstanding dues of micro enterprise and small enterprise(s)	204	67	36
Total outstanding dues of medium scale enterprise(s)	9	14	6
Total outstanding dues of Creditors other than micro enterprises and small enterprises	787	739	1,054
TOTAL	**1,000**	**820**	**1,096**

Explanatory Note: -

Disclosure requirement under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is given in (S.No.17) Note No.34 - Other Explanatory Notes to Accounts.

NOTE NO. 20.2 OTHER FINANCIAL LIABILITIES - CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of long term debt *			
- Bonds			
- Term Loan -Banks-Secured	-	-	-
- Term Loan -Banks-Unecured	-	-	5,965
- Other Parties-Secured	-	-	-
- Other Parties-Unsecured	-	-	13,500
Bond application money	-	-	-
Liability against capital works/supplies-MSME	-	-	-
Liability against capital works/supplies	64	54	1
Deposits	1,283	1,715	1,088
Interest accrued but not due on borrowings	-	-	-
Interest accrued and due on borrowings	-	-	502
Deposits/ retention money	-	-	-
Due to Holding Co. / Subsidiaries	651	632	761
Unpaid dividend	389	265	112
Unpaid interest	-	-	-
TOTAL	**2,387**	**2,666**	**21,929**

* Details in respect of redemption, rate of interest, terms of repayment and particulars of security are disclosed in Annexure to Note no. 16.1.

NOTE NO. 21 OTHER CURRENT LIABILITIES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income received in advance (Advance against depreciation)	-	-	-
Unspent amount of deposit/agency basis works	-	-	-
Statutory dues payables	1,111	789	917
Advances against the deposit works	-	-	-
Less: Amount Spent on Deposit Works	-	-	-
Advances against cost of Project Mgt./ Consultancy Work	-	-	-
Less: Amount Spent in respect of Project Mgt./ Consultancy Works	-	-	-
Less: Provision Toward Amt Recoverable in r/o Project Mgt / Consultancy Works	-	-	-
Other liabilities	522	637	743
Grants in aid - pending utilization	-	-	-
Grants in aid-from Government-Deferred Income	7,335	7,287	7,283
TOTAL	**8,968**	**8,713**	**8,943**

NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)**			
i)	**Provision for leave encashment**			
	As per last Balance Sheet	53	67	67
	Additions during the year	100	66	
	Amount used during the year	74	80	
	Amount reversed during the year			
	Closing Balance	**79**	**53**	**67**
ii)	**Provision for REHS**			
	As per last Balance Sheet	2	2	2
	Additions during the year		2	
	Amount used during the year	2	2	
	Amount reversed during the year			
	Closing Balance	**-**	**2**	**2**
iii)	**Provision for TTA (Baggage Allowance on Retirement)**			
	As per last Balance Sheet	-	-	-
	Additions during the year	1	-	-
	Amount used during the year	1	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
iv)	**Provision for Memento**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
v)	**Provision for Wage Revision**			
	As per last Balance Sheet	144	128	128
	Additions during the year	86	35	-
	Amount used during the year	110	19	-
	Amount reversed during the year	-	-	-
	Closing Balance	**120**	**144**	**128**

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Less: Advance paid	37	131	128
	Closing Balance (Net of advance)	83	13	-
vi)	**Provision for Performance Related Pay/Incentive**			
	As per last Balance Sheet	736	465	465
	Additions during the year	1,470	445	-
	Amount used during the year	933	166	-
	Amount reversed during the year	14	8	-
	Closing Balance	**1,259**	**736**	**465**
	Less: Advance paid	3	4	4
	Closing Balance (Net of advance)	**1,256**	**732**	**461**
vii)	**Provision for Superannuation / Pension Fund**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
viii)	**Provision For Wage Revision 3rd PRC**			
	As per last Balance Sheet	-	-	-
	Additions during the year	439	-	-
	Amount used during the year		-	-
	Amount reversed during the year		-	-
	Closing Balance	**439**	**-**	**-**
B.	**OTHERS**			
i)	**Provision For Tariff Adjustment**			
	As per last Balance Sheet	70	-	-
	Additions during the year	4,415	70	-
	Amount used during the year	70	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**4,415**	**70**	**-**
ii)	**Provision For Committed Capital Expenditure**			
	As per last Balance Sheet	10,178	11,242	11,242
	Additions during the year	-	-	-
	Amount used during the year	1,592	1064	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	**8,586**	**10,178**	**11,242**
iii)	**Provision for Restoration expenses of Insured Assets**			
	As per last Balance Sheet	5	2,482	2,482
	Additions during the year	-	-	-
	Amount used during the year	5	1103	-
	Amount reversed during the year	-	1374	-
	Closing Balance	**-**	**5**	**2,482**
iv)	**Provision For Livlihood Assistence**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance after Fair Value Adjustment	**-**	**-**	**-**
v)	**Provision - CSR, SD and RD**			

(Amount in ₹ Lacs)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	As per last Balance Sheet	-	-	
	Additions during the year	7	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance after Fair Value Adjustment	**7**	**-**	**-**
vi)	**Provision - Others**			
	As per last Balance Sheet	8,739	7,938	7,938
	Additions during the year	801	1243	-
	Amount used during the year	248	441	-
	Amount reversed during the year	31	1	-
	Closing Balance	**9,261**	**8,739**	**7,938**
	TOTAL	**24,126**	**19,792**	**22,192**

Explanatory Note: -

1) The Board has resolved to implement the directions of the Ministry of Power (MoP) vide its letter no. 11/17/2009-NHPC/Vol. III dated 27th December 2013 conveying the approval of Competent Authority about pay scales in respect of below Board level Executives that the pay scales shall be fixed w.e.f. 01.01.2007 after correcting the aberrations in pay scales fixed w.e.f. 01.01.1997 and the deviant pay scales fixed w.e.f. 01.01.1997 shall not be regularized. The MoP has confirmed vide letter no. 11/17/2009-NHPC-Vol. III dated 25th Feb., 2016 that the recovery of personal pay adjustment w.e.f. 01.02.2014 is in conformity with the said directive of the Competent Authority. Accordingly, personal pay advance of ₹ 96 Lacs and ₹ NIL has been set-off against the balance of provision for wage revision as on 31st March 2017 and 31st March 2016 respectively. However, NHPC Officers Association (Holding Co.'s Officer Association) has got a stay from Hon'ble High Court of Delhi against the implementation of stoppage of Personal Pay Adjustment (fitment benefits). In view of the directions of the Hon'ble High Court, Personal Pay Adjustments to the employees is continued to be paid along with the Salary. Thus, the cumulative amount provided towards the Personal Pay Adjustment w.e.f 01/02/2014 to 31.03.2017 under the head "Provision for Wage Revision" is ₹ 37 Lacs (including provision for the current period ₹ 12 Lacs) with corresponding amount shown as "Advance paid".

2) Information about Provisions are given in Note 34 of Balance Sheet.

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income Tax			
As per last Balance Sheet	(2,804)	189	(368)
Additions during the year	29,933	17,082	20,685
Amount adjusted during the year	(2,804)	189	(368)
Amount used during the year			
Amount reversed during the year			
Closing Balance	29,933	17,082	20,685
Less: Current Advance Tax	32,169	19,886	20,500
Net Current Tax Liabilities (Net)	(2,236)	(2,804)	185
Less: Current Tax Assets (Shown in Note No-12)	2,236	2,804	
Wealth Tax	-	-	4
TOTAL	**-**	**-**	**189**

NOTE NO. 24 REVENUE FROM OPERATIONS

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	**SALES**		
	SALE OF POWER	67,634	33,448
	Less :		
	Sales adjustment on a/c of Foreign Exchange Rate Variation	-	-
	Tariff Adjustments	3,935	70
	Regulated Power Adjustment	-	-
	Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)	-	-
	Rebate to customers	1,212	994
	Sub - Total (A)	**62,487**	**32,384**
B	**Income from Finance Lease**	60,020	62,706
C	**Income from Operating Lease**	-	-
D	**ADVANCE AGAINST DEPRECIATION -Written back during the year**	-	-
E	**OTHER OPERATING INCOME**		
	Interest from Beneficiary States (Revision of Tariff)	8,186	-
F	**REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS**		
	Contract Income	-	-
	Revenue from Project management/ Consultancy works	-	-
	Sub - Total (F)	**-**	**-**
	TOTAL (A+B+C+D+E+F)	**130,693**	**95,090**
	Explanatory Note: -		
	1) Amount of earlier year sales arising out of finalisation of tariff included in current period Sales.	**9,203**	**-**
	2) Tariff regulation notified by CERC vide notification dated 21.02.2014 inter-alia provides that capital cost considered for fixation of tariff for current tariff period shall be subject to truing up at the end of the tariff period, which may result in increase or decrease in tariff. Accordingly, stated amount has been provided in the books during the year as an abundant precaution.	**3,935**	**70**
	3) Power Purchase Agreements entered into by NHDC with single beneficiary has the substance of an embedded lease arrangement as per Appendix C of Ind-As-17 Leases "Determining whether an Arrangement Contains a Lease"		
	4) The revenue from these power stations has been divided into 2 parts in the Profit & Loss Account, i.e. towards Lease Rental and balance towards Sale of Power. Further a portion of the Lease Rental is recognized as "Income from Finance Lease" and booked under "Operating Income", while the balance amount of Lease Rental is deducted from the value of "Lease Receivable" created in the Balance Sheet.		
	5) In terms of regulation No. 49 of tariff regulation issued vide Central Electricity Regulatory Commission (CERC) notification No. L-1/144/2013-CERC dated 21st February, 2014, deferred tax liabilities for the period upto 31st March 2009 whenever it materializes is recoverable directly from the beneficiaries and are accounted for on yearly basis. Accordingly, stated amount has been included in sale of power in relevant year/period.	**4,535**	**6,040**
	6) During this year, the company has paid/provided towards Electricity Duty and Energy Development Cess. The Electricity Duty & Energy Development Cess is recoverable from beneficiary and accordingly billed to the beneficiary and included in Sale of Power as below:		
	- Electricity Duty	**70**	**51**
	- Energy Development Cess	**7,106**	**4,391**

NOTE NO. 25 OTHER INCOME

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A)	**Income from Non-Current Investments**		
	Trade		
	- Dividend from subsidiaries		
	- Dividend - Others	-	-
	- Interest - Government Securities	-	-
	Non-Trade	-	-
	- Dividend income - Others		
	- Interest	-	-
B)	**Other Income**		
	Interest		
	- Loan to State Government in settlement of dues from customers	-	-
	- Deposit Account	14,566	13,519
	- Interest from Beneficiary -Trade receivables on deferred credit (securitized)	4,516	5,021
	- Employee's Loans and Advances	250	264
	- Employee's Loans and Advances-Adjustment on a/c of Effective Interest	(14)	(26)
	- Others	25	89
	Late payment surcharge	-	-
	Income From Sale of Self Generated VERs	-	-
	Realization of Loss Due To Business Interuption	-	-
	Profit on sale of investments	-	-
	Profit on sale of assets	1	-
	Income from Insurance Claim	-	-
	Liability/ Provisions not required written back #	2,191	68
	Others	401	364
	Exchange rate variation	-	-
	Adjustment on a/c of Effective Interest		
	- Others	-	-
	Amortisation of Deferred Income - Grant in aid	7,335	7,287
	Sub-total	**29,271**	**26,586**
	Less: Income transferred to Expenditure Attributable to Construction	-	-
	Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	**29,271**	**26,586**
	Explanatory Note: -		
1	**Detail of Liability/Provisions not required written back #**		
a)	Bad & Doubtful Employees Loans (*1 under Note 3.2)	-	-
b)	Bad & Doubtful Advances to Contractor/ Supplier (*2 under Note 3.2)	-	-
c)	Bad & Doubtful Loan to State Government (*3 under Note 3.2)	-	-
d)	Bad & Doubtful Deposits (*4 under Note 3.2)	-	-
e)	Bad & Doubtful Capital Advances(*1 under Note No. 4)	-	-
f)	Bad & Doubtful Deposits(*2 under Note No. 4)	-	-
g)	Diminution in value of stores and spares (*1 under Note 5)	-	-
h)	Bad and doubtful debts (*1 under Note 7)	2,154	-
i)	Bad & Doubtful Employees Loans - current (*1 under Note 10)	-	-
j)	Provision for doubtful claims (*1 under Note No.11)	1	-
k)	Provisions for Doubtful Deposits (*1 under Note No. 13)	-	-
l)	Provisions for doubtful advances (Contractors & Suppliers) (*2 under Note No. 13)	-	-
m)	Provisions for Doubtful Accrued Interest (*3 under Note No. 13)	-	-
n)	Provision for project expenses awaiting write off sanction (*4 under Note No. 13)	-	-

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
o)	Provision for losses pending investigation/awaiting write off / sanction (*4 under Note No. 13)	11	-
p)	Provision for wage revision (Sl.no-A(v) of Note No-22)	-	-
q)	Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(vi) of Note No-22)	14	8
r)	Provision for Superannuation/Pension Fund (Sl.no-A(vii) of Note No-22)	-	-
s)	Provision for Retirement benefits (Gratuity, Leave Encashment, REHS, Momento etc) (Sl.no-A(I,ii,iii,iv) of Note No-17 and Sl.no-A(I,ii,iii,iv) of Note No.-22)	-	-
t)	Provision for tariff adjustment [Sl. No B(i) under Note 22]	-	-
u)	Provision for Committed Capital Expenditure (Sl.no-B(i) of Note No-17 and Sl.no-B(ii) of Note No.-22)	-	-
v)	Provision for Livlihood Assistance (Sl.no-B(ii) of Note No-17 and Sl.no-B(iv) of Note No.-22)	-	-
w)	Provision for Restoration expenses of Insured Assets (Sl.no-B(iii) of Note No-22)	-	-
x)	Write back of Project expenses provided for		
y)	Others	11	60
	TOTAL	**2,191**	**68**

NOTE NO. 26 GENERATION AND OTHER EXPENSES

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A.	**GENERATION EXPENSES**		
(i)	Water Usage Charges	-	-
(ii)	Consumption of stores and spare parts	148	161
B.	**Direct Expenditure on Contract, Project Management and Consultancy Works**	-	-
C.	**REPAIRS & MAINTENANCE**	-	-
	- Building	305	326
	- Machinery	96	101
	- Others	1,814	1,557
D.	**OTHER EXPENSES**		
	Rent & Hire Charges	402	420
	Rates and taxes	7,197	4,463
	Insurance	1,406	1,509
	Utilization of Self Insurance Fund	-	-
	Security expenses	1,345	1,177
	Electricity Charges	886	890
	Travelling and Conveyance	151	137
	Expenses on vehicles	19	19
	Telephone, telex and Postage	65	63
	Advertisement and publicity	47	69
	Entertainment and hospitality expenses	19	15

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Printing and stationery	56	70
	Consultancy charges - Indigenous	146	160
	Consultancy charges - Foreign	-	-
	Audit expenses (Refer explanatory note-2 below)	14	11
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	-	-
	Loss on Assets	13	-
	Losses out of insurance claims (upto excess clause)	-	-
	Losses out of insurance claims (beyond excess clause)	-	-
	Books & Periodicals	3	2
	Donation	-	-
	CSR/ Sustainable Development	1,376	2,638
	Community Development Expenses	10	8
	Directors' expenses	1	1
	Research and development expenses	-	2
	Interest on Arbitration/ Court Cases	2	7
	Interest to beneficiary states	480	-
	Expenditure on Self Generated VER's	-	-
	Expenses for Regulated Power	-	-
	Less: - Exp Recoverable on Regulated Power	-	-
	Exchange rate variation	-	-
	Other general expenses	575	452
	Sub-total	**16,576**	**14,258**
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	**16,576**	**14,258**
	Less: Amount transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
E.	**PROVISIONS**		
	Bad and doubtful debts provided	-	2,154
	Expected Credit Loss Allowance-Trade Receivables	-	-
	Bad and doubtful advances / deposits provided	-	-
	Bad and doubtful claims provided	-	-
	Doubtful Interest Provided for	-	-
	Diminution in value of stores and spares	-	-
	Shortage in store & spares provided	-	-
	Provision against diminution in the value of investment	-	-
	Project expenses provided for	282	-
	Provision for fixed assets/ stores provided for	-	-

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Diminution in value of Inventory of Self Generated VER's Provided for	-	-
	Provision for catchment area treatment plan	-	-
	Others	-	-
	Sub-total	**282**	**2,154**
	Less: Amount transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
		282	**2,154**
	Total carried forward to Statement of Profit & Loss	**16,858**	**16,412**
	Explanatory Note: -		
1	The Company's significant leasing arrangements are in respect of operating leases of premises for offices, guest houses & transit camps. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps are shown in Rent.		
2	**Detail of audit expenses are as under: -**		
	i) Statutory auditors		
	As Auditor		
	Audit Fees	7	6
	Tax Audit Fees	2	2
	In other Capacity		
	Taxation Matters	-	-
	Company Law Matters	-	-
	Management Services	-	-
	Other Matters/services	4	3
	Reimbursement of expenses	1	-
	ii) Cost Auditors		
	Audit Fees	-	-
	Reimbursement of expenses	-	-
	Total Audit Expenses	**14**	**11**

NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries, wages, allowances	8,210	6,456
Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	1,501	1,207
Staff welfare expenses	517	620
Amortisation Expenses of Deferred Employee Cost	96	95
Sub-total	10,324	8,378

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Less: Employee Cost transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	**10,324**	**8,378**
	Explanatory Note: -		
1	The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees inlcuded in Salaries, wages, allowances.		
2	Gratuity, Contribution to provident fund & pension scheme include contributions:	**For the year ended 31st March, 2017**	**For the year ended 31st March, 2016**
	i) towards Employees Provident Fund	409	384
	ii) towards Employees Defined Contribution Superannuation Scheme and EPS	533	596

NOTE NO. 28 FINANCE COST

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	**Interest on :**		
	Government of India loan	-	-
	Bonds	-	-
	Foreign loan	-	-
	Term loan	6	4,044
	Cash credit facilities /WCDL	-	-
	Other interest charges	-	-
	Adjustment on account of effective Interest - Grant in Aid	-	-
	Sub-total	**6**	**4,044**
B	**Other Borrowing Cost**		
	Loss on Hedging Transactions	-	-
	Bond issue/ service expenses	-	-
	Royalty	-	-
	Commitment fee	-	-
	Guarantee fee on foreign loan	-	-
	Other finance charges	3	550
	Adjustment on account of effective Interest	13	17
	Committed Capital Expenses-Adjustment For Time Value	-	-
	Sub-total	16	567
C	**Applicable net gain/ loss on Foreign currency transactions and translation**		
	Exchange differences regarded as adjustment to interest cost	-	-
	Less: Interest adjustment on account of Foreign Exchange Rate Variation	-	-

(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Sub-total	**-**	**-**
Total (A + B + C)	**22**	**4,611**
Less: Finance Cost transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	**22**	**4,611**

NOTE NO. 29 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation & Amortisation Expenses	7,335	7,287
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-
Sub-total	**7,335**	**7,287**
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	**7,335**	**7,287**

NOTE NO. 30 TAX EXPENSES

(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax		
Income Tax Provision	29,802	17,081
Adjustment for Income Tax	9	70
Total current tax expenses	29,811	17,151
Deferred Tax- *		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	(248)	(133)
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax including MAT Credit Adjustment	(1)	-
Decrease (increase) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	86	108
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax	-	-
Total deferred tax expenses (benefits)	(163)	(25)
Less: Recoverable for tariff period upto 2009	(2,966)	(3,950)
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	(163)	(25)
Net Deferred Tax	2,966	3,950
Total carried forward to Statement of Profit & Loss	32,777	21,101

Explanatory Notes:-

	Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
i)	Accounting profit/loss before income tax	126,034	84,987
	Applicable tax rate	34.608%	34.608%
	Computed tax expense	43,618	29,412
	Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
	Movement in Regulatory Deferral Accounts		
	Principle Repayment under Lease	7,187	7,092
	Depreciation as per Income Tax Act	(4,222)	(4,877)
	CSR/Sustainable Development	480	913
	Other Items	320	(4)
	80-IA Deduction	(39,919)	(26,083)
	Recoverable	2,966	3,950
	Tax Credits on which no Deferred Income Tax was recognized	22,338	10,628
	Change in rate of tax		
	Adjustments	9	70
	Income tax expense reported in Statement of P/L	**32,777**	**21,101**
ii)	CERC Regulation for tariff perod 2014-19 provides for recovery of income tax from beneficiary by grossing up of return on equty with effective tax rate of the financial year i.e. actual tax paid during the year on the generating income. Deferred tax asset created for the year on generating income is accordingly accounted as deferred tax adjustment against deferred tax liability as the same would be adjusted in effective tax rate in future period and shown as a deduction from deferred tax liability.	163	25

NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Movement on account of:-		
a)	Employee Remuneration & Benefits	610	-
b)	Generation & Other exps.	-	-
c)	Provisions	-	-
d)	Depreciation	-	-
e)	Finance Cost	-	-
f)	Other Income	-	-
g)	Exchange Differences on Monetary Items	-	-
	TOTAL	**610**	**-**

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

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, allowances	-	-
	Gratuity and contribution to provident fund	-	-
	Staff welfare expenses	-	-
	Leave Salary & Pension Contribution	-	-
	Sub-total	**-**	**-**
B.	**REPAIRS & MAINTENANCE**		
	Building	-	-
	Machinery	-	-
	Others	-	-
	Sub-total	**-**	**-**
C.	**ADMINISTRATION & OTHER EXPENSES**		
	Rent	-	-
	Rates and taxes	-	-
	Insurance	-	-
	Security expenses	-	-
	Electricity Charges	-	-
	Travelling and Conveyance	-	-
	Expenses on vehicles	-	-
	Telephone, telex and Postage	-	-
	Advertisement and publicity	-	-
	Entertainment and hospitality expenses	-	-
	Printing and stationery	-	-
	Design and Consultancy charges:		
	- Indigenous	-	-
	- Foreign	-	-
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	-	-
	Assets/ Claims written off	-	-
	Land Acquistion and Rehabilitation Expenditure	-	-
	Losses on sale of assets	-	-
	Other general expenses	-	-

(Amount in ₹ Lacs)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Remuneration to Auditors	-	-
	Exchange rate variation (Debit)	-	-
	Sub-total	-	-
D.	**FINANCE COST**		
	Interest on :		
	Government of India loan	-	-
	Bonds	-	-
	Foreign loan	-	-
	Term loan	-	-
	Cash credit facilities /WCDL	-	-
	Exchange differences regarded as adjustment to interest cost	-	-
	Loss on Hedging Transactions	-	-
	Bond issue/ service expenses	-	-
	Commitment fee	-	-
	Guarantee fee on loan	-	-
	Other finance charges	-	-
	Transfer of expenses to EAC- Interest on loans from Central Government-adjustment on account of effective interest	-	-
	Transfer of expenses to EAC-Interest on security deposit/ retention money-adjustment on account of effective interest	-	-
	Transfer of expenses to EAC-committed capital expenses-adjustment for time value	-	-
	Sub-total	-	-
E.	**PROVISIONS**	-	-
	Sub-total	-	-
F.	**DEPRECIATION AND AMORTISATION EXPENSES**	-	-
	Sub-total	-	-
H.	**LESS: RECEIPTS AND RECOVERIES**		
	Income from generation of electricity – precommissioning	-	-
	Interest on loans and advances	-	-
	Profit on sale of assets	-	-
	Exchange rate variation (Credit)	-	-
	Provision/Liability not required written back	-	-
	Hire charges/ outturn on plant and machinery	-	-
	Miscellaneous receipts	-	-
	Transfer of fair value gain to EAC- security deposit / retention money	-	-
	Transfer of fair value gain to EAC - on provisions for committed capital expenditure	-	-
	Sub-total	-	-
	TOTAL (A+B+C+D+E+F+G-H)	-	-

Note-33: Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(Amount in ₹ Lacs)

Financial assets	Notes	As at 31st March, 2017		As as 31st March, 2016		As at 01st Apr, 2015	
		FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Non-current Financial assets							
(i) Trade Receivables	3.2		27,582		6,456		33,593
(ii) Loans	3.3						
a) Employees			2,090		2,022		1,964
(iii) Others							
-Bank Deposits with more than 12 Months Maturity alongwith interest accrued	3.4		41,910		14,912		27,980
Total Non-current Financial assets		-	**71,582**	-	**23,390**	-	**63,537**
			0		**0**		**0**
Current Financial assets							
(i) Trade Receivables	7		36,345		35,102		40,872
(ii) Cash and cash equivalents	8		232		21,479		965
(iii) Bank balances	9		190,183		115,029		114,412
(iv) Loans	10		440		413		408
(v) others	11		17,610		36,781		42,074
Total Current Financial Assets		-	**244,810**	-	**208,804**	-	**198,731**
Total Financial Assets		-	**316,392**	-	**232,194**	-	**262,268**
		-		-		-	
Financial Liabilities							
(i) Long-term borrowings	16.1		-		-		52,763
(ii) Deposits/Retention Money-non current	16.2		20		251		161
(iii) Trade Payables including MSME	20.1		1,000		820		1,096
(iv) Other Current financial liabilities							
a) Current Maturity of Term Loans from banks/ others	20.2		-		-		19,465
b) Deposits/Retention Money	20.2		651		632		761
c) Liability against Capital Works/Supplies	20.2		1,347		1,769		1,089
d) interest payable on borrowings	20.2		-		-		502
e) Other Payables	20.2		389		265		112
Total		-	**3,407**	-	**3,737**	-	**75,949**

NOTE NO. 33(IB)

B) FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has to classify its financial instruments into the three levels prescribed under the accounting standards.

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3

(Amount in ₹ Lacs)

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

Particulars		Note No.	As at 31st March, 2017			As at 31st March, 2016			As at 01st Apr, 2015		
			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets											
(i)	Trade Receivables	3.2		27582			6456			33593	
(ii)	Loans	3.3									
	Employees			2111			1906			1964	
(iii)	Others	3.4									
	Bank Deposits with more than 12 Months Maturity with interest accrued		42076			14997			27980		
Total Financial Assets			**42076**	**29693**	-	**14997**	**8362**	-	**27980**	**35557**	-
Financial Liabilities											
(i)	Long-term borrowings	16.1									
	Term Loans			-			-			52763	
(ii)	Other Long Term Financial Liablities	16.2									
	-Deposits/Retention Money				23			263			161
Total Financial Liabilities			-	-	**23**	-	-	**263**	-	**52763**	**161**

(Amount in ₹ Lacs)

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

Particulars	Note No.	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets							
(i) Trade Receivables	3.2	27582	27582	6456	6456	33593	33593
(ii) Loans	3.3						
Employees		2,090	2,111	2,022	1,906	1,964	1,964
(iii) Others	3.4						
Bank Deposits with more than 12 Months Maturity with interest accrued		41,910	42,076	14,912	14,997	27,980	27,980
Total Financial Assets		**71,582**	**71,769**	**23,390**	**23,359**	**63,537**	**63,537**
Financial Liabilities	16.1						
(i) Long-term borrowings							
Term Loans		-		-		52,763	52,763
(ii) Other Long Term Financial Liablities	16.2						
-Deposits/Retention Money		20	23	251	263	161	161
Total Financial Liabilities		**20**		**251**		**52,924**	

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

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

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

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

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

The discount rate used to fair value financial instruments classified at Level -3 is based on the Weighted Average Rate of company's/holding company's outstanding borrowings.

(2) Financial Risk Management

Financial risk factors

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

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

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables/leased assets) and from its financing activities including deposits with banks and financial institutions.

ii) Liquidity risk.

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

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out under policies approved by the Board of Directors.

(A) Credit Risk

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

a) Trade Receivables & lease receivables

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

CERC tariff regulations 2014-19 allows the Company to raise bills on beneficiaries for late-payment surcharge. which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments / State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables. However, the Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment behaviour and provides for expected credit loss on case-to-case basis. As at the reporting date company does not envisage any default risk on account of non-realisation of trade receivables. Accordingly, the Company has not applied the practical expedient of calculation of expected credit losses on trade receivables using a provision matrix.

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

Expected credit loss for Trade Receivables:

(Amount in ₹ Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Gross Carrying Amount	63927	43,712	74465
less : Expected Credit Losses (Provision for loss allowance)	-	2,154	-
Carrying amount of Trade Receivable	63927	41,558	74465

Expected credit loss for Lease Receivables:

(Amount in ₹ Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Gross Carrying Amount	411291	429743	448476
less : Expected Credit Losses (Provision for loss allowance)	-	-	-
Carrying amount of Lease Receivables	411291	429743	448476

Reconciliation of Loss allowance Provisions:

Particulars	(Amount in ₹ Lacs)
Loss allowance on 1st April 2015	-
Changes in Loss allowances	-
Loss allowance on 31st march 2016	2,154
Changes in Loss allowances	(2,154)
Loss allowance on 31st march 2017	-

b) Financial assets at amortised cost

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

c) Financial instruments and cash deposits

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

(B) Liquidity Risk

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

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

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

(Amount in ₹ Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
floating rate	-	-	-
fixed rate	-	-	-

Maturities of Financial Liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 16.1 and 16.2 of balance sheet)

For year Ended 31st March 2017

(Amount in ₹ Lacs)

Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2017	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Borrowings	16.1 & 20.2	-	-	-	-	-
2. Other financial Liabilities	16.2 & 20.2	2,417	2,392	19	6	-
3. Trade Payables	20.1	1,000	1,000	-	-	-
Total Financial Liabilities		3,417	3,392	19	6	-

For year Ended 31st March 2016

(Amount in ₹ Lacs)

Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2016	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Borrowings	16.1 & 20.2	-	-	-	-	-
2. Other financial Liabilities	16.2 & 20.2	2,967	2,672	295	-	-
3. Trade Payables	20.1	820	820	-	-	-
Total Financial Liabilities		3,787	3,492	295	-	-

As at 1st April 2015

(Amount in ₹ Lacs)

Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 01.04.2015	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Borrowings	16.1 & 20.2	72,228	19,465	38,929	13,834	-
2. Other financial Liabilities	16.2 & 20.2	2,641	2,464	169	-	8
3. Trade Payables	20.1	1,096	1,096	-	-	-
Total Financial Liabilities		75,965	23,025	39,098	13,834	8

(C) Market Risk:

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

(i) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The company refinance the debt as and when fevorable terms are available and company is also compensated for variability in floating rate through recovery by way of tariff adjustments under CERC tariff regulations.

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

(Amount in ₹ Lacs)

Particulars	As at 31st March, 2017 weighted average interest rate	As at 31st March, 2017 (₹in Lacs)	As at 31st March, 2016 weighted average interest rate	As at 31st March, 2016 (₹ in Lacs)	As at 01st Apr, 2015 weighted average interest rate	As at 01st Apr, 2015 (₹ in Lacs)
Floating Rate Borrowings	-	-	-	-	11.07%	72228
Fixed Rate Borrowings	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**11.07%**	**72228**

(ii) Price Risk:

(a) Exposure

The company has no exposure to price risk arises from investment in equity shares and debt instruments.

(b) Price Risk Sensitivity

(i) For Investment in Debt Instruments (For Investment in Govt and PSU Bonds)

The company has no exposure to price risk arises from investment in Govt and PSU Bonds.

(iii) (ii) Foreign Currency Risk

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

(a) Foreign Currency Risk Exposure:

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

(Amount in ₹ Lacs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Foreign Currency			
Financial Assets (₹)	-	-	-
Net Exposure to foreign currency risk(asset)	-	-	-
Financial Liabilities:			
Foreign currency loan (₹)	-	-	-
Other Financial Liabilities (₹)	105	115	103
Net Exposure to foreign currency risk(liabilities)	105	115	103

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

(3) Capital Management

(a) Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes for the year ended 31st March 2017.

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

Statement of Gearing Ratio

(Amount in ₹ Lacs)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Total Debt (₹ in Lacs)	-	-	72,228
(b) Total Capital (₹ in Lacs)	688,211	643,480	607,481
Gearing Ratio (a/b)	-	-	-

Note: For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

(b) Loan Covenents:

As on 31/03/2017 Company is a debt-free Company.

(c) Dividends:

(Amount in ₹ Lacs)

Particulars	As at 31st March 2017	As at 31st March 2016
(i) Equity Shares		
Final dividend for the year 2015-16 of INR 204 per fully paid share approved in Sep-2016 paid in Sep-2016. (INR 118 per fully paid share for FY 2014-15)	40,037	23,158
(ii) Dividend not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR. 390 per fully paid up share (INR 204 per fully paid up share FY 2015-16) . The proposed dividend is subject to the approval of shareholders in the ensuing AGM	**76,541**	**40,037**

As per our report of even date attached

For and on behalf of Board of Directors

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place : New Delhi
Date :17/05/2017

DHIMAN PARIJA
Managing Director
DIN:07348161

V. K. TRIPATHI
Co. Secretary

K. M. SINGH
Chairman
DIN: 02223301

B. L. SABOO
General Manager (Finance) & Chief Financial Officer

Note No. - 34: Other Explanatory Notes to Accounts

1. Disclosures relating to Contingent Liabilities:-

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

(i) Capital works

Contractors have lodged claims aggregating to ₹ 20159 Lacs (previous year ₹ 27544 Lacs and as at 01.04.2015 ₹ 27859 Lacs) against the Company on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are lying at arbitration tribunal/ other forums/under examination with the Company. It includes ₹18011 Lacs (previous year ₹ 17106 Lacs and as at 01.04.2015 ₹ 13526 Lacs) towards arbitration awards including updated interest thereon, against the Company, which have been challenged/decided to be challenged in the Court of Law.

The Management has assessed the above claims and recognized a provision of ₹ 61 Lacs (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ 20098 Lacs (previous year ₹ 27544 Lacs and as at 01.04.2015 ₹ 27859 Lacs) as the amount of contingent liability i.e. amounts for which Company may be held contingently liable. In respect of such estimated contingent claims either outflow of resources embodying economic benefits is not probable or a reliable estimate of the amount required for settling the obligation cannot be made. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the land oustees have filed claims for higher compensation amounting to ₹ 30963 Lacs (previous year ₹ 25881 Lacs and as at 01.04.2015 ₹ 118310 Lacs) before various authorities/ courts. Pending settlement, the Company has assessed and provided an amount of ₹ 2544 Lacs (previous year ₹ 2063 Lacs and as at 01.04.2015 ₹ 916 Lacs) based on probability of outflow of resources embodying economic benefits and estimated ₹ 28418 Lacs (previous year ₹ 23818 Lacs and as at 01.04.2015 ₹ 117394 Lacs) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

Disputed Income Tax/Sales Tax/Service Tax/ other taxes/duties matters pending before various appellate authorities amount to ₹ 5 lacs (previous year ₹ 14 Lacs and as at 01.04.2015 ₹ 5 Lacs). Pending settlement, the Company has assessed and provided an amount of ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) based on probability of outflow of resources embodying economic benefits and rest of the claims i.e ₹ 5 Lacs (previous year ₹ 14 Lacs and as at 01.04.2015 ₹ 5 Lacs) are being disclosed as contingent liability as outflow of resources is considered not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iv) Others

Claims on account of other miscellaneous matters amount to ₹ 6863 Lacs (previous year ₹ 1259 Lacs and as at 01.04.2015 ₹ 367 Lacs). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (previous year ₹ NIL and ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ 6863 Lacs (Previous year 1259 Lacs and 01.04.2015 ₹ 367 Lacs) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

The above is summarized as at 31.03.2017 as below :

(Amount in ₹ Lacs)

Sl. No.	Particulars	Claims as on 31.03.2017	Provision against the claims	Contingent liability as on 31.03.2017	Contingent liability as on 31.03.2016	Addition/ Deletion of contingent liability for the period
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Capital Works	20159	61	20098	27544	(7446)
2.	Land Compensation cases	30963	2544	28419	23818	4601
3.	Disputed tax matters	5	-	5	14	(9)
4.	Others	6863	-	6863	1259	5604
	Total	**57990**	**2605**	**55385**	**52635**	**2750**

The above is summarized as at 31.03.2016 as below:

(Amount in ₹ Lacs)

Sl. No.	Particulars	Claims as on 31.03.2016	Provision against the claims	Contingent liability as on 31.03.2016	Contingent liability as on 01.04.2015	Addition/ Deletion of contingent liability for the period
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Capital Works	27544	NIL	27544	27859	(315)
2.	Land Compensation cases	25881	2063	23818	117394	(93576)
3.	Disputed tax matters	14	NIL	14	5	9
4.	Others	1259	NIL	1259	367	892
	Total	**54698**	**2063**	**52635**	**145625**	**(92990)**

(b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.

(c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.

(d) There is possibility of reimbursement to the company of ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) towards above contingent liabilities.

(e) An amount of ₹ 117 Lacs (previous year ₹ 95 Lacs and as at 01.04.2015 ₹ 47 Lacs) stands paid towards above contingent liabilities to contest the cases and is being shown as Other Current Assets. (Refer Note No.13)

(f) The company's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

(g) Agency wise details of contingent liability as at 31.03.2017 are as under:

(Amount in ₹ Lacs)

Sl. No.	Category of Agency	Claims as on 31.03.2017	Provision against the claims/ Paid during the year	Contingent liability as on 31.03.2017	Contingent liability as on 31.03.2016	Addition(+) /deduction (-) from contingent liability during the year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Central Govt. departments	-	-	-	10	(10)
2.	State Govt. departments or Local Bodies	6768	-	6768	1240	5528
3.	CPSEs					
4.	Others	51222	2605	48617	51385	(2768)
	Total	**57990**	**2605**	**55385**	**52635**	**2750**

2. **Contingent Assets:** Contingent assets in respect of the company are on account of the claim against other entities/ contractors. The Management has assessed the claims and estimates that inflow of economic benefits of ₹ 1338 (previous year ₹ 1134 and as at 01.04.2015 ₹ 961) is probable.

The above is summarized as below:

(Amount in ₹ Lacs)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	(ii)	(iii)	(iv)	(v)
1.	PSU Banks	1335	1131	958
2.	Contractors	3	3	3
	Total	**1338**	**1134**	**961**

3. **Estimated amount of contracts remaining to be executed on capital account and not provided for is as under**

(Amount in ₹ Lacs)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	(ii)	(iii)	(iv)	(v)
1.	i) Property Plant and Equipment (including CWIP)	4998	9495	17006
	ii) Railway Diversion work	3461	3461	3461
2.	Intangible assets	2131	2156	3374
	Total	**10590**	**15112**	**23841**

4. Pending approval of competent authority, provisional payments / provisions made towards executed quantities of some of the items beyond the approved quantities as also for extra items totalling to ₹ 61 Lacs/- (previous year ₹ NIL. and as at 01.04.2015 ₹ NIL.) are included in Capital Work-in-Progress/property plant & equipment.

5. Government of Madhya Pradesh (GoMP), being a joint venture partner, contributed on various accounts through Narmada Valley Development Authority (NVDA) as per CCEA approval, details given below: - (Refer Note no 19 of Balance Sheet)

Indira Sagar Project : -

(Amount in ₹ Lacs)

	Cumulative up to 31.03.2016	During F.Y. 2016 - 17	Cumulative up to 31.03.2017
(A) Amount received in Cash or in kind			
i. Expenditure incurred by NVDA	132217	2496	134713
ii. Cash Received	61521	5450	66971
iii. Amount transferred from OSP A/c	856	-	856
Total of (A)	**194594**	**7946**	**202540**
(B) Due/Adjusted on account of			
i. Equity Capital	66000	-	66000
ii. Irrigation Component	40231	366	4,0597
iii. SSP Component	51408	467	51875
iv. Sub-vention towards excess R&R Expenses	40735	442	41177
v. Electricity charges & water supply maintenance charges	504	-	504
vi. Advance against Irrigation/Equity of OSP	3308	-	3308
Total of (B)	**202186**	**1275**	**203461**
(C) Amount recoverable from NVDA i.e. (B-A)	7592	(6671)	921
(D) Amount received in Cash or in kind			
i. Expenditure incurred by NVDA	9335	1591	10926
ii. Cash Received	49466	10000	59466
iii. Amount transferred from ISP A/C	3308		3308
Total of (D)	**62109**	**11591**	**73700**
(E) Due /Adjusted on account of:			
i. Equity Capital	30016		30016
ii. Irrigation Component	23925	6	23931
iii. Sub-venation towards excess R&R Expenses	7565	27	7592
iv. Amount Transferred to ISP A/C	856		856
v. Additional Special R&R Package	20750		20750
Total of (E)	**83112**	**33**	**83145**
(F) Amount recoverable from NVDA i.e. (E-D)	**21003**	**(11558)**	**9445**
(G) Total Amount recoverable i.e (C+F)	**28595**	**(18229)**	**10366**

Movement of Grant in Reserve during Financial Year 2016-17 is as under:

(Amount in ₹ Lacs)

Sl. No.	Particulars	01.04.2016	Additions	Deductions	Adjustments	31.03.2017
1.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in ISPS as a Grant-in-Aid	26543	366	1559	-	25350
2.	Proportionate Sub-vention towards Sardar Sarovar project transferred from NVDA Account for ISPS.	33921	467	1992	-	32396
3.	Contribution by Govt of Madhya Pradesh towards R&R of ISPS.	30410	442	1589	-	29263
4.	Proportionate contribution by Govt.of Madhya Pradesh towards Irrigation Component in OSPS as Grant-in-Aid	16032	6	1074	-	14964
5.	Contribution by Govt of Madhya Pradesh towards R&R of OSPS.	24001	27	1121	-	22907
	Total	**130907**	**1308**	**7335**	**-**	**124880**

6. **The effect of foreign exchange fluctuation during the year is as under:**

(Amount in ₹ Lacs)

Sl. No.	Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
(i)	Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)	-	-
(ii)	Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)	-	-
(iii)	Amount charged to Expenditure attributable to Construction (as FERV)	-	-
(iv)	Amount charged to Capital work-in-progress (as FERV)	-	-
(v)	Amount adjusted by addition to the carrying amount of property, plant & equipment	(8)	11

7. **Segment information:-**

a) Electricity Generation is the principal business activity of the Company. Other revenue viz, interest income does not form part of a reportable segment as per the Ind AS – 108 on 'Operating Segments'.

b) The Company has at present power projects only in the State of Madhya Pradesh, therefore, reporting geographical segments are inapplicable.

c) NHDC has single beneficiary /Customer, MP Power Management Co. Ltd. The revenue from operations for 2016-17 was ₹ 130693 Lacs (Previous Year - 2015-16 ₹ 95090 Lacs).

8. **Related Party Disclosures are given below:**

(a) **Interest of Holding Co.: -**

(Amount in ₹ Lacs)

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at 31.03.2017	31.03.2016	01.04.2015
NHPC LTD	India	Power Generation	51.08%	51.08%	51.08%

(b) Key Management Personnel:

Name	Designation	Period
Sh. K.M. Singh	Chairman	Continue
*Sh. Dhiman Parija	Chief Executive Director (KMP)	Since 01.08.2016
Sh. Rajneesh Vaish	Director	Continue
CA Satya Prakash Mangal	Director	Continue
**Sh. Vijay Kumar	Director	Since 17.03.2017
Sh. S.K.Panwar	Director	Continue
Smt. Savitri Srivastav	Director	Continue
***Sh. G.P. Patel	Chief Executive Director (KMP)	Upto 18.05.2016
****Sh. R.S. Mina	Managing Director (KMP)	Upto 31.01.2017
*****Sh. Jayant Kumar	Director	Up to 28.02.2017
Sh. B.L. Saboo	G. M (Finance) and CFO (KMP)	Continue
Sh. Vinay Tripathi	Company Secretary (KMP)	Continue

- *Additional charge of Managing Director effective from 17/03/2017.
- **Sh. Vijay Kumar was appointed as Director on the Board of NHDC w.e.f. 17th March, 2017.
- *** Sh. G.P. Patel ceased to be director w.e.f. 18/05/2016.
- **** Consequent to superannuation, Sh. R.S. Mina ceased to be director w.e.f. 31/01/2017.
- *****Consequent to superannuation, Sh. Jayant Kumar ceased to be director w.e.f. 28/02/2017.

c) Name and Nature of Relationship with Government:

Sl. No	Name of the Government	Nature of Relationship with NHDC
1.	Government of India	Having control over company through significant influence.
2.	NHPC Ltd.	Holding Company
3.	State Govt.	Shareholder (48.92% holding)
4.	Central / State Controlled PSU	Entities controlled by the same Government (Central Government / State Govt.) that has control over NHDC

(d) Key Management Personnel compensation:

(Amount in ₹ Lacs)

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
i) Short Term Employee Benefits	118	118
ii) Post-Employment Benefits	32	26
iii) Other Long Term Employee Benefits	48	46
iv) Sitting Fees to Independent Director	1	1
Total	199	191

e) Transactions with Related Parties: Following transactions occurred with related parties during FY 2016-17 and 2015-16:

(Amount in ₹ Lacs)

Particulars		During the FY 2016-17	During the FY 2015-16
(i)		(ii)	(iii)
i)	**Transaction with Government that has control over company (NHDC)-Central Govt./State Govt.**		
	Services Received by the Company	1398	1207
	Services Provided by the Company	7177	4442
	Services of Employees to the company	394	309
ii)	**Transaction with Entities controlled by the same Government that has control over company (NHDC)(Central & State PSU)**		
	Purchase of goods/Inventory	25	9
	Services Received by the Company	1392	1502
	Claim received FROM New India Insurance Co.	2171	36
	Interest Received during the year **(Interest received on Securitised Debt from MPPMCL)**	4516	5021
	Interest Paid / Payable during the year	480	-
	Revenue from Operations	130693	95090
	Dividend Paid during the year (GO MP)	19587	11330
	Others- NVDA	18229	5114
iii)	**Transaction with Holding Co. (NHPC)**		
	Services Received by the Company	-	4
	Services of Employees to the company	2078	2072
	Dividend Paid during the year	20449	11829
iv)	**Transaction with KMP & Entities controlled by KMP**	-	-
	Services Received by the Company	1	-
v)	**Transaction with Trust created for Post employment Benefit plans of NHDC**		
	Contribution to Trusts	2363	1411
	Refund from Trusts	-	15

f) Outstanding Balances with Related Parties:

(Amount in ₹ Lacs)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)		(ii)	(iii)	(iv)
i)	**Balances with Government that has control over company – Central Govt./State Govt.**			
	Payables by the Company	128	120	109
	Receivable by the Co.	16	30	28

(Amount in ₹ Lacs)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)		(ii)	(iii)	(iv)
ii)	**Balances with Entities controlled by the same Government that has control over company**			
	Payables by the Company	27	-	-
	Receivables by the Company	75133	93783	126232
iii)	**Balances with Holding Co. (NHPC)**			
	Payables by the Company	389	268	112
	Balance with KMP & Entities controlled by KMP			
	Payables by the Company	19	19	25
iv)	**Balances with Trust created for Post employment Benefit plans of NHDC**			
	Payables by the Company	637	227	239
	Receivables by the Company	-	-	1

9. **Assets pledged as security:** The carrying amount of assets pledged as security for borrowings are as under:-

(Amount in ₹ Lacs)

Sl. No	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	First Charge			
1	Property Plant & Equipment	-	-	23429
2	Capital Work In Progress	-	-	524
3	Other Intangible Assets	-	-	113240
4	Trade Receivables	-	-	33593
5	Inventories	-	-	775
6	Cash & cash Equivalents/Bank Balance	-	-	115377
7	Other Current Asset	-	-	588317
	Total			**875255**

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

A) **Finance Lease - Company as lessor**

The Company has entered into arrangement with a single beneficiary, M P Power Management Company for sale of the entire power generated by two power stations, namely Indira Sagar and Omkareshwar Power stations for 35 years, which is equal to the expected life of these Power Stations. Under the agreements, the customer is obliged to purchase the output at prices determined by the Central Electricity Regulatory Commission (CERC). The Company has classified these Power Stations as embedded finance lease as per Appendix-C to Ind AS 17-Leases. Pursuant to the above classification, Property Plant & Equipment (i.e. fixed assets) of both the Power stations excluding portion of Govt. grants have been de-recognized from the Balance Sheet. Other Financial Assets (Current and Non-Current) include lease receivables representing the present value of future lease rentals receivable on the embedded finance lease arrangements entered into by the company.

B) Details of gross investment in lease and present value of minimum lease payments receivables at the end of financial year/period are as under

a) **Gross investment in the lease :**

(Amount in ₹ Lacs)

Particulars	31-Mar-17	31-Mar-16	01-Apr-15
Within one year	78314	78472	81440
After one year but not more than five years	251712	272632	292567
More than five years	1105472	1162634	1220995
Total	**1435498**	**1513738**	**1595002**

(b) **Present value of minimum lease payments receivable:**

(Amount in ₹ Lacs)

Particulars	31-Mar-17	31-Mar-16	01-Apr-15
Within one year	20921	20768	20491
After one year but not more than five years	42018	55972	69634
More than five years	348351	353003	358351
Total	**411290**	**429743**	**448476**

Present Value of Minimum Lease payment includes lease rent receivable shown under Note No.3.4(B)-Non-Current Financial Assets–Others and Note No.11(e)- Financial Assets- Current-Others.

(c) **Reconciliation between the gross investment in the lease and the present value of minimum lease payments receivable is as follows:**

(Amount in ₹ Lacs)

Particulars	31-Mar-17	31-Mar-16	01-Apr-15
Gross investment in Lease	1435498	1513738	1595002
Adjustments:			
Less: Un-earned Finance Income	966236	1026255	1088962
Less: Unguaranteed residual value	57972	57740	57564
Present value of Minimum Lease Payment (MLP)	**411290**	**429743**	**448476**

11. Disclosures Regarding Employee Benefit Obligations:

(A) Defined Contribution Plans-

(i) **Social Security Scheme:** The Company has a Social Security Scheme in lieu of compassionate appointment. The Company also makes a matching contribution per month per employee and such contribution is to be made for 8 years to build up corpus from the date the scheme is in operation i.e. 01.04.2009. Funds so accumulated are managed by a separate Trust namely NHDC Employees Social Security Scheme Trust. The scheme has been created to take care of and helping bereaved families in event of death or permanent total disability of its employee. In case of resignation or retirement of an employee, amount equivalent to his own contribution and applicable interest as credited to his account till such date is refunded. The expense recognised during the period towards social security scheme is ₹ 25 Lacs (FY 2015-16 ₹ 24 Lacs) .

(ii) **Employees Defined Contribution Superannuation Scheme (EDCSS):** The Company has an employee defined contribution superannuation scheme for providing pension benefits to employees. As per the scheme, each employee contributes @ 5% of Basic Pay & Dearness Allowance. The company contributes to the extent of balance available after deducting employers' contribution to Provident Fund, contribution to Gratuity trust and REHS, from the amount worked out @ 30% of the Basic Pay & DA. The Scheme is managed by Life Insurance Corporation of India. The expenses recognised during the period towards Employees Defined Contribution Superannuation Scheme (EDCSS) is ₹ 377 Lacs (FY 2015-16 ₹ 411 Lacs).

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

(a) Description of Plans:

(i) **Provident Fund:** The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contribution to the fund for the year is recognised as expense and is charged to the Statement of Profit & Loss/expenditure attributable to construction. The obligation of the Company is to make fixed contribution and to ensure a minimum rate of return to the members as specified by GoI.

(ii) Gratuity: The Company has a defined benefit gratuity plan. The ceiling limit of gratuity is fixed as per the Payment of Gratuity Act, 1972, whereby every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 10 lacs on superannuation, resignation, termination, disablement or on death. However, as per the 3rd Pay Revision Committee recommendations for revision of pay for CPSUs, the ceiling limit of gratuity has been proposed to be revised to ₹ 20 lacs w.e.f. 01.01.2017, which has been considered for calculating the obligation in respect of gratuity for FY 2016-17. The plan is being managed by a separate Trust namely NHDC Ltd. Employees Group Gratuity Assurance Fund created for the purpose and obligation of the company is to make contribution to the Trust based on actuarial valuation.

(iii) Retired Employees Health Scheme (REHS): The Company has a Retired Employee Health Scheme, under which retired employee and spouse of retiree, spouse and eligible dependent children of deceased employees 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 plan is being managed by a separate Trust namely NHDC Ltd. Retired Employees Health Scheme Fund, created for the purpose and obligation of the Company is to make contribution to the Trust based on actuarial valuation.

(iv) Allowances on Retirement/Death: Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he / she may like to settle after retirement is paid as per the rules of the Company. In case of death, family of deceased employee can also avail this facility. The liability for the same is recognised on the basis of actuarial valuation.

(v) Memento to employees on attaining the age of superannuation: The Company has a policy of providing Memento valuing ₹ 0.05 lacs to employee on superannuation. The liability for the same is recognised on the basis of actuarial valuation

Schemes described as above except as mentioned at B (iv) and (v) are funded.

The Provisions for employee's benefits in respect of NHDC's employees have been made for the year on the basis of actuarial valuation as and where applicable as at 31.03.2017. In respect of NHPC employees who are presently posted at NHDC, no provision has been created and only the share of expenditure debited to Statement of Profit & Loss on the basis of information/advice received from NHPC. No provision has been made for employees who are on deputation from GoMP.

(b) Disclosure of Balance Sheet amounts and sensitivity analysis of Plans:

(i) Provident Fund: The amount recognised in the Balance Sheet as at 31.03.2016 & 31.03.2017 along with the movements in the net defined benefit obligation during the year 2015-16 and 2016-17 are as follows:

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2015-16	
Opening Balance as at 01.04.2015	**4530**	**4528**	**2**
Current Service Cost	196		196
Interest Expenses/ (Income)	362	362	
Total Amount recognised in Profit or Loss	**558**	**362**	**196**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	58	(58)
Experience (gains)/Losses	52	-	52
Total Amount recognised in Other Comprehensive Income	**52**	**58**	**(6)**

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
Contributions:-			
-Employers	-	196	(196)
-Plan participants	269	269	0
Closing Balance as at 31.03.2016	**5409**	**5413**	**(4)**
		2016-17	
Opening Balance as at 01.04.2016	**5409**	**5413**	**(4)**
Current Service Cost	306		306
Past Service Cost	-	-	-
Interest Expenses/ (Income)	433	433	-
Total Amount recognised in Profit or Loss	**739**	**433**	**306**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	62	(62)
(Gain)/loss from change in financial assumptions	1	-	1
Experience (gains)/Losses	59		59
Total Amount recognised in Other Comprehensive Income	**60**	**62**	**(2)**
Contributions:-			
-Employers	-	306	(306)
-Plan participants	422	422	-
Benefit payments	(115)	(115)	-
Closing Balance as at 31.03.2017	**6515**	**6521**	**(6)**

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

(Amount in ₹ Lacs)

Particulars	31st March 2017	31st March 2016	1st April 2015
Present Value of funded obligations	6515	5409	4530
Fair value of Plan Assets	6521	5413	4528
Deficit of funded plans	**(6)**	**(4)**	**2**
Unfunded Plans		-	-
Deficit of Plan	**(6)**	**(4)**	**2**

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

(Amount in ₹ Lacs)

Particulars	Change in Assumptions			Increase in Assumption			Decrease in Assumptions	
	31st March 2017	31st March 2016		31st March 2017	31st March 2016		31st March 2017	31st March 2016
Opening Balance								
Discount Rate	0.5%	0.5%	Decrease by	0.01%	0.01%	Increase by	0.01%	0.01%

(ii) Gratuity: The amount recognised in the Balance Sheet as at 31.03.2016 & 31.03.2017 along with the movements in the net defined benefit obligation during the years 2015-16 and 2016-17 are as follows:

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2015-16	
Opening Balance as at 01.04.2015	**1028**	**985**	**43**
Current Service Cost	112	-	112
Interest Expenses/ (Income)	82	79	3
Total Amount recognised in Profit or Loss	**194**	**79**	**115**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	13	(13)
(Gain)/loss from change in demographic assumptions	(34)	0	(34)
Experience (gains)/Losses	23	-	23
Total Amount recognised in Other Comprehensive Income	**(11)**	**13**	**(24)**
Contributions:-			
-Employers	-	95	(95)
Benefit payments	(4)	-	(4)
Closing Balance as at 31.03.2016	**1207**	**1172**	**35**
		2016-17	
Opening Balance as at 01.04.2016	**1207**	**1172**	**35**
Current Service Cost	150	-	150
Past Service Cost	171	-	171
Interest Expenses/ (Income)	97	94	3
Total Amount recognised in Profit or Loss	**418**	**94**	**324**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	13	(13)
(Gain)/loss from change in demographic assumptions	(1)	-	(1)
(Gain)/loss from change in financial assumptions	110	-	110
Experience (gains)/Losses	39	-	39
Total Amount recognised in Other Comprehensive Income	**148**	**13**	**135**
Contributions:-			
-Employers	0	78	(78)
Benefit payments	(27)	-	(27)
Closing Balance as at 31.03.2017	**1746**	**1357**	**389**

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

(Amount in ₹ Lacs)

Particulars	31st March 2017	31st March 2016	1st April 2015
Present Value of funded obligations	1746	1207	1028
Fair value of Plan Assets	1357	1172	985
Deficit of funded plans	**389**	**35**	**43**
Unfunded Plans		-	-
Deficit of Plan	**389**	**35**	**43**

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

(Amount in ₹ Lacs)

Particulars	Change in Assumptions			Increase in Assumption			Decrease in Assumptions	
	31st March 2017	31st March 2016		31st March 2017	31st March 2016		31st March 2017	31st March 2016
Opening Balance								
Discount Rate	0.50%	0.50%	Decrease by	6.33%	6.51%	Increase by	6.90%	7.11%
Salary growth rate	0.50%	0.50%	Increase by	6.96%	7.21%	Decrease by	6.45%	6.66%

(iii) Retired Employees Health Scheme (REHS): The amount recognised in the Balance Sheet as at 31.03.2016 & 31.03.2017 along with the movements in the net defined benefit obligation during the years 2015-16 and 2016-17 are as follows:

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2015-16	
Opening Balance as at 01.04.2015	**289**	**-**	**289**
Current Service Cost	35	-	35
Interest Expenses/ (Income)	23	-	23
Total Amount recognised in Profit or Loss	**58**	**-**	**58**
Remeasurements			
(Gain)/loss from change in financial assumptions	28	-	28
Experience (gains)/Losses	7	-	7
Total Amount recognised in Other Comprehensive Income	**35**	**-**	**35**
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	(1)	-	(1)
Closing Balance as at 31.03.2016	**381**	**-**	**381**

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2016-17		
Opening Balance as at 01.04.2016	**381**	**-**	**381**
Current Service Cost	44		44
Interest Expenses/ (Income)	30	17	13
Total Amount recognised in Profit or Loss	**74**	**17**	**57**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	**59**	**-**	**59**
Experience (gains)/Losses	10	-	10
Total Amount recognised in Other Comprehensive Income	**69**	**-**	**69**
Contributions:-			
-Employers		427	(427)
Benefit payments	(1)		(1)
Closing Balance as at 31.03.2017	**523**	**444**	**79**

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

(Amount in ₹ Lacs)

Particulars	31st March 2017	31st March 2016	1st April 2015
Present Value of funded obligations	523	381	289
Fair value of Plan Assets	444	-	-
Deficit of funded plans	**79**	**381**	**289**
Unfunded Plans		-	-
Deficit of Plan	**79**	**381**	**289**

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

(Amount in ₹ Lacs)

Particulars	Change in Assumptions			Increase in Assumption			Decrease in Assumptions	
	31st March 2017	31st March 2016		31st March 2017	31st March 2016		31st March 2017	31st March 2016
Opening Balance								
Discount Rate	0.5%	0.5%	Decrease by	11.90%	6.97%	Increase by	13.37%	6.75%

(iv) Allowances on Retirement/Death: The amount recognised in the Balance Sheet as at 31.03.2016 & 31.03.2017 along with the movements in the net defined benefit obligation during the years 2015-16 and 2016-17 are as follows:

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2015-16	
Opening Balance as at 01.04.2015	**37**	**-**	**37**
Current Service Cost	5	-	5
Interest Expenses/ (Income)	3	-	3
Total Amount recognised in Profit or Loss	**8**	**-**	**8**
Remeasurements			
(Gain)/loss from change in demographic assumptions	4	-	4
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	**4**	**-**	**4**
Benefit payments	-	-	-
Closing Balance as at 31.03.2016	**49**	**-**	**49**
		2016-17	
Opening Balance as at 01.04.2016	**49**	**-**	**49**
Current Service Cost	5	-	5
Interest Expenses/ (Income)	4	-	4
Total Amount recognised in Profit or Loss	**9**	**-**	**9**
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	4	-	4
Experience (gains)/Losses	**1**	**-**	**1**
Total Amount recognised in Other Comprehensive Income	**5**	**-**	**5**
Contributions:-			
Benefit payments	(1)	-	(1)
Closing Balance as at 31.03.2017	**62**	**-**	**62**

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

(Amount in ₹ Lacs)

Particulars	31st March 2017	31st March 2016	1st April 2015
Present Value of funded obligations	62	49	37
Fair value of Plan Assets	-	-	-
Deficit of funded plans	**62**	**49**	**37**
Unfunded Plans	-	-	-
Deficit of Plan	**62**	**49**	**37**

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

(Amount in ₹ Lacs)

Particulars	Change in Assumptions			Increase in Assumption			Decrease in Assumptions	
	31st March 2017	31st March 2016		31st March 2017	31st March 2016		31st March 2017	31st March 2016
Opening Balance								
Discount Rate	0.5%	0.5%	Decrease by	7.22%	4.97%	Increase by	7.92%	4.80%

(v) **Memento to employees on attaining the age of superannuation:** The amount recognised in the Balance Sheet as at 31.03.2016 & 31.03.2017 along with the movements in the net defined benefit obligation during the years 2015-16 and 2016-17 are as follows:

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2015-16	
Opening Balance as at 01.04.2015	**2**	**-**	**2**
Current Service Cost	-	-	-
Interest Expenses/ (Income)	-	-	-
Total Amount recognised in Profit or Loss	**-**	**-**	**-**
Remeasurements	**-**	**-**	**-**
(Gain)/loss from change in demographic assumptions	-	-	-
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	**-**	**-**	**-**
Benefit payments	-	-	-
Closing Balance as at 31.03.2016	**2**	**-**	**2**
		2016-17	
Opening Balance as at 01.04.2016	**2**	**-**	**2**
Current Service Cost	-	-	-
Past Service Cost	-	-	-
Interest Expenses/ (Income)	**-**	**-**	**-**
Total Amount recognised in Profit or Loss	**-**	**-**	**-**
Remeasurements	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/Losses	**-**	**-**	**-**
Total Amount recognised in Other Comprehensive Income	-	-	-
Benefit payments	-	-	-
Closing Balance as at 31.03.2017	**2**	**-**	**2**

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

(Amount in ₹ Lacs)

Particulars	31st March 2017	31st March 2016	1st April 2015
Present Value of funded obligations	2	2	2
Fair value of Plan Assets	-	-	-
Deficit of funded plans	**2**	**2**	**2**
Unfunded Plans	-	-	-
Deficit of Plan	**2**	**2**	**2**

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

(Amount in ₹ Lacs)

Particulars	Change in Assumptions			Increase in Assumption			Decrease in Assumptions	
	31st March 2017	31st March 2016		31st March 2017	31st March 2016		31st March 2017	31st March 2016
Opening Balance								
Discount Rate	0.50%	0.50%	Decrease by	6.11%	4.97%	Increase by	6.65%	4.80%

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

(Amount in ₹ Lacs)

Particulars	For the FY 2016-17	For the FY 2015-16
Discount Rate	7.50%	8.00%
Salary growth rate	6.00%	6.00%

(d) The major categories of Plan Assets are as follows:

(I) EPF:-

(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	3480	-	3480	55.76%
Corporate Bonds	2622	-	2622	42.02%
Investment Funds		-		
Mutual Funds	138	-	138	2.22%
Total	**6240**	**-**	**6240**	**100.00%**

(Amount in ₹)

Particulars	31st March 2016			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	2727	-	2727	52.26%
Corporate Bonds	2435	-	2435	46.67%
Investment Funds		-		
Mutual Funds	49	-	49	0.95%
Cash & Cash Equivalents		-		
FDR	**-**	**6**	**6**	**0.12%**
Total	**5211**	**6**	**5217**	**100%**

(Amount in ₹ Lacs)

Particulars	01st April, 2015			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	2373	-	2373	53.96%
Corporate Bonds	**2025**	**-**	**2025**	**46.04%**
Total	**4398**	**-**	**4398**	**100.00%**

(II) EDCSS:-

(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	2931	2931	99.98%
Flexi Fixed Deposit	-	1	1	0.02%
Total	**-**	**2932**	**2932**	**100.00%**

(Amount in ₹ Lacs)

Particulars	31st March 2016			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	2387	2387	99.82%
Flexi Fixed Deposit	-	4	4	0.18%
Total	**-**	**2391**	**2391**	**100.00%**

(Amount in ₹ Lacs)

Particulars	01st April, 2015			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	1689	1689	99.04%
Flexi Fixed Deposit	-	16	16	0.96%
Total	**-**	**1705**	**1705**	**100.00%**

III) Gratuity:-

(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	1357	1357	100.00%
Total	**-**	**1357**	**1357**	**100.00%**

(Amount in ₹ Lacs)

Particulars	31st March 2016			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	1172	1172	100.00%
Total	**-**	**1172**	**1172**	**100.00%**

(Amount in ₹ Lacs)

Particulars	01st April, 2015			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	985	985	100.00%
Total	**-**	**985**	**985**	**100.00%**

(IV) REHS:-

(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Investment Funds				
Fixed Deposit	-	427	427	100.00%
Total	**-**	**427**	**427**	**100.00%**

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

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The group intends to maintain the above investment mix in the continuing years
Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Inflation risks	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life expectancy	The pension and medical plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The group has not changed the processes used to manage its risks from previous periods. The group uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

(f) **Defined benefit liability and employer contributions:** Funding levels are monitored on an annual basis . The Group considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

The expected maturity analysis of undiscounted defined benefit plans is as follows:-

(Amount in ₹ Lacs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31.03.2017					
Provident Fund	79	50	178	6208	**6515**
Gratuity	46	20	137	1543	**1746**
Post employment Medical Benefits (REHS)	4	5	44	470	**523**
Allowances on Retirement/Death	-	-	2	60	**62**
Memento to employees on attaining the age of superannuation	-	-	-	2	**2**
TOTAL	**129**	**75**	**361**	**8283**	**8848**
31.03.2016					
Provident Fund	60	53	188	5108	**5409**
Gratuity	30	12	93	1072	**1207**
Post employment Medical Benefits (REHS)	3	3	29	346	**381**
Allowances on Retirement/Death	-	1	2	46	**49**
Memento to employees on attaining the age of superannuation	-	-	-	2	**2**
TOTAL	**93**	**69**	**312**	**6574**	**7048**
01.04.2015					
Provident Fund	48	24	174	4284	**4530**
Gratuity	44	57	120	807	**1028**
Post employment Medical Benefits (REHS)	2	4	10	273	**289**
Allowances on Retirement/Death	-	1	1	35	**37**
Memento to employees on attaining the age of superannuation	-	-	-	1	**1**
TOTAL	**94**	**86**	**305**	**5400**	**5885**

(C) **Other long-term employee benefits (Leave Benefit):** The Company provides for earned leave and half-pay leave to the employees which accrue annually @ 30 days and 20 days respectively. The maximum ceiling of encashment of earned leave is limited to 300 days. However, any shortfall in the maximum limit of 300 days in earned leave on superannuation shall be fulfilled by Half pay leave to that extant. The liability for the same is recognised on the basis of actuarial valuation ₹ 1879 lacs as on 31.03.2017 (₹ 1258 Lacs as on 31.03.2016).

12. The management is of the opinion that no case of impairment of assets exist under the provisions of Ind AS-36 on "Impairment of Assets" as at 31st March 2017.

13. Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:-

(Amount in ₹)

	Particulars	31st March 2017	31st March 2016
a)*	Value of imports calculated on CIF basis:		
	i) Capital Goods	-	Nil
	ii) Spare parts	-	Nil
b)*	Expenditure in Foreign Currency		
	i) Know - How	-	Nil
	ii) Interest	-	Nil
	iii) Other Misc. Matters	-	Nil
c)*	Value of spare parts and Components consumed in operating units	-	Nil
	i) Imported	-	-
	ii) Indigenous	148	161
d)*	Earnings in foreign currency		
	i) Interest	-	-
	ii) Others	-	-

* Accrual basis.

14. Earnings Per Share:-

The elements considered for calculation of Earnings Per Share (Basic and Diluted) are as under:-

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
Net Profit after Tax but before Regulatory Income used as numerator (₹)	9,26,48,10,205	6,38,87,29,481
Net Profit after Tax and Regulatory Income used as numerator (₹)	9,31,28,30,072	6,38,87,29,481
Weighted Average number of equity shares used as denominator (Nos.)	1,96,25,800	1,96,25,800
Earnings per Share (₹) – before Regulatory Income Basic & Diluted	472.07	325.53
Earnings per Share (₹) – after Regulatory Income Basic & Diluted	474.52	325.53
Face value per share (₹)	1,000	1,000

15. Disclosure related to confirmation of balances is as under:

a) Balances shown under Material issued to contractors, Claims recoverable including insurance claims, Advance for Capital Expenditure, Trade receivables, Advances to Contractors, Trade payables, and Deposits/Earnest Money from contractors are subject to reconciliation/confirmation and consequential adjustments, if any.

b) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is obtained for outstanding balances of ₹ 5.00 lakh or above as at 31st December of every year. Status of confirmation of such balances as at 31st December 2016 as well as outstanding as on 31.03.2017 is as under:-

(Amount in ₹ Lacs)

Particulars	Outstanding amount as on 31.12.2016	Amount confirmed	Outstanding amount as on 31.03.2017
Trade receivable	70451	61274	63927
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	1306	333	1103
Trade/Other payables	2068	428	2363
Security Deposit/Retention Money payable	720	136	662

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

16. Disclosure related to Corporate Social Responsibility (CSR) (refer Note No.26)

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

(Amount in ₹ Lacs)

S. No.	Heads of Expenses constituting CSR expenses	For FY 2016-17	For FY 2015-16
1	Health Care and Sanitation	13	13
2	Education & Skill Development	177	114
3	Women Empowerment /Senior Citizen	1	-
4	Environment	9	-
5	Rural Development	423	227
6	Capacity Building	66	-
7	Swachh Vidyalaya Abhiyan	-	2284
8	Swachh Bharat Abhiyan	687	-
	Total amount	**1376**	**2638**

(iii) Other disclosures:-

(a) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to ₹ 2081 Lacs for FY 2016-17. The Board of Directors had allocated total budget of ₹ 2350 Lacs for FY 2016-17 which consisted of ₹ 269 Lacs (more than 2% of average net profit of preceding three financial years in terms of section 135 read with section 198 of Companies Act, 2013). Unspent Amount of ₹ 1726 Lacs up to FY 2015-16 has been kept in CSR Reserve.

(b) Details of expenditure incurred during the year ended on 31.03.2017 paid in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue nature) is as under:-

(Amount in ₹ Lacs)

S. No.		Paid (a)	Yet to be paid (b)	Total (a+b)
(i)	Construction/Acquisition of any asset	130	101	**231**
(ii)	On purpose other than (i) above	1082	63	**1145**
	Total	**1212**	**164**	**1376**

(c) As stated above, a sum of ₹ 164 Lacs out of total expenditure of ₹1376 Lacs is yet to be paid to concerned parties which are included in the relevant head of accounts pertaining to liabilities.

17. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dt. 04.09.2015 making alteration in Schedule-III of the Companies Act, 2013 is as follows (Refer Note no. 20.2):-

(Amount in ₹ Lacs)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date: -Principal -Interest	277	135
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-

(Amount in ₹ Lacs)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

18. Disclosure on details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is as under:-

(Amount in ₹ Lacs)

Particulars	SBNs*	Other Denomination Notes	Total
Closing cash in hand as on 08 November 2016	2	1	3
(+) Permitted receipts		6	6
(-) Permitted payments	-	5	5
(-) Amount deposited in Banks	2	-	2
Closing cash in hand as on 30 December 2016	-	2	2

*Specified Bank Notes are as defined in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs No. S.O. 3407(E), dated 08th November 2016.

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

a) Provision for Committed Capital Expenditure:

Provision has been recognised for capital expenditure to be incurred towards environment, compensatory afforestation, local area development, etc. which was a pre-condition to granting approval for construction of the project and expenditure towards which had not been completed till commissioning of the project. Such provisions are adjusted against the incurrence of actual expenditure as per demand raised by the concerned State Government authorities.

b) Provision for Performance Related Pay/Incentive:

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for FY 2016-17 (PY 2015-16) on management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises.

c) Provision for Wage Revision 3rd PRC:

Short-term Provision has been recognised in the accounts towards expected increase in pay to employees for FY 2016-17 on management estimates as per recommendation of 3rd PRC.

d) Provisions- Others:

This includes the provisions recognised in the accounts towards claims against the company appearing as contingent liabilities. These provisions have been created on the basis of management estimates considering the probability of outflow of resources embodying economic benefits. Utilization/outflow of the provision is to be made on the outcome of the case.

20. Creation of Regulatory Deferral Account balances in respect of expenditure recognised due to recommendations of 3rd PRC for Pay Revision of CPSUs

Expenditure on revision of Pay of employees recognised in the Statement of Profit & Loss is recognized as 'Regulatory deferral account balance' to the extent recoverable from the beneficiaries in subsequent periods as per CERC Tariff Regulations and adjusted from the year in which the same becomes recoverable.

Accordingly, Regulatory Deferral Accounts as per IND-AS 114 has been created for total amount of ₹ 610 Lacs. due to Provision for wage revision of ₹ 439 Lacs for the period 01.01.2017 to 31.03.2017 and ₹ 171 Lacs in respect of actuarial valuation of gratuity due to enhancement of ceiling limit from ₹ 10 lacs to ₹ 20 lacs.

As per our report of even date attached

For S K LULLA & CO.
Chartered Accountants
(Firm Regn.No.002336C)

(CA ATUL JAIN)
Partner
M.No. 097390

Place: New Delhi
Date:17.05.2017

For and on the behalf of Board of Directors

DHIMAN PARIJA
Managing Director
DIN:07348161

K. M. SINGH
Chairman
DIN: 02223301

V. K. TRIPATHI
Co. Secretary

B. L. SABOO
General Manager (Finance) &
Chief Financial Officer

Note No. -35: First Time adoption of Ind AS

Transition from Indian GAAP to IND AS

These financial statements, for the year ended 31st March, 2017, are the first the Company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in Note No. 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2015 (date of transition). In preparing its opening Ind AS Balance Sheet, the company has adjusted the audited amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. **Exemptions and exceptions availed:** Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

i) **Optional exemptions:**

a) **Deemed Cost for Property, Plant & Equipment, Investment Property and Intangible Assets:** Since there is no change in functional currency, the Company has availed exemption under para D7AA of appendix C to IND AS 101 which permits a first time adopter to continue with the carrying values for its Property, Plant & Equipment, Investment Property and Intangible Assets as at the date of transition to IND ASs measured as per previous GAAP. There are no decommissioning liabilities of the company.

b) **Long Term Foreign Currency Monetary Items:** Para D13AA of appendix C to Ind AS 101 permits a first time adopter to continue the policy adopted for exchange differences arising from translation of long term foreign currency monetary items recognised in the financial statements for the period ended immediately before the beginning of the first Ind AS financial reporting period as per previous GAAP. The company has availed the exemption under Para D13AA and has continued to apply the accounting policy earlier adopted for accounting of exchange differences arising on restatement of long-term foreign currency monetary items recognised till 31.03.2016.

c) **Designation of previously recognised financial instruments:** Para D19B of Ind AS 101 allows an entity to designate investment in equity instruments at Fair value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly company has elected to avail the exemption and designate its investment in equity instruments at Fair value through Other Comprehensive Income (FVTOCI).

d) **Investment in Subsidiaries and joint ventures:** Para D15 of Ind AS 101 allows an entity to measure investment in subsidiaries and joint ventures at previous GAAP carrying amount at the date of transition to Ind AS.The Company has availed the exemption with regard to measuring the investment in subsidiaries and joint venture as at date of transition at deemed cost which is previous GAAP carrying amount at that date.

e) **Leases:** Para D9 of Ind AS 101 provides an option to apply Paragraphs 6-9 of Appendix C to Ind AS 17- Leases determining whether an arrangement contains a lease on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such arrangements/contracts based on the conditions in place as at the date of transition.

ii) **Mandatory exceptions:**

a) **Estimates:** An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP (after adjustment to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities except Regulatory Deferral Account Balances.
- Investments in Equity instruments carried at Fair Value through Other Comprehensive Income (FVTOCI).
- Investment in debt instruments carried at FVTOCI.
- Fair valuation of loans to employee such as house building advance, car advance, computer advance and scooter advance using discounted cash flow method. Comparative prevailing interest rate of SBI has been used as discount rate to arrive at the fair value of above said advances.
- Non-current interest free financial liabilities like Retention money/ security deposit have been fair valued using discounted cash flow method. The weighted average cost of debt of the company for FY 2014-15 has been used as discount rate.

b) **Classification and measurement of financial assets:** Para B8 of Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) **Government Loan:** Para B10 of Ind AS 101 requires a first-time adopter to apply the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to Ind ASs. Consequently, if a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind ASs as the carrying amount of the loan in the opening Ind AS Balance Sheet. An entity shall apply Ind AS 109 to the measurement of such loans drawn after the date of transition to Ind ASs. Consequently, the company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.

B) Reconciliations between previous GAAP and Ind AS:

Ind AS 101 requires an entity to reconcile equity,total comprehensive income and cash flow for prior periods. **Appendix –I, II& III** to Note no. 35 represent the reconciliations from previous GAAP to Ind AS.

As per our report of even date attached | **For and on behalf of Board of Directors**

For S K LULLA & CO. Chartered Accountants (Firm Regn.No.002336C)	**DHIMAN PARIJA** Managing Director DIN:07348161	**K. M. SINGH** Chairman DIN: 02223301
(CA ATUL JAIN) Partner M.No. 097390	**V. K. TRIPATHI** Co. Secretary	**B. L. SABOO** General Manager (Finance) & Chief Financial Officer

Appendix-I to Note-35

(A) RECONCILIATION STATEMENT OF TOTAL EQUITY

(Amount in ₹ Lacs)

Particulars	Notes to reconciliation on first time adoption	31st March 2016	1st April 2015
Total Equity(Shareholder's Fund) as per Previous GAAP		**661,924**	**652,870**
Adjustments :			
Impact of arrangements/contracts containing a lease	1	68,529	63,478
Fair valuation of Financial Assets and Financial liabilities other than investments	2	-113	16
Rebate to Customers (Upfront Provision)	3	-78	-90
Proposed Dividend (including dividend tax)	4	48,187	27,873
Remeasurement of defined Benefit plan-Tax effect	5	-	-
Tax effect of adjustments	6	-4,062	-
Grants in Aid - Classified as Deferred Income	7	-130,907	-136,666
		-18,444	**-45,389**
Total equity as per IND AS		**643,480**	**607,481**

Appendix-II to Note-35

B) RECONCILIATION STATEMENT OF TOTAL COMPREHENSIVE INCOME

(Amount in ₹ Lacs)

Particulars		31st March 2016
Profit after tax as per Previous GAAP		**63,000**
Adjustments:		
Impact of arrangements/contracts containing a lease	1	5,051
Fair valuation of Financial Assets and Financial liabilities other than investments	2	-129
Rebate to Customers (Upfront Provision)	3	12
Remeasurement of defined Benefit plan	5	15
Tax effect of adjustments	6	-4,062
Total Adjustments		887
Profit after tax as per IND AS (A)		63,887
Other comprehensive income	8	
- Remeasurements of the defined benefit plans		-15
Other comprehensive income (B)		-15
Total comprehensive income (A+B)		63,872

Annexure of Note 35

Impact of Ind AS adoption on the consolidation statements of cash flows for the year ended 31st March 2016

(Amount in ₹ Lacs)

	Previous GAAP	Adjustments	Ind AS
Net cash flow from Operating activities	1,01,991	11,878	1,13,869
Net cash flow from Investing activities	9,298	12	9,310
Net cash flow from Financing activities	(1,03,166)	501	(1,02,665)
Net increase/ (decrease) in cash and cash equivalents	**8,123**	**12,392**	**20,514**
Cash and cash equivalents as at 1st April 2015	1,43,092	(1,42,127)	965
Cash and cash equivalents as at 31st March 2016	**1,51,214**	**(1,29,735)**	**21,479**

INDEPENDENT AUDITOR'S REPORT

To The Members of LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED, Loktak (Manipur)

REPORT ON THE IND AS FINANCIAL STATEMENTS

We audited the accompanying Ind AS financial statements of Loktak Downstream Hydroelectric Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), Cash Flows and Changes in Equity 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.

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

AUDITOR'S RESPONSIBILITY

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2016 and 31st March 2015 dated 4th July 2016 and 15th June 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been reviewed by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) Requirement of disclosure under section 164(2) of the Act is not applicable.

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".**

g) With respect to the other matters to be included in the Auditor's Report for the year 2016-17 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 does not have any pending litigations which would impact its financial position.

(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

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on Audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the company and as produced to us by the management (Refer Note No. 34).

For M/s PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN. 327475E)

FCA PRASHANT KUMAR MISHRA
Partner
(M. NO. 301019)

Place : Imphal
Date : 20/06/2017

ANNEXURE – "A" to the Auditors' Report

[Referred to in our Report of even date on the Accounts of LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED as at and for the year ended 31st March 2017]

The Annexure referred to in our report to the members of Loktak Downstream Hydroelectric Corporation Limited for the year Ended on 31st March, 2017. We report that:

(i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b) These fixed assets have been physically verified on 22/02/2017 by the management; no discrepancies were noticed on such verification

c) The title deeds of immovable properties are held in the name of the company except a piece of land donated by village chief at Thangal, District Tamenglong, Manipur

(ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

(iii) The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly clauses 3(iii)(a) to 3(iii)(c) of the Order are not applicable

(iv) Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons. The Company has not made any investments or given any loan or any guarantee or security in connection with the loan to any person or body corporate covered under Section 186 of the Act during the year and has complied with the provisions of Section 186 of the Act, in respect of investments, loans, guarantee or security outstanding at the year end.

(v) According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

(vi) Maintenance of Cost accounting records are not applicable since the company is under survey & investigation phase.

(vii) (a) According to the records of the Company, undisputed statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no undisputed dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.

(viii) The Company has not raised loans from financial institutions or banks or government or by issue of debentures and hence clause (viii) of paragraph 3 of the Order is not applicable to the Company.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.

(x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the clause of payment of managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Act, is not applicable to the Company.

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

(xiii) Related parties transactions are as per provisions of Company's Act, and disclosed in Financial Statements as required by the applicable accounting standards (Ind AS 24, "Related Party Disclosures")

(xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non–cash transaction with the Directors or Persons connected with them and covered under Section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.

(xvi) To the best of our knowledge and as explained, the Company is not required to be registered under Section 45– IA of the Reserve Bank of India Act, 1934.

For M/s PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN. 327475E)

FCA PRASHANT KUMAR MISHRA
Partner
(M. NO. 301019)

Place : Imphal
Date : 20/06/2017

Annexure “B” to the Auditors’ Report

[Referred to in our Report of even date on the Accounts of Loktak Downstream Hydroelectric Corporation Limited as at and for the year ended 31st March 2017]

Report on Directions under section 143(5) of Companies Act 2013 applicable from the Financial Year 2016-17

Sr. No.	Directions	Our Report	Action taken thereon	Impact on Accounts & Financial Statements of the Company
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available.	Yes, except piece of land donated by village chief at Thangal, District : Tamenglong, Manipur	Legal transfer of donated land is required	No impact.
2	Whether there are any cases of waiver/ write off of debts/loans/ interest etc., if yes, the reasons there for and the amount involved.	NO	No action required.	No impact.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	A piece of land has been donated by village chief at Thangal, District; Tamenglong, Manipur	Legal transfer of donated land is required	No impact.

For M/s PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN. 327475E)

FCA PRASHANT KUMAR MISHRA
Partner
(M. NO. 301019)

Place : Imphal
Date : 20/06/2017

Annexure – "C" to the Auditors' Report

[Referred to in our Report of even date on the Accounts of LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED as at and for the year ended 31st March 2017]

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

We have audited the internal financial controls over financial reporting of Loktak Downstream Hydroelectric Corporation Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 abasis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal 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 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 31 March 2017, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN. 327475E)

FCA PRASHANT KUMAR MISHRA
Partner
(M. NO. 301019)

Place : Imphal
Date : 20/06/2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹)

		PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
		ASSETS				
(1)		**NON-CURRENT ASSETS**				
	a)	Property Plant & Equipment	2.1	10,589,433	9,915,338	10,491,454
	b)	Capital Work In Progress	2.2	1,147,329,719	1,018,336,238	913,077,288
	c)	Investment Property	2.3	-	-	-
	d)	Other Intangible Assets	2.4	97,004	160,331	-
	e)	Financial Assets				
		i) Investments	3.1	-	-	-
		ii) Loans	3.2	-	-	-
		iii) Others	3.3	-	-	-
	f)	Other Non Current Assets	4	-	-	5,822,130
(2)		**CURRENT ASSETS**				
	a)	Inventories	5	-	-	-
	b)	Financial Assets				
		i) Investments	6	-	-	-
		ii) Trade Receivables	7	-	-	-
		iii) Cash & Cash Equivalents	8	43,026	91,465	107,000
		iv) Bank balances other than Cash & Cash Equivalents	9	238,136,720	303,653,336	381,775,633
		v) Loans	10	1,095,180	1,172,193	1,520,301
		vi) Others	11	14,573,079	37,032,463	37,174,437
	c)	Current Tax Assets (Net)	12	1,905,308	923,922	579,545
	d)	Other Current Assets	13	7,558,065	3,271,580	230,000
		TOTAL ASSETS		**1,421,327,534**	**1,374,556,866**	**1,350,777,788**
(3)		Regulatory Deferral Account Debit Balances	14	-	-	-
		TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		**1,421,327,534**	**1,374,556,866**	**1,350,777,788**
		EQUITY AND LIABILITIES				
(1)		**EQUITY**				
	(a)	Equity Share Capital	15.1	1,176,923,090	1,176,923,090	1,176,923,090
	(b)	Other Equity	15.2	187,521,124	176,416,283	157,001,564
(2)		**LIABILITIES**				
		NON-CURRENT LIABILITIES				
	a)	Financial Liabilities				
		i) Borrowings	16.1	-	-	-
		ii) Trade Payables				
		iii) Other financial liabilities	16.2	-	-	-
	b)	Provisions	17	-	-	-
	c)	Deferred Tax Liabilities (Net)	18	-	-	-
	d)	Other non-current Liabilities	19	-	-	-

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹)

		PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(3)		**CURRENT LIABILITIES**				
	a)	Financial Liabilities				
		i) Trade Payables	20.1			
		Total outstanding dues of micro enterprises and small enterprises		-	-	-
		Total outstanding dues of Creditors other than micro enterprises and small enterprises		4,979,117	926,117	176,180
		ii) Other financial liabilities	20.2	4,882,046	285,812	126,769
	b)	Other Current Liabilities	21	35,542,672	14,181,572	10,682,987
	c)	Provisions	22	11,479,485	5,823,992	5,867,198
	d)	Current Tax Liabilities (Net)	23	-	-	-
(4)		**FUND FROM C.O.**	15.3	-	-	-
		TOTAL EQUITY & LIABILITIES		**1,421,327,534**	**1,374,556,866**	**1,350,777,788**
		Significant Accounting Policies	1			
		Expenditure attributable to construction (EAC) during the year forming part of capital work in progress	32			
		Disclosure on Financial Instruments and Risk Management	33			
		Other Explanatory Notes to Accounts	34			
		Disclosure on First time adoption of IND AS	35			
		Note 1 to 35 form integral part of the Accounts				

In terms of our report of even date attached
FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

For and on behalf of the Board of Directors

(K.M. SINGH)
CHAIRMAN
DIN-02223301

(VIJAY KUMAR)
DIRECTOR
DIN-03021294

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

(VIPAN JAIN)
COMPANY SECRETARY
MEMBERSHIP NO:F6515

Place: Imphal
Date: 08/05/2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

		Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
INCOME				
i)	Revenue from Operations	24	-	-
ii)	Other Income	25	20,145,284	29,564,192
	TOTAL INCOME		**20,145,284**	**29,564,192**
EXPENSES				
i)	Generation and Other Expenses	26	3,824,020	559,726
ii)	Employee Benefits Expense	27	-	-
iii)	Finance Cost	28	-	-
iv)	Depreciation & Amortization Expense	29	-	-
	TOTAL EXPENSES		**3,824,020**	**559,726**
Profit before Exceptional items,Rate Regulated Activities and Tax			16,321,264	29,004,466
Exceptional items			-	-
PROFIT BEFORE TAX			16,321,264	29,004,466
	Tax Expenses	30		
i)	Current Tax		5,216,423	9,589,747
ii)	Adjustments relating to earlier years		-	-
iii)	Deferred Tax		-	-
	Total Tax Expenses		**5,216,423**	**9,589,747**
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES			**11,104,841**	**19,414,719**
Movement in Regulatory Deferral Account Balances		31	-	-
Impact of Tax on Regulatory Deferral Accounts			-	-
Movement in Regulatory Deferral Account Balances (Net of Tax)			-	-
PROFIT FOR THE YEAR AND NET MOVEMENTS IN NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES.			**11,104,841**	**19,414,719**
Profit for the year from continuing operations (A)			**11,104,841**	**19,414,719**
	Profit from discontined operations		-	-
	Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax			-	-
	OTHER COMPREHENSIVE INCOME			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		-	-
	Less: Income Tax on remeasurements of the defined benefit plans		-	-
	- Equity Investment		-	-
	Less: Income Tax on Equity Investment		-	-
	(ii) Items that will be reclassified to profit or loss			
	- Investment in Debt Instruments		-	-
	Less: Income Tax on investment in Debt Instruments		-	-
	Other Comprehensive Income (B)=(i+ii)		-	-
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		11,104,841	19,414,719
	Earning per share before movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)			

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Basic & Diluted			
Earning per share after movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)			
Basic & Diluted			
Significant Accounting Policies	1		
Expenditure attributable to construction (EAC) during the year forming part of capital work in progress	32		
Disclosure on Financial Instruments and Risk Management	33		
Other Explanatory Notes to Accounts	34		
Disclosure on First time adoption of IND AS	35		
Note 1 to 35 form integral part of the Accounts			

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

For and on behalf of the Board of Directors

(K.M. SINGH)
CHAIRMAN
DIN-02223301

(VIJAY KUMAR)
DIRECTOR
DIN-03021294

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

(VIPAN JAIN)
COMPANY SECRETARY
MEMBERSHIP NO:F6515

Place: Imphal
Date: 08/05/2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

	PARTICULARS	For the Year Ended 31.03.2017		For the Year Ended 31.03.2016	
A.)	**CASH FLOWS FROM OPERATING ACTIVITIES**				
	NET PROFIT BEFORE TAXATION	16321264		29004466	
	ADJUSTMENTS				
	-INTEREST/OTHER INCOME	(20145284)		(29564192)	
	-PRELIMINARY EXPENSE WRITTEN OFF				
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3,824,020)		(559,726)	
	CHANGES IN WORKING CAPITAL				
	(INCREASE)/DECREASE IN LOANS & ADVANCES	77,013		6,183,916	
	(INCREASE)/DECREASE IN OTHER CURRENT ASSETS	17,191,513		157,536	
	INCREASE/(DECREASE) IN CURRENT LIABILITIES	30,010,334		4,407,565	
	INCREASE/(DECREASE) IN PROVISIONS	5,655,493		(5127906)	
	CASH GENERATED FROM OPERATIONS	49,110,333		5,061,385	
	INCOME TAX PAID	(5,216,423)		(9,589,747)	
	NET CASH FROM OPERATING ACTIVITIES (A)		**43,893,910**		**(4,528,362)**
B.)	**CASH FLOWS FROM INVESTING ACTIVITIES**				
	ADDITION OF FIXED ASSETS	(1,344,623)		(1918191)	
	INCREASE IN CAPITAL WORK IN PROGRESS	(128,259,626)		(101255471)	
	CHANGES IN BANK DEPOSIT OTHER THAN CASH & CASH EQUIVALENT	65,516,616		78122297	
	INCREASE IN STORES & SPARES				
	INTEREST INCOME	20145284		29564192	
	INTEREST INCOME (PRIOR PERIOD)				
	NET CASH FROM INVESTING ACTIVITIES (B)		**(43,942,349)**		**4,512,827**
C.)	**CASH FLOWS FROM FINANCING ACTIVITIES**				
	MISCELLANEOUS EXPENSES				
	PROCEEDS AGST. SHARE ALLOTMENT/ APPLICATION MONEY		-		-
	PROCEEDS AGST. GRANT				
	NET CASH FROM FINANCING ACTIVITIES (C)		**-**		**-**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**(48,439)**		**(15,535)**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**91,465**		**107,000**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**43,026**		**91,465**

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

For and on behalf of the Board of Directors

(K.M. SINGH)
CHAIRMAN
DIN-02223301

(VIJAY KUMAR)
DIRECTOR
DIN-03021294

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

(VIPAN JAIN)
COMPANY SECRETARY
MEMBERSHIP NO:F6515

Place: Imphal
Date: 08/05/2017

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2017

OTHER EQUITY

(Amount in ₹)

Attributable to equity holders	Reserve & Surplus									Other Comprehensive Income		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Fund	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	Total
Balance as at 1st April, 2016	-	-	-	-	-	-	-	-	176,416,283	-	-	176,416,283
Change in Accounting Policy												-
Prior Period errors (Net)												-
Restated Balance at the Beginning of the Reporting Period (A)	-	-	-	-	-	-	-	-	176,416,283	-	-	176,416,283
Profit for the year		-	-	-	-	-	-	-	11,104,841	-	-	11,104,841
Other Comprehensive Income		-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-	-	11,104,841	-	-	11,104,841
Transfer to Retained Earning												
Amount written back from Bond Redemption Reserve		-	-	-	-	-	-		-			-
Amount written back from Corporate Social Responsibility Fund		-	-	-	-	-	-		-			-
Tax on Dividend - Write back		-	-	-	-	-	-		-			-
Amount utilised from Self Insurance Fund		-	-	-	-	-	-	-	-			-
Others												-
Transfer from Retained Earning												
Dividend		-	-	-	-	-	-		-			-
Tax on Dividend		-	-	-	-	-	-		-			-
Transfer to Bond Redemption Reserve		-	-	-	-	-	-		-			-
Transfer to Self Insurance Fund		-	-	-	-	-	-		-			-
Transfer to Research & Development Fund		-	-	-	-	-	-		-			-
Trfr to General Reserve								-	-			-
Total as on 31.03.2017	-	-	-	-	-	-	-	-	**187,521,124**	-	-	**187,521,124**

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2016

OTHER EQUITY

(Amount in ₹)

Attributable to equity holders	Reserve & Surplus									Other Comprehensive Income		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Fund	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	Total
Balance as at 1st April, 2015	-	-	-	-	-	-	-	-	157,001,564	-	-	157,001,564
Change in Accounting Policy												-
Prior Period errors (Net)									-			-
Restated Balance at the Beginning of the Reporting Period (A)	-	-	-	-	-	-	-	-	157,001,564	-	-	157,001,564
Profit for the year		-	-	-	-	-	-	-	19,414,719	-	-	19,414,719
Other Comprehensive Income		-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-	-	19,414,719	-	-	19,414,719
Transfer to Retained Earning												
Amount written back from Bond Redemption Reserve		-	-	-	-	-	-		-			-
Amount written back from Corporate Social Responsibility Fund		-	-	-	-	-	-		-			-
Tax on Dividend - Write back		-	-	-	-	-	-		-			-
Amount utilised from Self Insurance Fund		-	-	-	-	-	-	-	-			-
Transfer from Retained Earning												-
Dividend (FY 2014-15)									-			-
Tax on Dividend (FY 2014-15)									-			-
Dividend (Interim 2015-16)		-	-	-	-	-	-		-			-
Tax on Dividend (Interim 2015-16)		-	-	-	-	-	-		-			-
Transfer to Bond Redemption Reserve		-	-	-	-	-	-		-			-
Transfer to Self Insurance Fund		-	-	-	-	-	-		-			-
Transfer to Research & Development Fund		-	-	-	-	-	-		-			-
Trfr to General Reserve								-	-			-
Total as on 31.03.2016	-	-	-	-	-	-	-	-	176,416,283	-	-	176,416,283

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES AND COMPANY INFORMATION

(i) Reporting entity

Loktak Downstream Hydroelectric Corporation Limited (the "Company") is a Company domiciled in India and limited by shares.. The address of the Company's registered office is Loktak Downstream Hydroelectric Corporation Limited, P.O: Loktak Power Station Komkeirap, Manipur ,PIN 795124. The object of the Company is to plan , promote and organize an integrated and efficient development of Power in all its aspects through hydroelectric in the state of Manipur in all aspects.

(ii) Basis of preparation

(a) Statement of Compliance

These financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (The Act)[Companies (Indian Accounting Standards) Rules, 2015] and other applicable provisions of the Act, and the provisions of the Electricity Act, 2003 to the extent applicable. These are the Company's first Ind AS financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards', has been applied.

For all the periods upto and including 31 March 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 35 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

(b) Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following financial assets and financial liabilities which are measured at fair value:

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

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

(c) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest crores (upto two decimals) for the company. However at Unit level, figures are presented in rupees.

(d) Use of estimates and management judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

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

Critical judgements and estimates

i) Determining whether an arrangement contains a lease

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

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

-the arrangement conveys a right to use the asset.

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

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

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

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

ii) Useful life of property, plant and equipment

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

Useful life of the assets of the generation of electricity business is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

iii) Recoverable amount of property, plant and equipment and capital work in progress

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

iv) Post-retirement benefit plans

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

v) Revenue

The Company records revenue from sale of power based on Tariff rates approved by the CERC, as per the principles of Ind AS 18. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

vi) Provisions and contingencies

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

vii) Recoverable Amount of Rate Regulated Assets- Refer Note-34

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

viii) Impairment of Trade Receivable- Refer Note-33

Considering the historical credit loss experience for trade receivables and the provisions of CERC tariff regulations 2014-19 which allows the Company to raise bills on beneficiaries for late-payment surcharge, 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, except to the extent already provided for.

ix) Investment in Subsidiaries and Joint Ventures: Investment has been carried at costs and as per the indicators assessed by the company, there is no indication of impairment on such investments.

iii) SIGNIFICANT ACCOUNTING POLICIES- A summary of the significant accounting policies applied in the preparation of financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1.0 Property, plant and equipment (PPE)

a) Property, Plant and Equipment up to March 31, 2015 were carried in the Balance Sheet in accordance with

Indian GAAP. The Company has elected to avail the exemption granted by 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).

b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

c) PPE are initially measured at cost of acquisition/ construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/ construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and available for use, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

d) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/ or efficiency of an existing asset, is added to the cost of the related asset. PPE acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed / retired from active use are derecognized.

e) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.

f) Payments made / liabilities created provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

g) Assets over which the Company has control, though created on land not belonging to the company are included under Property, Plant & Equipment.

h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant & Equipment are capitalized.

i) Spares parts (procured along with the Plant & Machinery or subsequently) which meet the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are treated as "stores & spares" forming part of the inventory.

j) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

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

2.0 Capital work in Progress

a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.

b) Costs including employee benefits, professional fees, expenditure on maintenance and up-gradation of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is accumulated under "Expenditure Attributable to Construction" and carried under "Capital Work in Progress" and subsequently allocated on a systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.

3.0 Investment Property

Upto March 31, 2015, Investment Property were carried in the balance sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND ASs" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April1, 2015).

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers to or from investment property is made when and only when there is a change in use.

4.0 Intangible Assets

a) 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 by IND AS 101, "First time adoption of IND ASs" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).

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

c) Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for as Land-Right to use.

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

e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.0 Foreign Currency Transactions

a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.

b) Exchange differences relating to fixed assets/ capital work-in-progress arising out of transaction entered into prior to April 1, 2004 are adjusted to the carrying cost of respective fixed asset/ Capital Work-in-Progress. Exchange differences on monetary items related to acquisition of fixed assets entered upto 31st March 2016 are adjusted to the carrying cost of fixed assets / Capital Work-in-Progress for projects under construction.

c) Exchange differences arising on translation or settlement of monetary items entered into on or after 01.04.2016 are recognised as income or expenses in the period in which they arise in Profit or Loss.

d) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

6.0 Regulatory Deferral Account Balances

a) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Profit or Loss i.e. not allowed to be capitalized as part of cost of relevant PPE in accordance with the Ind AS, but is nevertheless permitted by Central Electricity Regulatory Commission(CERC), the regulator, to be recovered from the beneficiaries in future through tariff, the right to recover the same is recognized as a Regulatory Asset and corresponding Regulatory Income is recognised, as per IND AS 114, Regulatory Deferral Accounts, if it fulfils the conditions for such recognition laid down in the ibid Standard. On commissioning of the Project, such regulatory deferral account balances are amortized/ liquidated in proportion to depreciation recovered through tariff in relation to such balances.

b) Exchange differences arising on translation or settlement of monetary items entered into on or after 01.04.2016 recognized in the Statement of Profit & 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'. Regulatory deferral accounts balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

c) Regulatory deferral account balances are evaluated at the end of each year 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 balances are derecognised.

d) Regulatory deferral account balances are tested for impairment at the end of each year.

7.0 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

8.0 Investments in subsidiaries and joint ventures

Investments in equity shares of subsidiaries and joint ventures are carried at cost.

9.0 Financial assets other than investment in subsidiaries and joint ventures

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

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

a) Classification

The Company classifies its financial assets in the following categories:

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

The classification depends on the following:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

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

b) Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

c) Subsequent measurement

Debt instruments at amortised cost

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

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

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

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii) The asset's contractual cash flows represent SPPI

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

Equity investments:

All equity investments in entities other than subsidiaries and joint ventures are measured at fairvalue. Equity instruments which are held for trading,if any, are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company classifies the same as at FVTOCI. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes on an equity instrument classified at FVTOCI, are recognized in the OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in the P&L.

d) Derecognition

A financial asset is derecognised only when:

i) The company has transferred the rights to receive cash flows from the financial asset, or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

e) Impairment of financial assets

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

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

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

iii) Contract Assets under Ind AS 11, Construction Contracts

iv) Lease Receivables under Ind AS 17, Leases.

v) Trade Receivables under Ind AS 18, Revenue.

The company follows 'simplified approach' permitted under Ind As 109, "Financial Instruments" for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables resulting from transactions within the scope of Ind AS 11, Ind AS 17 and Ind AS 18, which requires expected life time losses to be recognised from initial recognition of the receivables.

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

10.0 Inventories

Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipments and are valued at cost or net realizable value (NRV) whichever is lower. The cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

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

11.0 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognised as change in equity in the period in which they are approved by the Company's shareholders and the Board of Directors respectively.

12.0 Financial liabilities

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

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

a) Classification, initial recognition and measurement

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

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

b) Subsequent measurement

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

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

c) Derecognition

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

d) Offsetting of financial instruments

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

13.0 Government Grants

a) The benefits of a government loan at a below market rate of interest is treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities and government grant is recognized initially as deferred income and subsequently in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

b) Monetary grants received from the Government for creation of assets of Power Stations are set up as deferred revenue and amortised over the useful life of the related assets.

14.0 Provisions, Contingent Liabilities and Contingent Assets

a) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision net of any reimbursement is presented in the statement of profit and loss or in the carrying amount of an asset if another standard permits such inclusion.

b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflectsthe risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

c) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

d) Contingent assets are disclosed in the financial statements on the basis of judgment of management when inflow of economic benefits is probable.

15.0 Revenue Recognition and Other Income

a) Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement and the amount of revenue can be measured reliably. Revenue from the sale of power is measured at the fair value of the consideration received or receivable.

b) Revenue from the sale of power is accounted for as per tariff notified by Central Electricity Regulatory Commission. In case of Power Station where tariff is not notified, sale is recognized on provisional rates worked out by the Company based on the parameters and method adopted by the appropriate authority. Customers are billed on aperiodic and regular basis. As at each reporting date, revenue from sale of power includes an accrual for sales delivered to customers but not yet billed (unbilled revenue). Rebates given to beneficiaries as early payments incentives are deducted from the amount of revenue.

c) The price which the Company can charge from its customer for the electricity sold by it is determined by CERC in accordance with CERC tariff regulations. The ibid tariff regulation provide that generating company can recover the foreign exchange rate variation on actual basis i.e. when foreign currency loan is repaid after commercial operation date (COD). As the financial statements are prepared on accrual basis, exchange difference resulting from restating long term foreign currency monetary items on the reporting date are charged to statement of profit and loss. Prior to 01.04.2016, right/obligation of recovery/ payment of the same on actual basis arising out of CERC tariff regulations is recognized through deferred foreign currency fluctuation recoverable/ payable account and adjusted from the year in which the same is recovered/paid. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency entered into on or after 01.04.2016 to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferral account balances' and adjusted from the year in which the same is recovered/paid. Accordingly, there is no impact on the profit or loss of the period.

d) Recovery towards deferred tax items recognized till March 2009 are accounted for when the same materialises.

e) Incentives/Disincentives are recognised as per Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations. In case of Power Stations where tariff have not been notified, incentives/disincentives are recognized provisionally on assessment of the likelihood of acceptance of the same.

f) Adjustments arising out of finalisation of Regional Energy Account (REA), though not material, are effected in the year of respective finalisation.

g) Advance Against Depreciation (AAD) considered as deferred income up to 31st March 2009 is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the project, considering the total useful life of the project as 35 years.

h) Revenue on Project Management / Construction Contracts/ Consultancy assignments is recognized on percentage of completion method. The percentage of completion is determined as proportion of "cost incurred up to reporting date" to "estimated cost to complete the concerned Project Management / Construction Contracts and Consultancy assignment".

i) Dividend income is recognized when right to receive the same is established.

j) Interest/Surcharge recoverable from customers and liquidated damages /interest on advances to contractors is recognised when no significant uncertainty as to measurability and collectability exists.

k) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

16.0 Employee Benefits

i) Short-term employee benefits

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

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

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trusts and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expensein profit or loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Employees Defined Contribution Superannuation Scheme (EDCSS) for providing pension benefits and contribution to Social Security Scheme are accounted as defined contribution plan.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme, Retired Employees Health Scheme (REHS), provident fund scheme,allowance on retirement/death and memento on superannuation to employees are in the nature of defined benefit plans.

The liability or asset recognised in the balance sheet in respect of gratuity, Retired Employees Health Scheme and Provident Fund Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv) Other long-term employee benefits

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

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Contributions to the scheme and actuarial gains or losses are recognised in profit or loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

v) Termination benefits

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

17.0 Borrowing costs

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

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

18.0 Depreciation and amortization

a) 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 available for use / disposal.

b) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff except for assets specified in policy no. 19(d) below.

c) i) Depreciation on Property, Plant & Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no. 19(d) below.

ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.

d) Depreciation in respect of following items of PPE is charged on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:

(i) Construction Plant & Machinery

(ii) Computer & Peripherals

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

f) Assets valuing ₹ 5000/- or less but more than ₹ 750/- are fully depreciated during the year in which asset is made available for use with Re. 1/- as WDV.

g) Low value items, which are in the nature of assets (excluding immovable assets) and valuing upto ₹ 750/- are not capitalized and charged off to revenue in the year of use.

h) Leasehold Land, in case of operating units, is amortized over the period of lease or 35 years whichever is lower, following the rates and methodology notified vide CERC tariff regulations.

i) Leasehold Land, in case of units other than operating units, is amortized over the period of lease or 35 years whichever is lower.

j) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date suchasset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.

k) Land-Right to use is amortized over a period of 30 years from the date of commercial operation of the project in line with CERC tariff regulations notified for tariff fixation.

l) Cost of software recognized as 'Intangible Assets' is amortized on straight line method over a period of legal right to use or three financial years, whichever is earlier, starting from the year in which it is acquired.

m) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such assets at the rate of depreciation and methodology notified by CERC tariff regulations.

n) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

o) 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.

19.0 Impairment of non-financial assets other than inventories

a. The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the profit or loss.

b. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

c. In case of expenditure on survey & investigation of projects, if it is decided to abandon such a project under survey & investigation, expenditure incurred thereon is charged to Statement of Profit and Loss in the year in which such decision is taken.

d. In case a project under survey and Investigation remains in abeyance by the order of appropriate authority/ by injunction of court order, any expenditure incurred on such projects from the date of order/ injunction of court is provided in the books from the date of such order till the period project is kept in abeyance by such order/ injunction. Provision so made is however reversed on the revocation of aforesaid order/ injunction.

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

20.0 Income Taxes

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

a) Current tax

i) The current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws enacted or substantively enacted at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences).

ii) Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

b) Deferred tax

i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

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

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

iv) Deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

v) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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

21.0 Compensation from third parties

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

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

22.0 Segment Reporting

a) In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.

b) Electricity generation is the principal business activity of the company. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.

c) The company is having a single geographical segment as all its Power Stations are located within the Country.

23.0 Leases

a) Company as a Lessee:

i. Leases of property, plant and equipment (mainly land acquired through lump sum upfront payments), where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance lease. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments.

ii. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease.

b) Company as a Lessor:

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

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

ii. In the case of operating leases or embedded operating leases, the lease income from the operating lease is recognised in revenue over the lease term to reflect the pattern of use benefit derived from the leased asset. The respective leased assets are included in the balance sheet based on their nature and depreciated over its economic life.

24.0 Statement of Cash Flows

a) Cash and Cash equivalent:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

b) Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard.

25.0 Current versus non-current classification

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

a) An asset is current when it is:

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

All other assets are classified as non-current.

b) A liability is current when:

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

All other liabilities are classified as non-current.

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

26.0 Miscellaneous

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

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

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2017

(Amount in ₹)

		GROSS BLOCK							DEPRECIATION				NET BLOCK	
Sl. No.	PARTICULARS	As at 01-Apr-2016	Additions		Deductions		Other Adjust-ments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjust-ments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
			IUT	Others	IUT	Others								
i)	Land – Freehold	-	-	-	-	-	-	-	-			-	-	-
ii)	Land – Leasehold	20225	-	-	-	-	-	20225	975	204	-	1179	19046	19250
iii)	Roads and Bridges	4763741	-	-	-	-	-	4763741	1330572	159109	-	1489681	3274060	3433169
iv)	Buildings	8093961	-	-	-	-	-	8093961	5555997	130052	-	5686049	2407912	2537964
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery Others	94554	-	-	-	-	-	94554	85099	-	-	85099	9455	9455
xi)	Construction Equipment	7487523	-	-	-	-	-	7487523	7126188	1212	-	7127400	360123	361335
xii)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	4230770	-	-	-	-	-	4230770	3807693	-	-	3807693	423077	423077
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	1734475	-	156450	-	-	-	1890925	1029218	57953	-	1087171	803754	705257
xvii)	Computers	2422557	-	203333	-	-	-	2625890	2172164	143923	-	2316087	309803	250393
xviii)	Communication Equipment	151933	-	-	-	-	-	151933	120861	2405	-	123266	28667	31072
xix)	Office Equipments	939010	-	232365	-	-	-	1171375	688573	33713	-	722286	449089	250437
xx)	Research and Development	-	-	-	-	-	-	-	-	-	-	-	-	-
xxi)	Other assets	3149699	-	737100	-	-	-	3886799	1256785	126588	-	1383373	2503426	1892914
xxii)	Tangible Assets of minor value >750 and < ₹ 5000	2056463	-	15375	-	-	-	2071838	2055448	15369	-	2070817	1021	1015
	Total	**35144911**	**-**	**1344623**	**-**	**-**	**-**	**36489534**	**25229573**	**670528**	**-**	**25900101**	**10589433**	**9915338**
	Previous year	33416720		1825191		97000		35144911	22925266	2343018	-38711	25229573	9915338	10491454

Explanatory Note: - A piece of land measuring 3835 sq ft at Thangal village was donated by Thangal village authority to NHPC Ltd . The said land along with the temporary shed constructed thereon was transferred to the Company at the time of incorporation .The land is in the possession of the company but no value has been assigned.

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2016

(Amount in ₹)

		GROSS BLOCK							DEPRECIATION				NET BLOCK	
Sl. No.	PARTICULARS	As at 01-Apr-2015	Additions IUT	Additions Others	Deductions IUT	Deductions Others	Other Adjust-ments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjust-ments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
i)	Land – Freehold	-	-	-	-	-	-	-	-			-	-	-
ii)	Land – Leasehold	20225	-	-	-	-	-	20225	397	578	-	975	19250	19828
iii)	Roads and Bridges	4763741	-	-	-	-	-	4763741	1171463	159109	-	1330572	3433169	3592278
iv)	Buildings	6608704	-	1485257	-	-	-	8093961	3940691	1615306	-	5555997	2537964	2668013
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	"Plant and machinery Transmission lines"	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery Others	94554	-	-	-	-	-	94554	82674	2425	-	85099	9455	11880
xi)	Construction Equipment	7487523	-	-	-	-	-	7487523	7120505	5683	-	7126188	361335	367018
xii)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	4230770	-	-	-	-	-	4230770	3807693	-	-	3807693	423077	423077
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	1735858	-	95617	-	97000	-	1734475	1017982	49947	-38711	1029218	705257	717876
xvii)	Computers	2402557	-	20000	-	-	-	2422557	1873006	299158	-	2172164	250393	529551
xviii)	Communication Equipment	151933	-	-	-	-	-	151933	118456	2405	-	120861	31072	33477
xix)	Office Equipments	930520	-	8490	-	-	-	939010	663743	24830	-	688573	250437	266777
xx)	Research and Development	-	-	-	-	-	-	-	-	-	-	-	-	-
xxi)	Other assets	3066209	-	83490	-	-	-	3149699	1205485	51300	-	1256785	1892914	1860724
xxii)	Tangible Assets of minor value >750 and < ₹.5000	1924126	-	132337	-	-	-	2056463	1923171	132277	-	2055448	1015	955
	Total	**33416720**	**-**	**1825191**	**-**	**97000**	**-**	**35144911**	**22925266**	**2343018**	**-38711**	**25229573**	**9915338**	**10491454**
	Previous year	**31638232**		**1931230**		**152742**		**33416720**	**21533983**	**1470305**	**-79022**	**22925266**	**10491454**	**10104249**

Explanatory Note: - A piece of land measuring 3835 sq ft at Thangal village was donated by Thangal village authority to NHPC Ltd . The said land along with the temporary shed constructed thereon was transferred to the Company at the time of incorporaion .The land is in the possession of the company but no value has been assigned.

NOTE NO. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

	PARTICULARS	As at 01-Apr-2016	Addition	Adjustment	Capitalised	As at 31st March, 2017
i)	Roads and Bridges	-				-
ii)	Buildings	35198530				**35198530**
iii)	Railway sidings	-				-
iv)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-				-
v)	Generating Plant and Machinery	-				-
vi)	Plant and Machinery - Sub station	-				-
vii)	Plant and Machinery - Transmission lines	-				-
viii)	Plant and Machinery - Others	-				-
ix)	Construction Equipment	-				-
x)	Water Supply System/Drainage and Sewerage	-				-
xi)	Other assets awaiting installation	-				-
xii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-				-
xiii)	Survey, investigation, consultancy and supervision charges	114709227	11203559			**125912786**
xiv)	Expenditure on compensatory Afforestation	159528000				**159528000**
xv)	Expenditure attributable to construction *	708796286	117789922			**826586208**
	Less: Provided for	-				-
	Sub total (a)	**1018232043**	**128993481**	**-**	**-**	**1147225524**
	*** For addition during the period refer Note No. 32**					
	Construction Stores (for valuation refer Accounting Policy no.10)	**104195**			**-**	**104195**
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	**104195**	**-**	**-**	**-**	**104195**
	TOTAL	**1018336238**	**128993481**	**-**	**-**	**1147329719**
	Previous year	**913077288**	**122647418**	**(17388468)**	**-**	**1018336238**

NOTE NO. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

	PARTICULARS	As at 01-Apr-2015	Addition	Adjustment	Capitalised	As at 31-Mar-2016
i)	Roads and Bridges	-				-
ii)	Buildings	-	35198530			**35198530**
iii)	Railway sidings	-				-
iv)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-				-
v)	Generating Plant and Machinery	-				-
vi)	Plant and Machinery - Sub station	-				-
vii)	Plant and Machinery - Transmission lines	-				-
viii)	Plant and Machinery - Others	-				-
ix)	Construction Equipment	-				-
x)	Water Supply System/Drainage and Sewerage	-				-
xi)	Other assets awaiting installation	-				-
xii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-				-
xiii)	Survey, investigation, consultancy and supervision charges	129360099	2737596	(17388468)		**114709227**
xiv)	Expenditure on compensatory Afforestation	159528000				**159528000**
xv)	**Expenditure attributable to construction ***	**624084994**	**84711292**			**708796286**
	Less: Provided for	-				-
	Sub total (a)	**912973093**	**122647418**	**(17388468)**	**-**	**1018232043**
	*** For addition during the period refer Note No. 32**					
	Construction Stores (for valuation refer Accounting Policy no. 10)	**104195**			**-**	**104195**
	Less : Provisions for construction stores	**-**			**-**	**-**
	Sub total (b)	**104195**	**-**	**-**	**-**	**104195**
	TOTAL	**913077288**	**122647418**	**(17388468)**	**-**	**1018336238**
	Previous year	**800279742**	**112821549**	**(24003)**	**-**	**913077288**

NOTE NO. 2.3 INVESTMENT PROPERTY

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
		As at 01-Apr-2016	Additions	Deductions	Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjustments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
	Previous year					-				-	-	-

i) Amounts recognised in profit or loss for investment property

	₹
Rental income	-
Direct operating expenses from property that generated rental income	-
Direct operating expenses from property that did not generate rental income	-

(ii) Fair Value of investment property -

(iii) Investment property comprise of freehold land which was bought for normal business requirements of the Company. However, due to change in business plans, the Company is in the process of finalising the future use of the property. IND AS 40, Investment Property, provides by way of example that land held for a currently undetermined future use is to be regarded as held for capital appreciation and hence to be classified as Investment Property. Accordingly such land has been classified as Investment Property.

(iv) Valuation process

The above land is carried in the financial statements at cost. However, the fair value of investment property has been arrived on the basis of circle rates notified by the state govt. prevailing in the locality where property is situated.

NOTE NO. 2.3 INVESTMENT PROPERTY

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
		As at 01-Apr-2015	Additions	Deductions	Other Adjustments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjustments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
	Previous year					-				-	-	-

i) Amounts recognised in profit or loss for investment property

	₹
Rental income	-
Direct operating expenses from property that generated rental income	-
Direct operating expenses from property that did not generate rental income	-

(ii) Fair Value of investment property -

(iii) Investment property comprise of freehold land which was bought for normal business requirements of the Company. However, due to change in business plans, the Company is in the process of finalising the future use of the property. IND AS 40, Investment Property, provides by way of example that land held for a currently undetermined future use is to be regarded as held for capital appreciation and hence to be classified as Investment Property. Accordingly such land has been classified as Investment Property.

(iv) Valuation process

The above land is carried in the financial statements at cost. However, the fair value of investment property has been arrived on the basis of circle rates notified by the state govt. prevailing in the locality where property is situated.

NOTE NO. 2.4 Other Intangible Assets

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
		As at 01-Apr-2016	Additions	Deductions	Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjustments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i)	Land– Right to Use	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	197850	-	-	-	197850	37519	63327	-	100846	97004	160331
	Total	**197850**	**-**	**-**	**-**	**197850**	**37519**	**63327**	**-**	**100846**	**97004**	**160331**
	Previous year	7850	190000			197850	7850	29669	-	37519	160331	-

NOTE NO. 2.4 Other Intangible Assets

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK	
		As at 01-Apr-2015	Additions	Deductions	Other Adjustments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjustments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
i)	Land– Right to Use	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	7850	190000	-	-	197850	7850	29669	-	37519	160331	-
	Total	**7850**	**190000**	**-**	**-**	**197850**	**7850**	**29669**	**-**	**37519**	**160331**	**-**
	Previous year	7850	-			7850	7849	1	-	7850	-	1

Annexure to Note 2.1 & 2.4 as at 31.03.2017

1.1 Addition of Fixed assets on account of Others (New Purchases & CWIP Capitalized)

Sl. No.	Particular of assets	Head of account	Gross block Adjusted (₹)
1	RECORD CABINET(FRFC), GODREJ , GR 1973 DT 20.10.16	411701	112995
2	GODREJ WARDROBE WITH MIRROR GR 1973 DT 20.11.16	411707	25455
3	T V TROLLY (TEAK WOOD)4'X2.25'X16" ,GR 1981 DT 21.3.17	411707	18000
4	HP DESKTOP pc Model 280G 2 MT , TFT MONITOR , GR 1974 DT 20.12.16	411801	64050
5	TAB ,Make Samsung , Model No:AB T355Y, Portable Power Bank, 3 in 1 Micro SD card GR -2021 DT 25.06.16	411801	24186
6	HP LASER JET PRO MFP M435 nw -A3E42A	411803	71600
7	HP LASER JET PRO MFP M126nw	411803	13499
8	CB376A HP LJ M1005 MFP	411803	29998
9	SHARP COPIER MODEL-AR-6020 , VOTAGE STABILIZER 3KVA	412003	75075
10	RICOH DIGITAL COPIER , MODEL:MP-2001L , GR 1971 DT 18/10/16	412003	157290
11	TOTAL STATION STONEX R2 PLUS,with Tripodstand,Prism set,Prism pole,all assessories , GR 1980 dt: 30.3.17	412503	737100
12	TENDER BOX BILL NO:0915 & 58 DT 21.03.16	412801	1285
13	ELECTRIC KETTLEGR 2053 DT 19.1.17	412801	1590
14	HOT AIR FAN - BAJAJ GR NO2052 DT 19-01-17	412801	3500
15	Sintex W tank 1000 ltrs 1 no, 500Ltr 2 Nos, GR 1976 dt 23.1.17	412801	9000
	Total		**1344623**

1.2 Addition on account of others (Transfer In from Subsidiary companies)

Sl. No.	Particular of assets	Head of account	Gross block (₹)	Net Block Addition (₹.)	Name of Subsidiary Company	Advice number
	Total		-			

1.3 Addition on account of inter unit transfers

Sl. No.	Particular of assets	Head of account	Gross block of Assets (₹)	Detail of the Unit / Company from where Assets Received (Transferred In)		Advice number
				Name of Unit / Company	Code of Unit / Company e.g. 100 , 101	
	Total		-			

2.1 Deductions on account of Others (Sale/Disposal/Write off)

Sl. No.	Particular of assets	Head of account	Gross block Addition (₹)
	Total		-

2.2 Deduction on account of others (Transfer out to Subsidiary companies)

Sl. No.	Particular of assets	Head of account	Gross block (₹.)	Net Block Deduction (₹.)	Name of Subsidiary Company	Advice number
	Total		-			

2.3 Deductions on account of Inter-unit Transfer

Sl. No.	Particular of assets	Head of account	Gross block Deduction (₹.)	Detail of the Unit / Company to which Assets Sent (Transferred Out)		Advice number
					Code of Unit / Company	
	Total		-			

3. Addition / Deduction of Fixed assets on account of Adjustments (FERV, Reclassification, Capitalization Adjustments, Change in Head of Account)

Sl. No.	Particular of assets	Head of account	Gross block Adjusted (₹.) "(+) for Additon, (-) for Deduction)"
	Total		-

Annexure to Note 2.2

CUMMULATIVE EDC

(Amount in ₹)

	PARTICULARS	Linkage	31/03/2017	31/03/2016	01/04/2015
A.	**EMPLOYEES BENEFITS EXPENSES**				
	Salaries, wages, allowances	437501	478530676	411277528	365267570
	Gratuity and contribution to provident fund (including administration fees)	437502	79929124	72918489	64823939
	Staff welfare expenses	437503	49113730	45275778	42067951
	Leave Salary & Pension Contribution	437504	4869	4869	4869
	Sub-total(a)		**607578399**	**529476664**	**472164329**
	Less: Capitalized During the year/Period	438103	-	-	-
	Sub-total(A)		**607578399**	**529476664**	**472164329**
B.	**REPAIRS AND MAINTENANCE**				
	Building	437510	20681950	12156525	8287638
	Machinery	437511	110591	110591	110591
	Others	437512	19990144	17880061	16239992
	Rent	437514	9978743	8067023	6228700
	Rates and taxes	437515	131789	127336	127336
	Insurance	437516	2300444	2220929	2117234
	Security expenses	437517	-	-	-
	Electricity Charges	437518	138533	138533	130533
	Travelling and Conveyance	437519	23723107	20998406	17037082
	Expenses on vehicles	437520	7778980	7131981	6303589
	Telephone, telex and Postage	437521	2838051	2590098	2318020
	Advertisement and publicity	437522	1357161	1357161	1357161
	Entertainment and hospitality expenses	437523	23045	23045	23045
	Printing and stationery	437524	4166778	3392599	2440582
	Remuneration to Auditors	437552	130449	130449	130449
	Design and Consultancy charges:			-	-
	- Indigenous	437526	76617821	59766525	50582360
	- Foreign	437527	-	-	-
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	437531	-	-	-
	Expenditure on land not belonging to corporation	437532	183233	183233	183233
	Land acquisition and rehabilitation	437533	-	-	-
	Loss on assets/ materials written off	437528	13562	13562	13562
	Losses on sale of assets	437530	-	-	-
	Other general expenses	437525	21592164	16117684	12860808
	Sub-total (b)		**191756545**	**152405741**	**126491915**
	Less: Capitalized During the year/Period	438102	-	-	-
	Sub-total(B)		**191756545**	**152405741**	**126491915**
C.	**FINANCE COST**				
	i) Interest on :				
	a) Government of India loan	437540	-	-	-
	b) Bonds	437541	-	-	-
	c) Foreign loan	437542	-	-	-
	d) Term loan	437543 and 44	-	-	-
	e) Cash credit facilities /WCDL	437545	-	-	-
	g) Exchange differences regarded as adjustment to interest cost	437554	-	-	-
	Loss on Hedging Transactions	437555	-	-	-
	ii) Bond issue/ service expenses	437546	-	-	-
	iii) Commitment fee	437547	-	-	-

(Amount in ₹)

	PARTICULARS	Linkage	31/03/2017	31/03/2016	01/04/2015
	iv) Guarantee fee on loan	437548	-	-	-
	v) Other finance charges	437549	185024	181826	176174
	vi) EAC- INTEREST ON LOANS FROM CENTRAL GOVERNMENT-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	437581	-	-	-
	vii) EAC- INTEREST ON SECURITY DEPOSIT/ RETENTION MONEY-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	437583	-	-	-
	viii) EAC- COMMITTED CAPITAL EXPENSES-ADJUSTMENT FOR TIME VALUE	437585	-	-	-
	Sub-total (c)		**185024**	**181826**	**176174**
	Less: Capitalized During the year/Period	438105	-	-	-
	Sub-total (C)		**185024**	**181826**	**176174**
D.	**EXCHANGE RATE VARIATION (NET)**				
	i) ERV (Debit balance)	437550	-	-	-
	Less: ii) ERV (Credit balance)	437551	-	-	-
	Sub-total (d)		**-**	**-**	**-**
	Less: Capitalized During the year/Period	438108	-	-	-
	Sub-total(D)		**-**	**-**	**-**
E.	**PROVISIONS**	**437561**	**1660747**	**1660747**	**1660747**
	Sub-total(e)		**1660747**	**1660747**	**1660747**
	Less: Capitalized During the year/Period	438106	-	-	-
	Sub-total(E)		**1660747**	**1660747**	**1660747**
	F. DEPRECIATION & AMORTISATION	**437560**	**27708616**	**26974761**	**24602074**
	Sub-total (f)		**27708616**	**26974761**	**24602074**
	Less: Capitalized During the year/Period	438104	-	-	-
	Sub-total(F)		**27708616**	**26974761**	**24602074**
G.	**PRIOR PERIOD EXPENSES (NET)**				
	Prior period expenses	437565	65299	65299	65299
	Less: Prior period income	437579	-	-	-
	Sub-total (g)		**65299**	**65299**	**65299**
	Less: Capitalized During the year/Period	438107	-	-	-
	Sub-total (G)		**65299**	**65299**	**65299**
H.	**LESS : RECEIPTS AND RECOVERIES**				
	i) Income from generation of electricity – precommissioning	437570	-	-	-
	ii) Interest on loans and advances	437571	2706199	2706199	2706199
	iii) Miscellaneous receipts	437572	1549050	1364552	1166234
	iv) Profit on sale of assets	437573	61513	61513	61513
	v) Provision not required written back	437574	10775596	10560424	9865534
	vi) Hire charges/ outturn on plant and machinery	437575	428929	428929	428929
	vii) EAC-FAIR VALUE GAIN - SECURITY DEPOSIT/ RETENTION MONEY	437582	-	-	-
	viii) EAC- FAIR VALUE GAIN ON PROVISIONS FOR COMMITTED CAPITAL EXPENDITURE	437584	-	-	-
	Sub-total (h)		**15521287**	**15121617**	**14228409**
	Less: Capitalized During the year/Period	438101	-	-	-
	Sub-total (H)		**15521287**	**15121617**	**14228409**
I.	**C.O./Regional Office Expenses (i)**	**437599**	**13152865**	**13152865**	**13152865**
	Less: Capitalized During the year/Period	438109	-	-	-
	Sub-total(I)		**13152865**	**13152865**	**13152865**
	GRAND TOTAL (a+b+c+d+e+f+g-h+i)		**826586208**	**708796286**	**624084994**
	Less: Capitalized During the year/Period		**-**	**-**	**-**
	GRAND TOTAL (A+B+C+D+E+F+G-H+I)		**826586208**	**708796286**	**624084994**

NOTE NO. 3.1 NON-CURRENT - FINANCIAL ASSETS - INVESTMENTS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Total	-	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - LOANS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a)	**Employees (at amortised Cost)**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful Employees loans *1	-	-	-
	Sub-total	-	-	-
b)	**Contractor / supplier**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	-	-	-
	– Against bank guarantee	-	-	-
	– Others	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances to Contractor/ Supplier *2	-	-	-
	Sub-total	-	-	-
c)	**State Government in settlement of dues from customer**			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Less : Provisions for doubtful Loan to State Government *3			
	Sub-total	-	-	-
d)	**Government of Arunachal Pradesh**			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Interest accrued on:	-	-	-
	- Loan to Government of Arunachal Pradesh	-	-	-
	- Others	-	-	-
	Sub-total	-	-	-
e)	**Deposits**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *4	-	-	-
	Sub-total	-	-	-
	TOTAL	-	-	-

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for doubtful Employees loans *1			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-
Provisions for doubtful advances to Contractor/ Supplier *2			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-
Provisions for doubtful Loan to State Government *3			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-
Provision for Doubtful Deposits *4			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-

Explanatory Note: -

i) Loan included in Other Loans (Employees) due from directors or other officers of the company at the end of the period

ii) Advance due by firms or private companies in which any Director of the Company is a Director or member

iii) Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The Carrying value may be affected by the changes in the credit risk of the counterparties.

NOTE NO. 3.3 NON-CURRENT - FINANCIAL ASSETS - OTHERS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	Bank Deposits with more than 12 Months Maturity	-	-	-
B.	Lease Rent receivable	-	-	-
C.	Interest recievable on lease	-	-	-
D.	Interest accrued on:			
	- Loan to Government of Arunachal Pradesh			
	- Bank Deposits with more than 12 Months Maturity			
	- Others			
	TOTAL	-	-	-

NOTE NO. 4 OTHER NON-CURRENT ASSETS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**CAPITAL ADVANCES**			
	Secured (considered good)	-	-	-
	Unsecured (considered good)			
	– Against bank guarantee	-	-	-
	– Others		-	5,822,130
	Less : Provision for expenditure awaiting utilisation certificate	-	-	-
	Unsecured (considered doubtful)	151,747	151,747	151,747
	Less : Provisions for doubtful advances *1	151,747	151,747	151,747
	Sub-total	**-**	**-**	**5,822,130**
B.	**ADVANCES OTHER THAN CAPITAL ADVANCES**			
i)	**DEPOSITS**			
	- Unsecured (considered good)	-	-	-
	Less : Provision against demand raised by Govt.Depts.	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *2	-	-	-
		-	-	-
ii)	**Other advances**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
		-	-	-
C.	**Others**			
i)	**Defferred Foreign Currency Fluctuation**			
	Deferred Foreign Currency Fluctuation Assets	-	-	-
	Deferred Expenditure on Foreign Currency Fluctuation	-	-	-
		-	-	-
ii)	**Deferred Cost on Employee loans given**			
	Secured - Considered Good	-	-	-
	Employee loans - Unsecured	-	-	-
		-	-	-
	TOTAL	**-**	**-**	**5,822,130**
	Provision for doubtful Advances *1			
	Opening Balance	151,747	151,747	151,747
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**151,747**	**151,747**	**151,747**
	Provision for doubtful Deposits *2			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

NOTE NO. 5 INVENTORIES

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Valuation as per Accounting Policy No. 10)			
	Stores and spares	-	-	-
	Stores in transit/ pending inspection	-	-	-
	Loose tools	-	-	-
	Scrap inventory	-	-	-
	Material at site	-	-	-
	Material issued to contractors/ fabricators	-	-	-
	Inventory for Self Generated VER's	-	-	-
	Less: Provision for Obsolescence & Diminution in Value ***1**	-	-	-
	TOTAL	-	-	-
*1	**Provision for Obsolescence & Diminution in Value**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Explantory Note:			
	i) During the period/year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.	-	-	-
	ii) Refer Note No. 34 for information of assets pledged with bank as security for related borrowings.			
	iii) Events/circumstances led to the reversal of Write down value of inventories			

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total	-	-	-

NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Trade Receivables outstanding for a period exceeding six months from the date they become due for payment			
	- Secured - Considered good			
	- Unsecured - Considered Good	-	-	-
	- Unsecured - Considered Doubtful	-	-	-
	Less: Provision for doubtful debts *1	-	-	-
	Other Trade Receivables			
	- Secured - Considered good			
	- Unsecured - Considered Good			
	- Unsecured - Considered Doubtful			
	Less: Provision for impairment	-	-	-
	TOTAL	-	-	-
*1	**Provision for doubtful debts**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

Explanatory Note: -

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

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

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

iv) Refer Note No. 34 for receivable pledged as security.

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

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Balance with Banks			
	With Scheduled banks			
i)	- In Current Account	36,754	59,143	96,625
ii)	- In deposits account			
	(Deposits with original maturity of less than three months)	-	-	-
	With other banks			
	- In current account			
	Bank of Bhutan	-	-	-
B	**Cheques, drafts on hand**	-	-	-
C	**Cash on hand**			
	Cash on hand	6,272	32,322	10,375
		-	-	-
	TOTAL	**43,026**	**91,465**	**107,000**
	Explanatory Note: -			
	1) Cash on hand -(Includes stamps on hand)	-	-	-
	2) Cash and Bank Balances held for-NIL- works being executed by Company on behalf of other agencies and are not freely available for the business of the Company included in stated amount	-	-	-

NOTE 9 : FINANCIAL ASSETS - CURRENT - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Balances with Banks**	**238,136,720**	**303,653,336**	**381,775,633**
B	**Deposit account-Unpaid Dividend / Interest**	-	-	-
	TOTAL	**238,136,720**	**303,653,336**	**381,775,633**

Explanatory Note: -

Cash and Bank Balances held for-Consultancy-works being executed by Company on behalf of other agencies and are not freely available for the business of the Company included in stated amount

NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	OTHER LOANS			
	Employees (including accrued interest)			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	1,095,180	1,172,193	1,520,301
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful Employee loans & advances *1	-	-	-
		1,095,180	1,172,193	1,520,301
	Contractor / supplier			
	- Secured (considered good)			
	- Unsecured (considered good)			
	– Against bank guarantee			
	– Others			
	- Unsecured (considered doubtful)			
		-	-	-
	Loan to State Government in settlement of dues from customer			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Less : Provisions for doubtful Other loans & advances			
		-	-	-
	Advances to Subsidiaries / JV's	-	-	-
	TOTAL	**1,095,180**	**1,172,193**	**1,520,301**
*1	**Provisions for doubtful Employee loans & advances**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

Explanatory Note: -

Loan & Advances due from directors or other officers of the company at the end of the period

Advance due by firms or private companies in which any Director of the Company is a Director or member

NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Others			
a)	Claims recoverables	147,114	241,905	5,000
	Less: Provisions for Doubtful Claims *1	-	-	-
	Sub-total	**147,114**	**241,905**	**5,000**
b)	Interest Income accrured on Bank Deposits	14,425,965	21,488,521	29,342,665
c)	Receivable from Holding Co / JV's	-	15,302,037	7,826,772
d)	Interest recoverable from beneficiary	-	-	-
e)	Lease Rent receivable-Current	-	-	-
f)	Interest recievable on lease	-	-	-
g)	Interest accrued on Bonds			
h)	Receivable on account of unbilled revenue			
i)	Interest accrued on:			
	Loan to State Government in settlement of dues from customers			
	Others			
	- Considered Good			
	- Considered Doubtful			
	Less: Provisions for Doubtful Interest *2			
	TOTAL	**14,573,079**	**37,032,463**	**37,174,437**
*1	**Provisions for Doubtful Claims**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

NOTE NO. 12 CURRENT TAX ASSETS (NET)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance Income Tax & Tax Deducted at Source	16,711,478	10,513,669	13,568,927
Less: Provision for Taxation	14,806,170	9,589,747	12,989,382
Net Income Tax Advance	**1,905,308**	**923,922**	**579,545**

NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Advances other than Capital Advances**			
a)	**Deposits**			
	- Unsecured (considered good)	-	-	-
	Less : Provision against demand raised by Govt.Depts.	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *1	-	-	-
	Sub-total	**-**	**-**	**-**
b)	**Advance to contractor / supplier**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)			
	– Against bank guarantee	-	-	-
	– Others	7,503,972	3,241,600	190,000
	Less : Provisions for expenditure awaiting utilization certificate	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances *2	-	-	-
	Sub-total	**7,503,972**	**3,241,600**	**190,000**
c)	**Other advances - Employees**			
	- Unsecured (considered good)	54,093	29,980	40,000
	- Unsecured (considered doubtful)			
	Sub-total	**54,093**	**29,980**	**40,000**
B.	**Others**			
a)	Expenditure awaiting adjustment	-	-	-
	Less : Provision for project expenses awaiting write off sanction *4	-	-	-
	Sub-total	**-**	**-**	**-**
b)	Losses awaiting write off sanction/pending investigation	-	-	-
	Less : Provision for losses pending investigation/awaiting write off / sanction *5	-	-	-
	Sub-total	**-**	**-**	**-**
c)	**Work In Progress**			
	Construction work in progress(on behalf of client)	-	-	-
	Consultancy work in progress(on behalf of client)	-	-	-
d)		**-**	**-**	**-**
e)	**Prepaid Expenditure**	**-**	**-**	**-**
f)	**Deferred Employee Costs**			
	Secured - Considered Good	-	-	-
	Unsecured	-	-	-
g)	**Surplus / Obsolete Assets held for disposal**	-	-	-
h)	**Others**	-	-	-
	TOTAL	**7,558,065**	**3,271,580**	**230,000**
*1	**Provisions for Doubtful Deposits**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*2	**Provisions for doubtful advances (Contractors & Suppliers)**			

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**
*3	**Provisions for Doubtful Accrued Interest**	-		
	Opening Balance			
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**
*4	**Provision for project expenses awaiting write off sanction**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**
*5	**Provision for losses pending investigation/awaiting write off / sanction**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	**-**	**-**	**-**
	Explanatory Note:-			
1	Loans and Advances due from Directors or other officers at the end of the year/ period			
2	Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.			
3	Surplus Assets / Obsolete Assets held for disposal are shwon at lower of book value and net realizable value.	-	-	-

NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Opening Balance	-	-	-
	Add: Movement in Regulatory Deferral Account Balances			-
a)	Employee Remuneration & Benefits	-	-	
b)	Generation & Other exps.	-	-	
c)	Provisions	-	-	
d)	Depreciation	-	-	
e)	Finance Cost	-	-	
f)	Other Income	-	-	
g)	Exchange Differences on Monetary Items	-	-	
	Add: Adjustment during the year			
	Less: Amortisation / Impairment during the year			
	Closing Balance	**-**	**-**	**-**

1) For details refer Note No.-34-Other Explanatory Notes to Accounts

NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
a)	Authorized Equity Share Capital (Par value per share ₹10)	230,000,000	2,300,000,000	230,000,000	2,300,000,000	230,000,000	2,300,000,000
b)	No. of Equity shares issued, subscribed and fully paid (Par value per share ₹10)	117,692,309	1,176,923,090	117,692,309	1,176,923,090	117,692,309	1,176,923,090
c)	**Changes in Equity Share Capital**						
	Opening number of shares outstanding	117,692,309	1,176,923,090	117,692,309	1,176,923,090	117,692,309	1,176,923,090
	Add: No. of shares/Share Capital issued/ subscribed during the year		-		-		-
	Less: Reduction in no. of shares/Share Capital on account of buy back of sahres.		-		-		-
	Closing number of shares outstanding	**117,692,309**	**1,176,923,090**	**117,692,309**	**1,176,923,090**	**117,692,309**	**1,176,923,090**

d) The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.

e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: NIL

f) Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held : -

	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
	Nos.	In (%)	Nos.	In (%)	Nos.	In (%)
- NHPC Limited	87092309	74%	87092309	74%	87092309	74%
- GOVT OF MANIPUR	30600000	26%	30600000	26%	30600000	26%

g) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL

h) In preceding five financial years immediately preceding 31.03.2017, Company has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s).

i) Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date:- NIL

j) Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : NIL

k) Forfeited shares (amount originally paid up) :NIL

NOTE NO. 15.2 Other Equity

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1	Capital Reserve	-	-	-
2	Capital Redemption Reserve	-	-	-
3	Securities Premium Account	-	-	-
4	Bond Redemption Reserve	-	-	-
5	Self Insurance Fund	-	-	-
6	Corporate Social Responsibility Fund	-	-	-
7	Research & Development Fund	-	-	-
8	General Reserve	-	-	-
9	Retained Earnings			
	i) General Reserve - Opening Ind AS Adjustment	-	-	-
	ii) Other Equity - Ind AS Adjustment	-	-	-
	iii) Ind AS - Surplus (Ind AS Adjustment - Profit/Loss Entries - F.Y 2015-16)	-	-	-
	Provision for Proposed Dividend	-	-	-
	Tax on Proposed Dividend	-	-	-
	iv) Opening balance Remeasurements of the defined benefit plans	-	-	-
	Transferred from OCI	-	-	
	Closing Balance Remeasurements of the defined benefit plans	-	-	-
	v) Surplus	187,521,124	176,416,283	157,001,564
	Prior Period Income / Expenditure	-	-	
10	FVTOCI Reserve-			
	- Equity Instruments	-	-	-
	- Debt Instruments	-	-	-
	Total	**187,521,124**	**176,416,283**	**157,001,564**
	*** Surplus**			
	Profit for the Year as per Statement of Profit and Loss	11,104,841	19,414,719	27,045,698
	Adjustment arising out of transition provisions for recognising Rate Regulatory Assets	-	-	-
	Balance brought forward	176,416,283	157,001,564	129,955,866
	Add:			
	Amount Written Back From Bond Redemption Reserve	-	-	-
	Write Back From Capital Reserve	-	-	-
	Write Back From Other Reserve	-	-	-
	Amount Utilised From Self Insurance Fund	-	-	-
	Tax On Dividend Write Back	-	-	-
	Write Back From Corporate Social Responsibility Fund	-	-	-
	Write Back From Research & Development Fund	-	-	-
	Balance available for Appropriation	**187,521,124**	**176,416,283**	**157,001,564**
	Less:			
	Transfer to Bond Redemption Reserve	-	-	-
	Transfer to Self Insurance Fund	-	-	-
	Transfer to General Reserve	-	-	-
	Transfer to Corporate Social Responsibility Fund	-	-	-
	Transfer to Research & Development Fund	-	-	-
	Dividend :			

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	- Interim	-	-	-
	- Proposed	-	-	-
	Tax on Dividend			
	- Interim	-	-	-
	- Proposed	-	-	-
	Balance carried forward	**187,521,124**	**176,416,283**	**157,001,564**
(i)	**Capital Reserve**	**-**	**-**	**-**
(ii)	**Capital Redemption Reserve**	**-**	**-**	**-**
(iii)	**Securities Premium Account**	**-**	**-**	**-**
(iv)	**Bond Redemption Reserve**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings	-	-	-
	Less: Write back during the year	-	-	-
	As at Balance Sheet date	**-**	**-**	**-**
(v)	**Self Insurance Fund**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings			
	Add: Transfer to General Reserve		-	-
	Less: Utilisation during the year			
	As at Balance Sheet date	**-**	**-**	**-**
(vi)	**Corporate Social Responsibility Fund**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus	-	-	-
	Less: Write back during the year	-	-	-
	As at Balance Sheet date	**-**	**-**	**-**
(vii)	**Research & Development Fund**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings	-	-	-
	Less: Write back during the year	-	-	-
	As at Balance Sheet date	**-**	**-**	**-**
(viii)	**General Reserve**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings			
	Less: Write back during the year			
	Add: Transfer from Self Insurance Fund		-	
	Less: Tranfer to Capital Redemption Reserve			
	As at Balance Sheet date	**-**	**-**	**-**
(ix)	**Retained Earnings/ Surplus**			
	As per last Balance Sheet	176,416,283	157,001,564	157,001,564
	Add: Prior Period errors (Net)	-	-	-
	Add: Profit during the year	11,104,841	19,414,719	-
	Add: Transferred from OCI	-	-	-
	Add: Amount written back from Bond Redemption Reserve	-	-	-
	Add: Amount written back from Corporate Social Responsibility Fund	-	-	-
	Add: Tax on Dividend - Write back	-	-	-
	Less: Dividend and CDT	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Less: Transfer to Bond Redemption Reserve	-	-	
	Less: Transfer to Self Insurance Fund	-	-	
	Less: Transfer to Research & Development Fund	-	-	
	Less: Transfer to General Reserve	-	-	
	Less: Transfer to Corporate Office			
	Add: Transfer from Power Stations and Projects			
	As at Balance Sheet date	187,521,124	176,416,283	157,001,564
(x)	**FVTOCI-Equity Instruments**			
	As per last Balance Sheet	-	-	-
	Add: Change in Fair value of FVTOCI	-	-	
	Less: Deferred Tax			
	As at Balance Sheet date	-	-	-
(xi)	**FVTOCI-Debt Instruments**			
	As per last Balance Sheet	-	-	-
	Add: Change in Fair value of FVTOCI	-	-	
	Less: Deferred Tax on change in Fair Value	-	-	
	Less: Reclassification to P&L	-	-	
	As at Balance Sheet date	-	-	-
	TOTAL	187,521,124	176,416,283	157,001,564

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

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
FUNDS FROM CORPORATE OFFICE	-	-	-
C.O.(FDB)	-	-	-
IUT Closing Entries - CO	-	-	-
L.O. MUMBAI	-	-	-
L.O. LUCKNOW	-	-	-
RO-JAMMU	-	-	-
RO-ITANAGAR	-	-	-
RO-SILIGURI	-	-	-
BAIRASIUL	-	-	-
RO-BANIKHET	-	-	-
LOKTAK	-	-	-
SALAL	-	-	-
TANAKPUR	-	-	-
CHAMERA-I	-	-	-
URI - I	-	-	-
RANGIT	-	-	-
CHAMERA-II	-	-	-
DULHASTI	-	-	-
DHAULIGANGA-I	-	-	-
TEESTA-V	-	-	-
CHAMERA-III	-	-	-
CHUTAK	-	-	-
TLDP-III	-	-	-
PARBATI -II	-	-	-

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
PARBATI-III	-	-	-
SEWA-II	-	-	-
URI - II	-	-	-
KISHANGANGA	-	-	-
BURSUR	-	-	-
NIMMO BAZGO	-	-	-
TLDP-IV	-	-	-
TEESTA-IV	-	-	-
SUBANSARI LOWER	-	-	-
DIBANG	-	-	-
TAWANG I & II	-	-	-
KOTLIBHEL 1A	-	-	-
INVESTIGATION PROJECTS, UTTRAKHAND	-	-	-
RE CELL	-	-	-
WIND POWER PROJECTS, JAISALMER	-	-	-
BRRP	-	-	-
CHEQUE PAID ACCOUNT	-	-	-
CHEQUE COLLECTED ACCOUNT	-	-	-
COMMERCIAL - IUT	-	-	-
CENTRALIZED EMPLOYEE PAYMENT ACCOUNT	-	-	-
CENTRALIZED VENDOR PAYMENT ACCOUNT	-	-	-
Total	**-**	**-**	**-**

NOTE NO. 16.1 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bonds			
- Secured	-	-	-
- Unsecured	-	-	-
Term Loans			
• From Banks			
- Secured	-	-	-
- Unsecured	-	-	-
• From Other Parties			
- Secured	-	-	-
- Unsecured	-	-	-
TOTAL	**-**	**-**	**-**
Redemption / terms of repayment etc.			
i) Debt Covenants : Refer point no. 3 of Note no. 33.			
Maturity Analysis of Borrowings			
The table below summarises the maturity profile of the company's borrowings based on contractual payments :			
Particulars			
More than 1 Year & Less than 3 Years			
More than 3 Year & Less than 5 Years			
More than 5 Years			
TOTAL	**-**	**-**	**-**

NOTE NO. 16.2 FINANCIAL LIABILTIES - NON CURRENT - OTHERS

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits/ retention money	-	-	-
TOTAL	-	-	-
Maturity Analysis of Deposit / Retention Money			
The table below summarises the maturity profile of the deposits/ retention money based on contractual payments :			
Particulars			
More than 1 Year & Less than 3 Years			
More than 3 Year & Less than 5 Years			
More than 5 Years			
TOTAL	-	-	-

NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**PROVISION FOR EMPLOYEE BENEFITS**			
	(provided for on basis of actuarial valuation)			
i)	**Provision for leave encashment**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
ii)	**Provision for REHS**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
iii)	**Provision for TTA (Baggage Allowance on Retirement)**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
iv)	**Provision for Memento**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
B.	**OTHERS**			
i)	**Provision For Committed Capital Expenditure**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	-	-	-
ii)	**Provision For Livelihood Assistance**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
iii)	**Provision For O&M Expenditure**			
	As per last Balance Sheet			
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Unwinding of discount			
	Closing Balance	-	-	-
	TOTAL	-	-	-

NOTE NO. 18 DEFERRED TAX LIABILITIES (NET) - NON CURRENT

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Deferred Tax Liability			
a)	Property, Plant and Equipments,Investment Property and Intangible Assets.			
b)	Financial Assets at FVTOCI	-	-	-
c)	Other Items	-	-	-
	Less: Recoverable for tariff period upto 2009	-	-	-
	Less: Deferred Tax Adjustment against Deferred Tax Liabilities	-	-	-
	Net Deferred Tax Liablity	-	-	-
	Less:-Set off Deferred Tax Assets pursuant to set off provisions			
a)	Provision for doubtful debts, inventory and others			
b)	Provision for employee benefit schemes			
c)	Other Items			
	Net Deferred Tax Assets	-	-	-
	TOTAL	-	-	-

Explanatory Note: -

Deferred tax liability/(assets), in compliance to the Ind AS 12 on “Accounting for Taxes on Income” notified under The Companies Act, 2013 has been created as deferred tax liability/(Assets).-

NOTE NO. 19 OTHER NON CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
"Income received in advance (Advance Against Depreciation)"	-	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-	-
Grants in aid-from Government-Deferred Income	-	-	-
TOTAL	**-**	**-**	**-**
GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME			
As at the beginning of the year	-	-	-
Add: Received during the year			
Less: Released to Statement of Profit and Loss			
Balance as at the year end	-	-	-
Grants in Aid-from Government-Deferred Income (Current)	-	-	-
Grants in Aid-from Government-Deferred Income (Non-Current)	-	-	-

NOTE NO. 20.1 TRADE PAYABLE - CURRENT

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total outstanding dues of micro enterprise and small enterprise(s)	-	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	4,979,117	926,117	176,180
TOTAL	**4,979,117**	**926,117**	**176,180**

Explanatory Note: -
Disclosure requirement under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is given in Note No.34- Other Explanatory Notes to Accounts.

NOTE NO. 20.2 OTHER FINANCIAL LIABILITIES - CURRENT

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of long term debt *			
- Bonds	-	-	-
- Term Loan -Banks-Secured	-	-	-
- Term Loan -Banks-Unecured	-	-	-
- Other Parties-Secured	-	-	-
- Other Parties-Unsecured	-	-	-
Bond application money	-	-	-
Liability against capital works/supplies	-	-	-
Interest accrued but not due on borrowings	-	-	-
Interest accrued and due on borrowings	-	-	-
Deposits/ retention money	1,546,132	285,812	126,769
Due to Holding Company	3,335,914	-	-
Unpaid dividend	-	-	-
Unpaid interest	-	-	-
TOTAL	**4,882,046**	**285,812**	**126,769**

NOTE NO. 21 OTHER CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income received in advance (Advance against depreciation)	-	-	-
Unspent amount of deposit/agency basis works	-	-	-
Statutory dues payables	4,237,175	1,699,049	1,751,638
Advances against the deposit works	-	-	-
Less: Amount Spent on Deposit Works	-	-	-
Advances against cost of Project Mgt./ Consultancy Work	1,000,000	-	-
Less: Amount Spent in respect of Project Mgt./ Consultancy Works	-	-	-
Less: Provision Toward Amt Recoverable in r/o Project Mgt / Consultancy Works	-	-	-
Other liabilities	30,305,497	12,482,523	8,931,349
Grants in aid - pending utilization	-	-	-
Grants in aid-from Government-Deferred Income	-	-	-
TOTAL	**35,542,672**	**14,181,572**	**10,682,987**

NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**PROVISION FOR EMPLOYEE BENEFITS**			
	(provided for on basis of actuarial valuation)			
i)	**Provision for leave encashment**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	**-**	**-**	**-**
ii)	**Provision for REHS**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	**-**	**-**	**-**
iii)	**Provision for TTA (Baggage Allowance on Retirement)**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
iv)	**Provision for Memento**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
v)	**Provision for Wage Revision**			
	As per last Balance Sheet	1,380,067	1,013,243	1,013,243

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Additions during the year	92,468	366,824	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**1,472,535**	**1,380,067**	**1,013,243**
	Less: Advance paid	1,472,535	1,380,067	1,013,243
	Closing Balance (Net of advance)	-	-	-
vi)	**Provision for Performance Related Pay/Incentive**			
	As per last Balance Sheet	4,138,927	4,435,979	4,435,979
	Additions during the year	5,782,256	4,294,601	-
	Amount used during the year	2,916,503	3,955,291	-
	Amount reversed during the year	38,992	636,362	-
	Closing Balance	**6,965,688**	**4,138,927**	**4,435,979**
vii)	**Provision for Superannuation / Pension Fund**			
	As per last Balance Sheet	1,685,065	1,431,219	1,431,219
	Additions during the year	126,036	1,685,065	-
	Amount used during the year	1,685,065	1,431,219	-
	Amount reversed during the year	-	-	-
	Closing Balance	**126,036**	**1,685,065**	**1,431,219**
viii)	**Provision For Wage Revision 3rd PRC**			
	As per last Balance Sheet	-	-	-
	Additions during the year	4,387,761	-	-
	Amount used during the year		-	-
	Amount reversed during the year		-	-
	Closing Balance	**4,387,761**	**-**	**-**
B.	**OTHERS**			
i)	**Provision For Tariff Adjustment**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
ii)	**Provision For Committed Capital Expenditure**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	**-**	**-**	**-**
iii)	**Provision for Restoration expenses of Insured Assets**			
	As per last Balance Sheet	**-**	**-**	**-**
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	**-**	**-**	**-**
iv)	**Provision For Livelihood Assistance**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance after Fair Value Adjustment	-	-	-
v)	**Provision - Others**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
	TOTAL	**11,479,485**	**5,823,992**	**5,867,198**

Explanatory Note: -

1) The Board has resolved to implement the directions of the Ministry of Power (MoP) vide its letter no. 11/17/2009-NHPC/Vol. III dated 27th December 2013 conveying the approval of Competent Authority about pay scales in respect of below Board level Executives that the pay scales shall be fixed w.e.f. 01.01.2007 after correcting the aberrations in pay scales fixed w.e.f. 01.01.1997 and the deviant pay scales fixed w.e.f. 01.01.1997 shall not be regularized. The MoP has confirmed vide letter no. 11/17/2009-NHPC-Vol. III dated 25th Feb., 2016 that the recovery of personal pay adjustment w.e.f. 01.02.2014 is in conformity with the said directive of the Competent Authority. Accordingly, personal pay advance of ₹ 92468 and ₹ 366824 has been set-off against the balance of provision for wage revision as on 31st March 2017 and 31st March 2016 respectively. However, NHPC Officers Association has got a stay from Hon'ble High Court of Delhi against the implementation of stoppage of Personal Pay Adjustment (fitment benefits). In view of the directions of the Hon'ble High Court, Personal Pay Adjustments to the employees is continued to be paid along with the Salary. Thus, the cumulative amount provided towards the Personal Pay Adjustment w.e.f 01/02/2014 to 31.03.2017 under the head "Provision for Wage Revision" is ₹ 1472535(including provision for the current period ₹ 92468) with corresponding amount shown as "Advance paid.

2) Information about Provisions are given in Note 34 of Balance Sheet

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income Tax			
As per last Balance Sheet			
Additions during the year			
Amount adjusted during the year			
Amount used during the year			
Amount reversed during the year			
Closing Balance	-	-	-
Less: Current Advance Tax	-	-	-
Net Current Tax Liabilities (Net)	-	-	-
Wealth Tax	-	-	-
TOTAL	-	-	-

NOTE NO. 24 REVENUE FROM OPERATIONS

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	**SALES**		
	SALE OF POWER	-	-
	Less :		
	Sales adjustment on a/c of Foreign Exchange Rate Variation	-	-
	Tariff Adjustments	-	-
	Regulated Power Adjustment	-	-
	Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)	-	-
	Rebate to customers	-	-
	Sub - Total (A)	**-**	**-**
B	**Income from Finance Lease**	-	-
C	**Income from Operating Lease**	-	-
D	**ADVANCE AGAINST DEPRECIATION -Written back during the year**	-	-
E	**OTHER OPERATING INCOME**		
	Interest from Beneficiary States (Revision of Tariff)	-	-
F	**REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS**		
	Contract Income	-	-
	Revenue from Project management/ Consultancy works	-	-
	Sub - Total (F)	**-**	**-**
	TOTAL (A+B+C+D+E+F)	**-**	**-**

NOTE NO. 25 OTHER INCOME

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A)	**Income from Non-Current Investments**		
	Trade		
	- Dividend from subsidiaries	-	-
	- Dividend -Others	-	-
	- Interest - Government Securities (8.5% tax free bonds issued by the State Governments)	-	-
	Non-Trade		
	- Dividend income -Others	-	-
	- Interest	-	-
B)	**Other Income**		
	Interest		
	- Loan to State Government in settlement of dues from customers	-	-
	- Loan to Government of Arunachal Pradesh	-	-
	-Deposit Account	20,145,284	29,564,192
	- Employee's Loans and Advances	-	-
	- Employee's Loans and Advances-Adjustment on a/c of Effective Interest	-	-
	- Others	-	-
	Late payment surcharge	-	-
	Income From Sale of Self Generated VERs	-	-
	Realization of Loss Due To Business Interuption	-	-
	Profit on sale of investments	-	-
	Profit on sale of assets	-	-
	Income from Insurance Claim	-	-
	Liability/ Provisions not required written back #	215,172	694,890
	Others	184,498	198,318
	Exchange rate variation	-	-
	Adjustment on a/c of Effective Interest		
	- Others	-	-
	- Grant in aid	-	-
	'Effective Interest On Investments - Debt Instruments	-	-
	Sub-total	**20,544,954**	**30,457,400**
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	**20,544,954**	**30,457,400**
	Less: Income transferred to Expenditure Attributable to Construction	399,670	893,208
	Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	20,145,284	29,564,192
	Explanatory Note: -		
1	**Detail of Liability/Provisions not required written back #**		
a)	Bad & Doubtful Employees Loans (*1 under Note 3.2)	-	-
b)	Bad & Doubtful Advances to Contractor/ Supplier (*2 under Note 3.2)	-	-
c)	Bad & Doubtful Loan to State Government (*3 under Note 3.2)	-	-
d)	Bad & Doubtful Deposits (*4 under Note 3.2)	-	-
e)	Bad & Doubtful Capital Advances(*1 under Note No. 4)	-	-
f)	Bad & Doubtful Deposits(*2 under Note No. 4)	-	-
g)	Diminution in value of stores and spares (*1 under Note 5)	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
h)	Bad and doubtful debts (*1 under Note 7)	-	-
i)	Bad & Doubtful Employees Loans - current (*1 under Note 10)	-	-
j)	Provision for doubtful claims (*1 under Note No.11)	-	-
k)	Provisions for Doubtful Deposits (*1 under Note No. 13)	-	-
l)	Provisions for doubtful advances (Contractors & Suppliers) (*2 under Note No. 13)	-	-
m)	Provisions for Doubtful Accrured Interest (*3 under Note No. 13)	-	-
n)	Provision for project expenses awaiting write off sanction (*4 under Note No. 13)	-	-
o)	Provision for losses pending investigation/awaiting write off / sanction (*5 under Note No. 13)	-	-
p)	Provision for wage revision (Sl.no-A(v) of Note No-22)	-	-
q)	Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(vi) of Note No-22)	38,992	636,362
r)	Provision for Superannuation/Pension Fund (Sl.no-A(vii) of Note No-22)	-	-
s)	Provision for Retirement benefits (Gratuity, Leave Encashment, REHS, Momento etc) (Sl.no-A(I,ii,iii,iv) of Note No-17 and Sl.no-A(I,ii,iii,iv) of Note No.-22)	-	-
t)	Provision for tariff adjustment [Sl. No B(i) under Note 22]	-	-
u)	Provision for Committed Capital Expenditure (Sl.no-B(i) of Note No-17 and Sl.no-B(ii) of Note No.-22)	-	-
v)	Provision for Livelihood Assistance (Sl.no-B(ii) of Note No-17 and Sl.no-B(iv) of Note No.-22)	-	-
w)	Provision for Restoration expenses of Insured Assets (Sl.no-B(iii) of Note No-22)	-	-
x)	Write back of Project expenses provided for		
y)	Others	176,180	58,528
	TOTAL	**215,172**	**694,890**

NOTE NO. 26 GENERATION AND OTHER EXPENSES

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A.	**GENERATION EXPENSES**		
(i)	**Water Usage Charges**	-	-
(ii)	**Consumption of stores and spare parts**	-	-
B.	Direct Expenditure on Contract, Project Management and Consultancy Works	-	-
C.	**REPAIRS & MAINTENANCE**		
	- Building	8,525,425	3,868,887
	- Machinery	-	-
	- Others	2,110,083	1,640,069
D.	**OTHER EXPENSES**		
	Rent & Hire Charges	1,935,720	1,838,323
	Rates and taxes	53,755	29,190
	Insurance	79,515	103,695
	Security expenses	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Electricity Charges	-	8,000
	Travelling and Conveyance	2,899,859	4,109,227
	Expenses on vehicles	622,999	828,392
	Telephone, telex and Postage	247,953	272,078
	Advertisement and publicity	3,042,260	25,000
	Entertainment and hospitality expenses	6,750	140,660
	Printing and stationery	774,179	952,017
	Consultancy charges - Indigenous	16,851,296	9,204,165
	Consultancy charges - Foreign	-	-
	Audit expenses (Refer explanatory note-3 below)	72,300	62,000
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	-	-
	Loss on Assets	-	34,489
	Losses out of insurance claims (upto excess clause)	-	-
	Losses out of insurance claims (beyond excess clause)	-	-
	Books & Periodicals	31,975	26,703
	Donation	-	-
	CSR/ Sustainable Development	1,433,354	-
	Community Development Expenses	-	-
	Directors' expenses	-	-
	Research and development expenses	-	-
	Interest on Arbitration/ Court Cases	-	-
	Interest to beneficiary states	-	-
	Expenditure on Self Generated VER's	-	-
	Expenses for Regulated Power	-	-
	Less: Exp Recoverable on Regulated Power	-	-
	Exchange rate variation	-	-
	Other general expenses	4,487,401	3,330,657
	Sub-total	**43,174,824**	**26,473,552**
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	**43,174,824**	**26,473,552**
	Less: Amount transferred to Expenditure Attributable to Construction	39,350,804	25,913,826
	Less: Recoverable from Deposit Works	-	-
		3,824,020	559,726
E.	**PROVISIONS**		
	Bad and doubtful debts provided	-	-
	Expected Credit Loss Allowance-Trade Receivables	-	-
	Bad and doubtful advances / deposits provided	-	-
	Bad and doubtful claims provided	-	-
	Doubtful Interest Provided for	-	-
	Diminution in value of stores and spares	-	-
	Shortage in store & spares provided	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Provision against diminution in the value of investment	-	-
	Project expenses provided for	-	-
	Provision for fixed assets/ stores provided for	-	-
	Diminution in value of Inventory of Self Generated VER's Provided for	-	-
	Provision for catchment area treatment plan	-	-
	Others	-	-
	Sub-total	-	-
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	-	-
	Less: Amount transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	**3,824,020**	**559,726**
	Explanatory Note: -		
1	The Company's significant leasing arrangements are in respect of operating leases of premises for offices, guest houses & transit camps. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps are shown in Rent.		
2	Pending notification of revision order by CERC in respect of truing up application filed by the company under CERC notification dated 19.01.2009, stated amount has been provided in the books during the year/period towards Interest to Beneficiary States,which may have to be paid in case of reduction in tariff as a result of said revision order.		
3	**Detail of audit expenses are as under: -**		
	i) Statutory auditors		
	As Auditor		
	Audit Fees	25,000	25,000
	Tax Audit Fees	-	-
	In other Capacity		
	Taxation Matters	-	-
	Company Law Matters	36,800	37,000
	Management Services	-	-
	Other Matters/services	-	-
	Reimbursement of expenses	10,500	-
	ii) Cost Auditors		
	Audit Fees	-	-
	Reimbursement of expenses	-	-
	Total Audit Expenses	**72,300**	**62,000**

NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Salaries, wages, allowances	56,035,076	46,009,958
	Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	18,228,707	7,947,262
	Staff welfare expenses	3,837,952	3,355,115
	Leave Salary & Pension Contribution	-	-
	Amortisation Expenses Of Deferred Employee Cost	-	-
	Sub-total	**78,101,735**	**57,312,335**
	Add/(Less): C.O./Regional Office Expenses	-	-
	Sub-total	**78,101,735**	**57,312,335**
	Less: Employee Cost transferred to Expenditure Attributable to Construction	78,101,735	57,312,335
	Less: Recoverable from Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	**-**	**-**
	Explanatory Note: -		
1	The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees inlcuded in Salaries, wages, allowances.		
2	Gratuity, Contribution to provident fund & pension scheme include contributions:		
	i) towards Employees Provident Fund	3,009,321	2,931,981
	ii) towards Employees Defined Contribution Superannuation Scheme	3,414,027	4,880,066

NOTE NO. 28 FINANCE COST

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	**Interest on :**		
	Government of India loan	-	-
	Bonds	-	-
	Foreign loan	-	-
	Term loan	-	-
	Adjustment on account of effective Interest - Grant in Aid	-	-
	Sub-total	**-**	**-**
B	**Other Borrowing Cost**		
	Loss on Hedging Transactions	-	-
	Bond issue/ service expenses	-	-
	Commitment fee	-	-
	Guarantee fee on foreign loan	-	-
	Other finance charges	3,198	5,652
	Adjustment on account of effective Interest	-	-
	Committed Capital Expenses-Adjustment For Time Value	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Sub-total	**3,198**	**5,652**
C	**Applicable net gain/ loss on Foreign currency transactions and translation**		
	Exchange differences regarded as adjustment to interest cost	-	-
	Less: Interest adjustment on account of Foreign Exchange Rate Variation	-	-
	Sub-total	**-**	**-**
	Total (A + B + C)	**3,198**	**5,652**
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	TOTAL	**3,198**	**5,652**
	Less: Finance Cost transferred to Expenditure Attributable to Construction	3,198	5,652
	Less: Recoverable from Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	**-**	**-**

NOTE NO. 29 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation & Amortisation Expenses	733,855	2,372,687
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-
Add/(Less): C.O./Regional Office / PID Expenses	-	-
Sub-total	**733,855**	**2,372,687**
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	733,855	2,372,687
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	**-**	**-**

NOTE NO. 30 TAX EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax		
Income Tax Provision	5,216,423	9,589,747
Adjustment Relating To Earlier periods	-	-
Total current tax expenses	5,216,423	9,589,747
Deferred Tax- *		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Decrease (increase) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Total deferred tax expenses (benefits)	-	-
	Less: Recoverable for tariff period upto 2009	-	-
	Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	-	-
	Net Deferred Tax	-	-
	Total carried forward to Statement of Profit & Loss	5,216,423	9,589,747
	Explanatory Notes:-		
i)	**Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.**	**For the year ended 31st March, 2017**	**For the year ended 31st March, 2016**
	Accounting profit/loss before income tax	16,321,264	29,004,466
	Applicable tax rate	0.319609	0.33063
	Computed tax expense	5,216,423	9,589,747
	Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.	-	
	Change in rate of tax		
	Adjustment Relating To Earlier periods	-	-
	Income tax expense reported in Statement of P/L	5,216,423	9,589,747
ii)	**Amounts recognised directly in Equity**	-	-
	Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/(credited) to equity:		
	Current Tax		
	Deferred tax		
	Total		
iii)	**Tax losses**		
	Unused tax losses for which no deferred tax asset has been recognised	-	-
	Potential tax benefit @ 30%		
	Note: The unused tax losses were incurred by a ……………………………………….that is not likely to generate taxable income in the foreseeable future.		
iv)	**Unrecognised temporary differences**		
	Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised.		
	Undistributed Earnings	-	-
	Unrecognised deferred tax liabilities relating to the above temporary differences	-	-
	Certain subsidiaries of the group have undistributed earnings of ₹ NIL (31st March 2016 ₹ NIL) which , if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from the subsidiary and is not expected to distribute these profits in the foreseeble future.		

NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Movement on account of:-		
a)	Employee Remuneration & Benefits	-	-
b)	Generation & Other exps.	-	-
c)	Provisions	-	-
d)	Depreciation	-	-
e)	Finance Cost	-	-
f)	Other Income	-	-
g)	Exchange Differences on Monetary Items	-	-
	TOTAL	**-**	**-**

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

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, allowances	67,253,148	46,009,958
	Gratuity and contribution to provident fund	7,010,635	8,094,550
	Staff welfare expenses	3,837,952	3,207,827
	Leave Salary & Pension Contribution	-	-
	Sub-total	**78,101,735**	**57,312,335**
B.	**REPAIRS & MAINTENANCE**		
	Building	8,525,425	3,868,887
	Machinery	-	-
	Others	2,110,083	1,640,069
	Sub-total	**10,635,508**	**5,508,956**
C.	**ADMINISTRATION & OTHER EXPENSES**		
	Rent	1,911,720	1,838,323
	Rates and taxes	4,453	-
	Insurance	79,515	103,695
	Security expenses	-	-
	Electricity Charges	-	8,000
	Travelling and Conveyance	2,724,701	3,961,324
	Expenses on vehicles	646,999	828,392
	Telephone, telex and Postage	247,953	272,078
	Advertisement and publicity	-	-
	Entertainment and hospitality expenses	-	-
	Printing and stationery	774,179	952,017
	Design and Consultancy charges:		
	- Indigenous	16,851,296	9,184,165
	- Foreign	-	-
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	-	-
	Assets/ Claims written off	-	-
	Land Acquistion and Rehabilitation Expenditure	-	-
	Losses on sale of assets	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Other general expenses	5,474,480	3,256,876
	Remuneration to Auditors	-	-
	Exchange rate variation (Debit)	-	-
	Sub-total	**28,715,296**	**20,404,870**
D.	**FINANCE COST**		
	Interest on :		
	Government of India loan	-	-
	Bonds	-	-
	Foreign loan	-	-
	Term loan	-	-
	Cash credit facilities /WCDL	-	-
	Exchange differences regarded as adjustment to interest cost	-	-
	Loss on Hedging Transactions	-	-
	Bond issue/ service expenses	-	-
	Commitment fee	-	-
	Guarantee fee on loan	-	-
	Other finance charges	3,198	5,652
	Transfer of expenses to EAC- Interest on loans from Central Government-adjustment on account of effective interest	-	-
	Transfer of expenses to EAC-Interest on security deposit/ retention money-adjustment on account of effective interest	-	-
	Transfer of expenses to EAC-committed capital expenses-adjustment for time value	-	-
	Sub-total	**3,198**	**5,652**
E.	**PROVISIONS**	**-**	**-**
	Sub-total	**-**	**-**
F.	**DEPRECIATION AND AMORTISATION EXPENSES**	**733,855**	**2,372,687**
	Sub-total	**733,855**	**2,372,687**
G.	**C.O./Regional Office Expenses:**		
	Other Income	-	-
	Generation, Administration and Other Expenses	-	-
	Employee Benefits Expense	-	-
	Depreciation & Amortisation Expenses	-	-
	Finance Cost	-	-
	Provisions	-	-
	Sub-total	**-**	**-**
H.	**LESS: RECEIPTS AND RECOVERIES**		
	Income from generation of electricity – precommissioning	-	-
	Interest on loans and advances	-	-
	Profit on sale of assets	-	-
	Exchange rate variation (Credit)	-	-
	Provision/Liability not required written back	215,172	694,890
	Hire charges/ outturn on plant and machinery	-	-
	Miscellaneous receipts	184,498	198,318
	Sub-total	**399,670**	**893,208**
	TOTAL (A+B+C+D+E+F+G-H)	**117,789,922**	**84,711,292**

Note-33: Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(Amount in ₹)

Financial assets	Notes	As at 31st March, 2017		As as 31st March, 2016		As at 01st Apr, 2015	
		FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Non-current Financial assets							
(i) Non-current investments							
a) In Equity Instrument (Quoted)	3.1	-	-	-	-	-	-
b) In Debt Instruments (Govt./PSU)-Quoted	3.1	-	-	-	-	-	-
Sub-total		-	-	-	-	-	
(ii) Loans	3.2						
a) Employees			-		-		-
b) Loan to Government of Arunachal Pradesh			-		-		-
c) Contractors/Suppliers and Others			-		-		-
(iii) Others							
-Bank Deposits with more than 12 Months Maturity	3.3		-		-		-
(ii) Interest accrued on:	3.3						
- Loan to Government of Arunachal Pradesh							
- Bank Deposits with more than 12 Months Maturity							
- Others							
Total Non-current Financial assets		-	-	-	-	-	-
Current Financial assets							
(i) Current Investments	6		-		-		-
(ii) Trade Receivables	7		-		-		-
(iii) Cash and cash equivalents	8		43,026		91,465		1,07,000
(iv) Bank balances	9		23,81,36,720		30,36,53,336		38,17,75,633
(v) Loans	10		10,95,180		11,72,193		15,20,301
(vi) others							
(a) Claims recoverables	11		1,47,114		2,41,905		5,000
(b) interest receivable on investments and bank deposits	11		1,44,25,965		2,14,88,521		2,93,42,665
(c) interest receivable from beneficiery	11		-		-		-
(d) other receivables	11		-		1,53,02,037		78,26,772
(e) Interest Accrued on Bonds	11		-		-		-
(f) Receivable on account of unbilled revenue	11		-		-		-

Note-33: Disclosure on Financial Instruments and Risk Management

(Amount in ₹)

Financial assets	Notes	As at 31st March, 2017		As as 31st March, 2016		As at 01st Apr, 2015	
		FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
(g) Interest accrued on:	11						
-Loan to State Government in settlement of dues from customers							
-Others							
Sub total		**-**	**1,45,73,079**	**-**	**3,70,32,463**	**-**	**3,71,74,437**
Total Current Financial Assets		**-**	**25,38,48,005**	**-**	**34,19,49,457**	**-**	**42,05,77,371**
Total Financial Assets		**-**	**25,38,48,005**	**-**	**34,19,49,457**	**-**	**42,05,77,371**
		-		-		-	
Financial Liabilities							
(i) Long-term borrowings							
a) Non-Convertible and Non Cumulative Bonds	16.1		-		-		-
b) Term Loan From Banks	16.1		-		-		-
c) Term Loans from other parties	16.1		-		-		-
d) Subordinate Debts	16.1		-		-		-
Sub-total		-	-	-	-	-	-
(ii) Deposits/Retention Money-non current	16.2		-		-		-
(iii) Trade Payables including MSME	20.1		49,79,117		9,26,117		1,76,180
(iv) Other Current financial liabilities							
a) Current Maturity of Non-Convertible and Non Cumulative Bonds	20.2		-		-		-
b) Current Maturity of Term Loans from banks	20.2		-		-		-
c) Current Maturity of Term Loans from other parties			-		-		-
d) Deposits/Retention Money	20.2		15,46,132		2,85,812		1,26,769
e) Liability against Capital Works/Supplies	20.2		-		-		-
f) interest payable on borrowings	20.2		-		-		-
g) Other Payables	20.2		33,35,914		-		-
Sub total			**48,82,046**	**-**	**2,85,812**	**-**	**1,26,769**
Total		**-**	**98,61,163**	**-**	**12,11,929**	**-**	**3,02,949**

Note:

1. The company does not classify any financial asset/financial liability at fair value through profit or loss (FVTPL).

NOTE NO. 33(IB)

B) FAIR VALUATION MEASUREMENT

(Amount in ₹)

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

	Note No.	As at 31st March, 2017 Level 1	As at 31st March, 2016 Level 1	As at 01st Apr, 2015 Level 1
Financial Assets at FVTOCI				
(i) Investments-				
- In Equity Instrument (Quoted)	3.1	-	-	-
- In Debt Instruments (Govt./PSU) - Quoted	3.1	-	-	-
Total		-	-	-

Note:

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

(Amount in ₹)

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

Particulars	Note No.	As at 31st March, 2017			As at 31st March, 2016			As at 01st Apr, 2015		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets										
(i) Loans	3.2									
a) Employees			-			-			-	
b) Loan to Government of Arunachal Pradesh			-			-			-	
c) Contractors/Suppliers and Others			-			-			-	
(ii) Others	3.3									
-Bank Deposits with more than 12 Months Maturity		-			-			-		
Total Financial Assets		-	-	-	-	-	-	-	-	-
Financial Liabilities										
(i) Long-term borrowings	16.1									
a) Bonds			-			-			-	
b) Term Loans			-			-			-	
c) Subordinate Debts				-			-			-
(ii) Other Long Term Financial Liablities	16.2									
-Deposits/Retention Money				-			-			-
Total Financial Liabilities		-	-	-	-	-	-	-	-	-

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

Particulars	Note No.	As at 31st March, 2017		As of 31.03.2016		As of 01.4.2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	**3.2**						
(i) Loans							
a) Employees		-		-		-	-
b) Loan to Government of Arunachal Pradesh		-		-		-	
c) Contractors/Suppliers and Others		-		-		-	-
(ii) Others	**3.3**						
-Bank Deposits with more than 12 Months Maturity		-		-		-	
Total Financial Assets		-		-		-	
Financial Liabilities	**16.1**						
(i) Long-term borrowings							
a) Bonds		-		-		-	
b) Term Loans		-		-		-	
c) Subordinate Debts		-		-		-	
(ii) Other Long Term Financial Liablities	**16.2**						
-Deposits/Retention Money		-		-		-	-
Total Financial Liabilities		**-**		**-**		**-**	

(2) Financial Risk Management

(i) Financial risk factors

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

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

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables/leased assets) and from its financing activities including deposits with banks and financial institutions.

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

iii) Market risk Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury team identifies, evaluates and hedges financial risks in co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, and credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Credit Risk

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

a) Trade Receivables & lease receivables

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

CERC tariff regulations 2014-19 allows the Company to raise bills on beneficiaries for late-payment surcharge. which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables. However, the Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment behaviour and provides for expected credit loss on case-to-case basis. As at the reporting date company does not envisage any default risk on account of non-realisation of trade receivables. Accordingly, the Company has not applied the practical expedient of calculation of expected credit losses on trade receivables using a provision matrix.

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

Expected credit loss for Trade Receivables:

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Gross Carrying Amount			
Less : Expected Credit Losses (Provision for loss allowance)			
Carrying amount of Trade Receivable			

Expected credit loss for Lease Receivables:

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Gross Carrying Amount	-	-	-
Less : Expected Credit Losses (Provision for loss allowance)	-	-	-
Carrying amount of Lease Receivable	-	-	-

Reconciliation of Loss allowance Provisions:

Particulars	(Amount in ₹)
Loss allowance on 1st April 2015	-
Changes in Loss allowances	-
Loss allowance on 31st March 2016	-
Changes in Loss allowances	-
Loss allowance on 31st March 2017	-

b) Financial assets at amortised cost

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

Loans to Govt. of Arunanchal Pradesh : The Company has given loan to Govt. of Arunachal Pradesh at 9% rate of interest as per the terms and conditions of MOU signed between the Company and Govt of Arunachal Pradesh for construction of hydroelectric projects in the state. The loan has been measured at amortised cost. The loan is recoverable from the free power to be provided from the first hydroelectric project to be commissioned in the state. Management does not envisage any probability of default on the loan.

c) Financial instruments and cash deposits

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

(B) Liquidity Risk

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

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

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

Expected credit loss for Lease Receivables:

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
floating rate			
fixed rate			

(ii) Maturities of Financial Liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 16.1 and 16.2 of balance sheet)

For year Ended 31st March 2017

(Amount in ₹)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2017	Within 1 Year	More than 1 Years & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
1. Borrowings	16.1 & 20.2	-				
2 Other financial Liabilities	16.2,20.3	4,882,046	4,882,046			
3. Trade Payables	20.2	4,979,117	4,979,117			
Total Financial Liabilities		**9,861,163**	**9,861,163**	-	-	-

For year Ended 31st March 2016

Amount in ₹)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2016	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Borrowings	16.1 & 20.2					
2 Other financial Liabilities	16.2,20.3	285,812	285,812			
3. Trade Payables	20.2	926,117	926,117			
Total Financial Liabilities		**1,211,929**	**1,211,929**	-	-	-

As at 1st April 2015

Amount in ₹)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 01.4.2015	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Borrowings	16.1 & 20.2					
2 Other financial Liabilities	16.2,20.3	126,769	126,769			
3. Trade Payables	20.2	176,180	176,180			
Total Financial Liabilities		**302,949**	**302,949**	-	-	-

(C) Market Risk:

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

(i) Interest rate risk and sensitivity

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

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

Contractual maturities of financial liabilities	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2016	As at 01st Apr, 2015	As at 01st Apr, 2015
	weighted average interest rate	(₹)	weighted average interest rate	(₹)	weighted average interest rate	(₹)
Floating Rate Borrowings						
Fixed Rate Borrowings						
Total						

Interest Rate Sensitivity Analysis

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

Particulars	Effect on Profit after Tax	
	31st march 2017	31st march 2016
Interest rates-increased by .... basis points (increased by .... basis points during 2015-16)*		
Interest rates-decreased by .... basis points (decreased by .... basis points during 2015-16)*		

(ii) Price Risk:

(a) Exposure

The company's exposure to price risk arises from investment in equity shares and debt instruments classified in the financial statements as fair value through OCI. Company's investment in equity shares are listed in recognised stock exchange and are publicly traded in the stock exchanges. Company's investment in debt instruments comprises quoted Government securities and Public Sector Bonds and are publicly traded in the market. The investment has been classified under the non-current investment in balance sheet.

(b) Price Risk Sensitivity

i) For Investment in Equity Instruments (For Investment in IOB and PTC equity shares)

The table below summarises the impact of increase/decrease of the index on the company's equity for the year . The analysis is based on the assumption that the equity index had increased by .... or decreased by ..... with all other variables held constant, and that all the company's equity instruments moved in line with the index.

Particulars	31st March 2017		31st March 2016	
	% change	Impact on other components of equity (₹ in crores)	% change	Impact on other components of equity (₹ in crores)
NSE Nifty 50-increase				
NSE Nifty 50-decrease				

Other components of equity would increase/dercrease as result of gains/losses on equity intruments classified as Fair valued through OCI.

(ii) For Investment in Debt Instruments (For Investment in Govt and PSU Bonds)

The table below summarises the impact of increase/decrease of the market value on company's equity for the year. The analysis is based on the assumption that the market Index had increased by .... or decreased by ..... with all other variables held constant, and that all the company's debt instruments moved in line with the index.

Particulars	31st march 2017		31st march 2016	
	% change	Impact on other components of equity (₹ in crores)	% change	Impact on other components of equity (₹ in crores)
Market Index-increase				
Market Index-decrease				

(iii) Foreign Currency Risk

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

(a) Foreign Currency Risk Exposure:

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

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Foreign Currency			
Financial Assets (₹)			
Net Exposure to foreign currency risk (asset)			
Financial Liabilities:			
Foreign currency loan (₹)			
Other Financial Liabilities (₹)			
Net Exposure to foreign currency risk (liabilities)			

(b) Sensitivity Analysis

Particulars	As at 31st March 2017	As at 31st March 2016
INR/USD		
Effect on PAT with increase of …..		
Effect on PAT with decrease of …….		
INR/EURO		
Effect on PAT with increase of …..		
Effect on PAT with decrease of …….		

(3) Capital Management

(a) Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes for the year ended 31st March 2017.

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

Statement of Gearing Ratio

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Total Debt	-	-	-
(b) Total Capital	1,36,44,44,214	1,35,33,39,373	1,33,39,24,654
Gearing Ratio (a/b)	-	-	-

Note: For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

In terms of our report of even date attached

For and on behalf of the Board of Directors

FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

(K.M. SINGH)
CHAIRMAN
DIN-02223301

(VIJAY KUMAR)
DIRECTOR
DIN-03021294

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

(VIPAN JAIN)
COMPANY SECRETARY
MEMBERSHIP NO:F6515

Place: Imphal
Date: 08/05/2017

Note No. - 34: Other Explanatory Notes to Accounts

1. Disclosures relating to Contingent Liabilities:-

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

(i) Capital works

Contractors have lodged claims aggregating to ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) against the Company on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are lying at arbitration tribunal/other forums/ under examination with the Company. It includes ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) towards arbitration awards including updated interest thereon, against the Company, which have been challenged/decided to be challenged in the Court of Law.

The Management has assessed the above claims and recognized a provision of ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) as the amount of contingent liability i.e. amounts for which Company may be held contingently liable. In respect of such estimated contingent claims either outflow of resources embodying economic benefits is not probable or a reliable estimate of the amount required for settling the obligation cannot be made. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the land losers have filed claims for higher compensation amounting to ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

Disputed Income Tax/Sales Tax/Service Tax/ other taxes/duties matters pending before various appellate authorities amount to ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL). Pending settlement, the Company has assessed and provided an amount of ₹ NIL(previous year ₹ NIL and as at 01.04.2015 ₹ NIL) based on probability of outflow of resources embodying economic benefits and rest of the claims i.e ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) are being disclosed as contingent liability as outflow of resources is considered not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iv) Others

Claims on account of other miscellaneous matters amount to ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (previous year ₹ NIL and ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ …NIL… (previous year ₹ NIL and 01.04.2015 ₹ NIL) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

The above is summarized as at 31.03.2017 as below:

(Amount in ₹)

Sl. No.	Particulars	Claims as on 31.03.2017	Provision against the claims	Contingent liability as on 31.03.2017	Contingent liability as on 31.03.2016	Addition of contingent liability for the period
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Capital Works					
2.	Land Compensation cases					
3.	Disputed tax matters			NIL		
4.	Others					
	Total					

The above is summarized as at 31.03.2016 as below:

(Amount in ₹)

Sl. No.	Particulars	Claims as on 31.03.2016	Provision against the claims	Contingent liability as on 31.03.2016	Contingent liability as on 01.04.2015	Addition of contingent liability for the period
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Capital Works					
2.	Land Compensation cases					
3.	Disputed tax matters			NIL		
4.	Others					
	Total					

(b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.

(c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.

(d) There is possibility of reimbursement to the company of ₹ NIL (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) towards above contingent liabilities.

(e) An amount of ₹ NIL(previous year ₹ NIL and as at 01.04.2015 ₹ NIL) stands paid towards above contingent liabilities to contest the cases and is being shown as Current Assets.

(f) The company's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

(g) Agency wise details of contingent liability as at 31.03.2017 are as under:

(Amount in ₹)

Sl. No.	Category of Agency	Claims as on 31.03.2017	Provision against the claims/ Paid during the year	Contingent liability as on 31.03.2017	Contingent liability as on 31.03.2016	Addition(+)/ deduction (-) from contingent liability during the year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Central Govt. departments					
2.	State Govt. departments or Local Bodies					
3.	CPSEs			NIL		
4.	Others					
	TOTAL					

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

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

The company has lodged counter claims aggregating to ₹ NIL. (previous year ₹ NIL. and as at 01.04.2015 ₹ NIL) against claims of other entities. These claims have been lodged on the basis of contractual provisions and are being contested at arbitration tribunal/other forums/under examination with the counterparty. It includes ₹ NIL. (previous year ₹ NIL and as at 01.04.2015 ₹ NIL) towards arbitration awards including updated interest thereon.

Management has assessed the above claims and estimates that inflow of economic benefits of ₹ NIL (previous year ₹NIL. and as at 01.04.2015 ₹NIL.) is probable. In respect of the rest of the claims, possibility of any inflow is considered remote.

b) Surcharge billed on debtors:

CERC (Terms & Conditions of Tariff) Regulations 2014-19 provide for levy of late payment surcharge by generating company in case of delay in payment by beneficiaries beyond 60 days from the date of presentation of bill. An amount of ₹ NIL as on 31.03.2017 (As on 31.03.2016 ₹ NIL. and as at 01.04.2015 ₹NIL.) is due from beneficiaries on account of surcharge but not recognised in books of accounts due to significant uncertainties in the ultimate collection from the customers.

c) **Revenue to the extent not recognised in respect of power stations:**

CERC (Terms & Conditions of Tariff) Regulations for the tariff period 2014-19 allows additional capitalisation of capital expenditure for computation of tariff as per declaration by the company at the beginning of the tariff period and after due diligence by CERC. Cases where additional capitalisation has exceeded the amount declared by the company including new items are not included in revenue pending approval of CERC. Management has assessed these expenditures and considers that inflow of ₹NIL as at 31.03.2017 (previous year ₹ NIL….. and as at 01.04.2015 ₹NIL) by way of tariff is probable.

d) **Other Cases** The Management has assessed the claims and estimates that inflow of economic benefits of ₹ NIL (previous year ₹ NIL. and as at 01.04.2015 ₹ NIL) is probable.

The above is summarized as below:

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	(ii)	(iii)	(iv)	(v)
1.	Counter claims lodged by the company			
2.	Surcharge billed on debtors		NIL	
3.	Revenue to the extent not recognised			
4.	Other cases			
	Total			

3. **Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:**

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	(ii)	(iii)	(iv)	(v)
1.	Property Plant and Equipment (including CWIP)			
2.	Investment Property		NIL	
3.	Intangible assets			
	Total			

4. Pending approval of competent authority, provisional payments / provisions made towards executed quantities of some of the items beyond the approved quantities as also for extra items totalling to ₹ NIL (previous year ₹ NIL. and as at 01.04.2015 ₹ NIL) are included in Capital Work- in-Progress/property plant & equipment.

5. **Other disclosure under IND AS – 11 on Construction Contracts are as under:**

(Amount in ₹)

Sl. No.	Particulars	31.03.2017	31.03.2016	01.04.2015
(i)	(ii)	(iii)	(iv)	(v)
1.	Aggregate amount of costs incurred and recognised profits (less recognised losses) on contracts in progress upto reporting date.			
2.	Amount of advances received.			
3.	Amount of retention.		NIL	
4.	The gross amount due from customers for contract works as an asset.			
5.	The gross amount due to customers for contract works as a liability.			

6. The effect of foreign exchange fluctuation during the year is as under:

(Amount in ₹)

Sl. No.	Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
(i)	Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)		
(ii)	Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)*		
(iii)	Amount charged to Expenditure attributable to Construction (as FERV)		NIL
(iv)	Amount charged to Capital work-in-progress (as FERV)		
(v)	Amount adjusted by addition to the carrying amount of property, plant & equipment		

* There is however no impact on profitability of the Company, as the impact of change in foreign exchange rates is recoverable from beneficiaries in terms of prevailing CERC (Terms & Conditions of tariff) Regulations. The exchange rate variation for the year is transferred to deferred foreign currency fluctuation assets (recoverable from beneficiaries) as per accounting policy adopted in IGAAP, which is allowed to be continued for long-term foreign currency monetary items recognised till 31.03.2016 as per exemption given in IND AS 101- First Time Adoption of Ind AS.

7. Segment information:

The Company has not started any operation of business , hence segment reporting is not applicable.

8. Related Party Disclosures are given below:

(a) Interest of Holding Company:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at		
			31.03.2017	31.03.2016	01.04.2015
NHPC LTD	India	Power Generation	74%	74%	74%
GOVT OF MANIPUR	India		26%	26%	26%

(b) Key Management Personnel:

S.No.	Name	Position Held
1	SH PRITPAL SINGH	C.E.O
2	SH M SADAGOPAN	CFO
3	SH VIPAN JAIN	COMPANY SECRETARY

(c) Name and Nature of Relationship with Government:

S.No	Name of the Government	Nature of Relationship with Loktak Downstream Hydroelectric Corporation Limited
1	NHPC LTD	Shareholder having control over company
2	GOVT OF MANIPUR	Shareholder having control over company

(d) Key Management Personnel compensation:

Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
i) Short Term Employee Benefits	5210105	4975450
ii)Post-Employment Benefits	1820688	3296986
iii) Other Long Term Employee Benefits	-	-
iv) Termination Benefits	-	-
v) Employee Share Based Payments	-	-
Total	**7030793**	**8272736**

(e) Transactions with Related Parties: Following transactions occurred with related parties during FY 2016-17 and 2015-16:

(Amount in ₹)

Particulars	During the FY 2016-17	During the FY 2015-16
(i)	(ii)	(iii)
Transaction with NHPC LTD		
Services Received by the Company	18229310	10361788

(f) Outstanding Balances with Related Parties:

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	(ii)	(iii)	(iv)
Balances with NHPC that has control over company.			
Payables by the Company	29067928	-	-
Receivables by the Company	-	5976428	876214
Total	**29067928**	**5976428**	**876214**

9. Assets pledged as security: The carrying amount of assets pledged as security for borrowings are as under. NIL

10. Disclosures Regarding Employee Benefit Obligations:

Loktak Downstream Hydroelectric Corporation Limited being a subsidiary Company adopts the Policy of the Holding Company i,e NHPC Ltd in this regard.

11. The management is of the opinion that no case of impairment of assets exist under the provisions of Ind AS-36 on Impairment of Assets" as at 31st March 2017.

12. Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:-

(Amount in ₹)

	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
a)*	Value of imports calculated on CIF basis:		
	i) Capital Goods	NIL	NIL
	ii) Spare parts	NIL	NIL
b)*	Expenditure in Foreign Currency		
	i) Know - How	NIL	NIL
	ii) Interest	NIL	NIL
	iii) Other Misc. Matters	NIL	NIL
c)*	Value of spare parts and Components consumed in operating units.		
	i) Imported	NIL	NIL
	ii) Indigenous	NIL	NIL
d)*	Earnings in foreign currency	NIL	NIL
	i) Interest	NIL	NIL
	ii) Others	NIL	NIL

* Accrual basis.

13. Earnings Per Share:-

The elements considered for calculation of Earnings Per Share (Basic and Diluted) are as under:

	For the Year ended 31.03.2017	For the Year ended 31.03.2016
Net Profit after Tax but before Regulatory Income used as numerator (₹ in crore)	1.11	1.94
Net Profit after Tax and Regulatory Income used as numerator (₹ in crore)	1.11	1.94
Weighted Average number of equity shares used as denominator	117692309	117692309
Earnings per Share before Regulatory Income (₹.) – Basic & Diluted	0.09	0.16
Earnings per Share after Regulatory Income (₹.) – Basic & Diluted	0.09	0.16
Face value per share (₹.)	10	10

15. Disclosure related to confirmation of balances is as under:

a) Balances shown under Materials issued to contractors, claims recoverable including insurance claims are subject to reconciliation/ confirmation and respective consequential adjustments. Claims recoverable also include claims in respect of projects handed over or decided to be handed over to other agencies in terms of Government of India directives.

b) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is obtained for outstanding balances of ₹ 5.00 lakh or above as at 31st December of every year. Status of confirmation of balances as at 31st December 2016 as well as outstanding as on 31.03.2017 is as under:

(Amount in ₹)

Particulars	Outstanding amount as on 31.12.2016	Amount confirmed	Outstanding amount as on 31.03.2017
Trade receivable	-	-	-
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	9923442	2419470	7503972
Trade/Other payables	240180	240180	4979117
Security Deposit/Retention Money payable	835390	835390	1546132

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

16. Prior to transition to Ind AS, capital expenditure incurred for creation of facilities, over which the company does not have control but which is essential principally for construction of the project, was charged to 'Expenditure Attributable to Construction (EAC) as a part of Capital Work in Progress (CWIP) on the basis of attributability of such costs to the creation of major assets of the project. The said accounting treatment was objected to by the office of the C&AG. However, with the introduction of IND AS, the accounting treatment is specifically covered under Para 9 of Ind AS-16, "Property, Plant & Equipment" which prescribes Unit of Measure approach under which management of an entity is competent to apply its judgment to recognition criteria based on its specific circumstances. Accordingly, the company has continued with the existing accounting treatment of enabling assets during the current financial year.

17. Disclosure related to Corporate Social Responsibility (CSR) (refer Note No.26)

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

(Amount in ₹)

S.No.	Heads of Expenses constituting CSR expenses	For FY 2016-17	For FY 2015-16
1	Health Care and Sanitation	298827	0
2	Education & Skill Development	351600	0
3	Women Empowerment /Senior Citizen	0	0
4	Environment	0	0
5	Art & Culture	0	0
6	Ex-Armed Forces	0	0
7	Sports	0	0
8	National Welfare Fund	0	0
9	Technology & Research	0	0
10	Rural Development	782927	0
11	Capacity Building	0	0
12	Swachh Vidyalaya Abhiyan	0	0
13	Swachh Bharat Abhiyan	0	0
	Total amount	**1433354**	**0**

(ii) Other disclosures:-

(a) There being no operating profit, Section 135 of Companies Act 2013 is not applicable, however the expenditure under this head is incurred on our own volition.

(b) Details of expenditure incurred during the year ended on 31.03.2017 paid in cash and yet to be paid in cash along with the nature of expenditure (capital or revenue nature) is as under:-

(Amount in ₹)

		Paid (a)	Yet to be paid (b)	Total (a+b)
(i)	Construction/Acquisition of any asset	NIL	NIL	NIL
(ii)	On purpose other than (i) above	NIL	NIL	NIL
	Total			

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

18. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dt. 04.09.2015 making alteration in Schedule-III of the Companies Act, 2013 is as follows (Refer Note no. 20.2):-

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:	NIL	NIL
	-Principal	-	
	-Interest	-	
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	NIL	NIL

(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date	NIL	NIL
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

19. Disclosure on details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is as under:

(Amount in ₹)

	SBNs*	Other Denomination Notes	Total
Closing cash in hand as on 08 November 2016	7500	1275	8775
(+) Permitted receipts		100085	100085
(-) Permitted payments		66000	66000
(-) Amount deposited in Banks	7500		7500
Closing cash in hand as on 30 December 2016		35360	35360

* Specified Bank Notes are as defined in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs No. S.O. 3407(E), dated 08th November 2016.

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

a) **Provision for Performance Related Pay/Incentive:** Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for FY 2016-17 (PY 2015-16) on management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises.

b) **Provision for Wage Revision 3rd PRC:** Short-term Provision has been recognised in the accounts towards increase in pay to employees for FY 2016-17 on management estimates as per recommendation of 3rd PRC.

21. In terms of MOU with Govt. of Manipur and NHPC Ltd. (Corporation) ,the Loktak Downstream HE Project of the Corporation with all its Fixed Assets, EAC, Construction Stores and Advances, Current Assets (Including Cash & Bank Balance) and Current Liabilities as on 22nd October, 2009 was converted into a Joint Venture Company (a Subsidiary of the Corporation) ,under the name and style of Loktak Downstream Hydroelectric Corporation Limited, on its Incorporation on 23rd October, 2009 on a going concern basis. The gross value of assets and liabilities of Loktak Downstream Hydroelectric Corporation Project of the corporation till 22nd October, 2009 have been incorporated by the company as gross value of assets transferred to it by the corporation as on 23rd October, 2009. Also the gross value of depreciation, wherever applicable, has been shown as gross value of depreciation up to 22.10.2009 transferred by NHPC Ltd. to the company.

22 a) Undisputed Statutory dues outstanding as on 31.03.2017 which have not been deposited within six months from the date they became payable:

Nature of dues	Amount in ₹	Due date of remittance
EPF	NIL	
Income Tax	NIL	
Sales Tax /VAT	NIL	
Service Tax	NIL	
Custom Duty	NIL	
Excise Duty	NIL	
Works Contract Tax	NIL	
Any other levies (Please specify)	NIL	

b) Statutory dues which have not been deposited on account of any dispute:-

Name of the Statute	Nature of dues	Amount in ₹	Year to which it pertains	Forum at which case is pending
Income Tax Act, 1961	Income Tax	NIL	NIL	NIL
Sales Tax Acts/VAT Act	Sales Tax/ VAT	NIL	NIL	NIL
Finance Act, 1994	Service Tax	NIL	NIL	NIL
Custom Act, 1962	Custom Duty	NIL	NIL	NIL
Central Excise Tariff Act, 1985	Excise Duty	NIL	NIL	NIL
Works Contract Tax	Works Contract Tax	NIL	NIL	NIL
Please specify	Any other levies	NIL	NIL	NIL

c) Details of Immovable Properties (other than land) for which title deeds are not held in the name of the company:

Sl.No	Details of the Property	Year of Acquisition	Acquisition Cost	Written Down Value	Reasons for non execution of title deed
	NIL	NIL	NIL	NIL	

23. Disclosure for reporting in compliance to directions issued by Office of CAG u/s 143(5)

SL.No	Directions	Reply
1	Whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reasons thereof and amount involved.	NONE
2	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	Not applicable

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.Regn No:327475E)

(PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

For and on behalf of the Board of Directors

(K.M. SINGH)
CHAIRMAN
DIN-02223301

(VIJAY KUMAR)
DIRECTOR
DIN-03021294

(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

(VIPAN JAIN)
COMPANY SECRETARY
MEMBERSHIP NO:F6515

Place: Imphal
Date: 08/05/2017

Note No. -35: First Time adoption of IND AS

Transition from IGAAP to IND AS

These financial statements, for the year ended 31st March, 2017, are the first the Company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in Note No. 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2015 (date of transition). In preparing its opening Ind AS Balance Sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. **Exemptions and exceptions availed:** Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

i) **Optional exemptions:**

a) **Deemed Cost for Property, Plant & Equipment, Investment Property and Intangible Assets:** Since there is no change in functional currency, the Company has availed exemption under para D7AA of appendix C to IND AS 101 which permits a first time adopter to continue with the carrying values for its Property, Plant & Equipment, Investment Property and Intangible Assets as at the date of transition to IND ASs measured as per previous GAAP. There are no decommissioning liabilities of the company.

b) **Long Term Foreign Currency Monetary Items:** Para D13AA of appendix C to Ind AS 101 permits a first time adopter to continue the policy adopted for exchange differences arising from translation of long term foreign currency monetary items recognised in the financial statements for the period ended immediately before the beginning of the first Ind AS financial reporting period as per previous GAAP. The company has availed the exemption under Para D13AA and has continued to apply the accounting policy earlier adopted for accounting of exchange differences arising on restatement of long-term foreign currency monetary items recognised till 31.03.2016.

c) **Designation of previously recognised financial instruments:** Para D19 of Ind AS 101 allows an entity to designate investment in equity instruments at Fair value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly company has elected to avail the exemption and designate its investment in equity instruments at Fair value through Other Comprehensive Income (FVTOCI).

d) **Investment in Subsidiaries and joint ventures:** Para D15 of Ind AS 101 allows an entity to measure investment in subsidiaries, joint ventures and associates at previous GAAP carrying amount at the date of transition to Ind AS. The Company has availed the exemption with regard to measuring the investment in subsidiaries and joint venture as at date of transition at deemed cost which is previous GAAP carrying amount at that date.

e) **Leases:** Para D9 of Ind AS 101 provides an option to apply Paragraphs 6-9 of Appendix C to Ind AS 17- Leases determining whether an arrangement contains a lease on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such arrangements/contracts based on the conditions in place as at the date of transition.

ii) **Mandatory exceptions:**

a) Estimates: An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP (after adjustment to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities. except Regulatory Deferral Account Balances

- Investments in Equity instruments carried at Fair Value through Other Comprehensive Income (FVTOCI).
- Investment in debt instruments carried at FVTOCI.
- Fair valuation of loans to employee such as house building advance, car advance, computer advance and scooter advance using discounted cash flow method. Comparative prevailing interest rate of SBI has been used as discount rate to arrive at the fair value of above said advances.
- Non-current interest free financial liabilities like Retention money/ security deposit have been fair valued using discounted cash flow method. The weighted average cost of debt of the company for FY 2014-15 has been used as discount rate.

b) **Classification and measurement of financial assets:** Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) **Government Loan:** Ind As 101 requires a first-time adopter to apply the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to Ind ASs. Consequently, if a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind ASs as the carrying amount of the loan in the opening Ind AS Balance Sheet. An entity shall apply Ind AS 109 to the measurement of such loans drawn after the date of transition to Ind ASs. Consequently, the company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.

B) Reconciliations between previous GAAP and Ind AS:

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flow for prior periods. **Appendix – I & II** to Note no. 35 represent the reconciliations from previous GAAP to Ind AS.

In terms of our report of even date attached	For and on behalf of the Board of Directors	
FOR PRASHANT RAJESH & ASSOCIATES CHARTERED ACCOUNTANTS (F.Regn No:327475E)	**(K.M. SINGH)** CHAIRMAN DIN-02223301	**(VIJAY KUMAR)** DIRECTOR DIN-03021294
(PRASHANT KUMAR MISHRA) PARTNER (MEMBERSHIP NO: 301019)	**(BHAGABAN MAHAPATRA)** CHIEF FINANCE OFFICER	**(VIPAN JAIN)** COMPANY SECRETARY MEMBERSHIP NO:F6515

Place: Imphal
Date: 08/05/2017

Appendix - I to Note-35

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

RECONCILIATION STATEMENT OF TOTAL EQUITY

(Amount in ₹)

Particulars	31st March 2016	1st April 2015
Total Equity(Shareholder's Fund) as per Previous GAAP	1,353,339,373	1,333,924,654
Adjustments :		
Impact of arrangements/contracts containing a lease	-	-
Fair valuation of Investments	-	-
Fair valuation of Financial Assets and Financial liabilities other than investments	-	-
Rebate to Customers (Upfront Provision)	-	-
Discounting of Provisions	-	-
Proposed Dividend	-	-
Rectification of Depreciation	-	-
Investments-adjustment of premium/discount on acquisition cost	-	-
Remeasurement of defined Benefit plan-Tax effect	-	-
Change in policy for recognition of Property, Plant & Equipment (PPE)	-	-
Tax effect of adjustments	-	-
Total equity as per IND AS	**1,353,339,373**	**1,333,924,654**

Appendix - II to Note-35

RECONCILIATION STATEMENT OF TOTAL COMPREHENSIVE INCOME

(Amount in ₹)

Particulars	31st March 2016
Profit after tax as per Previous GAAP	19,414,719
Adjustments:	
Impact of arrangements/contracts containing a lease	-
Fair valuation of Financial Assets and Financial liabilities other than investments	-
Investments-adjustment of premium/discount on acquisition cost	-
Rebate to Customers (Upfront Provision)	-
Discounting of Provisions	-
Change in policy for recognition of Property, Plant & Equipment (PPE)	-
Remeasurement of defined Benefit plan	-
Tax effect of adjustments	-
Total Adjustments	**-**
Profit after tax as per IND AS	**19,414,719**
Other comprehensive income	-
Reimbursement of defined benefit plan	
Fair valuation of Equity Investment	
Fair valuation of Investment in Debt Instrument	
Total comprehensive income	**19,414,719**

Notes to Reconciliation on First Time Adoption:

Note 1: Impact of Arrangements/Contracts Containing a Lease

Under previous GAAP the investment in Power Generating Stations have been accounted as fixed assets in the books of the company. These assets were carried at historical cost and depreciation was charged to statement of profit and loss. Revenue from these power stations was accounted on the basis of sale of power made to the beneficiaries.

The Company has classified two Power Stations as finance lease arrangements as per Appendix-C to Ind AS 17- Leases. Accordingly the investment in the plant is recognised as a Lease Receivable and fixed asset have been derecognised from the books of accounts. Each lease receipt is allocated between the lease receivable and income from finance lease.

Consequent to the above the total equity has increased by ₹ NIL as on 31.03.2016 (₹ NIL as on 01.04.2015) and total comprehensive income increased by ₹ NIL for the year ended 31.03.2016 on account of reversal of depreciation charged to statement of profit and loss in excess of recovery toward lease receivables.

Note 2: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and debt instruments were classified as long-term investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value.

Fair value changes with respect to investments in equity instruments and debt instruments designated as at FVTOCI have been recognised in FVTOCI – Equity investments Reserve and FVTOCI – Debt investments Reserve, as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2016.

Consequent to the above, the total equity as at 31 March 2016 increased by ₹ NIL (₹ NIL as at 1 April 2015) and total comprehensive income for the year ended 31 March 2016 decreased by ₹ NIL.

Note 3: Fair valuation of Financial Assets and Financial liabilities other than investments

Under the previous GAAP, long term employee loans (such as house building advance, car advance, computer advance and scooter advance) and long term retention money/security deposits (that are repayable in cash on completion of the contractual term) are recorded at their transaction value.

Under Ind AS, all financial Instruments are required to be recognised at fair value. Accordingly, the Company has fair valued these financial Instruments under Ind AS. Consequent to this change total equity increased by ₹ NIL. as at 31.03.2016 (₹ NIL as at 1 April 2015). The total comprehensive income for the year ended on 31 March 2016 decreased ₹ NIL due to unwinding of interest and amortisation of deferred employee cost, partially off-set by the notional interest income recognised on employee loans.

Note 4: Rebate to Customers (Upfront Provision)

Under the previous GAAP rebate to customers was recognised in statement of profit and loss on actual basis. Revenue was being recognised on gross basis inclusive of rebate given to customers.

Under Ind AS revenue arising on a transaction is to be measured at the fair value of the consideration received or receivable taking into account the amount of trade discounts/rebate allowed by the Company. Accordingly, sale of power shall be disclosed net of rebate to customers. Rebate to customers is now required to be accounted on accrual basis by way of estimation.

Consequently total equity decreased by ₹ NIL as at 31.03.2016 (₹ NIL as at 1 April 2015). The total comprehensive income for the year ended on 31 March 2016 decreased by ₹ NIL. due to upfront provisioning of rebate allowed to customers.

Note 5: Discounting of Provisions

Under the previous GAAP, discounting of provisions was not allowed. Under Ind AS, provisions are measured at discounted amounts, if the effect of time value is material. Accordingly, non-current provisions have been discounted to their present values. Consequently total equity increased by ₹ NIL as at 31.03.2016 (₹ NIL as at 1 April 2015). The total comprehensive income for the year ended on 31 March 2016 decreased by ₹ 2.82 due to unwinding of interest.

Note 6: Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax) of ₹ NIL as at 31.03.2016 (₹ NIL as at 1 April 2015) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 7: Investments-adjustment of premium/discount on acquisition

Under previous GAAP, interest was recognised in statement of profit and loss without considering premium/discount on acquisition of debt instruments.

Under Ind AS, such premium/discount on acquisition of investments in debt instruments is required to be deducted from the carrying amount of investment at initial recognition. Interest income from these financial assets is recognized in statement of profit and loss using the effective interest rate method after considering premium/discount.

Consequently total equity increased by ₹ NIL as at 31.03.2016 (₹ NIL as at 1 April 2015). The total comprehensive income for the year ended on 31 March 2016 increased by ₹ NIL due to adjustment of premium/ discount on acquisition.

Note 8: Change in the accounting policy for recognition/ derecognition of Property Plant & Equipment (PPE):

Under previous GAAP, machinery spares procured along with the Plant & Machinery or subsequently and whose use is expected to be irregular are capitalized, either separately (when cost of such spares are known) or with the mother plant. Written down value (WDV) of the subsequently purchased machinery spares was being charged off to Statement of profit and loss in the year in which they were replaced in place of retrieved spares, provided the spares so retrieved did not have any useful life. Similarly, value of such spares, procured & replaced in place of retrieved spares, were being charged off to of Statement of profit and loss in that year itself, provided spares so retrieved did not have any useful life.

Under Ind AS, Spares parts (procured along with the Plant & Machinery or subsequently) which meet the recognition criteria of PPE 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.

Consequently total equity increased by ₹ NIL as at 31.03.2016 (₹ NIL as at 1 April 2015). The total comprehensive income for the year ended on 31 March 2016 increased by ₹ NIL due to change in accounting policy for PPE

Note 9: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. Consequently, the other comprehensive income for the year ended March 31, 2016 decreased by ₹ NIL while profit for the year increased by ₹ NIL. (net of tax). However, there is no impact on the total equity as at 31st March 2016 and on 1st April 2015.

Note 10: Tax effect of Adjustments

Deferred tax have been recognised on all the adjustments made on transition to Ind AS. Accordingly total equity decreased by ₹ NIL as at 31.03.2016 (increased by ₹ NIL as at 1 April 2015). The total comprehensive income for the year ended on 31 March 2016 decreased by ₹ NIL due to such adjustments.

Note 11: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, fair value gains or (losses) on FVTOCI equity instruments and fair value gains or (losses) on FVTOCI debt instruments net of tax. The concept of other comprehensive income did not exist under previous GAAP. The total comprehensive income for the year ended on 31 March 2016 decreased by ₹ NIL due to such adjustments.

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of BUNDELKHAND SAUR URJA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs(financial position), Profit or Loss (financial performance including other comprehensive income), Cash Flows and Changes in Equity 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.

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

AUDITOR'S RESPONSIBILITY

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2016 and 31st March 2015 dated 18th May 2016 and 18th May 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been reviewed by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. The Comptroller and Auditor-General of India have issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act, 2013, the compliance of which is set out in "Annexure B".
3. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) Requirement of disclosure under section 164(2) of the Act is not applicable.

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".

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

i. The company does not have any pending litigations which would impact its financial position.

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;

iv. The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on Audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the company and as produced to us by the management (Refer Note No. 34).

FOR VIVEK AGARWAL & CO.
Chartered Accountants
Firm's Registration No. 003179C

(CA AJAY KUMAR BHARGAVA)
Partner
Membership No. 077833

Place : Lucknow
Date : 26.05.2017

ANNEXURE: A

TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Bundelkhand Saur Urja Limited the Company for the year Ended on 31st March-2017. We report that:

S. No.	Particulars	Auditors' Remark
(i)	a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets:	Yes. Maintained
	(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes. Physically verified. No discrepancies has been noticed.
	(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provided the details thereof;	N.A
(ii)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	No inventory is lying in the books. Hence Not applicable.
(iii)	Whether the company has 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. If so,	No such cases.
	(a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	N.A
	(b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	N.A
	(c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company recovery of the principal and interest;	N.A
(iv)	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provided the details thereof	N.A
(v)	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under , where applicable, have been complied with? If not, the nature of such contraventions be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	N.A
(vi)	(a) Whether maintenance of cost records has been specified by the Central Government under sub-Section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	N.A, since the company has not started operation.
(vii)	(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees, state insurance, income-tax, sales-tax, Service tax duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	Yes. Deposited on time.
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	No such cases.
(viii)	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	N.A
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposed for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	N.A
(x)	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes the nature and the amount involved is to be indicated;	No case of fraud reported.

S. No.	Particulars	Auditors' Remark
(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not , state the amount involved and steps taken by the company or securing refund of the same;	N.A
(xii)	Whether the Nidhi company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	N.A
(xiii)	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	Yes.
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act,2013 have been complied with and the amount raised have been used for the purposed for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	No
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	No such case
(xvi)	Whether the company is required to be registered under section 45-IA of the reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	N.A

FOR VIVEK AGARWAL & CO.
Chartered Accountants
(F. R. N-003179C)

(CA AJAY KUMAR BHARGAVA)
(PARTNER)
Membership No.077833

Place : Lucknow
Date : 26.05.2017

ANNEXURE: B

BUNDELKHAND SAUR URJA LIMITED

Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Bundelkhand Saur Urja Limited for the year 2016-17 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013:

Sl. No.	Directions	Auditors' Reply
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available	NIL
2	Whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reasons thereof and amount involved.	NIL
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	NIL

FOR VIVEK AGARWAL & CO.
Chartered Accountants
(F. R. N-003179C)

(CA AJAY KUMAR BHARGAVA)
(PARTNER)
Membership No.077833

Place : Lucknow
Date : 26.05.2017

ANNEXURE: C

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BUNDELKHAND SAUR URJA LIMITED

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

We have audited the internal financial controls over financial reporting of Bundelkhand Saur Urja Limited as of March 31, 2017 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 of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal 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 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 March 31, 2017, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR VIVEK AGARWAL & CO.
Chartered Accountants
(F. R. N-003179C)

(CA AJAY KUMAR BHARGAVA)
(PARTNER)
Membership No.077833

Place : Lucknow
Date : 26.05.2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹)

		PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
		ASSETS				
(1)		**NON-CURRENT ASSETS**				
	a)	Property Plant & Equipment	2.1	502,354	120,340	-
	b)	Capital Work In Progress	2.2	18,277,567	9,918,760	1,155,759
	c)	Investment Property	2.3	-	-	-
	d)	Other Intangible Assets	2.4	-	-	-
	e)	**Financial Assets**				
		i) Investments	3.1	-	-	-
		ii) Loans	3.2	-	-	-
		iii) Others	3.3	-	-	-
	f)	Other Non Current Assets	4	1,700	-	-
	g)	Deferred Tax Assets	18	-	146,500	218,626
(2)		**CURRENT ASSETS**				
	a)	Inventories	5	-	-	-
	b)	Financial Assets				
		i) Investments	6	-	-	-
		ii) Trade Receivables	7	-	-	-
		iii) Cash & Cash Equivalents	8	113,542,530	113,145,939	10,000,000
		iv) Bank balances other than cash & cash equivalents	9	-	-	-
		v) Loans	10	-	-	-
		vi) Others	11	195,445	-	-
	c)	Current Tax Assets (Net)	12	-	472,240	-
	d)	Other Current Assets	13	-	-	-
		TOTAL ASSETS		**132,519,596**	**123,803,779**	**11,374,385**
(3)		Regulatory Deferral Account Debit Balances	14	-	-	-
		TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		**132,519,596**	**123,803,779**	**11,374,385**
		EQUITY AND LIABILITIES				
(1)		**EQUITY**				
	(a)	Equity Share Capital	15.1	10,000,000	10,000,000	10,000,000
	(b)	Other Equity	15.2	(3,968,319)	(737,910)	(665,784)
(2)		**LIABILITIES**				
		NON-CURRENT LIABILITIES				
	a)	**Financial Liabilities**				
		i) Borrowings	16.1	-	-	-
		ii) Trade Payables				
		iii) Other financial liabilities	16.2	-	-	-
	b)	Provisions	17	-	-	-
	c)	Deferred Tax Liabilities (Net)	18	-	-	-
	d)	Other non-current Liabilities	19	-	-	-

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹)

		PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(3)		**CURRENT LIABILITIES**				
	a)	**Financial Liabilities**				
		i) Trade Payables	20.1			
		Total outstanding dues of micro enterprises and small enterprises		-	-	-
		Total outstanding dues of Creditors other than micro enterprises and small enterprises		149,373	113,279	-
		ii) Other financial liabilities	20.2	26,328,303	14,419,842	2,040,169
	b)	Other Current Liabilities	21	100,010,239	100,008,568	-
	c)	Provisions	22	-	-	-
	d)	Current Tax Liabilities (Net)	23	-	-	-
(4)		**FUND FROM C.O.**	15.3	-	-	-
		TOTAL EQUITY & LIABILITIES		**132,519,596**	**123,803,779**	**11,374,385**
		Significant Accounting Policies	1			
		Expenditure attributable to construction (EAC) during the year forming part of capital work in progress	32			
		Disclosure on Financial Instruments and Risk Management	33			
		Other Explanatory Notes to Accounts	34			
		Disclosure on First time adoption of IND AS	35			
		Note 1 to 35 form integral part of the Accounts				

In terms of our report of even date attached

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

For and on behalf of the Board of Directors

(Ratish Kumar)
Chairman

(Cherian Mathew)
Director

(Saurabh Chakravorty)
Company Secretary

(D. K. GUPTA)
Chief Financial Officer

Place: Lucknow
Date: 08.05.2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
INCOME			
i) Revenue from Operations	24	-	-
ii) Other Income	25	431,709	-
TOTAL INCOME		**431,709**	**-**
EXPENSES			
i) Generation and Other Expenses	26	-	-
ii) Employee Benefits Expense	27	-	-
iii) Finance Cost	28	-	-
iv) Depreciation & Amortization Expense	29	-	-
TOTAL EXPENSES		**-**	**-**
Profit before Exceptional items,Rate Regulated Activities and Tax		431,709	-
Exceptional items		-	-
PROFIT BEFORE TAX		431,709	-
Tax Expenses	30		
i) Current Tax		1,924,106	-
ii) Adjustments relating to earlier years		1,591,512	-
iii) Deferred Tax		146,500	72,126
Total Tax Expenses		**3,662,118**	**72,126**
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		**(3,230,409)**	**(72,126)**
Movement in Regulatory Deferral Account Balances	31	-	-
Impact of Tax on Regulatory Deferral Accounts	-	-	
Movement in Regulatory Deferral Account Balances (Net of Tax)	-	-	-
PROFIT FOR THE YEAR AND NET MOVEMENTS IN NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES.		**(3,230,409)**	**(72,126)**
Profit for the year from continuing operations (A)		**(3,230,409)**	**(72,126)**
Profit from discontined operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax		-	-
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		-	-
Less: Income Tax on remeasurements of the defined benefit plans		-	-
- Equity Investment		-	-
Less: Income Tax on Equity Investment		-	-
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-
Less: Income Tax on investment in Debt Instruments		-	-
Other Comprehensive Income (B)=(i+ii)		**-**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		**(3,230,409)**	**(72,126)**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

	Note No.	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
Earning per share before movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)			
Basic & Diluted			
Earning per share after movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)			
Basic & Diluted			
Significant Accounting Policies	1		
Expenditure attributable to construction (EAC) during the year forming part of capital work in progress	32		
Disclosure on Financial Instruments and Risk Management	33		
Other Explanatory Notes to Accounts	34		
Disclosure on First time adoption of IND AS	35		
Note 1 to 35 form integral part of the Accounts			

In terms of our report of even date attached

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

For and on behalf of the Board of Directors

(Ratish Kumar)
Chairman

(Cherian Mathew)
Director

(Saurabh Chakravorty)
Company Secretary

(D. K. GUPTA)
Chief Financial Officer

Place: Lucknow
Date: 08.05.2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

		For the year ended 31st March, 2017		For the year ended 31st March, 2016	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax and extraordinary items		431,709		-
	Less: Rate Regulated Income/ (Expenditure)		-		
			431,709		**-**
	ADD :				
	Depreciation (including Prior Period & ERV impact)	-			
	Finance Cost (Net of EDC)	-			
	Provisions (Net loss)	-			
	Expenditure incurred to create RRA (net of finance and depreciation)	-			
	Tariff Adjustment (loss)	-			
	FERV Sale	-			
	Loss on sale of assets/Claims written off	-			
	Exchange rate variation	-			
			-		-
			431,709		**-**
	LESS :				
	Advance against Depreciation written back	-		-	
	Provisions (Net gain)	-		-	
	NET GAIN/LOSS ON SALE OF Investmets	-		-	
	Profit on Sale of Assets \ Realization of Loss	-		-	
	Dividend Income	-		-	
	Interest Income	5,941,659		4,520,680	
			5,941,659		4,520,680
	Cash flow from operating activities before working capital adjustments		**(5,509,950)**		**(4,520,680)**
	Decrease (Increase) in Working Capital:				
	Inventories	-			
	Trade Receivables	-			
	Other Assets, Loans and Advances	(391,084)		-	
	Other Liabilities & Provisions	11,946,226		112,501,520	
			11,555,142		112,501,520
	Cash flow from operating activities before taxes		**6,045,192**		**107,980,840**
	Less : Taxes		3,043,378		472,240
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**3,001,814**		**107,508,600**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets & expenditure on construction projects (including expenditure during construction forming part of Capital Work in Progress for the year)		(8,740,182)		(8,883,341)
	Creation of Rate Regulatory Assets		-		-
	Realization from Investments / Bonds		-		-

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Dividend Income	-	-
	Interest Income	6,135,598	4,520,680
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	**(2,604,584)**	**(4,362,661)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Dividend and Dividend Tax Paid	-	-
	Finance from Borrowings		
	Borrowings	-	-
	Repayment of Borrowings	-	-
	Interest & Finance Charges	(639)	-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**(639)**	**-**
D.	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**	**396,591**	**103,145,939**
	Cash & Cash Equivalents at the beginning of the year	**113,145,939**	**10,000,000**
	Cash & Cash Equivalents at the close of the year	**113,542,530**	**113,145,939**
	EXPLANATORY NOTES TO CASH FLOW STATEMENT		
1	Cash and Cash equivalents consists of Cash in hand, cheques/drafts in hands and Bank Balances including Short Term Deposits of varying periods. The details of Cash & Cash equivalents as per Note 8 of the Balance Sheet is as under:		
	Cash and Cash equivalents	113,542,530	113,145,939
	Other Bank Balances *	-	-
		113,542,530	113,145,939
		-	-

In terms of our report of even date attached

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

For and on behalf of the Board of Directors

(Ratish Kumar)
Chairman

(Cherian Mathew)
Director

(Saurabh Chakravorty)
Company Secretary

(D. K. GUPTA)
Chief Financial Officer

Place: Lucknow
Date: 08.05.2017

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2017

A. EQUITY SHARE CAPITAL

Particulars	Note No.	(Amount in ₹)
As at 1st April 2015	15.1	10,000,000
Changes in Equity Share Capital		-
As at 31st March 2016	**15.1**	**10,000,000**
Changes in Equity Share Capital		-
As at 31st March 2017	15.1	10,000,000

B. OTHER EQUITY

(Amount in ₹)

Attributable to equity holders		Reserve & Surplus									Other Comprehensive Income		
	Note No.	Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Fund	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	Total
Balance as at 1st April, 2015		-	-	-	-	-	-	-	-	(665784)	-	-	(665784)
Change in Accounting Policy		-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the Beginning of the Reporting Period (A)		-	-	-	-	-	-	-	-	(665784)	-	-	(665784)
Profit for the year		-	-	-	-	-	-	-	-	(72126)	-	-	(72126)
Other Comprehensive Income		-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year		-	-	-	-	-	-	-	-	**(72126)**	**-**	**-**	**(72126)**
Transfer to Retained Earning :		-	-	-	-	-	-	-	-				
Amount written back from Bond Redemption Reserve	15.2	-	-	-	-	-	-	-	-	-	-	-	-
Amount written back from Corporate Social Responsibility Fund	15.2	-	-	-	-	-	-	-	-	-	-	-	-
Amount utilised from Self Insurance Fund	15.2	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-				
Transfer from Retained Earning :		-	-	-	-	-	-	-	-				
Dividend Paid (FY 2014-15)	32(3)	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend (FY 2014-15)		-	-	-	-	-	-	-	-	-	-	-	-
Dividend (Interim 2015-16)	32(3)	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend (Interim 2015-16)		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Bond Redemption Reserve	15.2	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Research & Development Fund	15.2	-	-	-	-	-	-	-	-	-	-	-	-
Total as on 31.03.2016		-	-	-	-	-	-	-	-	**(737910)**	**-**	**-**	**(737910)**

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2017

(Amount in ₹)

Attributable to equity holders		Reserve & Surplus									Other Comprehensive Income		
	Note No.	Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Fund	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	Total
Balance as at 1st April, 2016		-	-	-	-	-	-	-	-	**(737910)**	-	-	**(737910)**
Change in Accounting Policy		-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the Beginning of the Reporting Period (A)		-	-	-	-	-	-	-	-	**(737910)**	-	-	**(737910)**
Profit for the year		-	-	-	-	-	-	-	-	(3230409)	-	-	(3230409)
Other Comprehensive Income		-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period		-	-	-	-	-	-	-	-	**(3230409)**	-	-	**(3230409)**
Transfer to Retained Earning	15.2	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Retained Earning:													
Dividend Paid	32(3)	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend		-	-	-	-	-	-	-	-	-	-	-	-
Total as on 31st March 2017		-	-	-	-	-	-	-	-	**(3968319)**	-	-	**(3968319)**

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

(D. K. GUPTA)
Chief Financial Officer

(S.K.Dubey)
Cheif Executive Officer

NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES AND COMPANY INFORMATION

(i) Reporting entity

NHPC Limited (the "Company") is a Company domiciled in India and limited by shares. The shares of the Company are publicly traded on the National Stock Exchange of India and BSE Limited. The address of the Company's registered office is NHPC LTD., NHPC Office Complex, Sector-33, Faridabad, Haryana -121003. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy and project management & supervision.

(ii) Basis of preparation

(a) Statement of Compliance

These financial statements are prepared on accrual basis of accounting in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules, 2015] and other applicable provisions of the Act, and the provisions of the Electricity Act, 2003 to the extent applicable. These are the Company's first Ind AS financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards', has been applied.

For all the periods upto and including 31 March 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements are the first financial statements of the company under Ind AS. Refer note 35 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

(b) Basis of Measurement

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following financial assets and financial liabilities which are measured at fair value:

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

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

(c) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest rupee for the company.

(d) Use of estimates and management judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

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

Critical judgements and estimates

i) Determining whether an arrangement contains a lease

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

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

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

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

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

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

ii) Useful life of property, plant and equipment

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

Useful life of the assets of the generation of electricity business is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

iii) Recoverable amount of property, plant and equipment and capital work in progress

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

iv) Post-retirement benefit plans

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

v) Revenue

The Company records revenue from sale of power based on Tariff rates approved by the CERC, as per the principles ofInd AS 18. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

vi) Provisions and contingencies

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

vii) Recoverable Amount of Rate Regulated Assets

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

viii) Impairment of Trade Receivable

Considering the historical credit loss experience for trade receivables and the provisions of CERC tariff regulations 2014-19 which allows the Company to raise bills on beneficiaries for late-payment surcharge, 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, except to the extent already provided for.

ix) Investment in Subsidiaries and Joint Ventures: Investment has been carried at costs and as per the indicators assessed by the company, there is no indication of impairment on such investments.

iii) SIGNIFICANT ACCOUNTING POLICIES- A summary of the significant accounting policies applied in the preparation of financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1.0 Property, plant and equipment (PPE)

a) Property, Plant and Equipment up to March 31, 2015 were carried in the Balance Sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by 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).

b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

c) PPE are initially measured at cost of acquisition/ construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and available for use, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

d) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. PPE acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

e) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.

f) Payments made/ liabilities created provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

g) Assets over which the Company has control, though created on land not belonging to the company are included under Property, Plant & Equipment.

h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant & Equipment are capitalized.

i) Spares parts (procured along with the Plant & Machinery or subsequently) which meet the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are treated as "stores & spares" forming part of the inventory.

j) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

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

2.0 Capital work in Progress

a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.

b) Costs including employee benefits, professional fees, expenditure on maintenance and up-gradation of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is accumulated under "Expenditure Attributable to Construction" and carried under "Capital Work in Progress" and subsequently allocated on a systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.

3.0 Investment Property

Upto March 31, 2015, Investment Property were carried in the balance sheet in accordance with Indian GAAP. The Company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND ASs" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers to or from investment property is made when and only when there is a change in use.

4.0 Intangible Assets

a) 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 by IND AS 101, "First time adoption of IND ASs" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).

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

c) Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for as Land-Right to use.

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

e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.0 Foreign Currency Transactions

a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.

b) Exchange differences relating to fixed assets/capital work-in-progress arising out of transaction entered into prior to April 1, 2004 are adjusted to the carrying cost of respective fixed asset/Capital Work-in-Progress. Exchange differences on monetary itemsrelated to acquisition of fixed assets entered upto 31st March 2016 are adjusted to the carrying cost of fixed assets/ Capital Work-in-Progress for projects under construction.

c) Exchange differences arising on translation or settlement of monetary items entered into on or after 01.04.2016 are recognised as income or expenses in the period in which they arise in Profit or Loss.

d) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

6.0 Regulatory Deferral Account Balances

a) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Profit or Loss i.e. not allowed to be capitalized as part of cost of relevant PPE in accordance with the Ind AS, but is nevertheless permitted by Central Electricity Regulatory Commission (CERC), the regulator, to be recovered from the beneficiaries in future through tariff, the right to recover the same is recognized as a Regulatory Asset and corresponding Regulatory Income is recognised, as per IND AS 114, Regulatory Deferral Accounts, if it fulfils the conditions for such recognition laid down in the ibid Standard.On commissioning of the Project, such regulatory deferral account balances are amortized/ liquidated in proportion to depreciation recovered through tariff in relation to such balances.

b) Exchange differences arising on translation or settlement of monetary items entered into on or after 01.04.2016 recognized in the Statement of Profit & 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'. Regulatory deferral accounts balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

c) Regulatory deferral account balances are evaluated at the end of each year 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 balances are derecognised.

d) Regulatory deferral account balances are tested for impairment at the end of each year.

7.0 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

8.0 Investments in subsidiaries and joint ventures

Investments in equity shares of subsidiaries and joint ventures are carried at cost.

9.0 Financial assets other than investment in subsidiaries and joint ventures

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

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

a) Classification

The Company classifies its financial assets in the following categories:

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

The classification depends on the following:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

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

b) Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

c) Subsequent measurement

Debt instruments at amortised cost

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

i) The asset is held within a business model whose objective is to hold assets for collectingcontractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely paymentsof principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

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

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii) The asset's contractual cash flows represent SPPI

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

Equity investments:

All equity investments in entities other than subsidiaries and joint ventures are measured at fairvalue. Equity instruments which are held for trading,if any, are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company classifies the same as at FVTOCI. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes on an equity instrument classified at FVTOCI, are recognized in the OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in the P&L.

d) Derecognition

A financial asset is derecognised only when:

i) The company has transferred the rights to receive cash flows from the financial asset, or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

e) Impairment of financial assets

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

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

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

iii) Contract Assets under Ind AS 11, Construction Contracts

iv) Lease Receivables under Ind AS 17, Leases.

v) Trade Receivables under Ind AS 18, Revenue.

The company follows 'simplified approach' permitted under Ind As 109, "Financial Instruments" for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables resulting from transactions within the scope of Ind AS 11, Ind AS 17 and Ind AS 18, which requires expected life time losses to be recognised from initial recognition of the receivables.

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

10.0Inventories

Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipments and are valued at cost or net realizable value (NRV) whichever is lower. The cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

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

11.0Dividends

Dividends and interim dividendspayable to the Company's shareholders are recognised as change in equity in the period in which they are approved by the Company's shareholders and the Board of Directors respectively.

12.0Financial liabilities

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

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

a) Classification, initial recognition and measurement

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

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

b) Subsequent measurement

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

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

c) Derecognition

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

d) Offsetting of financial instruments

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

13.0Government Grants

a) The benefits of a government loan at a below market rate of interest is treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities and government grant is recognized initially as deferred income and subsequently in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

b) Monetary grants received from the Government for creation of assets of Power Stations are set up as deferred revenue and amortised over the useful life of the related assets.

14.0Provisions, Contingent Liabilities and Contingent Assets

a) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision net of any reimbursement is presented in the statement of profit and loss or in the carrying amount of an asset if another standard permits such inclusion.

b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflectsthe risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

c) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

d) Contingent assets are disclosed in the financial statements on the basis of judgment of management when inflow of economic benefits is probable.

15.0Revenue Recognition and Other Income

a) Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement and the amount of revenue can be measured reliably. Revenue from the sale of power is measured at the fair value of the consideration received or receivable.

b) Revenue from the sale of power is accounted for as per tariff notified by Central Electricity Regulatory Commission. In case of Power Station where tariff is not notified, sale is recognized on provisional rates worked out by the Company based on the parameters and method adopted by the appropriate authority. Customers are billed on aperiodic and regular basis. As at each reporting date, revenue from sale of power includes an accrual for sales delivered to customers but not yet billed (unbilled revenue). Rebates given to beneficiaries as early payments incentives are deducted from the amount of revenue.

c) The price which the Company can charge from its customer for the electricity sold by it is determined by CERC in accordance with CERC tariff regulations. The ibid tariff regulation provide that generating company can recover the foreign exchange rate variation on actual basis i.e. when foreign currency loan is repaid after commercial operation date (COD).

As the financial statements are prepared on accrual basis, exchange difference resulting from restating long term foreign currency monetary items on the reporting date are charged to statement of profit and loss. Prior to 01.04.2016, right/obligation of recovery/payment of the same on actual basis arising out of CERC tariff regulations is recognized through deferred foreign currency fluctuation recoverable/ payable account and adjusted from the year in which the same is recovered/paid. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency entered into on or after 01.04.2016 to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferral account balances' and adjusted from the year in which the same is recovered/paid. Accordingly, there is no impact on the profit or loss of the period.

d) Recovery towards deferred tax items recognized till March 2009 are accounted for when the same materialises.

e) Incentives/Disincentives are recognised as per Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations. In case of Power Stations where tariff have not been notified, incentives/disincentives are recognized provisionally on assessment of the likelihood of acceptance of the same.

f) Adjustments arising out of finalisation of Regional Energy Account (REA), though not material, are effected in the year of respective finalisation.

g) Advance Against Depreciation (AAD) considered as deferred income up to 31st March 2009 is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the project, considering the total useful life of the project as 35 years.

h) Revenue on Project Management / Construction Contracts/ Consultancy assignments is recognized on percentage of completion method. The percentage of completion is determined as proportion of "cost incurred up to reporting date" to "estimated cost to complete the concerned Project Management / Construction Contracts and Consultancy assignment".

i) Dividend income is recognized when right to receive the same is established.

j) Interest/Surcharge recoverable from customers and liquidated damages /interest on advances to contractors is recognised when no significant uncertainty as to measurability and collectability exists.

k) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

16.0 Employee Benefits

i) Short-term employee benefits

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

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

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trusts and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expensein profit or loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Employees Defined Contribution Superannuation Scheme (EDCSS) for providing pension benefits and contribution to Social Security Scheme are accounted as defined contribution plan.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme, Retired Employees Health Scheme (REHS), provident fund scheme,allowance on retirement/death and memento on superannuation to employees are in the nature of defined benefit plans.

The liability or asset recognised in the balance sheet in respect of gratuity, Retired Employees Health Scheme and Provident Fund Scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv) Other long-term employee benefits

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

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Contributions to the scheme and actuarial gains or losses are recognised in profit or loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

v) Termination benefits

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

17.0Borrowing costs

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

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

18.0Depreciation and amortization

a) 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 available for use / disposal.

b) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff except for assets specified in policy no. 19(d) below.

c) i) Depreciation on Property, Plant & Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no. 19(d) below.

ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.

d) Depreciation in respect of following items of PPE is charged on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:

(i) Construction Plant & Machinery

(ii) Computer & Peripherals

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

f) Assets valuing ₹ 5000/- or less but more than ₹ 750/- are fully depreciated during the year in which asset is made available for use with Re. 1/- as WDV.

g) Low value items, which are in the nature of assets (excluding immovable assets) and valuing upto ₹ 750/- are not capitalized and charged off to revenue in the year of use.

h) Leasehold Land, in case of operating units, is amortized over the period of lease or 35 years whichever is lower, following the rates and methodology notified vide CERC tariff regulations.

i) Leasehold Land, in case of units other than operating units, is amortized over the period of lease or 35 years whichever is lower.

j) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date suchasset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.

k) Land-Right to use is amortized over a period of 30 years from the date of commercial operation of the project in line with CERC tariff regulations notified for tariff fixation.

l) Cost of software recognized as 'Intangible Assets' is amortized on straight line method over a period of legal right to use or three financial years, whichever is earlier, starting from the year in which it is acquired.

m) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such assets at the rate of depreciation and methodology notified by CERC tariff regulations.

n) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

o) 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.

19.0 Impairment of non-financial assets other than inventories

a. The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the profit orloss.

b. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

c. In case of expenditure on survey & investigation of projects, if it is decided to abandon such a project under survey & investigation, expenditure incurred thereon is charged to Statement of Profit and Loss in the year in which such decision is taken.

d. In case a project under survey and Investigation remains in abeyance by the order of appropriate authority/ by injunction of court order, any expenditure incurred on such projects from the date of order/ injunction of court is provided in the books from the date of such order till the period project is kept in abeyance by such order/ injunction. Provision so made is however reversed on the revocation of aforesaid order/ injunction.

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

20.0 Income Taxes

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

a) Current tax

i) The current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws enacted or substantively enacted at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (permanent differences).

ii) Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

b) Deferred tax

i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

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

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

iv) Deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

v) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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

21.0 Compensation from third parties

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

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

22.0 Segment Reporting

a) In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.

b) Electricity generation is the principal business activity of the company. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.

c) The company is having a single geographical segment as all its Power Stations are located within the Country.

23.0 Leases

a) Company as a Lessee:

i. Leases of property, plant and equipment (mainly land acquired through lump sum upfront payments), where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance lease. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments.

ii. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease.

b) Company as a Lessor:

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

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

ii. In the case of operating leases or embedded operating leases, the lease income from the operating lease is recognised in revenue over the lease term to reflect the pattern of use benefit derived from the leased asset. The respective leased assets are included in the balance sheet based on their nature and depreciated over its economic life.

24.0 Statement of Cash Flows

a) Cash and Cash equivalent:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

b) Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard.

25.0 Current versus non-current classification

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

a) An asset is current when it is:

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

All other assets are classified as non-current.

b) A liability is current when:

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

All other liabilities are classified as non-current.

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

26.0 Miscellaneous

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

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

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2017

(Amount in ₹)

		GROSS BLOCK							DEPRECIATION				NET BLOCK	
			Additions		Deductions									
Sl. No.	PARTICULARS	As at 01-Apr-2016	IUT	Others	IUT	Others	Other Adjust-ments	As at 31st March, 2017	As at 01-Apr-2016	For the Period	Adjust-ments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
i)	Land – Freehold	-	-	-	-	-	-	-	-			-	-	-
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	"Plant and machinery Sub station"	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	"Plant and machinery Transmission lines"	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Water Supply System/ Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	-	-	398927	-	-	-	398927	-	1730	-	1730	397197	-
xvii)	Computers	156500	-	-	-	-	-	156500	36160	49558	-	85718	70782	120340
xviii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xix)	Office Equipments	-	-	35300	-	-	-	35300	-	925	-	925	34375	-
xx)	Research and Development	-	-	-	-	-	-	-	-	-	-	-	-	-
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
xxii)	Tangible Assets of minor value >750 and < ₹ 5000	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**156500**	**-**	**434227**	**-**	**-**	**-**	**590727**	**36160**	**52213**	**-**	**88373**	**502354**	**120340**
	Previous year			**176400**		**19900**		**156500**		**39162**	**(3002)**	**36160**	**120340**	**-**

Explanatory Note: -

1) ‘Title deeds/title in respect of freehold land amounting to ₹ .... (Previous year ₹ ....) covering an area of .... hectare (Previous year .... hectare) and lease deeds in respect of leasehold land amounting to ₹ .... (Previous year ₹ ....) covering an area of .... hectare (Previous year .... hectare) are yet to be executed/passed.’

2) Adjustments to Gross Block include adjustment for Foreign Exchange Rate Variation, depreciation charged and capitalized during construction of a project, inter-head reclassification of assets & misclassification corrections.

3) Refer Note no. 34 for information of non-current assets pledged with bank as security for related borrowings.

Annexure to Note 2.1 & 2.4 as at 31.03.2017

1.1 Addition of Fixed assets on account of Others (New Purchases & CWIP Capitalized)

Sl. No.	Particular of assets	Head of account	Gross block Adjusted (₹)
1	FINILING CABINET WITH TEMPETED GLASS AND HAR PVC UPHOLSTERY- F05C (SIZE- 1760x400x2100)	411701	92329
2	TABLE WITH MOVABLE PEDESTAL ALONG WITH SIDE RETURN (2380 x 2400 x 750	411701	139936
3	HIGH BACK REVOLVING CHAIR WITH PU UPHOLSTERY	411701	16788
4	MID BACK REVOLVING CHAIR WITH PU UPHOLSTERY	411701	15896
5	MID BACK REVOLVING CHAIR WITH PU UPHOLSTERY	411701	15896
6	MID BACK REVOLVING CHAIR WITH PU UPHOLSTERY	411701	15896
7	THREE SEATER ITALIAN SOFA WITH PU FINISH AND STRUCTURE IS SS	411701	49196
8	TWO SEATER ITALIAN SOFA WITH PU FINISH AND STRUCTURE IS SS	411701	38661
9	CENTRE TABLE WITH TOUGHENED GLASS TOP (1200 x 640 x 420)	411701	14329
10	LIPPUR RO (MODEL- ENVY NEO) (RO+UV+TEST ENHANCER) 5 STAGE PURIFICATION PROCESS WITH 8.0 LTRS. CAPACITY S.NO. B5FW38D1000037	412007	15800
11	INVERTER 1250 FB 12 VOLT MICROTEK WITH BATTERY INVATAL1500 12 VOLT 150AH EXIDE MAKE	412007	19500
	Total		**434227**

1.2 Addition on account of inter unit transfers

Sl. No.	Particular of assets	Head of account	Gross block of Assets (₹)	Detail of the Unit / Company from where Assets Received (Transferred In)		Advice number
				Name of Unit / Company	Code of Unit / Company e.g. 100 , 101	
	Total		-			

2.1 Deductions on account of Others (Sale/Disposal/Write off)

Sl. No.	Particular of assets	Head of account	Gross block Addition (₹)
	Total		-

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2016

(Amount in ₹)

		GROSS BLOCK							DEPRECIATION				NET BLOCK	
Sl. No.	PARTICULARS	As at 01-Apr-2015	Additions		Deductions		Other Adjust-ments	As at 31st March, 2016	As at 01-Apr-2015	For the Period	Adjust-ments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
			IUT	Others	IUT	Others								
i)	Land – Freehold	-	-	-	-	-	-	-	-			-	-	-
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Water Supply System/ Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Computers	-	-	176400	-	19900	-	156500	-	39162	(3002)	36160	120340	-
xviii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xix)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
xx)	Research and Development	-	-	-	-	-	-	-	-	-	-	-	-	-
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
xxii)	Tangible Assets of minor value >750 and < ₹ 5000	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**-**	**-**	**176400**	**-**	**19900**	**-**	**156500**	**-**	**39162**	**(3002)**	**36160**	**120340**	**-**
	Previous year							-				-	-	-

Explanatory Note: -

1) 'Title deeds/title in respect of freehold land amounting to ₹ .... (Previous year ₹ ....) covering an area of .... hectare (Previous year .... hectare) and lease deeds in respect of leasehold land amounting to ₹ .... (Previous year ₹ ....) covering an area of .... hectare (Previous year .... hectare) are yet to be executed/passed.'

2) Adjustments to Gross Block include adjustment for Foreign Exchange Rate Variation, depreciation charged and capitalized during construction of a project, inter-head reclassification of assets & misclassification corrections.

3) Refer Note no. 34 for information of non-current assets pledged with bank as security for related borrowings.

Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

	Particulars	As at 01-Apr-2016	Addition	Adjustment	Capitalised	As at 31st March, 2017
i)	Roads and Bridges	-				-
ii)	Buildings	-				-
iii)	Railway sidings	-				-
iv)	Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-				-
v)	Generating Plant and Machinery	-				-
vi)	Plant and Machinery - Sub station	-				-
vii)	Plant and Machinery - Transmission lines	-				-
viii)	Plant and Machinery - Others	-				-
ix)	Construction Equipment	-				-
x)	Water Supply System/Drainage and Sewerage	-				-
xi)	Other assets awaiting installation	-				-
xii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-				-
xiii)	Survey, investigation, consultancy and supervision charges	274903	401553			676456
xiv)	Expenditure on compensatory Afforestation	-				-
xv)	Expenditure attributable to construction *	9643857	7957254			17601111
	Less: Provided for	-				-
	Sub total (a)	**9918760**	**8358807**	**-**	**-**	**18277567**
	*** For addition during the period refer Note No. 32**					
	Construction Stores (for valuation refer Accounting Policy no.10)	-			-	-
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	**-**	**-**	**-**	**-**	**-**
	TOTAL	**9918760**	**8358807**	**-**	**-**	**18277567**
	Previous year	**1155759**	**13283681**	**(4520680)**		**9918760**

Explanatory Note: -

1) Expenditure attributable to construction (EAC) includes ₹------ (Corresponding previous period ₹ ------- Crore) towards borrowing cost capitalised during the period. - **Only for construction projects.**

2) Refer Note no. 34 for information of non-current assets pledged with bank as security for related borrowings.

Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

	Particulars	As at 01-Apr-2015	Addition	Adjustment	Capitalised	As at 31-Mar-2016
i)	Roads and Bridges	-				-
ii)	Buildings	-				-
iii)	Railway sidings	-				-
iv)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-				-
v)	Generating Plant and Machinery	-				-
vi)	Plant and Machinery - Sub station	-				-
vii)	Plant and Machinery - Transmission lines	-				-
viii)	Plant and Machinery - Others	-				-
ix)	Construction Equipment	-				-
x)	Water Supply System/Drainage and Sewerage	-				-
xi)	Other assets awaiting installation	-				-
xii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-				-
xiii)	Survey, investigation, consultancy and supervision charges	-	274903			274903
xiv)	Expenditure on compensatory Afforestation	-				-
xv)	Expenditure attributable to construction *	1155759	13008778	(4520680)		9643857
	Less: Provided for	-				-
	Sub total (a)	**1155759**	**13283681**	**(4520680)**	**-**	**9918760**
	*** For addition during the period refer Note No. 32**					
	Construction Stores (for valuation refer Accounting Policy no. 10)	-			-	-
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	**-**	**-**	**-**	**-**	**-**
	TOTAL	**1155759**	**13283681**	**(4520680)**	**-**	**9918760**
	Previous year		**1155759**			**1155759**

Explanatory Note: -

1) Expenditure during construction (EDC) includes ₹------ (Corresponding previous period ₹ ------- Crore) towards borrowing cost capitalised during the period. - **Only for construction projects.**

2) Refer Note no. 34 for information of non-current assets pledged with bank as security for related borrowings.

Annexure to Note 2.2

CUMMULATIVE EDC

(Amount in ₹)

Particulars	Linkage	31/03/2017	31/03/2016	01/04/2015
A. EMPLOYEES BENEFITS EXPENSES				
Salaries, wages, allowances	437501	18762233	10202906	-
Gratuity and contribution to provident fund (including administration fees)	437502	2862954	1538047	-
Staff welfare expenses	437503	890327	346241	-
Leave Salary & Pension Contribution	437504	-	-	-
Sub-total(a)		**22515514**	**12087194**	**-**
Less: Capitalized During the year/Period	**438103**	**-**	**-**	**-**
Sub-total (A)		**22515514**	**12087194**	**-**
B. REPAIRS AND MAINTENANCE				
Building	437510	150955	-	-
Machinery	437511	-	-	-
Others	437512	-	-	-
Rent	437514	542607	164731	-
Rates and taxes	437515	20080	-	-
Insurance	437516	-	-	-
Security expenses	437517	-	-	-
Electricity Charges	437518	4500	-	-
Travelling and Conveyance	437519	1311934	152550	-
Expenses on vehicles	437520	-	-	-
Telephone, telex and Postage	437521	162907	99295	-
Advertisement and publicity	437522	1875516	1155759	1155759
Entertainment and hospitality expenses	437523	21298	2250	-
Printing and stationery	437524	134370	85408	-
Remuneration to Auditors	437552	106000	60000	-
Design and Consultancy charges:			**-**	**-**
- Indigenous	437526	34236	34236	-
- Foreign	437527	-	-	-
Expenses on compensatory afforestation / catchment area treatment/ environmental expenses	437531	-	-	-
Expenditure on land not belonging to corporation	437532	-	-	-
Land acquisition and rehabilitation	437533	-	-	-
Loss on assets/ materials written off	437528	-	-	-
Losses on sale of assets	437530	-	-	-
Other general expenses	437525	737872	283322	-
Sub-total (b)		**5102275**	**2037551**	**1155759**
Less: Capitalized During the year/Period	**438102**	**-**	**-**	**-**
Sub-total (B)		**5102275**	**2037551**	**1155759**
C. FINANCE COST				
i) Interest on :				
a) Government of India loan	437540	-	-	-
b) Bonds	437541	-	-	-
c) Foreign loan	437542	-	-	-
d) Term loan	437543 and 44	-	-	-
e) Cash credit facilities /WCDL	437545	-	-	-
f) Exchange differences regarded as adjustment to interest cost	437554	-	-	-
Loss on Hedging Transactions	437555	-	-	-
ii) Bond issue/ service expenses	437546	-	-	-
iii) Commitment fee	437547	-	-	-
iv) Guarantee fee on loan	437548	-	-	-

(Amount in ₹)

Particulars	Linkage	31/03/2017	31/03/2016	01/04/2015
v) Other finance charges	437549	1269	630	-
vi) EAC- INTEREST ON LOANS FROM CENTRAL GOVERNMENT-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	437581	-	-	-
vii) EAC- INTEREST ON SECURITY DEPOSIT/ RETENTION MONEY-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	437583	-	-	-
viii) EAC- COMMITTED CAPITAL EXPENSES-ADJUSTMENT FOR TIME VALUE	437585	-	-	-
Sub-total (c)		**1269**	**630**	**-**
Less: Capitalized During the year/Period	**438105**	**-**	**-**	**-**
Sub-total (C)		**1269**	**630**	**-**
D. EXCHANGE RATE VARIATION (NET)				
i) ERV (Debit balance)	437550	-	-	-
Less: ii) ERV (Credit balance)	437551	-	-	-
Sub-total (d)		**-**	**-**	**-**
Less: Capitalized During the year/Period	**438108**	**-**	**-**	**-**
Sub-total (D)		**-**	**-**	**-**
E. PROVISIONS	**437561**	**-**	**-**	**-**
Sub-total (e)		-	-	-
Less: Capitalized During the year/Period	**438106**	**-**	**-**	**-**
Sub-total (E)		-	-	-
F. DEPRECIATION & AMORTISATION	**437560**	**91375**	**39162**	**-**
Sub-total (f)		**91375**	**39162**	**-**
Less: Capitalized During the year/Period	438104	-	-	-
Sub-total (F)		**91375**	**39162**	**-**
G. PRIOR PERIOD EXPENSES (NET)				
Prior period expenses	437565	-	-	-
Less Prior period income	437579	-	-	-
Sub-total (g)		**-**	**-**	**-**
Less: Capitalized During the year/Period	**438107**	**-**	**-**	**-**
Sub-total (G)		**-**	**-**	**-**
H. LESS : RECEIPTS AND RECOVERIES				
i) Income from generation of electricity – precommissioning	437570	-	-	-
ii) Interest on loans and advances	437571	10030630	4520680	-
iii) Miscellaneous receipts	437572	78692	-	-
iv) Profit on sale of assets	437573	-	-	-
v) Provision not required written back	437574	-	-	-
vi) Hire charges/ outturn on plant and machinery	437575	-	-	-
vii) EAC-FAIR VALUE GAIN - SECURITY DEPOSIT/ RETENTION MONEY	437582	-	-	-
viii) EAC- FAIR VALUE GAIN ON PROVISIONS FOR COMMITTED CAPITAL EXPENDITURE	437584	-	-	-
Sub-total (h)		**10109322**	**4520680**	**-**
Less: Capitalized During the year/Period	**438101**	**-**	**-**	**-**
Sub-total (H)		**10109322**	**4520680**	**-**
I. C.O./Regional Office Expenses (i)	**437599**	**-**	-	-
Less: Capitalized During the year/Period	438109	-	-	-
Sub-total(I)		**-**	**-**	**-**
GRAND TOTAL (a+b+c+d+e+f+g-h+i)		**17601111**	**9643857**	**1155759**
Less: Capitalized During the year/Period		-	-	-
GRAND TOTAL (A+B+C+D+E+F+G-H+I)		**17601111**	**9643857**	**1155759**
Note : 11.1 EAC (CLOSING BALANCE)		17601111	9643857	1155759

NOTE NO. 3.1 NON-CURRENT - FINANCIAL ASSETS - INVESTMENTS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Total	-	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - LOANS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a)	**Employees (at amortised Cost)**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful Employees loans *1	-	-	-
	Sub-total	-	-	-
b)	**Contractor / supplier**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	-	-	-
	– Against bank guarantee	-	-	-
	– Others	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances to Contractor/ Supplier *2	-	-	-
	Sub-total	-	-	-
c)	**State Government in settlement of dues from customer**			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Less : Provisions for doubtful Loan to State Government *3			
	Sub-total	-	-	-
d)	**Government of Arunachal Pradesh**			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Sub-total	-	-	-
e)	**Deposits**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *4	-	-	-
	Sub-total	-	-	-
	TOTAL	-	-	-

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for doubtful Employees loans *1			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-
Provisions for doubtful advances to Contractor/ Supplier *2			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-
Provisions for doubtful Loan to State Government *3			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-
Provision for Doubtful Deposits *4			
Opening Balance	-	-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	-

Explanatory Note: -

i) Loan included in Other Loans (Employees) due from directors or other officers of the company at the end of the period.

ii) Advance due by firms or private companies in which any Director of the Company is a Director or member

iii) Loans are non-derivative financial assets which generate a fixed or variable interest income for the company. The Carrying value may be affected by the changes in the credit risk of the counterparties.

NOTE NO. 3.3 NON-CURRENT - FINANCIAL ASSETS - OTHERS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**Bank Deposits with more than 12 Months Maturity**	-	-	-
B.	Lease Rent receivable	-	-	-
C.	Interest recievable on lease	-	-	-
	TOTAL	-	-	-

NOTE NO. 4 OTHER NON-CURRENT ASSETS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**CAPITAL ADVANCES**			
	Secured (considered good)	-	-	-
	Unsecured (considered good)			
	– Against bank guarantee	-	-	-
	– Others	-	-	-
	Less : Provision for expenditure awaiting utilisation certificate	-	-	-
	Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances *1	-	-	-
	Sub-total	**-**	**-**	**-**
B.	**ADVANCES OTHER THAN CAPITAL ADVANCES**			
i)	**DEPOSITS**			
	- Unsecured (considered good)	1700	-	-
	Less : Provision against demand raised by Govt.Depts.	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *2	-	-	-
		1700	**-**	**-**
ii)	**Other advances**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
		-	**-**	**-**
C.	**Others**			
i)	Defferred Foreign Currency Fluctuation			
	Deferred Foreign Currency Fluctuation Assets	-	-	-
	Deferred Expenditure on Foreign Currency Fluctuation	-	-	-
		-	**-**	**-**
ii)	**Deferred Cost on Employee loans given**			
	Secured - Considered Good	-	-	-
	Employee loans - Unsecured	-	-	-
		-	**-**	**-**
	TOTAL	**1700**	**-**	**-**
	Provision for doubtful Advances *1			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Provision for doubtful Deposits *2			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

NOTE NO. 5 INVENTORIES

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	(Valuation as per Accounting Policy No. 10)			
	Stores and spares	-	-	-
	Stores in transit/ pending inspection	-	-	-
	Loose tools	-	-	-
	Scrap inventory	-	-	-
	Material at site	-	-	-
	Material issued to contractors/ fabricators	-	-	-
	Inventory for Self Generated VER's	-	-	-
	Less: Provision for Obsolescence & Diminution in Value *1	-	-	-
	TOTAL	-	-	-
*1	**Provision for Obsolescence & Diminution in Value**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Explantory Note:			
	i) During the period/year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.	-	-	-
	ii) Refer Note No. 34 for information of assets pledged with bank as security for related borrowings.			
	iii) Events/circumstances led to the reversal of Write down value of inventories			

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total	-	-	-

NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Trade Receivables outstanding for a period exceeding six months from the date they become due for payment			
	- Secured - Considered good			
	- Unsecured - Considered Good	-	-	-
	- Unsecured - Considered Doubtful	-	-	-
	Less: Provision for doubtful debts *1	-	-	-
	Other Trade Receivables			
	- Secured - Considered good			
	- Unsecured - Considered Good			
	- Unsecured - Considered Doubtful			
	Less: Provision for impairment	-	-	-
	TOTAL	-	-	-
*1	**Provision for doubtful debts**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

Explanatory Note: -

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

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

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

iv) Refer Note No. 34 for receivable pledged as security.

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

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Balances with banks**			
	• With scheduled banks			
i)	- In Current Account	403578	1597499	10000000
ii)	- In deposits account			
	(Deposits with original maturity of less three three months)	113138952	111548440	-
	• With other banks			
	- In current account			
	Bank of Bhutan	-	-	-
B	**Cheques, drafts on hand**	-	-	-
C	**Cash on hand**			
	Cash on hand	-	-	-
	TOTAL	**113542530**	**113145939**	**10000000**
	Explanatory Note: -			
	1) Cash on hand -(Includes stamps on hand)	-	-	-

2) Cash and Bank Balances held for works being executed by Company on behalf of other agencies and are not freely available for the business of the Company included in stated amount

NOTE 9 : FINANCIAL ASSETS - CURRENT - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A	**Balances with Banks**	-	-	-
B	Deposit account-Unpaid Dividend / Interest	-	-	-
	TOTAL	-	-	-

Explanatory Note: -

Cash and Bank Balances held for works being executed by Company on behalf of other agencies and are not freely available for the business of the Company included in stated amount

NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	OTHER LOANS			
	Employees (including accrued interest)			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful Employee loans & advances *1	-	-	-
		-	-	-
	Contractor / supplier			
	- Secured (considered good)			
	- Unsecured (considered good)			
	– Against bank guarantee			
	– Others			
	- Unsecured (considered doubtful)			
		-	-	-
	Loan to State Government in settlement of dues from customer			
	- Secured (considered good)			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Less : Provisions for doubtful Other loans & advances			
		-	-	-
	Advances to Subsidiaries / JV's	-	-	-
	TOTAL	-	-	-
*1	**Provisions for doubtful Employee loans & advances**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

Explanatory Note: -
Loan & Advances due from directors or other officers of the company at the end of the period.
Advance due by firms or private companies in which any Director of the Company is a Director or member.

NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Others			
a)	Claims recoverables	1506	-	-
	Less: Provisions for Doubtful Claims *1	-	-	-
	Sub-total	**1506**	**-**	**-**
b)	Interest Income accrued on Bank Deposits	193939	-	-
c)	Receivable from Subsidiaries / JV's	-	-	-
d)	Interest recoverable from beneficiary	-	-	-
e)	Lease Rent receivable-Current	-	-	-
f)	Interest recievable on lease	-	-	-
h)	Interest accrued on:			
i)	Receivable on account of unbilled revenue	-	-	-
(j)	Loan to State Government in settlement of dues from customers	-	-	-
	Others			
	- Considered Good	-	-	-
	- Considered Doubtful	-	-	-
	Less: Provisions for Doubtful Interest *2	-	-	-
	Sub-total	**-**	**-**	**-**
	TOTAL	**195445**	**-**	**-**
*1	**Provisions for Doubtful Claims**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*2	**Provisions for Doubtful Accrued Interest**	-		
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-

NOTE NO. 12 CURRENT TAX ASSETS (NET)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance Income Tax & Tax Deducted at Source	3515618	472240	-
Less: Provision for Taxation	3515618	-	-
Net Income Tax Advance	-	472240	-

NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**Advances other than Capital Advances**			
a)	**Deposits**			
	- Unsecured (considered good)	-	-	-
	Less : Provision against demand raised by Govt.Depts.	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provision for Doubtful Deposits *1	-	-	-
	Sub-total	**-**	**-**	**-**
b)	**Advance to contractor / supplier**			
	- Secured (considered good)	-	-	-
	- Unsecured (considered good)			
	– Against bank guarantee	-	-	-
	– Others	-	-	-
	Less : Provisions for expenditure awaiting utilization certificate	-	-	-
	- Unsecured (considered doubtful)	-	-	-
	Less : Provisions for doubtful advances *2	-	-	-
	Sub-total	**-**	**-**	**-**
c)	**Other advances - Employees**			
	- Unsecured (considered good)	-	-	-
	- Unsecured (considered doubtful)			
	Sub-total	**-**	**-**	**-**
B.	**Others**			
a)	**Expenditure awaiting adjustment**	-	-	-
	Less: Provision for project expenses awaiting write off sanction *3	-	-	-
	Sub-total	**-**	**-**	**-**
b)	**Losses awaiting write off sanction/pending investigation**	-	-	-
	Less: Provision for losses pending investigation/awaiting write off / sanction *5	-	-	-
	Sub-total	**-**	**-**	**-**
c)	**Work In Progress**			
	Construction work in progress(on behalf of client)	-	-	-
	Consultancy work in progress(on behalf of client)	-	-	-
d)	**Prepaid Expenditure**	-	-	-
e)	**Deferred Employee Costs**			
	Secured - Considered Good	-	-	-
	Unsecured	-	-	-
f)	Surplus / Obsolete Assets held for disposal	-	-	-
g)	Others	-	-	-
	TOTAL	**-**	**-**	**-**
***1**	**Provisions for Doubtful Deposits**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
***2**	**Provisions for doubtful advances (Contractors & Suppliers)**			
	Opening Balance	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*3	**Provision for project expenses awaiting write off sanction**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
*4	**Provision for losses pending investigation/awaiting write off / sanction**			
	Opening Balance	-	-	-
	Addition during the year			
	Used during the year			
	Reversed during the year			
	Closing balance	-	-	-
	Explanatory Note:-			
1	Loans and Advances due from Directors or other officers at the end of the year/ period.			
2	Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.			
3	Receivable on account of unbilled revenue represents			
	Difference of grossing up of ROE			
	RLDC Charges			
	Tax adjustment			
	MEA Sales			
	MAT Impact			
	Effective Tax rate			
	FERV			
	Others			
4	Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value.	-	-	-

NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Opening Balance	-	-	-
	Add: Movement in Regulatory Deferral Account Balances			-
a)	Employee Remuneration & Benefits	-	-	
b)	Generation & Other exps.	-	-	
c)	Provisions	-	-	
d)	Depreciation	-	-	
e)	Finance Cost	-	-	
f)	Other Income	-	-	
g)	Exchange Differences on Monetary Items	-	-	
	Add: Adjustment during the year			
	Less: Amortisation / Impairment during the year			
	Closing Balance	-	-	-

1) For details refer Note No.-34-Other Explanatory Notes to Accounts

NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
a)	Authorized Equity Share Capital (Par value per share ₹ 10)	10,000,000	100,000,000	10,000,000	100,000,000	10,000,000	100,000,000
b)	No. of Equity shares issued, subscribed and fully paid (Par value per share ₹ 10)	1,000,000	10,000,000	1,000,000	10,000,000	1,000,000	10,000,000
c)	Changes in Equity Share Capital						
	Opening number of shares outstanding	1,000,000	10000000	1,000,000	10000000	1,000,000	10000000
	Add: No. of shares/Share Capital issued/ subscribed during the year	-	-	-	-	-	-
	Less: Reduction in no. of shares/Share Capital on account of buy back of sahres.	-	-	-	-	-	-
	Closing number of shares outstanding	**1,000,000**	**10,000,000**	**1,000,000**	**10,000,000**	**1,000,000**	**10,000,000**

d) The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.

e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: NIL

f) Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held : -

	As at 31st March, 2017		As at 31st March, 2016		As at 01st Apr, 2015	
	Nos.	In (%)	Nos.	In (%)	Nos.	In (%)
- NHPC Limited	999993	99.99%	999993	99.99%	999993	99.99%

g) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL

h) In preceding five financial years immediately preceding 31.03.2017, Company has not allotted any equity share as fully paid up pursuant to contract(s) without payment being received in cash/ not allotted any equity share as fully paid up by way of bonus share(s).

i) Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date:- NIL

j) Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : NIL

k) Forfeited shares (amount originally paid up) :NIL

NOTE NO. 15.2 OTHER EQUITY

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(i)	**Capital Reserve**	-	-	-
(ii)	**Capital Redemption Reserve**	-	-	-
(iii)	**Securities Premium Account**	-	-	-
(iv)	**Bond Redemption Reserve**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings	-	-	
	Less: Write back during the year	-	-	
	As at Balance Sheet date	-	-	-
(v)	**Self Insurance Fund**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings			
	Add: Transfer to General Reserve		-	
	Less: Utilisation during the year			
	As at Balance Sheet date	-	-	-
(vi)	**Corporate Social Responsibility Fund**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus	-	-	
	Less: Write back during the year	-	-	
	As at Balance Sheet date	-	-	-
(vii)	**Research & Development Fund**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings	-	-	
	Less: Write back during the year	-	-	
	As at Balance Sheet date	-	-	-
(viii)	**General Reserve**			
	As per last Balance Sheet	-	-	-
	Add: Transfer from Surplus/Retained Earnings			
	Less: Write back during the year			
	Add: Transfer from Self Insurance Fund		-	
	Less: Tranfer to Capital Redemption Reserve			
	As at Balance Sheet date	-	-	-
(ix)	**Retained Earnings / Surplus**			
	As per last Balance Sheet	(737910)	(665784)	(665784)
	Add:- Prior Period errors (Net)	-	-	
	Add: Profit during the year	(3230409)	(72126)	
	Add: Transferred from OCI	-	-	
	Add: Amount written back from Bond Redemption Reserve	-	-	
	Add: Amount written back from Corporate Social Responsibility Fund	-	-	
	Add: Tax on Dividend - Write back	-	-	
	Less: Dividend and CDT	-	-	
	Less: Transfer to Bond Redemption Reserve	-	-	
	Less: Transfer to Self Insurance Fund	-	-	
	Less: Transfer to Research & Development Fund	-	-	
	Less: Transfer to General Reserve	-	-	

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Less: Transfer to Corporate Office			
	Add: Transfer from Power Stations and Projects			
	As at Balance Sheet date	(3968319)	(737910)	(665784)
(x)	**FVTOCI-Equity Instruments**			
	As per last Balance Sheet	-	-	-
	Add:-Change in Fair value of FVTOCI	-	-	
	Less:-Deferred Tax			
	As at Balance Sheet date	-	-	-
(xi)	**FVTOCI-Debt Instruments**			
	As per last Balance Sheet	-	-	-
	Add:-Change in Fair value of FVTOCI	-	-	
	Less:-Deferred Tax on change in Fair Value	-	-	
	Less:-Reclassification to P&L	-	-	
	As at Balance Sheet date	-	-	-
	TOTAL	**(3968319)**	**(737910)**	**(665784)**

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

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
140101	FUNDS FROM CORPORATE OFFICE	-	-	-
150101	C.O.(FDB)	-	-	-
159001	IUT Closing Entries - CO	-	-	-
151101	L.O. MUMBAI	-	-	-
151201	L.O. LUCKNOW	-	-	-
150301	RO-JAMMU	-	-	-
151001	RO-ITANAGAR	-	-	-
151301	RO-SILIGURI	-	-	-
152101	BAIRASIUL	-	-	-
150401	RO-BANIKHET	-	-	-
152201	LOKTAK	-	-	-
152301	SALAL	-	-	-
152401	TANAKPUR	-	-	-
152501	CHAMERA-I	-	-	-
152601	URI - I	-	-	-
152701	RANGIT	-	-	-
152801	CHAMERA-II	-	-	-
152901	DULHASTI	-	-	-
153001	DHAULIGANGA-I	-	-	-
153101	TEESTA-V	-	-	-
153501	CHAMERA-III	-	-	-
154201	CHUTAK	-	-	-
154401	TLDP-III	-	-	-
153201	PARBATI -II	-	-	-
153301	PARBATI-III	-	-	-
153401	SEWA-II	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
153701	URI - II	-	-	-
153801	KISHANGANGA	-	-	-
153901	BURSUR	-	-	-
154101	NIMMO BAZGO	-	-	-
154501	TLDP-IV	-	-	-
156201	TEESTA-IV	-	-	-
154701	SUBANSARI LOWER	-	-	-
155401	DIBANG	-	-	-
155701	TAWANG I & II	-	-	-
	KOTLIBHEL 1A	-	-	-
156601	INVESTIGATION PROJECTS, UTTRAKHAND	-	-	-
155001	RE CELL	-	-	-
155101	WIND POWER PROJECTS, JAISALMER	-	-	-
159801	BRRP	-	-	-
15##02, 03 &05	CHEQUE PAID ACCOUNT	-	-	-
15##20 to 40	CHEQUE COLLECTED ACCOUNT	-	-	-
	COMMERCIAL - IUT	-	-	-
	CENTRALIZED EMPLOYEE PAYMENT ACCOUNT	-	-	-
	CENTRALIZED VENDOR PAYMENT ACCOUNT	-	-	-
Total	**Total**	**-**	**-**	**-**

NOTE NO. 16.1 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bonds			
- Secured	-	-	-
- Unsecured	-	-	-
Term Loans			
• From Banks			
- Secured	-	-	-
- Unsecured	-	-	-
• From Other Parties			
- Secured	-	-	-
- Unsecured	-	-	-
TOTAL	-	-	-

Redemption / terms of repayment etc.

i) Debt Covenants : Refer point no. 3 of Note no. 33.

Maturity Analysis of Borrowings

The table below summarises the maturity profile of the company's borrowings based on contractual payments :

Particulars

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
More than 1 Year & Less than 3 Years			
More than 3 Year & Less than 5 Years			
More than 5 Years			
TOTAL	**-**	**-**	**-**

NOTE NO. 16.2 FINANCIAL LIABILTIES - NON CURRENT - OTHERS

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposits/ retention money	-	-	-
TOTAL	-	-	-
Maturity Analysis of Deposit / Retention Money			
The table below summarises the maturity profile of the deposits/ retention money based on contractual payments :			
Particulars			
More than 1 Year & Less than 3 Years			
More than 3 Year & Less than 5 Years			
More than 5 Years			
TOTAL	-	-	-

NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**PROVISION FOR EMPLOYEE BENEFITS**			
	(provided for on basis of actuarial valuation)			
i)	**Provision for leave encashment**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
ii)	**Provision for REHS**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
iii)	**Provision for TTA (Baggage Allowance on Retirement)**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	**-**	**-**	**-**
iv)	**Provision for Memento**			

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
B.	**OTHERS**			
i)	**Provision For Committed Capital Expenditure**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	-	-	-
ii)	**Provision For Livlihood Assistence**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	-	-	-
	TOTAL	-	-	-
	Explanatory Notes:-			
	Information about Provisions are given in Note 34 of Balance Sheet			

NOTE NO. 18 DEFERRED TAX LIABILITIES (NET) - NON CURRENT

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Deferred Tax Liability			
a)	Property, Plant and Equipments,Investment Property and Intangible Assets.			
b)	Financial Assets at FVTOCI	-	-	-
c)	Other Items	-	-	-
	Less: Recoverable for tariff period upto 2009	-	-	-
	Less: Deferred Tax Adjustment against Deferred Tax Liabilities	-	146500	218626
	Net Deferred Tax Liablity	-	(146500)	(218626)
	Less:-Set off Deferred Tax Assets pursuant to set off provisions			
a)	Provision for doubtful debts, inventory and others			
b)	Provision for employee benefit schemes			
c)	Other Items			
	Net Deferred Tax Assets	-	-	-
	TOTAL	**-**	**(146500)**	**(218626)**

Explanatory Note: -

Deferred tax liability/(assets), in compliance to the Ind AS 12 on "Accounting for Taxes on Income" notified under The Companies Act, 2013 has been created as deferred tax liability/(Assets).-

NOTE NO. 19 OTHER NON CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income received in advance (Advance Against Depreciation)	-	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-	-
Grants in aid-from Government-Deferred Income	-	-	-
TOTAL	-	-	-
GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME			
As at the beginning of the year	-	-	-
Add: Received during the year			
Less: Released to Statement of Profit and Loss			
Balance as at the year end	-	-	-
Grants in Aid-from Government-Deferred Income (Current)	-	-	-
Grants in Aid-from Government-Deferred Income (Non-Current)	**-**	**-**	**-**

NOTE NO. 20.1 TRADE PAYABLE - CURRENT

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total outstanding dues of micro enterprise and small enterprise(s)	-	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	149373	113279	-
TOTAL	149373	113279	-

Explanatory Note: -
Disclosure requirement under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is given in Note No.34- Other Explanatory Notes to Accounts.

NOTE NO. 20.2 OTHER FINANCIAL LIABILITIES - CURRENT

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of long term debt *			
- Bonds	-	-	-
- Term Loan -Banks-Secured	-	-	-
- Term Loan -Banks-Unecured	-	-	-
- Other Parties-Secured	-	-	-
- Other Parties-Unsecured	-	-	-
Bond application money	-	-	-
Liability against capital works/supplies	-	-	-
Interest accrued but not due on borrowings	-	-	-
Interest accrued and due on borrowings	-	-	-
Deposits/ retention money	24930	3674	-
Due to Subsidiaries	26303373	14416168	2040169
Unpaid dividend	-	-	-
Unpaid interest	-	-	-
TOTAL	**26328303**	**14419842**	**2040169**

NOTE NO. 21 OTHER CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income received in advance (Advance against depreciation)	-	-	-
Unspent amount of deposit/agency basis works	-	-	-
Statutory dues payables	10239	8568	-
Advances against the deposit works	-	-	-
Less: Amount Spent on Deposit Works	-	-	-
Advances against cost of Project Mgt./ Consultancy Work	-	100000000	-
Less: Amount Spent in respect of Project Mgt./ Consultancy Works	-	-	-
Less: Provision Toward Amt Recoverable in r/o Project Mgt / Consultancy Works	-	-	-
Other liabilities	-	-	-
Grants in aid - pending utilization	100000000	-	-
Grants in aid-from Government-Deferred Income	-	-	-
TOTAL	**100010239**	**100008568**	**-**

NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A.	**PROVISION FOR EMPLOYEE BENEFITS**			
	(provided for on basis of actuarial valuation)			
i)	**Provision for leave encashment**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
ii)	**Provision for REHS**			
	As per last Balance Sheet	-	-	-
	Additions during the year			
	Amount used during the year			
	Amount reversed during the year			
	Closing Balance	-	-	-
iii)	**Provision for TTA (Baggage Allowance on Retirement)**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
iv)	**Provision for Memento**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
v)	**Provision for Wage Revision**			
	As per last Balance Sheet	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
	Less: Advance paid	-	-	-
	Closing Balance (Net of advance)	-	-	-
vi)	**Provision for Performance Related Pay/Incentive**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
vii)	**Provision for Superannuation / Pension Fund**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
viii)	**Provision For Wage Revision 3rd PRC**			
	As per last Balance Sheet	-	-	-
	Additions during the year		-	-
	Amount used during the year		-	-
	Amount reversed during the year		-	-
	Closing Balance	-	-	-
B.	**OTHERS**			
i)	**Provision For Tariff Adjustment**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
ii)	**Provision For Committed Capital Expenditure**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance	-	-	-
iii)	**Provision for Restoration expenses of Insured Assets**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
iv)	**Provision For Livlihood Assistence**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-

(Amount in ₹)

	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Unwinding of discount	-	-	-
	Closing Balance after Fair Value Adjustment	-	-	-
v)	**Provision - Others**			
	As per last Balance Sheet	-	-	-
	Additions during the year	-	-	-
	Amount used during the year	-	-	-
	Amount reversed during the year	-	-	-
	Closing Balance	-	-	-
	TOTAL	-	-	-

Explanatory Note: -

1) The Board has resolved to implement the directions of the Ministry of Power (MoP) vide its letter no. 11/17/2009-NHPC/Vol. III dated 27th December 2013 conveying the approval of Competent Authority about pay scales in respect of below Board level Executives that the pay scales shall be fixed w.e.f. 01.01.2007 after correcting the aberrations in pay scales fixed w.e.f. 01.01.1997 and the deviant pay scales fixed w.e.f. 01.01.1997 shall not be regularized. The MoP has confirmed vide letter no. 11/17/2009-NHPC-Vol. III dated 25th Feb., 2016 that the recovery of personal pay adjustment w.e.f. 01.02.2014 is in conformity with the said directive of the Competent Authority. Accordingly, personal pay advance of ₹---------- and ₹ -------------- has been set-off against the balance of provision for wage revision as on 31st March 2017 and 31st March 2016 respectively. However, NHPC Officers Association has got a stay from Hon'ble High Court of Delhi against the implementation of stoppage of Personal Pay Adjustment (fitment benefits). In view of the directions of the Hon'ble High Court, Personal Pay Adjustments to the employees is continued to be paid along with the Salary. Thus, the cumulative amount provided towards the Personal Pay Adjustment w.e.f 01/02/2014 to 31.03.2017 under the head "Provision for Wage Revision" is ₹---------- (including provision for the current period ₹ ------------) with corresponding amount shown as "Advance paid".

2) Information about Provisions are given in Note 34 of Balance Sheet

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹)

PARTICULARS	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income Tax			
As per last Balance Sheet			
Additions during the year			
Amount adjusted during the year			
Amount used during the year			
Amount reversed during the year			
Closing Balance	-	-	-
Less: Current Advance Tax	-	-	-
Net Current Tax Liabilities (Net)	-	-	-
Wealth Tax	-	-	-
TOTAL	-	-	-

NOTE NO. 24 REVENUE FROM OPERATIONS

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	**SALES**		
	SALE OF POWER	-	-
	Less :		
	Sales adjustment on a/c of Foreign Exchange Rate Variation	-	-
	Tariff Adjustments	-	-
	Regulated Power Adjustment	-	-
	Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)	-	-
	Rebate to customers	-	-
	Sub - Total (A)	**-**	**-**
B	**Income from Finance Lease**	-	-
C	**Income from Operating Lease**	-	-
D	**ADVANCE AGAINST DEPRECIATION -Written back during the year**	-	-
E	**OTHER OPERATING INCOME**		
	Interest from Beneficiary States (Revision of Tariff)	-	-
F	**REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS**		
	Contract Income	-	-
	Revenue from Project management/ Consultancy works	-	-
	Sub - Total (F)	**-**	**-**
	TOTAL (A+B+C+D+E+F)	**-**	**-**

Explanatory Note: -

1) Amount of earlier year sales arising out of finalisation of tariff included in current period Sales.
2) 'Deemed generation' included in Sales of the Power stations as allowed by 'CERC'.
3) Due to non payment of dues by some of the beneficiaries, share of power allocated to them has been regulated in terms of CERC Regulation No.L-1/42/2010-CERC Dated 28th September 2010 and accordingly amount stated herein are included in sales towards regulated power, which has been sold through bidding at Power Exchange. ibid regulation further provides that margin earned on such sale after adjusting expenditure for effecting sale of regulated power should be passed on to beneficiaries, whose power has been regulated.
4) Amount adjusted on account of regulated power against the outstanding dues of those beneficiaries.
5) Amount of sales not yet billed included in Sales.
6) Tariff regulation notified by CERC vide notification dated 21.02.2014 inter-alia provides that capital cost considered for fixation of tariff for current tariff period shall be subject to truing up at the end of the tariff period, which may result in increase or decrease in tariff. Accordingly, stated amount has been provided in the books during the year as an abundant precaution.
7) In terms of regulation No. 49 of tariff regulation issued vide Central Electricity Regulatory Commission (CERC) notification No. L-1/144/2013-CERC dated 21st February, 2014, deferred tax liabilities for the period upto 31st March 2009 whenever it materializes is recoverable directly from the beneficiaries and are accounted for on yearly basis. Accordingly, stated amount has been included in sale of power in relevant year/period.

NOTE NO. 25 OTHER INCOME

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A)	**Income from Non-Current Investments**		
	Trade		
	- Dividend from subsidiaries	-	-
	- Dividend -Others	-	-
	- Interest - Government Securities (8.5% tax free bonds issued by the State Governments)	-	-
	Non-Trade		
	- Dividend income -Others	-	-
	- Interest	-	-
B)	**Other Income**		
	Interest		
	- Loan to State Government in settlement of dues from customers	-	-
	- Loan to Government of Arunachal Pradesh	-	-
	-Deposit Account	5941659	4520680
	- Employee's Loans and Advances	-	-
	- Employee's Loans and Advances-Adjustment on a/c of Effective Interest	-	-
	- Others	-	-
	Late payment surcharge	-	-
	Income From Sale of Self Generated VERs	-	-
	Realization of Loss Due To Business Interuption	-	-
	Profit on sale of investments	-	-
	Profit on sale of assets	-	-
	Income from Insurance Claim	-	-
	Liability/ Provisions not required written back #	-	-
	Others	78692	-
	Exchange rate variation	-	-
	Adjustment on a/c of Effective Interest		
	- Others	-	-
	- Grant in aid	-	-
	'Effective Interest On Investments - Debt Instruments	-	-
	Sub-total	**6020351**	**4520680**
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	**6020351**	**4520680**
	Less: Income transferred to Expenditure Attributable to Construction	5588642	4520680
	Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	**431709**	**-**
	Explanatory Note: -		
1	**Detail of Liability/Provisions not required written back #**		
a)	Bad & Doubtful Employees Loans (*1 under Note 3.2)	-	-
b)	Bad & Doubtful Advances to Contractor/ Supplier (*2 under Note 3.2)	-	-
c)	Bad & Doubtful Loan to State Government (*3 under Note 3.2)	-	-
d)	Bad & Doubtful Deposits (*4 under Note 3.2)	-	-
e)	Bad & Doubtful Capital Advances(*1 under Note No. 4)	-	-
f)	Bad & Doubtful Deposits(*2 under Note No. 4)	-	-
g)	Diminution in value of stores and spares (*1 under Note 5)	-	-
h)	Bad and doubtful debts (*1 under Note 7)	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
i)	Bad & Doubtful Employees Loans - current (*1 under Note 10)	-	-
j)	Provision for doubtful claims (*1 under Note No.11)	-	-
k)	Provisions for Doubtful Deposits (*1 under Note No. 13)	-	-
l)	Provisions for doubtful advances (Contractors & Suppliers) (*2 under Note No. 13)	-	-
m)	Provisions for Doubtful Accrued Interest (*3 under Note No. 13)	-	-
n)	Provision for project expenses awaiting write off sanction (*4 under Note No. 13)	-	-
o)	Provision for losses pending investigation/awaiting write off / sanction (*5 under Note No. 13)	-	-
p)	Provision for wage revision (Sl.no-A(v) of Note No-22)	-	-
q)	Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(vi) of Note No-22)	-	-
r)	Provision for Superannuation/Pension Fund (Sl.no-A(vii) of Note No-22)	-	-
s)	Provision for Retirement benefits (Gratuity, Leave Encashment, REHS, Momento etc) (Sl.no-A(I,ii,iii,iv) of Note No-17 and Sl.no-A(I,ii,iii,iv) of Note No.-22)	-	-
t)	Provision for tariff adjustment [Sl. No B(i) under Note 22]	-	-
u)	Provision for Committed Capital Expenditure (Sl.no-B(i) of Note No-17 and Sl.no-B(ii) of Note No.-22)	-	-
v)	Provision for Livlihood Assistance (Sl.no-B(ii) of Note No-17 and Sl.no-B(iv) of Note No.-22)	-	-
w)	Provision for Restoration expenses of Insured Assets (Sl.no-B(iii) of Note No-22)	-	-
x)	Write back of Project expenses provided for		
y)	Others	-	-
	TOTAL	-	-

NOTE NO. 26 GENERATION AND OTHER EXPENSES

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A.	**GENERATION EXPENSES**		
(i)	Water Usage Charges	-	-
(ii)	Consumption of stores and spare parts	-	-
B.	**Direct Expenditure on Contract, Project Management and Consultancy Works**	-	-
C.	**REPAIRS & MAINTENANCE**		
	- Building	150955	-
	- Machinery	-	-
	- Others	-	-
D.	**OTHER EXPENSES**		
	Rent & Hire Charges	377876	164731
	Rates and taxes	20080	-
	Insurance	-	-
	Security expenses	-	-
	Electricity Charges	4500	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Travelling and Conveyance	1159384	152550
	Expenses on vehicles	-	-
	Telephone, telex and Postage	63612	99295
	Advertisement and publicity	719757	-
	Entertainment and hospitality expenses	19048	2250
	Printing and stationery	48962	85408
	Consultancy charges - Indigenous	6500	34236
	Consultancy charges - Foreign	-	-
	Audit expenses (Refer explanatory note-3 below)	46000	60000
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	-	-
	Loss on Assets	-	-
	Losses out of insurance claims (upto excess clause)	-	-
	Losses out of insurance claims (beyond excess clause)	-	-
	Books & Periodicals	-	455
	Donation	-	-
	CSR/ Sustainable Development	-	-
	Community Development Expenses	-	-
	Directors' expenses	-	-
	Research and development expenses	-	-
	Interest on Arbitration/ Court Cases	-	-
	Interest to beneficiary states	-	-
	Expenditure on Self Generated VER's	-	-
	Expenses for Regulated Power	-	-
	Less: - Exp Recoverable on Regulated Power	-	-
	Exchange rate variation	-	-
	Other general expenses	448050	282867
	Sub-total	3064724	881792
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	**3064724**	**881792**
	Less: Amount transferred to Expenditure Attributable to Construction	3064724	881792
	Less: Recoverable from Deposit Works	-	-
		-	-
E.	**PROVISIONS**		
	Bad and doubtful debts provided	-	-
	Expected Credit Loss Allowance-Trade Receivables	-	-
	Bad and doubtful advances / deposits provided	-	-
	Bad and doubtful claims provided	-	-
	Doubtful Interest Provided for	-	-
	Diminution in value of stores and spares	-	-
	Shortage in store & spares provided	-	-
	Provision against diminution in the value of investment	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Project expenses provided for	-	-
	Provision for fixed assets/ stores provided for	-	-
	Diminution in value of Inventory of Self Generated VER's Provided for	-	-
	Provision for catchment area treatment plan	-	-
	Others	-	-
	Sub-total	-	-
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	Sub-total	-	-
	Less: Amount transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
		-	-
	Total carried forward to Statement of Profit & Loss	-	-
	Explanatory Note: -		
1	The Company's significant leasing arrangements are in respect of operating leases of premises for offices, guest houses & transit camps. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps are shown in Rent.		
2	Pending notification of revision order by CERC in respect of truing up application filed by the company under CERC notification dated 19.01.2009, stated amount has been provided in the books during the year/period towards Interest to Beneficiary States,which may have to be paid in case of reduction in tariff as a result of said revision order.		
3	**Detail of audit expenses are as under: -**		
	i) Statutory auditors		
	As Auditor		
	Audit Fees	46000	60000
	Tax Audit Fees	-	-
	In other Capacity		
	Taxation Matters	-	-
	Company Law Matters	-	-
	Management Services	-	-
	Other Matters/services	-	-
	Reimbursement of expenses	-	-
	ii) Cost Auditors		
	Audit Fees	-	-
	Reimbursement of expenses	-	-
	Total Audit Expenses	**46000**	**60000**

NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Salaries, wages, allowances	8559327	10202906
	Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	1324907	1538047
	Staff welfare expenses	544086	346241
	Leave Salary & Pension Contribution	-	-
	Amortisation Expenses Of Deferred Employee Cost	-	-
	Sub-total	10428320	12087194
	Add/(Less): C.O./Regional Office Expenses	-	-
	Sub-total	10428320	12087194
	Less: Employee Cost transferred to Expenditure Attributable to Construction	10428320	12087194
	Less: Recoverable from Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	-	-
	Explanatory Note: -		
1	The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees inlcuded in Salaries, wages, allowances.		
2	Gratuity, Contribution to provident fund & pension scheme include contributions:		
	i) towards Employees Provident Fund	662054	777938
	ii) towards Employees Defined Contribution Superannuation Scheme	662853	748623

NOTE NO. 28 FINANCE COST

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	**Interest on :**		
	Government of India loan	-	-
	Bonds	-	-
	Foreign loan	-	-
	Term loan	-	-
	Adjustment on account of effective Interest - Grant in Aid	-	-
	Sub-total	-	-
B	**Other Borrowing Cost**		
	Loss on Hedging Transactions	-	-
	Bond issue/ service expenses	-	-
	Commitment fee	-	-
	Guarantee fee on foreign loan	-	-
	Other finance charges	639	630
	Adjustment on account of effective Interest	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Committed Capital Expenses-Adjustment For Time Value	-	-
	Sub-total	639	630
C	**Applicable net gain/ loss on Foreign currency transactions and translation**		
	Exchange differences regarded as adjustment to interest cost	-	-
	Less: Interest adjustment on account of Foreign Exchange Rate Variation	-	-
	Sub-total	**-**	**-**
	Total (A + B + C)	**639**	**630**
	Add/(Less): C.O./Regional Office/PID Expenses	-	-
	TOTAL	**639**	**630**
	Less: Finance Cost transferred to Expenditure Attributable to Construction	639	630
	Less: Recoverable from Deposit Works	-	-
	Total carried forward to Statement of Profit & Loss	-	-

NOTE NO. 29 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation & Amortisation Expenses	52213	39162
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-
Add/(Less): C.O./Regional Office / PID Expenses	-	-
Sub-total	**52213**	**39162**
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	52213	39162
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	**-**	**-**

NOTE NO. 30 TAX EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax		
Income Tax Provision	1924106	-
Adjustment Relating To Earlier periods	1591512	-
Total current tax expenses	3515618	-
Deferred Tax- *		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Decrease (increase) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Total deferred tax expenses (benefits)	146500	72126
	Less: Recoverable for tariff period upto 2009	-	-
	Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	-	-
	Net Deferred Tax	146500	72126
	Total carried forward to Statement of Profit & Loss	3662118	72126
	Explanatory Notes:-		
	Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.		
	Accounting profit/loss before income tax	431709	-
	Applicable tax rate		
	Computed tax expense	-	-
	Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
	Change in rate of tax		
	Adjustment Relating To Earlier periods	1591512	-
	Income tax expense reported in Statement of P/L	3662118	72126
ii)	**Amounts recognised directly in Equity**		
	Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/(credited) to equity:		
	Current Tax		
	Deferred tax		
	Total		
iii)	**Tax losses**		
	Unused tax losses for which no deferred tax asset has been recognised		
	Potential tax benefit @ 30%		
	Note: The unused tax losses were incurred by a ………………………………………that is not likely to generate taxable income in the foreseeable future.		
iv)	**Unrecognised temporary differences**		
	Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised.		
	Undistributed Earnings		
	Unrecognised deferred tax liabilities relating to the above temporary differences		
	Certain subsidiaries of the group have undistributed earnings of ₹………… (31st March 2016 ₹……….) which , if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from the subsidiary and is not expected to distribute these profits in the foreseeble future.		

NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Movement on account of:-		
a)	Employee Remuneration & Benefits	-	-
b)	Generation & Other exps.	-	-
c)	Provisions	-	-
d)	Depreciation	-	-
e)	Finance Cost	-	-
f)	Other Income	-	-
g)	Exchange Differences on Monetary Items	-	-
	TOTAL	**-**	**-**

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

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A.	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries, wages, allowances	8559327	10202906
	Gratuity and contribution to provident fund	1324907	1538047
	Staff welfare expenses	544086	346241
	Leave Salary & Pension Contribution	-	-
	Sub-total	**10428320**	**12087194**
B.	**REPAIRS & MAINTENANCE**		
	Building	150955	-
	Machinery	-	-
	Others	-	-
	Sub-total	**150955**	**-**
C.	**ADMINISTRATION & OTHER EXPENSES**		
	Rent	377876	164731
	Rates and taxes	20080	-
	Insurance	-	-
	Security expenses	-	-
	Electricity Charges	4500	-
	Travelling and Conveyance	1159384	152550
	Expenses on vehicles	-	-
	Telephone, telex and Postage	63612	99295
	Advertisement and publicity	719757	-
	Entertainment and hospitality expenses	19048	2250
	Printing and stationery	48962	85408
	Design and Consultancy charges:		
	- Indigenous	-	34236
	- Foreign	-	-
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	-	-
	Assets/ Claims written off	-	-
	Land Acquistion and Rehabilitation Expenditure	-	-
	Losses on sale of assets	-	-

(Amount in ₹)

	PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Other general expenses	454550	283322
	Remuneration to Auditors	46000	60000
	Exchange rate variation (Debit)	-	-
	Sub-total	**2913769**	**881792**
D.	**FINANCE COST**		
	Interest on :		
	Government of India loan	-	-
	Bonds	-	-
	Foreign loan	-	-
	Term loan	-	-
	Cash credit facilities /WCDL	-	-
	Exchange differences regarded as adjustment to interest cost	-	-
	Loss on Hedging Transactions	-	-
	Bond issue/ service expenses	-	-
	Commitment fee	-	-
	Guarantee fee on loan	-	-
	Other finance charges	639	630
	Transfer of expenses to EAC- Interest on loans from Central Government-adjustment on account of effective interest	-	-
	Transfer of expenses to EAC-Interest on security deposit/ retention money-adjustment on account of effective interest	-	-
	Transfer of expenses to EAC-committed capital expenses-adjustment for time value	-	-
	Sub-total	**639**	**630**
E.	**PROVISIONS**	**-**	**-**
	Sub-total	**-**	**-**
F.	**DEPRECIATION AND AMORTISATION EXPENSES**	**52213**	**39162**
	Sub-total	**52213**	**39162**
G.	**C.O./Regional Office Expenses:**		
	Other Income	-	-
	Generation, Administration and Other Expenses	-	-
	Employee Benefits Expense	-	-
	Depreciation & Amortisation Expenses	-	-
	Finance Cost	-	-
	Provisions	-	-
	Sub-total	**-**	**-**
H.	**LESS: RECEIPTS AND RECOVERIES**		
	Income from generation of electricity – precommissioning	-	-
	Interest on loans and advances	-	-
	Profit on sale of assets	-	-
	Exchange rate variation (Credit)	-	-
	Provision/Liability not required written back	-	-
	Hire charges/ outturn on plant and machinery	-	-
	Miscellaneous receipts	5588642	4520680
	Sub-total	**5588642**	**4520680**
	TOTAL (A+B+C+D+E+F+G-H)	**7957254**	**8488098**

Note-33: Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(Amount in ₹)

Financial assets	Notes	As at 31st March, 2017		As as 31st March, 2016		As at 01st Apr, 2015	
		FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Non-current Financial assets							
(i) Non-current investments							
a) In Equity Instrument (Quoted)	3.1	-	-	-	-	-	-
b) In Debt Instruments (Govt./PSU)-Quoted	3.1	-	-	-	-	-	-
Sub-total		-	-	-	-	-	-
(ii) Loans	3.2						
(iii) Others							
-Bank Deposits with more than 12 Months Maturity	3.3		-		-		-
Total Non-current Financial assets		-	-	-	-	-	-
			-		-		-
Current Financial assets							
(i) Current Investments	6		-		-		-
(ii) Trade Receivables	7		-		-		-
(iii) Cash and cash equivalents	8		113542530		113145939		10000000
(iv) Bank balances	9		-		-		-
(v) Loans	10		-		-		-
(vi) others							
(a) Claims recoverables	11		1506		-		-
(b) interest receibable on investments and bank deposits	11		193939		-		-
(c) interest receibable from beneficiery	11		-		-		-
(d) other receivables	11		-		-		-
Sub total		-	**195445**	-	-	-	-
Total Current Financial Assets		-	**113737975**	-	**113145939**	-	**10000000**
Total Financial Assets		-	**113737975**	-	**113145939**	-	**10000000**
		-		-		-	

Note-33: Disclosure on Financial Instruments and Risk Management

(Amount in ₹)

Financial Liabilities	Notes	As at 31st March, 2017		As as 31st March, 2016		As at 01st Apr, 2015	
		FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Financial Liabilities							
(i) Long-term borrowings							
a) Non-Convertible and Non Cumulative Bonds	16.1		-		-		-
b) Term Loan From Banks	16.1		-		-		-
c) Term Loans from other parties	16.1		-		-		-
d) Subordinate Debts	16.1		-		-		-
Sub-total		-	-	-	-	-	-
(ii) Deposits/Retention Money-non current	16.2		-		-		-
(iii) Trade Payables including MSME	20.1		149373		113279		-
(iv) Other Current financial liabilities							
a) Current Maturity of Non-Convertible and Non Cumulative Bonds	20.2		-		-		-
b) Current Maturity of Term Loans from banks	20.2		-		-		-
c) Current Maturity of Term Loans from other parties			-		-		-
d) Deposits/Retention Money	20.2		24930		3674		-
e) Liability against Capital Works/Supplies	20.2		-		-		-
f) interest payable on borrowings	20.2		-		-		-
g) Other Payables	20.2		26303373		14416168		2040169
Sub total			**26328303**	-	**14419842**	-	**2040169**
Total		-	**26477676**	-	**14533121**	-	**2040169**

Note:

1. The company does not classify any financial asset/financial liability at fair value through profit or loss (FVTPL).

NOTE NO. 33(IB)

B) FAIR VALUATION MEASUREMENT

(Amount in ₹)

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

	Note No.	As at 31st March, 2017 Level 1	As at 31st March, 2016 Level 1	As at 01st Apr, 2015 Level 1
Financial Assets at FVTOCI				
(i) Investments-				
- In Equity Instrument (Quoted)	3.1	-	-	-
- In Debt Instruments (Govt./PSU) - Quoted	3.1	-	-	-
Total		-	-	-

Note:

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

(Amount in ₹)

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

Particulars	Note No.	As at 31st March, 2017			As at 31st March, 2016			As at 01st Apr, 2015		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets										
(i) Loans	3.2									
a) Employees			-			-			-	
b) Loan to Government of Arunachal Pradesh			-			-			-	
c) Contractors/Suppliers and Others			-			-			-	
(ii) Others	3.3									
-Bank Deposits with more than 12 Months Maturity		-			-			-		
Total Financial Assets		-	-	-	-	-	-	-	-	-
Financial Liabilities										
(i) Long-term borrowings	16.1									
a) Bonds			-			-			-	
b) Term Loans			-			-			-	
c) Subordinate Debts				-			-			-
(ii) Other Long Term Financial Liabilities	16.2									
-Deposits/Retention Money				-			-			-
Total Financial Liabilities		-	-	-	-	-	-	-	-	-

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

Particulars	Note No.	As at 31st March, 2017		As of 31.03.2016		As of 01.4.2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	3.2						
(i) Loans							
a) Employees		-		-		-	-
b) Loan to Government of Arunachal Pradesh		-		-		-	
c) Contractors/Suppliers and Others		-		-		-	-
(ii) Others	3.3						
-Bank Deposits with more than 12 Months Maturity		-		-		-	
Total Financial Assets		-		-		-	
Financial Liabilities	16.1						
(i) Long-term borrowings							
a) Bonds		-		-		-	
b) Term Loans		-		-		-	
c) Subordinate Debts		-		-		-	
(ii) Other Long Term Financial Liablities	16.2						
-Deposits/Retention Money		-		-		-	-
Total Financial Liabilities		-		-		-	

(2) Financial Risk Management

(i) Maturities of Financial Liabilities:

The table below provides undiscounted cash flows towards company's financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. Balance due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 16.1 and 16.2 of balance sheet)

For year Ended 31st March 2017

(Amount in ₹)

Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2017	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1 & 20.2	-	-	-	-	-
Other financial Liabilities (Retention Money)	16.2 & 20.3	26328303	26328303	-	-	-
Trade Payables	20.2	149373	149373	-	-	-
Total Financial Liabilities		**26477676**	**26477676**	**-**	**-**	**-**

For year Ended 31st March 2016

(Amount in ₹)

Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2016	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1 & 20.2	-	-	-	-	-
Other financial Liabilities (Retention Money)	16.2 & 20.3	14419842	14419842	-	-	-
Trade Payables	20.2	113279	113279	-	-	-
Total Financial Liabilities		**14533121**	**14533121**	**-**	**-**	**-**

As at 1st April 2015

(Amount in ₹)

Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 01.4.2015	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1 & 20.2	-	-	-	-	-
Other financial Liabilities (Retention Money)	16.2 & 20.3	2040169	2040169	-	-	-
Trade Payables	20.2	-	-	-	-	-
Total Financial Liabilities		**2040169**	**2040169**	**-**	**-**	**-**

(ii) Foreign Currency Financial Liabilities

(a) Foreign Currency Exposure:

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

(Amount in ₹)

Particulars	31.03.2017	31.03.2016	01.04.2015
Financial Liabilities:			
Foreign Currency Loans	-	-	-
Other Financial Liablities (Sundry Creditors,Retention Money/ Security Deposits etc.)	-	-	-
Net Exposure to foreign currency (liabilities)	-	-	-

(3) Capital Management

(a) Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes for the year ended 31st March 2017.

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

Statement of Gearing Ratio

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Total Debt	-	-	-
(b) Total Capital	6031681	9262090	9334216
Gearing Ratio (a/b)	-	-	-

Note: For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

(D. K. GUPTA)
Chief Financial Officer

(S.K.Dubey)
Cheif Executive Officer

Note No. - 34: Other Explanatory Notes to Accounts

1. Disclosures relating to Contingent Liabilities:-

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

(i) Capital works

Contractors have lodged claims aggregating to ₹ Nil (previous year ₹ Nil and as at 01.04.2015 ₹Nil) against the Company on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are lying at arbitration tribunal/other forums/under examination with the Company. It includes ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil) towards arbitration awards including updated interest thereon, against the Company, which have been challenged/decided to be challenged in the Court of Law.

The Management has assessed the above claims and recognized a provision of ₹ Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil) as the amount of contingent liability i.e. amounts for which Company may be held contingently liable. In respect of such estimated contingent claims either outflow of resources embodying economic benefits is not probable or a reliable estimate of the amount required for settling the obligation cannot be made. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the land losers have filed claims for higher compensation amounting to ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹Nil (previous year ₹ Nil and as at 01.04.2015 ₹Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹ Nil) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

Disputed Income Tax/Sales Tax/Service Tax/ other taxes/duties matters pending before various appellate authorities amount to ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil). Pending settlement, the Company has assessed and provided an amount of ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil) based on probability of outflow of resources embodying economic benefits and rest of the claims i.e ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil) are being disclosed as contingent liability as outflow of resources is considered not probable. In respect of the rest of the claims/ obligations, possibility of any outflow in settlement is considered as remote.

(iv) Others

Claims on account of other miscellaneous matters amount to ₹Nil (previous year ₹Nil and as at 01.04.2015 ₹Nil). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹Nil (previous year ₹Nil and ₹Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹Nil (previous year ₹Nil and 01.04.2015 ₹Nil) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

The above is summarized as at 31.03.2017 as below:

(Amount in ₹)

Sl. No.	Particulars	Claims as on 31.03.2017	Provision against the claims	Contingent liability as on 31.03.2017	Contingent liability as on 31.03.2016	Addition of contingent liability for the period
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Capital Works	-	-	-	-	-
2.	Land Compensation cases	-	-	-	-	-
3.	Disputed tax matters	-	-	-	-	-
4.	Others	-	-	-	-	-
	Total	-	-	-	-	-

The above is summarized as at 31.03.2016 as below:

(Amount in ₹

Sl. No.	Particulars	Claims as on 31.03.2016	Provision against the claims	Contingent liability as on 31.03.2016	Contingent liability as on 01.04.2015	Addition of contingent liability for the period
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)
1.	Capital Works	-	-	-	-	-
2.	Land Compensation cases	-	-	-	-	-
3.	Disputed tax matters	-	-	-	-	-
4.	Others	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**

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

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

The company has lodged counter claims aggregating to ₹ Nil (previous year ₹ Nil and as at 01.04.2015 ₹ Nil) against claims of other entities. These claims have been lodged on the basis of contractual provisions and are being contested at arbitration tribunal/other forums/under examination with the counterparty. It includes ₹ Nil (previous year ₹ Nil and as at 01.04.2015 ₹ Nil) towards arbitration awards including updated interest thereon.

Management has assessed the above claims and estimates that inflow of economic benefits of ₹ Nil (previous year ₹ Nil and as at 01.04.2015 ₹ Nil) is probable. In respect of the rest of the claims, possibility of any inflow is considered remote.

b) **Other Cases (Please Specify)**

The Management has assessed the claims and estimates that inflow of economic benefits of ₹ Nil (previous year ₹ Nil. and as at 01.04.2015 ₹ Nil) is probable.

3. **Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:**

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	**(ii)**	**(iii)**	**(iv)**	**(v)**
1.	Property Plant and Equipment (including CWIP)	-	-	-
2.	Investment Property	-	-	-
3.	Intangible assets	-	-	-
	Total	**-**	**-**	**-**

4. **Other disclosure under IND AS – 11 on Construction Contracts are as under:**

(Amount in ₹)

Sl. No.	Particulars	31.03.2017	31.03.2016	01.04.2015
(i)	(ii)	(iii)	(iv)	(v)
1.	Aggregate amount of costs incurred and recognised profits (less recognised losses) on contracts in progress upto reporting date.	-	-	-
2.	Amount of advances received.	-	-	-
3.	Amount of retention.	-	-	-
4.	The gross amount due from customers for contract works as an asset.	-	-	-
5.	The gross amount due to customers for contract works as a liability.	-	-	-

5. The effect of foreign exchange fluctuation during the year is as under:

(Amount in ₹)

Sl. No.	Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
(i)	Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)	-	-
(ii)	Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)*	-	-
(iii)	Amount charged to Expenditure attributable to Construction (as FERV)	-	-
(iv)	Amount charged to Capital work-in-progress (as FERV)	-	-
(v)	Amount adjusted by addition to the carrying amount of property, plant & equipment	-	-

6. Related Party Disclosures are given below:

(a) Interest in Holding Company:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at		
			31.03.2017	31.03.2016	01.04.2015
NHPC LTD	India	Power Generation	99.99	99.99	99.99

(b) Transactions with Related Parties: Following transactions occurred with related parties during FY 2016-17 and 2015-16:

(Amount in ₹)

Particulars	During the FY 2016-17	During the FY 2015-16
(i)	(ii)	(iii)
Transaction with Holding (NHPC).		
Deputation of Employees to the company	26303373	14416168
Total	**26303373**	**14416168**

(c) Outstanding Balances with Related Parties:

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i)	(ii)	(iii)	(iv)
Balances with (NHPC)- Holding Company			
Payables by the Company	26303373	14416168	2040169
Receivables by the Company	-	-	-
Loan to Government	-	-	-
Loan from Government	-	-	-
Total	**26303373**	**14416168**	**2040169**

7. Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:-

(Amount in ₹)

	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
a)*	Value of imports calculated on CIF basis:		
	i) Capital Goods	-	-
	ii) Spare parts	-	-
b)*	Expenditure in Foreign Currency		
	i) Know - How	-	-
	ii) Interest	-	-
	iii) Other Misc. Matters	-	-
c)*	Value of spare parts and Components consumed in operating units.		
	i) Imported	-	-
	ii) Indigenous	-	-
d)*	Earnings in foreign currency		
	i) Interest	-	-
	ii) Others	-	-

* Accrual basis.

8. Disclosure related to confirmation of balances is as under:

a) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is obtained for outstanding balances of ₹ 5.00 lakh or above as at 31st December of every year. Status of confirmation of balances as at 31st December 2016 as well as outstanding as on 31.03.2017 is as under:

(Amount in ₹)

Particulars	Outstanding amount as on 31.03.2016	Amount confirmed	Outstanding amount as on 31.03.2017
Trade receivable	-	-	-
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	-	-	-
Trade/Other payables	113279	-	149373
Security Deposit/Retention Money payable	-	-	1700

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

9. Disclosure related to Corporate Social Responsibility (CSR)

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

(Amount in ₹)

S.No	Heads of Expenses constituting CSR expenses	For FY 2016-17	For FY 2015-16
1	Health Care and Sanitation	-	-
2	Education & Skill Development	-	-
3	Women Empowerment /Senior Citizen	-	-
4	Environment	-	-
5	Art & Culture	-	-
6	Ex-Armed Forces	-	-
7	Sports	-	-
8	National Welfare Fund	-	-
9	Technology & Research	-	-
10	Rural Development	-	-
11	Capacity Building	-	-
12	Swachh VidyalayaAbhiyan	-	-
13	Swachh Bharat Abhiyan	-	-
	Total amount	-	-

10. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dt. 04.09.2015 making alteration in Schedule-III of the Companies Act, 2013 is as follows:-

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2017	As at 31.03.2016
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:		
	-Principal	-	-
	-Interest	-	-
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

11. Disclosure on details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 is as under:

(Amount in ₹)

	SBNs*	Other Denomination Notes	Total
Closing cash in hand as on 08 November 2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30 December 2016	Nil	Nil	Nil

* Specified Bank Notes are as defined in the notification of the Government of India, Ministry of Finance, Department of Economic Affairs No. S.O. 3407(E), dated 08th November 2016.

12. Disclosure relating to verified emission reductions (VERs) is as under:

Sl. No.	Description	
1	No. of VERs held as Investment & the basis of valuation	Nil
2	No. of VERs under certification	Nil
3	Depreciation and operating and maintenance cost of Emission Reduction Equipment expensed during the year (Amount in ₹)	Nil
4	No. of VERs sold during the year ended 31.03.2017 with the value thereof.	Nil

13. a) Undisputed Statutory dues outstanding as on 31.03.2017 which have not been deposited within six months from the date they became payable:

(Amount in ₹)

Nature of dues	Amount in Rs	Due date of remittance
EPF	Nil	
Income Tax	Nil	
Sales Tax /VAT	Nil	
Service Tax	Nil	
Custom Duty	Nil	
Excise Duty	Nil	
Works Contract Tax	Nil	
Any other levies (Please specify)	Nil	

b) Statutory dues which have not been deposited on account of any dispute:-

(Amount in ₹)

Name of the Statute	Nature of dues	Amount in ₹	Year to which it pertains	Forum at which case is pending
Income Tax Act,1961	Income Tax	Nil		
Sales Tax Acts/VAT Act	Sales Tax/ VAT	Nil		
Finance Act,1994	Service Tax	Nil		
Custom Act,1962	Custom Duty	Nil		
Central Excise Tariff Act, 1985	Excise Duty	Nil		
Works Contract Tax	Works Contract Tax	Nil		
Please specify	Any other levies	Nil		

c) Details of Immovable Properties (other than land) for which title deeds are not held in the name of the company:

(Amount in ₹)

Sl. No.	Details of the Property	Year of Acquisition	Acquisition Cost	Written Down Value	Reasons for non execution of title deed
			.....Nil.....		

14. Disclosure for reporting in compliance to directions issued by Office of CAG u/s 143(5):

(a) Details of land for which title deeds are not held in the name of the company:

(Amount in ₹)

Sl. No.	Details of Land (Freehold/ Leasehold)	Gross Block as at 31.03.2017	Net Block as at 31.03.2017	Area (in Hectare)	Reasons for non execution of title deed
		Nil	Nil		

(b)

Sl. No.	Directions	Reply
1	Whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reasons thereof and amount involved.	Nil
2	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	Nil

15. Since all expenditure are being charged to CWIP, the deferred tax has been fully adjusted during the current F.Y. 2016-17.

16. The interest accrued but not due on short term deposit not accounted for as on Balance Sheet date during previous year i.e. 2015-16 has been accounted for in the current F.Y. 2016-17 as per details shown at Annexure-A.

17. The income tax payable on the interest income charged to CWIP in the F.Y. 2015-16 has been deposited during current F.Y. 2016-17.

In terms of our report of even date attached

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

For and on behalf of the Board of Directors

(Ratish Kumar)
Chairman

(Cherian Mathew)
Director

(Saurabh Chakravorty)
Company Secretary

(D. K. GUPTA)
Chief Financial Officer

Place: Lucknow
Date: 08.05.2017

ANNEXURE: A

Entries relating to prior period passed through natural head of accounts relating to Income & Expenditure, Assets & Liabilities during Period ended 31.03.2017

(Amount in ₹)

S. No	Account Description	Dr/Cr	Amount of Prior Period Adjustment	Reasons for prior period adjustment
1	Corporate Liquid Term Deposit (Flexi) A/c	Dr.	201175	The interest accrued but not due on short term deposit was not accounted for as on Balance Sheet date during previous year i.e. 2015-16. A half margin was issued by C&AG on the same on the accounts 2015-16. The same is now accounted for during 2016-17
2	Inter Income from Bank-Term Deposit	Cr.	201175	
3	Transfer to IEDC-Misc. Receipt and Recovery	Dr.	188560	
4	CWIP- Interest on Loans and Advances	Cr.	188560	

Summary of Prior Period Adjustments made during Period ended 31.03.2017

S. No	Nature	Amount of Prior Period Adjustment	Year from which error pertains
A.	**Income**		
	Revenue from Operations		
	Other Income	12615	2015-16
	Total income (A)	12615	
B.	**Expense**		
	Generation, Administration and Other Expenses		
	Employee Benefits Expense		
	Finance Cost		
	Depreciation & Amortization Expenses		
	Total expenses (B)	0	
C	**ASSETS**		
1	**NON-CURRENT ASSETS**		
a)	Property Plant & Equipment		
b)	Capital Work In Progress	188560	2015-16
c)	Investment Property		
d)	Other Intangible Assets		
e)	Financial Assets		
	i) Investments		
	ii) Trade Receivables		
	iii) Loans		
	iv) Others		
i)	Deferred Tax Assets (net)		
f)	Other Non Current Assets		
g)	Non Current Assets - Regulatory Assets		
2	**CURRENT ASSETS**		
a)	Inventories		
b)	Financial Assets		
	i) Investments		
	ii) Trade Receivables		
	iii) Cash & Cash Equivalents		
	iv) Bank balances		
	v) Loans		
	vi) Others		
c)	Current Tax Assets (Net)		
d)	Other Current Assets		
	TOTAL ASSETS (C)		
D	LIABILITIES		
2	NON-CURRENT LIABILITIES		
a)	Financial Liabilities		
	i) Borrowings		
	ii) Trade Payables		
	Total outstanding dues of micro enterprises and small enterprises		
	Total outstanding dues of Creditors other than micro enterprises and small enterprises		
	iii) Other financial liabilities		
b)	Provisions		
c)	Deferred Tax Liabilities (Net)		
d)	Other non-current Liabilities		
3	**CURRENT LIABILITIES**		
a)	Financial Liabilities		
	i) Borrowings		
	ii) Trade Payables		
	iii) Other financial liabilities		
b)	Other Current Liabilities		
c)	Provisions		
d)	Current Tax Liabilities (Net)		

Note No. -35:First Time adoption of Ind AS

Transition from Indian GAAP to IND AS

These financial statements, for the year ended 31st March, 2017, are the first the Company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

The accounting policies set out in Note No. 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2015 (date of transition). In preparing its opening Ind AS Balance Sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. **Exemptions and exceptions availed:** Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

i) **Optional exemptions:**

a) **Deemed Cost for Property, Plant & Equipment, Investment Property and Intangible Assets:** Since there is no change in functional currency, the Company has availed exemption under para D7AA of appendix C to IND AS 101 which permits a first time adopter to continue with the carrying values for its Property, Plant & Equipment, Investment Property and Intangible Assets as at the date of transition to IND ASs measured as per previous GAAP. There are no decommissioning liabilities of the company.

b) **Long Term Foreign Currency Monetary Items:** Para D13AA of appendix C to Ind AS 101 permits a first time adopter to continue the policy adopted for exchange differences arising from translation of long term foreign currency monetary items recognised in the financial statements for the period ended immediately before the beginning of the first Ind AS financial reporting period as per previous GAAP. The company has availed the exemption under Para D13AA and has continued to apply the accounting policy earlier adopted for accounting of exchange differences arising on restatement of long-term foreign currency monetary items recognised till 31.03.2016.

c) **Designation of previously recognised financial instruments:** Para D19B of Ind AS 101 allows an entity to designate investment in equity instruments at Fair value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly company has elected to avail the exemption and designate its investment in equity instruments at Fair value through Other Comprehensive Income (FVTOCI).

d) **Investment in Subsidiaries and joint ventures:** Para D15 of Ind AS 101 allows an entity to measure investment in subsidiaries and joint ventures at previous GAAP carrying amount at the date of transition to Ind AS.The Company has availed the exemption with regard to measuring the investment in subsidiaries and joint venture as at date of transition at deemed cost which is previous GAAP carrying amount at that date.

e) **Leases:** Para D9 of Ind AS 101 provides an option to apply Paragraphs 6-9 of Appendix C to Ind AS 17- Leases determining whether an arrangement contains a lease on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such arrangements/contracts based on the conditions in place as at the date of transition.

ii) **Mandatory exceptions:**

a) **Estimates:** An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP (after adjustment to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities except Regulatory Deferral Account Balances.

- Investments in Equity instruments carried at Fair Value through Other Comprehensive Income (FVTOCI).
- Investment in debt instruments carried at FVTOCI.
- Fair valuation of loans to employee such as house building advance, car advance, computer advance and scooter advance using discounted cash flow method. Comparative prevailing interest rate of SBI has been used as discount rate to arrive at the fair value of above said advances.

b) **Classification and measurement of financial assets:** Para B8 of Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c) **Government Loan:** Para B10 of Ind AS 101 requires a first-time adopter to apply the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to Ind ASs. Consequently, if a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind ASs as the carrying amount of the loan in the opening Ind AS Balance Sheet. An entity shall apply Ind AS 109 to the measurement of such loans drawn after the date of transition to Ind ASs. Consequently, the company has used its previous GAAP carrying amount of the loan at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet.

B) Reconciliations between previous GAAP and Ind AS:

Ind AS 101 requires an entity to reconcile equityandtotal comprehensive income for prior periods. Appendix –I & II to Note no. 35 represent the reconciliations from previous GAAP to Ind AS.

For Vivek Agarwal & Co.
Chartered Accountants
(Firm Regn. No. 003179C)

(AJAY KUMAR BHARGAVA)
Partner
M.No. 077833

(D. K. GUPTA)
Chief Financial Officer

(S.K. DUBEY)
Chief Executive Officer

Place: Lucknow
Date: 08.05.2017

Appendix-I to Note-35

(A) RECONCILIATION STATEMENT OF TOTAL EQUITY

(Amount in ₹)

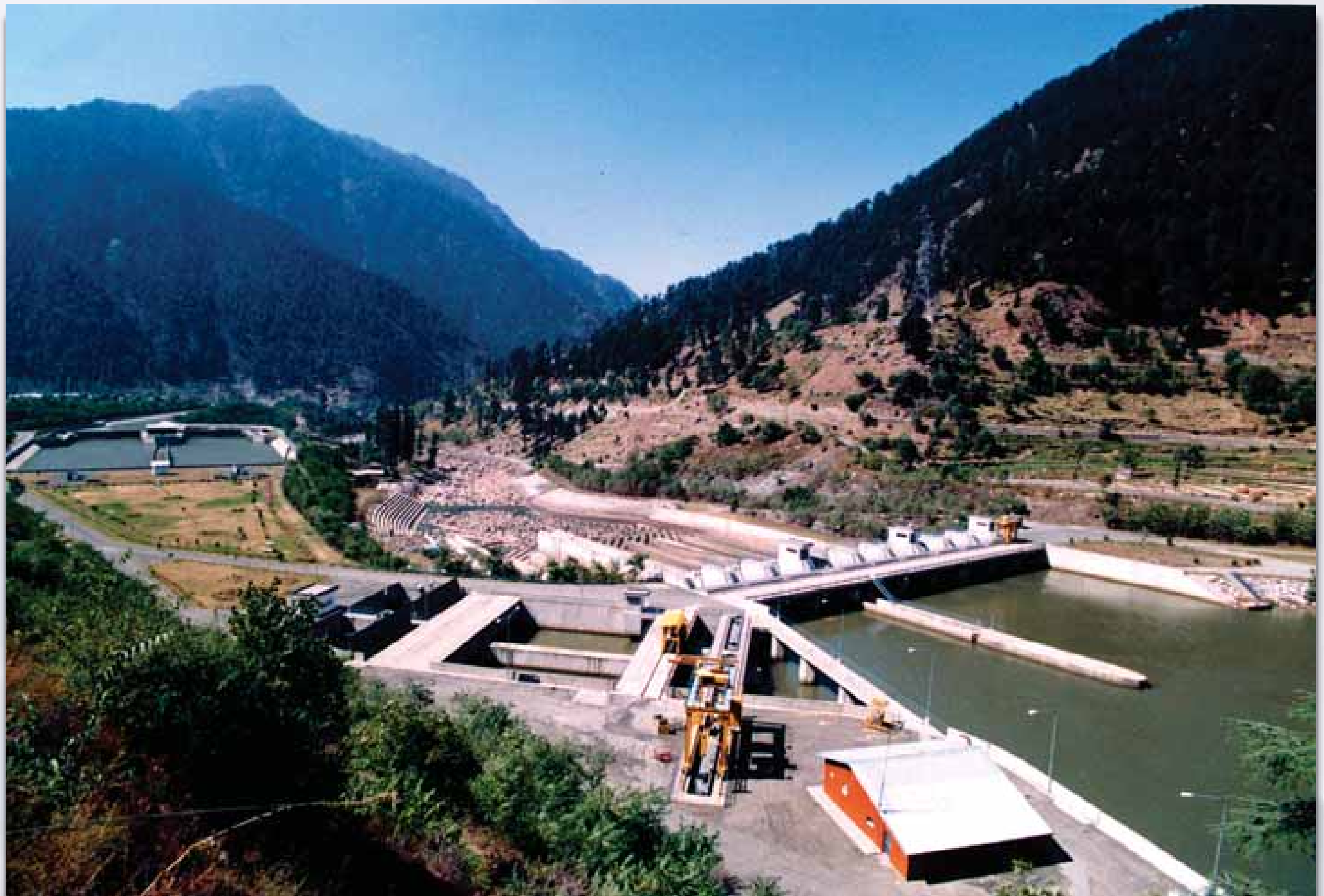
Particulars	31st March 2016	1st April 2015
Total Equity(Shareholder's Fund) as per Previous GAAP	9,262,090	9,334,216
Adjustments	-	-
Total equity as per IND AS	**9,262,090**	9,334,216

Appendix-II to Note-35

(B) RECONCILIATION STATEMENT OF TOTAL COMPREHENSIVE INCOME

(Amount in ₹)

Particulars	31st March 2016
Profit after tax as per Previous GAAP	(72,126)
Ind AS Adjustments	-
Profit after tax as per IND AS	(72,126)
Other comprehensive income	0
Total comprehensive income	(72126)



480 MW Uri Power Station (Jammu & Kashmir) - Aerial view of Barrage

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एनएचपीसी लिमिटेड

(भारत सरकार का उद्यम)

NHPC Limited

(A Government of India Enterprise)

CIN L40101HR1975GOI032564

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