



Financial Statements of Subsidiary Companies **2017-18**



Shri Balraj Joshi, CMD (centre) and Shri M.K. Mittal, Director (Finance) (2nd from left) with other senior officers of NHPC during the Analyst Meet at Mumbai on 1st June 2018.

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INDEPENDENT AUDITOR'S REPORT

To The Members of NHDC Limited,

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, 2018 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 IND AS 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, 2018, 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.	a) This disclosure in the iid para has been made in compliance of provisions of Indian Accounting Standards, Ind AS-37 (Provisions, Contingent Liabilities and Contingent Assets).
b) Note no. 34 Point no. 11(b), to the financial statements about the various balances which are subject to reconciliation / confirmation and respective consequential adjustments.	b) Disclosure through note is a statement of fact.
c) Note no. 2.2 (iv), Capital Work in progress includes work of energy dissipation arrangement being executed at Indira Sagar Project is yet to be completed and further time extension as explained in in process on the reporting date. Our opinion is not modified in respect of these matters.	c) Due to certain changes in design and onerous conditions prevailing at site, the work has got delayed. However, the EDA modification works are progressing well and the same is likely to be completed by 21.06.2018 i.e. before onset of monsoon.

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) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the company.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - 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.

For **S.K.LULLA & CO.**

Chartered Accountants

Firm's Registration No. 002336C

sd/-

CA SHIV KUMAR SHARMA

Partner

Membership No. 421955

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

Place : New Delhi

Date : 08.05.2018

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 2018]

- (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 annual program of fixed assets and stock 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, GST 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, GST and other material statutory dues were in arrears as at 31 March 2018 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, GST which have not been deposited on account of dispute are given below:

MPVAT AND ENTRY TAX

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)

INCOME TAX ACT 1961

AY	Section Code	Demand Identification No.	Date on which demand is raised	Outstanding Demand	Uploaded by
2006-07	143(1)	2010200651055778985C	25/09/07	3,02,30,307	Assessing Officer
2006-07	154	2010200651055779630C	22/01/08	2,90,060	Assessing Officer
2007-08	154WB	2010200710011460216C	06/11/12	6,290	Assessing Officer

However as per management and documents produced to us, it is noted that company has disagreed with demand and filed the reply for the rectification and removal of demand through website of tax department as well as manually of IT department. Moreover refund of Income Tax has also been received in recent years, hence contingent liabilities in respect of above demand is not created, which is reasonable.

TDS DEMAND

Financial Year	Amount in ₹	
	Liability has shown efillingincometax. gov.in	Actual Liability Shown as per Traces
2015-16	3,932	Nil
2016-17	31,588	Nil
Prior Years	70,31,436	1,37,100
Total	70,66,956	1,37,100

Company has Created Contingent liability in respect of above demands.

- (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 Registration No. 002336C

sd/-
CA SHIV KUMAR SHARMA
Partner
Membership No. 421955

Place: New Delhi
Date: 08.05.2018

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 2018]

Report on Directions under section 143(5) of Companies Act 2013 applicable from the Financial Year 2017-18

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.

For **S. K. LULLA & CO.**

(Chartered Accountant)

Firm Registration No. 002336C

sd/-

CA SHIV KUMAR SHARMA

Partner

Membership No. 421955

Place : New Delhi

Date : 08.05.2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹ Lacs)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
(1) NON-CURRENT ASSETS			
a) Property Plant & Equipment	2.1	18,076	19,875
b) Capital Work In Progress	2.2	14,389	12,534
c) Investment Property	2.3	-	-
d) Other Intangible Assets	2.4	99,530	1,05,005
e) Financial Assets			
i) Investments	3.1	-	-
ii) Trade Receivables	3.2	12,212	27,582
iii) Loans	3.3	2,053	2,090
iv) Others	3.4	3,92,973	4,32,280
f) Non-Current Tax Assets (Net)	4.1	5,062	4,161
g) Other Non-Current Assets	4.2	2,035	1,785
		5,46,330	6,05,312
(2) CURRENT ASSETS			
a) Inventories	5	891	917
b) Financial Assets			
i) Investments	6	-	-
ii) Trade Receivables	7	25,089	36,345
iii) Cash & Cash Equivalents	8	206	232
iv) Bank Balances	9	1,82,063	1,90,183
v) Loans	10	454	440
vi) Others	11	25,547	38,531
c) Current Tax Assets (Net)	12	-	2,236
d) Other Current Assets	13	1,725	6,054
TOTAL CURRENT ASSETS		2,35,975	2,74,938
(3) Regulatory Deferral Account Debit Balances	14	2,245	610
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		7,84,550	8,80,860
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	15.1	1,96,258	1,96,258
(b) Other Equity	15.2	3,99,217	4,91,953
TOTAL EQUITY		5,95,475	6,88,211
(2) LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	16.1	-	-
ii) Other financial liabilities	16.2	140	20
b) Provisions	17	1,519	1,865
c) Deferred Tax Liabilities (Net)	18	24,734	24,734
d) Other non-current Liabilities	19	1,21,838	1,29,549
TOTAL NON-CURRENT LIABILITIES		1,48,231	1,56,168

NHDC LIMITED
Annual Report 2017-18
(A Joint Venture of NHPC Ltd. and Govt. of M.P)

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹ Lacs)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
(3) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	20.1	-	-
ii) Trade Payables	20.2		
Total outstanding dues of micro enterprises and small enterprises		268	204
Total outstanding dues of Creditors other than micro enterprises and small enterprises		868	796
ii) Other financial liabilities	20.3	5,739	2,909
b) Other Current Liabilities	21	8,455	8,446
c) Provisions	22	24,803	24,126
d) Current Tax Liabilities (Net)	23	711	-
TOTAL CURRENT LIABILITIES		40,844	36,481
TOTAL EQUITY & LIABILITIES		7,84,550	8,80,860
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		
Note 1 to 34 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)

sd/-
A.G. ANSARI
Managing Director
DIN: 07884841

sd/-
BALRAJ JOSHI
Chairman
DIN: 07449990

sd/-
CA Shiv Kumar Sharma
Partner
M.No. 421955

sd/-
V. K. TRIPATHI
Co. Secretary

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

Place : New Delhi
Date : 08.05.2018

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)			
	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME			
i) Revenue from Continuing Operations	24	78,491	1,30,693
ii) Other Income	25	27,177	29,270
TOTAL INCOME		1,05,668	1,59,963
EXPENSES			
i) Generation and Other Expenses	26	13,566	16,859
ii) Employee Benefits Expense	27	12,274	10,323
iii) Finance Cost	28	32	20
iv) Depreciation & Amortization Expense	29	7,321	7,335
TOTAL EXPENSES		33,193	34,537
Profit before Exceptional items, Rate Regulated Activities and Tax		72,475	1,25,426
Exceptional items		-	-
PROFIT BEFORE TAX		72,475	1,25,426
Tax Expenses	30		
i) Current Tax		18,792	29,933
ii) Adjustments for Income Tax		-	9
iii) Deferred Tax		-	2,966
Total Tax Expenses		18,792	32,908
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		53,683	92,518
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	1,635	610
PROFIT FOR THE YEAR AFTER NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		55,318	93,128
Profit for the year from continuing operations (A)		55,318	93,128
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax		-	-
OTHER COMPREHENSIVE INCOME (B)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		48	(209)
Less: Income Tax on remeasurement of the defined benefit plans		17	(72)
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities on Remeasurement of defined benefit plans		(17)	72
-Movement in Regulatory Deferral Account Balances- Remeasurement of defined benefit plans		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
Sub total (a)		48	(209)
(b) Investment in Equity Instruments		-	-
Less: Income Tax on Equity Instruments		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		48	(209)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)			
	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-
Less: Income Tax on investment in Debt Instruments		-	-
Total (ii)		-	-
Other Comprehensive Income (B)=(i+ii)		48	(209)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		55,366	92,919
Earning per share before movements in Regulatory Deferral Account Balances (Equity shares, face value of ₹ 1000/- each)			
Basic & Diluted (Amount in ₹)		273.54	471.41
Earning per share after movements in Regulatory Deferral Account Balances (Equity shares, face value of ₹ 1000/- each)			
Basic & Diluted (Amount in ₹)		281.87	474.52
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		
Note 1 to 34 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)

sd/-
A.G. ANSARI
Managing Director
DIN: 07884841

sd/-
BALRAJ JOSHI
Chairman
DIN: 07449990

sd/-
CA Shiv Kumar Sharma
Partner
M.No. 421955

sd/-
V. K. TRIPATHI
Co. Secretary

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

Place : New Delhi
Date : 08.05.2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year including movements in Regulatory Deferral Account Balance	74,110	1,26,036
Less: Movement in Regulatory Deferral Account Balances	1,635	610
Profit before Tax	72,475	1,25,426
ADD :		
Depreciation	7,321	7,335
Finance Cost (Net of EDC)	32	20
Provisions (Net loss)	650	762
Expenditure towards Regulatory Deferral Account Balances (net of finance and depreciation)	1,635	610
Tariff Adjustment (loss)	2,789	3,935
Loss on sale of assets/Claims written off	3	12
	<u>12,430</u>	<u>12,674</u>
	84,905	1,38,100
LESS :		
Advance against Depreciation written back	-	-
Provisions (Net gain)	151	2,191
Net Gain/Loss on sale of Investments	-	-
Profit on Sale of Assets \ Realization of Loss	-	-
Dividend Income	-	-
Interest Income	19,395	19,357
Exchange rate variation	-	-
Other Adjustments	<u>7,222</u>	<u>7,225</u>
	<u>26,768</u>	<u>28,773</u>
Cash flow from Operating Activities before Operating Assets & Liabilities adjustments	58,137	1,09,327
Changes in Operating Assets and Liabilities:		
Inventories	14	(36)
Trade Receivables	26,625	(22,368)
Other Assets, Loans and Advances	18,902	61,730
Other Liabilities & Provisions	<u>(257)</u>	<u>1,992</u>
	<u>45,284</u>	<u>41,318</u>
Cash flow from operating activities before taxes	1,03,421	1,50,645
Less : Taxes	<u>16,745</u>	<u>32,123</u>
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	<u>86,676</u>	<u>1,18,522</u>

NHDC LIMITED
Annual Report 2017-18
(A Joint Venture of NHPC Ltd. and Govt. of M.P)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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)	(1,906)	(7,689)
Creation of Regulatory Deferral Account Balances	(1,635)	(610)
Realization/ (Payments) for Investments / Bonds	-	-
Realization/ (Investment) in Bank Deposits	46,418	(1,02,153)
Dividend Income	-	-
Interest Income	18,489	17,568
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	61,366	(92,884)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Buyback of Equity Shares (including Premium Payment)	-	-
Dividend and Dividend Tax Paid	(1,48,104)	(48,187)
Borrowings	-	-
Funds received from GOMP towards SSP, Irrigation component & R&R Subvention	47	1,308
Repayment of Borrowings	-	-
Interest & Finance Charges	(11)	(6)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(1,48,068)	(46,885)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(26)	(21,247)
Cash & Cash Equivalents at the beginning of the year	232	21,479
Cash & Cash Equivalents at the close of the year	206	232

EXPLANATORY NOTES TO CASH FLOW STATEMENT

Bank Balance other than Cash & Cash Equivalents and Bank Deposits include an amount of ₹ 1112 Lacs (As on 31.03.2017 ₹ 1036 Lacs) under lien with banks as per orders of Hon'ble Court of Law which is not available for use as on 31.03.2018.

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)

sd/-
A.G. ANSARI
Managing Director
DIN: 07884841

sd/-
BALRAJ JOSHI
Chairman
DIN: 07449990

sd/-
CA Shiv Kumar Sharma
Partner
M.No. 421955

sd/-
V. K. TRIPATHI
Co. Secretary

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

Place : New Delhi
Date : 08.05.2018

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2018

OTHER EQUITY

Attributable to equity holders	(Amount in ₹ Lacs)								
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Corporate Social Responsibility Fund	Reserve & Surplus Research & Development Fund	General Reserve	Other Comprehensive Income Surplus/ Retained Earnings Equity Instruments through OCI Debt Instruments through OCI	Total	
Balance as at 1st April, 2017	-	-	-	2,431	1,698	26,688	4,61,136	-	4,91,953
Profit for the year	-	-	-	-	-	-	55,318	-	55,318
Other Comprehensive Income	-	-	-	-	-	-	48	-	48
Total Comprehensive Income	-	-	-	-	-	-	55,366	-	55,366
Share Application Money received during the year.	-	-	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-	-	-
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Transfer from Retained Earning	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-1,23,053	-	-1,23,053
Tax on Dividend	-	-	-	-	-	-	-25,051	-	-25,051
Transfer to CSR Fund	-	-	-	-102	-	-	104	-	2
Transfer to Research & Development Fund	-	-	-	-	-	-	-	-	-
Trfr to General Reserve	-	-	-	-	-	-	-	-	-
Total as on 31st March 2018	-	-	-	2,329	1,698	26,688	3,68,502	-	3,99,217

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)

sd/-
A.G. ANSARI
Managing Director
DIN: 07884841

sd/-
BALRAJ JOSHI
Chairman
DIN: 07449990

sd/-
CA Shiv Kumar Sharma
Partner
M.No. 421955
Place : New Delhi
Date : 08.05.2018

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

(A Joint Venture of NHPC Ltd. and Govt. of M.P)

OTHER EQUITY

Attributable to equity holders					Reserve & Surplus			Other Comprehensive Income			(Amount in ₹ Lacs)
Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Corporate 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	4,17,425	-	-	4,47,222	-	
Change in Accounting Policy										-	
Prior Period errors (Net)										-	
Restated Balance at the Beginning of the Reporting Period (A)	-	-	1,726	1,383	26,688	4,17,425	-	-	4,47,222	-	
Profit for the year											
Other Comprehensive Income											
Total Comprehensive Income	-	-	-	-	-	-209	-	-	-209	-	
						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										-	
Tax on Dividend	-	-	-	-	-	-40,037	-	-	-40,037	-	
Transfer to Bond Redemption Reserve	-	-	-	-	-	-8,151	-	-	-8,151	-	
Transfer to Self Insurance Fund	-	-	-	-	-	-	-	-	-	-	
Transfer to CSR Fund	-	-	705	-	-	-705	-	-	-705	-	
Transfer to Research & Development Fund	-	-	-	315	-	-315	-	-	-315	-	
Tfrr to General Reserve										-	
Total as on 31.03.2017	-	-	2,431	1,698	26,688	4,61,136	-	-	4,91,953	-	

As per our report of even date attached

(Firm Regn.No.002336C)

Date: 08.05.2018

For and on behalf of the Board of Directors

A.G. ANSARI

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

(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- A summary of the significant accounting policies applied in the preparation of financial statements as given below 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 operating in the manner intended by the management, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/ court cases.
- 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 derecognised.
- e) After initial recognition, Property, Plant and 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 including expenditure on environment management plans relating 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 and Equipment.
- h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and 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

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 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 and Intangible Assets under Development

- 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.
- 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 in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

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

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

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 are initially recognised as deferred income when there is reasonable assurance that the grant will be received and the company will comply with the conditions associated with the grant. The deferred income so recognised is subsequently amortised in the

Statement of Profit and Loss over the useful life of the related assets.

- c) Government grant related to income is recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

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 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 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 and 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. 18.0(d) below.
- c) i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.0(d) below.
- ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.
- d) i) Depreciation in respect of following items of PPE is provided on straight line method based

on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:

- Construction Plant & Machinery
- Computer & Peripherals

- ii) Based on technical assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of ₹ 1.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization by retaining ₹ 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 ₹ 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 based on certainty of realisation.

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 Material prior period errors

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

25.0 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

26.0 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'.

27.0 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.

28.0 Miscellaneous

- a) Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.
- b) Liabilities for Goods in transit/Capital works executed but not certified are not provided for, pending inspection and acceptance by the Company.

IV) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules') on 28 March 2018. The rules shall be effective from reporting periods beginning on or after 1 April 2018 and cannot be early adopted.

- A) **Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:** The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense

or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

The appendix can be applied either retrospectively for each period presented applying Ind AS 8 or prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied or from the beginning of a prior reporting period presented as comparative.

The Company has assessed the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance.

The Company has evaluated the effect of this on the financial statements and found there is no such transaction.

The Company intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

B) Ind AS 115- Revenue from Contract with Customers:

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18

Revenue and Ind AS 11 Construction contracts and related appendices.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is in the process of assessing the detailed impact of Ind AS 115.

C) Amendments to Ind AS 40 Investment property - Transfers of investment property

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The amendment provides two transition options. Entities can choose to apply the amendment either retrospectively without the use of hindsight or prospectively to changes in use that occur on or after the date of initial application.

The Company has assessed the effects of the amendment on classification of existing property at 1 April 2018 and concluded that no reclassifications are required.

The Company has decided to apply the amendment prospectively to changes in use that occur after the date of initial application (i.e. 1 April 2018).

NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2018

(Amount in ₹ Lacs)										
Sl. No.	PARTICULARS	As at 01-Apr-2017	GROSS BLOCK				DEPRECIATION		NET BLOCK	
			Additions		Deductions		As at 31st March, 2018	For the Period 01-Apr-2017	Adjust-ments	As at 31st March, 2018
IUT	Others	IUT	Others	Other Adjust-ments						
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)	23,474	-	-	-	-	23,474	1,799	5,398	18,076
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery	-	-	-	-	-	-	-	-	-
ix)	Sub station	-	-	-	-	-	-	-	-	-
x)	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	-	-	-	-	-	-	-	-	-
xxi)	Other assets	-	-	-	-	-	-	-	-	-
xxii)	Tangible Assets of minor value >750 and < ₹ 5000	-	-	-	-	-	-	-	-	-
	Total	23,474	-	-	-	-	23,474	3,599	1,799	5,398
	Previous year	23,473	6	4	-	-	23,474	1,800	1,800	3,599

Note : Additional disclosure of Property Plant and Equipment (PPE) as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-I to this Note.

NHDC LIMITED

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(A Joint Venture of NHPC Ltd. and Govt. of M.P)

Annexure I to note no. 2.1 Property, Plant and Equipment as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION					(Amount in ₹ Lacs)		
		As at 01-Apr-2017	Additions		Deductions		Other Ad-just-ments	As at 31st March, 2018	As at 01-Apr-2017	For the Period	Ad-just-ments	As at 31st March, 2018	As at 31st March, 2017	
			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)	37,538	-	-	-	-	-	37,538	17,663	1,799	-	19,462	18,076	19,875
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	-	-	-	-	-	-	-	-	-	-	-	-	-
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
xxii)	Tangible Assets of minor value > 750 and < ₹ 5000	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	37,538	-	-	-	-	-	37,538	17,663	1,799	-	19,462	18,076	19,875
	Previous year	37,539	-	5	-	6	-	37,538	15,866	1,799	(2)	17,663	19,875	21,673

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

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				(Amount in ₹ Lacs)	
		As at 01-Apr-2016	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	For the Period 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)	23,469	-	5	-	-	-	23,474	1,800	1,799	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	4	-	-	-	4	-	-	-	-	4
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-
xxii)	Tangible Assets of minor value > 750 and < Rs.5000	-	-	-	-	-	-	-	-	-	-
	Total	23,473	-	5	-	4	-	23,474	1,800	1,799	21,673
	Previous year	23,429	-	44	-	-	-	23,473	-	1,800	23,429

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Annexure I to note no. 2.1 Property, Plant and Equipment as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK				As at 31st March, 2017	AMORTISATION		NET BLOCK		
		As at 01-Apr-2016	Additions IUT	Others	Deductions IUT	Other Adjustments	As at 01-Apr-2016	For the Period	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
j)	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	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	-	-	-	4
xxi)	Other assets	-	-	-	-	-	-	-	-	-	-
xxii)	Tangible Assets of minor value > 750 and < Rs.5000	-	-	-	-	-	-	-	-	-	-
	Total	37,539	-	5	-	6	37,538	15,866	17,663	19,875	21,673
	Previous year	37,495	-	44	-	-	37,539	14,066	15,866	21,673	23,429

Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹ Lacs)

Particulars	As at 01-Apr-2017	Addition	Adjustment	Capitalised	As at 31st March, 2018
i) Roads and Bridges	-				-
ii) Buildings	102	195	-	272	25
iii) Railway sidings	-	-	-	-	-
iv) Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	12,392	1,401	-	868	12,925
v) Generating Plant and Machinery	-	334	-	227	107
vi) Plant and Machinery - Sub station	-	1,325	-	-	1,325
vii) Plant and Machinery - Transmission lines	-	-	-	-	-
viii) Plant and Machinery - Others	1	-	-	-	1
ix) Construction Equipment	-	-	-	-	-
x) Water Supply System/Drainage and Sewerage	6	1	-	6	1
xi) Other assets awaiting installation	30	5	-	30	5
xii) CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-	-
xiii) Survey, investigation, consultancy and supervision charges	285	-	(3)	-	282
xiv) Expenditure on compensatory Afforestation	-	-	-	-	-
xv) Expenditure attributable to construction *	-				-
Less: Provided for	282				282
Sub total (a)	12,534	3,261	(3)	1,403	14,389
* For addition during the period refer Note No. 32					
Construction Stores	-			-	-
Less : Provisions for construction stores	-			-	-
Sub total (b)	-	-	-	-	-
TOTAL	12534	3261	(3)	1403	14389
Previous year	6438	6464	(282)	86	12534

Explanatory Note: -

1. CWIP of ₹ 14389 Lacs (As on 31.03.2017 ₹ 12532 Lacs) created on Land unclassified / right to use are included under relevant head.
2. Provision of ₹ NIL (As on 31.03.2017 ₹ 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.
3. Figures in parenthesis represent deductions.

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Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹ Lacs)

Particulars	As at 01-Apr-2016	Addition	Adjustment	Capitalised	As at 31-Mar-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)	6,073	6,329	-	10	12,392
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)	6,438	6,464	(282)	86	12,534
* 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	6,438	6,464	(282)	86	12,534
Previous year	524	6,470	(9)	547	6,438

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. 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.
3. Figures in parenthesis represent deductions.

NOTE NO. 2.3 INVESTMENT PROPERTY

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK		
		As at 01-Apr-2017	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-

NOTE NO. 2.4 Other Intangible Assets

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK		
		As at 01-Apr-2017	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
i)	Land- Right to Use	1,16,028	-	47	-	-	-	1,16,075	11,023	16,545	99,530
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-
	Total	1,16,028	-	47	-	-	-	116,075	11,023	16,545	99,530
	Previous year	1,14,725	-	1,303	-	-	-	1,16,028	5,488	11,023	1,05,005
										1,09,237	

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

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Annexure I to NOTE NO. 2.3 Investment Property

Sl. No. PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK		
	As at 01-Apr-2017	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2018	As at 01-Apr-2017	For the Year	Adjustments
j) Land Freehold	-	IUT	Others	IUT	Others	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-	-

Annexure I to NOTE NO. 2.4 Other Intangible Assets

Sl. No. PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK		
	As at 01-Apr-2017	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2018	As at 01-Apr-2017	For the Year	Adjustments
j) Land- Right to Use	1,48,385	-	47	-	-	-	1,48,432	43,380	5,522	-
ii) Computer Software	-	-	-	-	-	-	-	-	-	-
Total	1,48,385	-	47	-	-	-	1,48,432	43,380	5,522	-
Previous year	1,47,082	-	1,303	-	-	-	1,48,385	37,845	5,535	-

NOTE NO. 2.3 Investment Property

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

NOTE NO. 2.4 Other Intangible Assets

Sl. No. PARTICULARS	GROSS BLOCK					AMORTISATION				NET BLOCK		
	As at 01-Apr-2016		Additions		Deductions		As at 31st March, 2017	For the Period 2016	Adjustments	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
	IUT	Others	IUT	Others	IUT	Others						
i) Land- Right to Use	1,14,725	-	-	1,303	-	-	116,028	5,488	5,535	-	11,023	105,005
ii) Computer Software	-	-	-	-	-	-	-	-	-	-	-	109,237
Total	1,14,725	-	-	1,303	-	-	116,028	5,488	5,535	-	11,023	105,005
Previous year	113,241	-	1,484	-	-	-	114,725	-	5,488	5,488	109,237	113,241

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Annexure I to NOTE NO. 2.3 Investment Property

Sl. No. PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 01-Apr-2016	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	As at 31st March, 2017	As at 31st March, 2016
j) Land Freehold	-	IUT	Others	IUT	Others	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-	-

Annexure I to NOTE NO. 2.4 Other Intangible Assets

Sl. No. PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 01-Apr-2016	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	As at 31st March, 2017	As at 31st March, 2016
j) Land- Right to Use	1,47,082	-	1,303	-	-	-	1,48,385	37,845	43,380	1,09,237
ii) Computer Software	-	-	-	-	-	-	-	-	-	-
Total	1,47,082	-	1,303	-	-	-	1,48,385	37,845	43,380	1,09,237
Previous year	1,45,598	-	1,484	-	-	-	1,47,082	32,358	37,845	1,13,240

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

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
	-	-
Total	-	-

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

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A Receivable from Beneficiary - Unsecured (Considered Good)	12,212	27,582
Total	12,212	27,582

Explanatory Note: -

Above represents dues agreed for deferment receivable in equated monthly 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, 2018	As at 31st March, 2017
a) Employees (at amortised Cost)		
- Secured (considered good)	2,017	2,047
- Unsecured (considered good)	36	43
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful Employees loans *1	-	-
Sub-total	2,053	2,090
b) Contractor / Supplier / Others		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
- Against bank guarantee	-	-
- Others	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances to Contractor/ Supplier/ Others *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	-	-

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(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
e) Deposits		
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *4	-	-
Sub-total	-	-
TOTAL	2,053	2,090
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/ Others *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	9	11
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, 2018	As at 31st March, 2017
A Bank Deposits with more than 12 Months Maturity	3,480	41,342
B Lease Rent Receivable	3,89,361	3,90,370
C Interest Recievable on Lease	-	-
D Interest accrued on:	-	-
- Bank Deposits with more than 12 Months Maturity	132	568
- Others	-	-
Total	3,92,973	4,32,280

Explanatory Note:

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 at B above represents the present value of principal outstanding.

NOTE NO. 4.1 NON CURRENT TAX ASSETS (NET)

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax & Tax Deducted at Source	52,076	21,243
Less: Provision for Taxation	47,014	17,082
Total	5,062	4,161

NOTE NO. 4.2 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. CAPITAL ADVANCES		
Secured (considered good)	-	-
Unsecured (considered good)		
– Against bank guarantee	-	50
– Others	475	294
Less : Provision for expenditure awaiting utilisation certificate	-	10
Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances *1	-	-
Sub-total	475	334
B. ADVANCES OTHER THAN CAPITAL ADVANCES		
i) Deposits		
- Unsecured (considered good)	204	223
Less : Provision against demand raised by Govt.Depts.	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *2	-	-
	204	223
ii) Other advances		
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
	-	-
C. OTHERS		
i) Deferred Foreign Currency Fluctuation Assets/Expenditure		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
	-	-
ii) Deferred Cost on Employee loans given		
Secured - Considered Good	1,343	1,211
Employee loans - Unsecured	13	17
	1,356	1,228
TOTAL	2,035	1,785

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(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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
Addition during the year		
Used during the year		50
Reversed during the year		
Closing balance	-	-

NOTE NO. 5 INVENTORIES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(Valuation as per Significant Accounting Policy Note No.1(iii)(10))		
Stores and spares	342	341
Stores in transit/ pending inspection	29	74
Loose tools	-	-
Scrap inventory	32	18
Material at site	499	484
Material issued to contractors/ fabricators	-	-
Less: Provision for Obsolescence & Diminution in Value *	11	-
TOTAL	891	917
* Provision for Obsolescence & Diminution in Value		
Opening Balance	-	
Addition during the year	11	-
Used during the year	-	
Reversed during the year #		
Closing balance	11	-
Explanatory Note:		
During the year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.	11	-
# Excess provision made earlier has been reversed during the year which led to the reversal of Write down of value of inventories.	-	-

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
	-	-
Total	-	-

NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
- Unsecured - Considered Good	25,089	36,345
- Unsecured - Considered Doubtful	-	-
Less: Provision for doubtful debts *	-	-
TOTAL	25,089	36,345
* Provision for doubtful debts		
Opening Balance	-	2,154
Addition during the year		
Used during the year		
Reversed during the year		2,154
Closing balance	-	-
Explanatory Note: -		
i) Trade Receivables Unsecured - considered good includes dues agreed for deferment receivable in equated monthly instalments along-with applicable interest, as per agreement.	15,204	26,220
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) Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.		

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

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A Balances with banks		
• With scheduled banks		
i) - In Current Account	60	142
ii) - In deposits account (Deposits with original maturity of less than three months)	146	88
• With other banks		
- In current account		
B Cheques, drafts on hand	-	-
C Cash on hand		
Cash on hand	-	2
TOTAL	206	232
Explanatory Note: -		
1) Cash on hand -(Includes stamps on hand)	-	-

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

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
A Balances with Banks	1,82,063	1,90,183
B Deposit account-Unpaid Dividend / Interest	-	-
TOTAL	1,82,063	1,90,183

Explanatory Note: -

- 1) Cash and Bank Balances include an amount of ₹ 1112 Lacs (As on 31.03.2017 ₹ 1036 Lacs) under lien with banks as per orders of Hon'ble Court of Law, which is not available for use as on 31.03.2018.

NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
OTHER LOANS		
Employees (including accrued interest)		
- Secured (considered good)	302	291
- Unsecured (considered good)	152	149
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful Employee loans & advances *	-	-
	454	440
Loan to State Government in settlement of dues from customer		
- Unsecured (considered good)	-	-
	-	-
TOTAL	454	440
* 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	9	6
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, 2018	As at 31st March, 2017
Others		
a) Claims recoverable	2,923	10,512
Less: Provisions for Doubtful Claims *	23	23
Sub-total	2,900	10,489
b) Interest Income accrued on Bank Deposits	8,064	6,949
c) Receivable from Subsidiaries / JV's	-	-
d) Interest recoverable from beneficiary	201	172
e) Lease Rent Receivable (Finance Lease)-Current	14,382	20,921
f) Interest Receivable on Finance 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	-	-
j) Advance to Contractor against arbitration award	-	-
TOTAL	25,547	38,531
* Provisions for Doubtful Claims		
Opening Balance	23	25
Addition during the year		
Used during the year		1
Reversed during the year		1
Closing balance	23	23

Explanatory Note:-

Claims recoverable (at a) includes a sum of ₹ 2643 Lacs (As on 31.03.2017 ₹ 10366 Lacs) due from Govt. of Madhya Pradesh as per details in Other Explanatory Notes to Accounts (Note no. 34 at Serial no. 5). Further it includes a sum of ₹ 8 Lacs (As on 31.03.2017 ₹ 8 Lacs) towards TDS recoverable and duplicate payments recoverable from oustees of ₹ 12 Lacs (As on 31.03.2017 ₹ 12 Lacs) already provided for.

NOTE NO. 12 CURRENT TAX ASSETS (NET)

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Current Tax Assets		
Current Tax (Refer Note No-23)	-	2,236
TOTAL	-	2,236

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NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. Advances other than Capital Advances		
a) Deposits		
- Unsecured (considered good)	490	458
Less : Provision against demand raised by Govt.Depts.	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *1	-	-
Sub-total	490	458
b) Advance to contractor / supplier / others		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
- Against bank guarantee	-	-
- Others	162	97
Less : Provisions for expenditure awaiting utilization certificate	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances *2	-	-
Sub-total	162	97
c) Other advances - Employees		
- Unsecured (considered good)	2	4
- Unsecured (considered doubtful)	-	-
Sub-total	2	4
d) Interest accrued on:		
Others		
- Considered Good	-	-
- Considered Doubtful	-	-
Less: Provisions for Doubtful Interest *3	-	-
Sub-total	-	-
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	-	1
Sub-total	-	1
c) Work In Progress		
Construction work in progress (on behalf of client)	-	-
Consultancy work in progress (on behalf of client)	-	-
d) Prepaid Expenditure	970	666
e) Deferred Employee Costs		
Secured - Considered Good	97	274
Unsecured	1	13
f) Deferred Foreign Currency Fluctuation		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
g) Surplus / Obsolete Assets	3	7
h) Input GST	-	-
i) Others	-	4,535
TOTAL	1,725	6,054

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(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
*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/Others)		
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	1	12
Addition during the year	-	-
Used during the year	1	-
Reversed during the year	-	11
Closing balance	-	1
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 i) includes materialisation of deferred tax (Refer Note no. 24)	-	4,535
4 Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value.	3	7

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NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
(i) Wage Revision as per 3rd PRC		
Opening Balance	610	-
Addition during the year	1,635	610
Adjustment during the year		
Reversed during the year		
Closing balance	2,245	610
Closing Balance (A)=(i)	2,245	610
Deferred Tax Assets on Regulatory Deferral Account Balances	515	139
Less:-Deferred Tax Adjustments against deferred tax assets	515	139
Total (B)	-	-
Regulatory Deferral Account Balances net of Deferred Tax.(A-B)	2,245	610

* For details refer para 19 of Note No.-34-Other Explanatory Notes to Accounts

NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	Amount	Nos.	Amount
a) Authorized Equity Share Capital (Par value per share ₹ 1000/-)	3,00,00,000	3,00,000	3,00,00,000	3,00,000
b) No. of Equity shares issued, subscribed and fully paid (Par value per share ₹ 1000/-)	1,96,25,800	1,96,258	1,96,25,800	1,96,258
c) Changes in Equity Share Capital				
Opening number of shares outstanding	1,96,25,800	1,96,258	1,96,25,800	1,96,258
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	1,96,25,800	1,96,258	1,96,25,800	1,96,258
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: 10024200 No. of Shares.				
f) Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held : -				
	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	In (%)	Nos.	In (%)
- NHPC	1,00,24,200	51.08%	1,00,24,200	51.08%
- Govt. of Madhya Pradesh	96,01,600	48.92%	96,01,600	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 31.03.2018, 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				

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NOTE NO. 15.2 OTHER EQUITY

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(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	2,431	1,726
Add: Transfer from Surplus	-	705
Less: Write back during the year	104	-
Adjustments	2	-
As at Balance Sheet date	2,329	2,431
(vii) Research & Development Fund		
As per last Balance Sheet	1,698	1,383
Add: Transfer from Surplus/Retained Earnings	-	315
Less: Write back during the year	-	-
As at Balance Sheet date	1,698	1,698
(viii) General Reserve		
As per last Balance Sheet	26,688	26,688
Add: Transfer from Surplus/Retained Earnings	-	-
Less: Write back during the year	-	-
Add: Transfer from Self Insurance Fund	-	-
Less: Transfer to Capital Redemption Reserve	-	-
As at Balance Sheet date	26,688	26,688
(ix) Retained Earnings/ Surplus		
As per last Balance Sheet	4,61,136	4,17,425
Add:- Prior Period errors (Net)	-	-
Add: Profit during the year	55,318	93,128
Add: Transferred from OCI	48	(209)
Add: Amount written back from Bond Redemption Reserve	-	-
Add: Amount written back from Corporate Social Responsibility Fund	104	-
Add: Tax on Dividend - Write back	-	-
Less: Dividend and CDT	1,48,104	48,188
Less: Transfer to Bond Redemption Reserve	-	-
Less: Transfer to Self Insurance Fund	-	-
Less: Transfer to Corporate Social Responsibility Fund	-	705
Less: Transfer to Research & Development Fund	-	315
Less: Transfer to General Reserve	-	-
Less: Transfer to Corporate Office	-	-
Add: Transfer from Power Stations and Projects	-	-
As at Balance Sheet date	3,68,502	4,61,136

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(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(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	3,99,217	4,91,953
Nature and Purpose of Reserves	-	-

- 1 Corporate Social Responsibility Fund: for expenditure in respect of CSR as per guidelines in this regard.
- 2 Research & Development Fund: for expenditure in respect of R&D exp. as per guidelines in this regard.

NOTE NO. 16.1 FINANCIAL LIABILITIES - NON-CURRENT - BORROWINGS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
- Secured	-	-
- Unsecured	-	-
Term Loans		
• From Banks		
- Secured	-	-
- Unsecured	-	-
• From Other Parties		
- Secured	-	-
- Unsecured-From Government (Subordinate Debts)	-	-
- Unsecured-From Others	-	-
TOTAL	-	-

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NOTE NO. 16.2 FINANCIAL LIABILITIES - NON CURRENT - OTHERS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Deposits/ retention money	140	20
TOTAL	140	-
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	161	19
More than 3 Year & Less than 5 Years	1	6
More than 5 Years	-	-
TOTAL	162	25

NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)		
i) As per last Balance Sheet	1,865	1,635
Additions during the year	15	609
Amount used during the year	361	379
Amount reversed during the year	-	-
Closing Balance	1,519	1,865
B. OTHERS		
i) Provision For Committed Capital Expenditure		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	-	-
ii) Provision For Livelihood Assistance		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	-	-
iii) Provision-Others		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
TOTAL	1,519	1,865

* Information about Provisions are given in para 18 of Note 34-Other explanatory Notes to Accounts.

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

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liability		
a) Property, Plant and Equipments, Investment Property and Intangible Assets.	69,790	65,028
b) Financial Assets at FVTOCI	(61)	(78)
c) Other Items	10	3
Less: Recoverable for tariff period upto 2009	39,467	39,466
Less: Deferred Tax Adjustment against Deferred Tax Liabilities	4,939	(31)
Net Deferred Tax Liability	25,333	25,518
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	484	715
c) Other Items	115	69
Net Deferred Tax Assets	599	784
TOTAL	24,734	24,734

Explanatory Note: -

- Deferred tax liability/(assets) has been created in compliance to the Ind AS 12 on "Income Taxes" notified under The Companies Act, 2013.
- Movement in Deferred Tax Liability/Assets are shown in Annexure to Note No-18

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
1	2	3	4	5	6	7 (2+3+4-5-6)
At 1st April 2017	65,028	(78)	3	39,467	(32)	25,518
Charged/(Credited)						-
-to Profit or loss	4,762		7	-	4,954	(185)
-to OCI		17			17	-
At 31st March 2018	69,790	(61)	10	39,467	4,939	25,333

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 1st April 2017	-	715	69	784
Charged/(Credited)				-
-to Profit or loss		(231)	46	(185)
-to OCI				-
At 31st March 2018	-	484	115	599

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NOTE NO. 19 OTHER NON CURRENT LIABILITIES

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Income received in advance (Advance Against Depreciation)	11,553	12,004
Deferred Foreign Currency Fluctuation Liabilities	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-
Grants in aid-from Government-Deferred Income	1,10,285	1,17,545
TOTAL	1,21,838	1,29,549
GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME		
As at the beginning of the year	1,24,880	1,30,907
Add: Received during the year	47	1,308
Less: Released to Statement of Profit and Loss	7,321	7,335
Balance as at the year end	1,17,606	1,24,880
Grants in Aid-from Government-Deferred Income (Current)	7,321	7,335
Grants in Aid-from Government-Deferred Income (Non-Current)	1,10,285	1,17,545

NOTE NO. 20.1 BORROWINGS - CURRENT

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Borrowings-Other Loans-Secured		
From Banks	-	-
TOTAL	-	-

NOTE NO. 20.2 TRADE PAYABLE - CURRENT

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Total outstanding dues of micro enterprise and small enterprise(s)	268	204
Total outstanding dues of medium scale enterprise(s)	3	9
Total outstanding dues of Creditors other than micro enterprises and small enterprises	865	787
TOTAL	1,136	1,000

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. 20.3 OTHER FINANCIAL LIABILITIES - CURRENT

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long term debt *		
- Bonds	-	-
- Term Loan -Banks-Secured	-	-
- Term Loan -Banks-Unsecured	-	-
- Other Parties-Secured	-	-
- Other Parties-Unsecured	-	-
Bond application money	-	-
Liability against capital works/supplies	3,811	1,283
Liability against capital works/supplies-MSME	15	64
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Deposits/ retention money	849	651
Due to Holding Co.	424	389
Liability for share application money -to the extent refundable	-	-
Unpaid dividend	-	-
Unpaid interest	-	-
Other Payables-Payable to Employees	34	35
Other Payables-Payable to Others	606	487
TOTAL	5,739	2,909

NOTE NO. 21 OTHER CURRENT LIABILITIES

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Income received in advance (Advance against depreciation)	451	-
Deferred Income from Foreign Currency Fluctuation Account	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-
Unspent amount of deposit/agency basis works	-	-
Statutory dues payables	666	1,111
Advances against the deposit works	17	-
Amount Spent on Deposit Works	-	-
Advances against cost of Project Mgt./ Consultancy Work	-	-
Amount Spent in respect of Project Mgt./ Consultancy Works	-	-
Provision Toward Amt Recoverable in r/o Project Mgt / Consultancy Works	-	-
Other liabilities-Advance from Customers & Others.	-	-
Grants in aid-from Government-Deferred Income	7,321	7,335
TOTAL	8,455	8,446

NOTE NO. 22 PROVISIONS - CURRENT

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS		
i) Provided for on basis of Actuarial Valuation		
As per last Balance Sheet	79	56
Additions during the year	936	101
Amount used during the year	960	78
Amount reversed during the year	-	-
Closing Balance	55	79

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(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
ii) Provision for Wage Revision		
As per last Balance Sheet	120	144
Additions during the year	8	86
Amount used during the year	-	110
Amount reversed during the year	33	-
Closing Balance	95	120
Less: Advance paid	45	37
Closing Balance (Net of advance)	50	83
iii) Provision for Performance Related Pay/Incentive		
As per last Balance Sheet	1,259	736
Additions during the year	1,513	1,470
Amount used during the year	909	933
Amount reversed during the year	35	14
Closing Balance	1,828	1,259
Less: Advance paid	3	3
Closing Balance (Net of advance)	1,825	1,256
iv) 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	-	-
v) Provision For Wage Revision 3rd PRC		
As per last Balance Sheet	439	-
Additions during the year	1,899	439
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	2,338	439
B. OTHERS		
i) Provision For Tariff Adjustment		
As per last Balance Sheet	4,415	70
Additions during the year	3,428	4,415
Amount used during the year	-	70
Amount reversed during the year	-	-
Closing Balance	7,843	4,415
ii) Provision For Committed Capital Expenditure		
As per last Balance Sheet	8,586	10,178
Additions during the year	1,253	-
Amount used during the year	5,731	1,592
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	4,108	8,586
iii) Provision for Restoration expenses of Insured Assets		
As per last Balance Sheet	-	5
Additions during the year	-	-
Amount used during the year	-	5
Amount reversed during the year	-	-
Closing Balance	-	-

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PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
iv) Provision For Livelihood Assistance		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance after Fair Value Adjustment	-	-
v) Provision - CSR, SD and RD		
As per last Balance Sheet	7	-
Additions during the year	-	7
Amount used during the year	7	-
Amount reversed during the year	-	-
Closing Balance after Fair Value Adjustment	-	7
vi) Provision for exp in r/o arbitration award/ court cases		
As per last Balance Sheet	2,544	2,005
Additions during the year	113	645
Amount used during the year	323	75
Amount reversed during the year	478	31
Closing Balance	1,856	2,544
vii) Provision - Others		
As per last Balance Sheet	6,717	6,734
Additions during the year	386	156
Amount used during the year	255	173
Amount reversed during the year	120	-
Closing Balance	6,728	6,717
TOTAL	24,803	24,126

Explanatory Note: -

- 1) The Board of holding company 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, advance against personal pay adjustment of ₹ 96 Lacs paid upto 31.01.2014 has been set-off against the Provision for wage revision. However, pending final decision in the matter, the balance amount of ₹ 45 Lacs is continued in advance. Thus, the cumulative amount provided towards the Personal Pay Adjustment w.e.f 01/02/2014 to 31/03/2018 under the head "Provision for Wage Revision" is ₹ 45 Lacs (including provision for the current period ₹ 8 Lacs) with corresponding amount shown as "Advance paid".
- 2) Information about Provisions are given in para 18 of Note 34 of Balance Sheet

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NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

PARTICULARS	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Income Tax		
As per last Balance Sheet	29,933	(2,804)
Additions during the year	18,791	29,933
Amount adjusted during the year	(29,933)	(2,804)
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	18,791	29,933
Less: Current Advance Tax	18,080	32,169
Net Current Tax Liabilities (Net)	711	(2,236)
Less: Current tax Assets (Move to Note No-12)	-	2,236
TOTAL	711	-

NOTE NO. 24 REVENUE FROM CONTINUING OPERATIONS

PARTICULARS	(Amount in ₹ Lacs)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I Operating Revenue		
A SALES		
SALE OF POWER	25,825	67,634
ADVANCE AGAINST DEPRECIATION -Written back during the year	-	-
Less :		
Sales adjustment on a/c of Foreign Exchange Rate Variation	-	-
Tariff Adjustments	2,789	3,935
Regulated Power Adjustment	-	-
Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)	-	-
Rebate to customers	1,431	1,212
Sub-Total (A)	21,605	62,487
B Income from Finance Lease	56,886	60,020
C Income from Operating Lease	-	-
D REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS		
Contract Income	-	-
Revenue from Project management/ Consultancy works	-	-
Sub-Total (D)	-	-
Sub-Total-I (A+B+C+D)	78,491	1,22,507
E OTHER OPERATING REVENUE		
Interest from Beneficiary States (Revision of Tariff)	-	8,186
Sub-Total-II	-	8,186
TOTAL (I+II)	78,491	1,30,693
Explanatory Note: -		
1) Current year Sale of Power includes earlier year sales arising out of tariff due to revision of design energy as per notification of NCA water utilization account. (Previous year Sale of Power includes earlier year sales arising out of finalization of tariff)	4,666	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.	2,789	3,935

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(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 period.	-	4,535
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	21	70
- Energy Development Cess	1,986	7,106

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NOTE NO. 25 OTHER INCOME

		(Amount in ₹ Lacs)	
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
A) Interest Income			
- Interest from Investments carried at FVTOCI	-	-	
- Interest from Financial Assets carried at Amortized Cost			
- Deposit Account	15,735	14,566	
- Interest from Beneficiary -Trade receivables on deferred credit (securitized)	3,394	4,516	
- Employee's Loans and Advances (Net of Rebate)	256	236	
- Interest from advance to contractors	10	25	
- Others	-	-	
B) Dividend Income			
- Dividend from subsidiaries	-	-	
- Dividend -Others	-	-	
C) Other Non Operating Income			
Late payment surcharge	-	-	
Income From Sale of Self Generated VERs/REC	-	-	
Realization of Loss Due To Business Interruption	-	-	
Profit on sale of investments	-	-	
Profit on sale of Assets	-	-	
Income from Insurance Claim	-	-	
Liability/ Provisions not required written back #	151	2,191	
Material Issued to contractor			
(i) Sale on account of material issued to contractors	-	-	
(ii) Cost of material issued to contractors on recoverable basis	-	-	
(iii) Adjustment on account of material issued to contractor	-	-	
Amortization of Grant in Aid	7,321	7,335	
Income on account of generation based incentive (GBI)	-	-	
Exchange rate variation	-	-	
Others	310	401	
Sub-total	27,177	29,270	
Add/(Less): C.O./Regional Office/PID Expenses	-	-	
Sub-total	27,177	29,270	
Less: Income transferred to Expenditure Attributable to Construction	-	-	
Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-	
Less: Transfer of other income to grant	-	-	
Total carried forward to Statement of Profit & Loss	27,177	29,270	
Explanatory Note: -			
1 Detail of Liability/Provisions not required written back #			
a) Bad and doubtful debts (*1 under Note 7)	-	2,154	
b) Provision for doubtful claims (*1 under Note No.11)	-	1	
c) Provision for losses pending investigation/awaiting write off / sanction (*5 under Note No. 13)	-	11	
d) Provision for wage revision (Sl.no-A(ii) of Note No-22)	33	-	
e) Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(iii) of Note No-22)	35	14	
f) Others	83	11	
TOTAL	151	2,191	

NOTE NO. 26 GENERATION AND OTHER EXPENSES

(Amount in ₹ Lacs)		
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. GENERATION EXPENSES		
(i) Water Usage Charges	-	-
(ii) Consumption of stores and spare parts	479	148
B. Direct Expenditure on Contract, Project Management and Consultancy Works	-	-
C. REPAIRS & MAINTENANCE		
- Building	379	305
- Machinery	101	96
- Others	2,307	1,814
D. OTHER EXPENSES		
Rent & Hire Charges	493	402
Rates and taxes	2,031	7,197
Insurance	1,330	1,406
Security expenses	1,482	1,345
Electricity Charges	922	886
Travelling and Conveyance	158	151
Expenses on vehicles	18	19
Telephone, telex and Postage	61	65
Advertisement and publicity	73	47
Entertainment and hospitality expenses	15	19
Printing and stationery	71	56
Consultancy charges - Indigenous	246	146
Consultancy charges - Foreign	-	-
Audit expenses (Refer explanatory note-2 below)	15	14
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
Expenditure on land not belonging to company	-	-
Loss on Assets	4	12
Losses out of insurance claims (upto excess clause)	-	-
Losses out of insurance claims (beyond excess clause)	-	-
Books & Periodicals	3	3
Donation	-	-
CSR/ Sustainable Development	2,107	1,376
Community Development Expenses	10	10
Directors' expenses	2	1
Research and development expenses	-	-
Interest on Arbitration/ Court Cases	3	2
Interest to beneficiary states	-	-

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(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Expenditure on Self Generated VER's/REC	-	-
Expenses for Regulated Power	-	-
Less: - Exp Recoverable on Regulated Power	-	-
Exchange rate variation	-	-
Training Expenses	48	28
Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC	67	67
Operational/Running Expenses of Kendriya Vidyalay	199	215
Operational/Running Expenses of Other Schools	-	-
Operational/Running Expenses of Guest House/Transit Hostel	69	54
Operating Expenses of DG Set-Other than Residential	16	31
Other general expenses	208	182
Sub-total	12,917	16,097
Add/(Less): C.O./Regional Office/PID Expenses	-	-
Sub-total	12,917	16,097
Less: Amount transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Less: Transfer of Generation & other expenses - IPO/Buyback	-	-
	12,917	16,097
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	11	-
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	-	-
Diminution in value of Inventory of Self Generated VER's Provided for	-	-
Provision for catchment area treatment plan	-	-
Provision for Interest to Beneficiary	638	480
Provision for interest against court/arbitration award	-	-
Others	-	-
Sub-total	649	762
Add/(Less): C.O./Regional Office/PID Expenses	-	-
Sub-total	649	762
Less: Amount transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
	649	762
Total carried forward to Statement of Profit & Loss	13,566	16,859

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(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Explanatory Note: -		
1 Pending revision of Tariff order by CERC in respect of truing up application yet to be filed by the company for the period 2014-19, under CERC notification dated 21.02.2014, 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.	638	480
2 Detail of audit expenses are as under: -		
i) Statutory auditors		
As Auditor		
Audit Fees	8	7
Tax Audit Fees	2	2
In other Capacity		
Taxation Matters	-	-
Company Law Matters	-	-
Management Services	-	-
Other Matters/services	3	4
Reimbursement of expenses	1	1
ii) Cost Auditors		
Audit Fees	1	-
Reimbursement of expenses	-	-
Total Audit Expenses	15	14

NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages, allowances	10,246	8,210
Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	1,383	1,501
Staff welfare expenses	645	612
Leave Salary & Pension Contribution	-	-
Sub-total	12,274	10,323
Add/(Less): C.O./Regional Office Expenses	-	-
Sub-total	12,274	10,323
Less: Employee Cost transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	12,274	10,323
Explanatory Note: -		
Gratuity, Contribution to provident fund & pension scheme include contributions:		
i) towards Employees Provident Fund	429	409
ii) towards Employees Defined Contribution Superannuation Scheme and EPS	703	533

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NOTE NO. 28 FINANCE COST

		(Amount in ₹ Lacs)	
PARTICULARS		For the year ended 31st March, 2018	For the year ended 31st March, 2017
A Interest on Financial Liabilities at Amortized Cost :			
Bonds		-	-
Term loan		11	7
Foreign loan		-	-
Government of India loan		-	-
Unwinding of discount-GOI Loan		-	-
Sub-total		11	7
B Other Borrowing Cost			
Loss on Hedging Transactions		-	-
Bond issue/ service expenses		-	-
Commitment fee		-	-
Guarantee fee on foreign loan		-	-
Other finance charges		-	-
Unwinding of discount-Provision & Financial Liabilities		21	13
Sub-total		21	13
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)		32	20
Add/(Less): C.O./Regional Office/PID Expenses		-	-
TOTAL		32	20
Less: Finance Cost transferred to Expenditure Attributable to Construction		-	-
Less: Recoverable from Deposit Works		-	-
Total carried forward to Statement of Profit & Loss		32	20

NOTE NO. 29 DEPRECIATION AND AMORTIZATION EXPENSES

		(Amount in ₹ Lacs)	
PARTICULARS		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation & Amortisation Expenses		7,321	7,335
Depreciation adjustment on account of Foreign Exchange Rate Variation		-	-
Add/(Less): C.O./Regional Office / PID Expenses		-	-
Sub-total		7,321	7,335
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction		-	-
Less: Recoverable from Deposit Works		-	-
Total carried forward to Statement of Profit & Loss		7,321	7,335

NOTE NO. 30 TAX EXPENSES

(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax		
Income Tax Provision	18,792	29,933
Adjustment Relating To Earlier periods	-	9
Total Current Tax Expenses (A)	18,792	29,942
Deferred Tax-		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	177	(248)
- Relating to change in tax rate	8	-
- Adjustments in respect of deferred tax of prior periods	-	-
Increase (decrease) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	4,136	85
- Relating to change in tax rate	632	-
- Adjustments in respect of deferred tax of prior periods	-	-
Total deferred tax expenses (benefits)	4,953	(163)
Less: Recoverable for tariff period upto 2009	-	(2,966)
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	4,953	(163)
Net Deferred Tax (B)	-	2,966
Total carried forward to Statement of Profit & Loss (A+B)	18,792	32,908
Explanatory Notes:-		
i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Accounting profit/loss before income tax	74,110	1,26,036
Applicable tax rate	34.608%	34.608%
Computed tax expense	25,648	43,618
Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
CSR/ Sustainable Development/ Community Development Expenses	733	480
Reversal of Deferred Tax Assets	(99)	266
Exempt and Tax Free Income		
Recoverable portion of Deferred Tax	-	2,965
Tax Incentives	(18,890)	(39,918)
Adjustment for current tax of previous periods	-	9
MAT Credit Available/(utilization)	11,971	22,338
Other Items	(571)	3,150
Income tax expense reported in Statement of P/L	18,792	32,908

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NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

		(Amount in ₹ Lacs)	
PARTICULARS		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Movement in Regulatory Deferral Account Balances on account of:-			
(i) Wage Revision as per 3rd PRC		1,635	610
TOTAL (A)		1,635	610
Impact of Tax on Regulatory Deferral Accounts			
Deferred Tax Expense (Benefit) on Movement in Regulatory Deferral Account Balances		376	139
Less:-Deferred Tax Adjustment against deferred tax assets.		376	139
TOTAL (B)		-	-
Total carried forward to Statement of Profit & Loss (A-B)		1,635	610

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

		(Amount in ₹ Lacs)	
PARTICULARS		For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 Acquisition and Rehabilitation Expenditure		-	-
Losses on sale of assets		-	-
Other general expenses		-	-
Exchange rate variation (Debit)		-	-
Sub-total		-	-

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(Amount in ₹ Lacs)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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	-	-
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	-	-
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)	-	-

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Note No. 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, 2018		As as 31st March, 2017	
		FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Non-current Financial assets					
(i) Trade Receivables	3.2		12,212		27,582
(ii) Loans	3.3				
a) Employees			2,053		2,090
(iii) Others					
-Bank Deposits with more than 12 Months Maturity Including interest accrued	3.4		3,612		41,910
Total Non-current Financial assets		-	17,877	-	71,582
			-		-
Current Financial assets					
(i) Current Investments	6		-		-
(ii) Trade Receivables	7		25,089		36,345
(iii) Cash and cash equivalents	8		206		232
(iv) Bank balances	9		1,82,063		1,90,183
(v) Loans	10		454		440
(vi) others (Excluding Lease Receivables)	11		11,165		17,610
Total Current Financial Assets		-	2,18,977	-	2,44,810
Total Financial Assets		-	2,36,854	-	3,16,392
Financial Liabilities					
(i) Long-term borrowings	16.1		-		-
(ii) Other Financial Liabilities	16.2		140		20
(iii) Borrowing -Short Term	20.1		-		-
(iv) Trade Payables including MSME	20.2		1,136		1,000
(v) Other Current financial liabilities					
a) Current maturities of long term borrowings	20.3		-		-
b) Interest Accrued but not due on borrowings	20.3		-		-
c) Other Current Liabilities	20.3	-	5,739		2,909
Total Financial Liabilities		-	7,015	-	3,929

NOTE NO. 33(Cont...)

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 classified its financial instruments into the following three levels prescribed under Ind AS-113 "Fair Value Measurements"

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

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

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

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

PARTICULARS	Note No.	(Amount in ₹ Lacs)	
		As at 31st March, 2018	As at 31st March, 2017
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.

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

(Amount in ₹ Lacs)

Particulars	Note No.	As at 31st March, 2018			As at 31st March, 2017		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Trade Receivables	3.2		12,212			27,582	
(i) Loans	3.3						
a) Employees			2,053			2111	
b) Loans (including Interest Accrued)			-			-	
c) Others			-			-	
(ii) Others	3.4						
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)		3,612			42,076		
Total Financial Assets		3,612	14,265	-	42,076	29,693	-
Financial Liabilities							
(i) Long-term borrowings including current maturities and accrued interest	16.1 & 20.3						
(ii) Other Long Term Financial Liabilities	16.2			146			23
Total Financial Liabilities		-	-	146	-	-	23

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

		(Amount in ₹ Lacs)			
Particulars	Note No.	As at 31st March, 2018		As at 31st March, 2017	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
(i) Trade Receivables	3.3	12,212	12,212	27,582	27,582
(ii) Loans	3.3				
a) Employees		2,053	2,053	2,090	2,111
b) Loans (including Interest Accrued)		-	-	-	-
c) Others		-	-	-	-
(iii) Others	3.4				
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)"	12	3,612	3,612	41,910	42,076
Total Financial Assets		17,877	17,877	71,582	71,769
Financial Liabilities					
(i) Long-term borrowings including Current maturities and accrued interest	16.1	-	-	-	-
(ii) Other Long Term Financial Liabilities	16.2	140	146	20	23
Total Financial Liabilities		140	146	20	23

Note:-

1. 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.
2. For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.

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

- (1) The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:
 - Use of Quoted market price or dealer quotes for similar instruments.
 - Fair value of remaining financial instruments is determined using discounted cash flow analysis.
- (2) The discount rate used to fair value financial instruments classified at Level -3 is based on the Weighted Average Rate of holding company's outstanding borrowings.

(2) Financial Risk Management

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

i) Credit risk

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

ii) Liquidity risk.

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

iii) Market risk

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

The company operates in a regulated environment. Tariff of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components: 1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above Foreign Currency Exchange variations and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company.

(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.

Trade Receivables & Lease Receivables

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

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

Financial assets at amortised cost :-

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

Financial instruments and cash deposits :-

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

(i) Exposure to credit risk

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

Particulars	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Financial assets for which loss allowance is measured using 12 months expected credit Losses (ECL)		
Non-current investments	-	-
Loans -Non-Current	2,053	2,090
Other Non-Current Financial Assets	3,612	41,910
Current Investments	-	-
Cash and cash equivalents	206	232
Bank balances	1,82,063	1,90,183
Loans -Current	454	440
Total (A)	1,88,388	2,34,855
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	37,301	63,927
Lease Receivables	4,03,743	4,11,291
Total (B)	4,41,044	4,75,218
TOTAL (A+B)	6,29,432	7,10,073

(ii) Provision for expected credit losses :-

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company assesses outstanding receivables on an ongoing basis considering changes in payment behaviour and provides for expected credit loss on case-to-case basis.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

CERC Tariff Regulations 2014-19 allow the Company to raise bills on beneficiaries for late-payment surcharge. which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables. However, the Company 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.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not over due	0-60 days past due	61-120 days past due	121-180 days past due	More than 180 days past due	Total
Gross Carrying amount as on 31.3.2018.	-	9,885	-	-	27,416	37,301
Gross Carrying amount as on 31.3.2017.	-	9,973	1	176	53,777	63,927

(iv) Reconciliation of impairment loss provisions

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

	Trade Receivables	Lease Receivable	Loans	Total
Balance as at 1.4.2017	-	-	-	-
Changes in Loss Allowances	-	-	-	-
Balance as at 31.03.2018	-	-	-	-

(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 and internal accruals are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet capital expenditure and operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the borrowing limits or covenants (where applicable) are not breached on any of its borrowing facilities.

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

Particulars	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
At Floating Rate	-	-
fixed rate	-	-
Total	-	-

ii) Maturities of Financial Liabilities:

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

As at 31st March 2018		(Amount in ₹ Lacs)				
Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2018	Within 1 Year	More than 1 Years & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	5,906	5,744	161	1	-
Trade Payables	20.2	1,136	1,136	-	-	-
Total Financial Liabilities		7,042	6,880	161	1	-

As at 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 Years & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	2,939	2,914	19	6	-
Trade Payables	20.2	1,000	1,000	-	-	-
Total Financial Liabilities		3,939	3,914	19	6	-

(C) Market Risk:

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

(i) Interest rate risk and sensitivity

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

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

Particulars	(Amount in ₹ Lacs)			
	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2017
	weighted average interest rate	(₹ in Lacs)	weighted average interest rate	(₹ in Lacs)
Floating Rate Borrowings (INR)		-		-
Floating Rate Borrowings (FC)		-		-
Fixed Rate Borrowings (INR)		-		-
Fixed Rate Borrowings (FC)		-		-
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.

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(Amount in ₹ Lacs)

Particulars	Effect on Profit before Tax	
	As at 31st March, 2018	As at 31st March, 2017
Borrowing in INR-Interest rates-decreased by basis points (Previous year 2016-17 decreased by basis points)*	-	-
Borrowing in FC-Interest rates-increased by basis points (Previous year 2016-17 increased by basis points)*	-	-
Borrowing in FC-Interest rates-decreased by basis points (Previous year 2016-17 decreased by basis points)*	-	-

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

(ii) Price Risk:

(a) Exposure

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

(b) Price Risk Sensitivity

For Investment in Equity Instruments

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

(Amount in ₹ Lacs)

Particulars	As at 31st March 2018		As at 31st March, 2017	
	% change	Impact on other components of equity	% change	Impact on other components of equity
Investment in Equity shares of :				

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

For Investment in Debt Instruments

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

(Amount in ₹ Lacs)

Particulars	As at 31st March 2018		As at 31st March, 2017	
	% change	Impact on other components of equity	% change	Impact on other components of equity

(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	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
Financial Liabilities:		
Foreign Currency Loans		
Other Financial Liabilities	76	105
Net Exposure to foreign currency (liabilities)	76	105

(b) Sensitivity Analysis

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

(3) Capital Management

(a) Capital Risk Management

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

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

Statement of Gearing Ratio

Particulars	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
(a) Total Debt	-	-
(b) Total Capital	5,95,475	6,88,211
Gearing Ratio (a/b)	0.00	0.00

Note: For the purpose of the Company's capital management, capital includes issued capital and reserves. Net debt includes interest bearing loans and borrowings.

(b) Loan Covenants:

As on 31/03/2018 Company is a debt-free Company.

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(c) Dividends:

Particulars	(Amount in ₹ Lacs)	
	As at 31st March, 2018	As at 31st March, 2017
(i) Equity Shares		
Final dividend for the year ended 31st March 2017 of INR 390/- per fully paid share approved in July,2017 paid in July,2017 (INR 204/- per fully paid share for year ended 31st March 2016)	76,541	40,037
Corporate Dividend Tax on Final Dividend	15,582	8,151
Interim dividend for the year ended 31st March 2018 of INR 237/- (31st March 2017- INR 'NIL') per fully paid share.	46,512	-
Corporate Dividend Tax on Interim Dividend	9,469	-
(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 (31st March 2017-INR 390/-) per fully paid up Shares . The proposed dividend is subject to the approval of shareholders in the ensuring AGM.	-	76,541
Corporate Dividend Tax on Proposed Dividend	-	15,582

As per our report of even date attached

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

sd/-
CA. Shiv Kumar Sharma
Partner
M.No. 421955
Place : New Delhi
Date : 08.05.2018

sd/-
A.G. ANSARI
Managing Director
DIN: 07884841

sd/-
V. K. TRIPATHI
Co. Secretary

For and on behalf of Board of Directors

sd/-
BALRAJ JOSHI
Chairman
DIN: 07449990

sd/-
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 ₹ 21391 Lacs (previous year ₹ 20159 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 ₹ 19508 Lacs (previous year ₹ 18011 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 ₹ 131 Lacs (previous year ₹ 61 Lacs) based on probability of outflow of resources embodying economic benefits and estimated ₹ 21260 Lacs (previous year ₹ 20098 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 ₹ 30219 Lacs (previous year ₹ 30963 Lacs) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ 1856 Lacs (previous year ₹ 2544 Lacs) based on probability of outflow of resources embodying economic benefits and estimated ₹ 28363 Lacs (previous year ₹ 28418 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 ₹ 75 Lacs (previous year ₹ 5 Lacs). Pending settlement, the Company has assessed and provided an amount of ₹ NIL (previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and rest of the claims i.e ₹ 75 Lacs (previous year ₹ 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 ₹ 6844 Lacs (previous year ₹ 6863 Lacs). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ 6844 Lacs (Previous year ₹ 6863 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 31.03.2018 as below:

(Amount in ₹ Lacs)

Sl. No.	Particulars	Claims as on 31.03.2018	up to date Provision against the claims/ paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition/ (deduction) from contingent liability during the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works	21,391	131	21,260	20,098	1,162	443
2.	Land Compensation cases	30,219	1,856	28,363	28,419	(56)	3,736
3.	Disputed tax matters	75	-	75	5	70	-
4.	Others	6,844	-	6,844	6,863	(19)	116
	Total	58,529	1,987	56,542	55,385	1,157	4,295

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- (b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) There is possibility of reimbursement to the company of ₹ NIL (previous year ₹ NIL) towards above contingent liabilities.
- (e) An amount of ₹ 158 Lacs (previous year ₹ 117 Lacs) stands paid /deposited with courts 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) Category of agency wise details of contingent liability as at 31.03.2018 are as under:

(Amount in ₹ Lacs)

Sl. No.	Category of Agency	Claims as on 31.03.2018	up to date Provision against the claims/ paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition(+)/ deduction (-) from contingent liability during the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1	Central Govt. departments	70	-	70	-	70	-
2	State Govt. departments or Local Bodies	6,805	-	6805	6,768	37	16
3	CPSEs	-	-	-	-	-	-
4	Others	51,654	1,987	49,667	48,617	1,050	4,279
	TOTAL	58,529	1,987	56,542	55,385	1,157	4,295

2. **Contingent Assets:** Contingent assets in respect of the company are on account of the claims against other entities/ contractors. The Management has assessed these claims and estimates that inflow of economic benefits of ₹ 1578 Lacs (previous year ₹ 1338 Lacs) are probable.

Contingent Assets are summarized below:

(Amount in ₹ Lacs)

Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)	(iv)
1.	PSU Banks	1,575	1,335
2.	Contractors	3	3
	Total	1,578	1,338

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

(Amount in ₹ Lacs)

Particulars		As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)	(iv)
1.	i) Property Plant and Equipment (including CWIP)	2,757	4,998
	ii) Railway Diversion work	-	3,461
2.	Intangible Assets	2,118	2,131
	Total	4,875	10,590

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4. Pending approval of competent authority, provisional payments / provisions made towards executed quantities of works of some of the items beyond the approved quantities as also for extra items totalling to ₹ 186 Lacs (previous year ₹ 61 Lacs) 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 31.03.2017	During F.Y. 2017-18	Cumulative up to 31.03.2018
(A) Amount received in Cash or in kind			
i. Expenditure incurred by NVDA	134713	910	135623
ii. Cash Received	66971	-	66971
iii. Amount transferred from OSP A/c	856	-	856
Total of (A)	202540	910	203450
(B) Due/Adjusted on account of			
i. Equity Capital	66000	-	66000
ii. Irrigation Component	40597	(41)	40556
iii. SSP Component	51875	(52)	51823
iv. Sub-vention towards excess R&R Expenses	41177	91	41268
v. Electricity charges & water supply maintenance charges	504	-	504
vi. Advance against Irrigation/Equity of OSP	3308	-	3308
Total of (B)	203461	(2)	203459
(C) Amount recoverable from NVDA i.e. (B-A)	921	(912)	9

Omkareshwar Project: -

(Amount in ₹ Lacs)

	Cumulative up to 31.03.2017	During F.Y. 2017-18	Cumulative up to 31.03.2018
(D) Amount received in Cash or in kind			
i. Expenditure incurred by NVDA	10926	1685	12611
ii. Cash Received	59466	5175	64641
iii. Amount transferred from ISP A/C	3308	-	3308
Total of (D)	73700	6860	80560
(E) Due/Adjusted on account of			
i. Equity Capital	30016	-	30016
ii. Irrigation Component	23931	2	23933
iii. Sub-vention towards excess R&R Expenses	7592	14	7606
iv. Amount Transferred to ISP A/C	856	-	856
v. Additional Special R&R Package	20750	33	20783
Total of (E)	83145	49	83194
(F) Amount recoverable from NVDA i.e. (E-D)	9445	(6811)	2634
(G) Total Amount recoverable i.e (C+F)	10366	(7723)	2643

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Movement of Grant in Reserve during Financial Year 2017-18 is as under:-

(Amount in ₹ Lacs)

Sl. No.	Particulars	01.04.2017	Additions	Deductions	Adjustments	31.03.2018
1.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in ISPS as a Grant-in-Aid	25,350	(41)	1549	-	23760
2.	Proportionate Sub-vention towards Sardar Sarovar project transferred from NVDA Account for ISPS.	32,396	(52)	1980	-	30364
3.	Contribution by Govt of Madhya Pradesh towards R&R of ISPS.	29,263	91	1594	-	27760
4.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in OSPS as Grant-in-Aid	14,964	2	1074	-	13892
5.	Contribution by Govt of Madhya Pradesh towards R&R of OSPS.	22,907	47	1124	-	21830
	Total	1,24,880	47	7321	-	117606

6. During the year, the following accounting policies have been Added/ changed/ modified/ deleted:

(i) Accounting Policies:

(Amount in ₹ Lacs)

Policy No.	Description	Impact on Statement of Profit & Loss
1. (c)	Policy Modified: - Property, Plant & Equipment (PPE) Reworded for better disclosures.	No Impact
1.(f)	Policy Modified: - Property, Plant & Equipment (PPE) Reworded for better disclosures.	No Impact
10.	Policy Modified:-Inventories Reworded for better disclosures.	No Impact
13. (c)	New Policy Added: - Government Grants	No Impact
18. (b)	Policy Modified: Depreciation and amortisation Reworded for better disclosures.	No Impact
18. (c) i	Policy Modified: Depreciation and amortisation Reworded for better disclosures.	No Impact
18. (d) i	Policy Modified: Depreciation and amortisation Reworded for better disclosures.	No Impact
18. (d) ii	Policy New Added : Depreciation and amortisation	For impact refer below point No. 6 (ii)
21.	Policy Modified: - Compensation from third parties	No Impact
24.	New Policy Added : Material prior period errors	No Impact
25.	New Policy Added : Earnings per share	No Impact
26,27 & 28	Last year's Policies No. 24,25 & 26 renumbered due to addition in accounting policies no. 24& 25.	No Impact

(ii) Till FY 2016-17, depreciation on mobile phones/ cellular phones was being charged as per the rate and methodology notified by CERC for the fixation of tariff. w.e.f. FY 2017-18, depreciation on Mobile phones is being

provided on straight line basis over a period of three years with residual value of Rupee 1 based on management assessment. Accordingly, depreciation charge on mobile phones/ cellular phones during FY 2017-18 is higher by ₹ 1 Lacs Further, depreciation charge for mobile phones/ cellular phones existing as on 31st March 2018 shall be higher by ₹ NIL during the next two financial years.

(iii) Refer Note No. 1 for details of Significant Accounting Policies.

7. The effect of foreign exchange fluctuation during the period is as under:

(Amount in ₹ Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i) Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)	NIL	NIL
(ii) Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)	NIL	NIL
(iii) Amount charged to Capital work-in-progress (as FERV)	NIL	NIL
(iv) Amount adjusted by addition to the carrying amount of property, plant & equipment	10	(8)

8. Operating Segment:

- Electricity generation (including income from embedded Finance leases) 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 Segment'.
- The Company has a single geographical segment as all its Power Stations are located within the Country.
- NHDC has single beneficiary/Customer, MP Power Management Co. Ltd. The revenue from operations for 2017-18 was ₹ 78491 Lacs (Previous Year-₹ 130693 Lacs):.
- The Company is domiciled in India. Revenue from External Customers is Nil (Previous Year Nil).

9. Related Party Disclosures are given below:

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

(a) Interest in Holding Co.:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2018	31.03.2017
NHPC LTD	India	Power Generation	51.08%	51.08%

(b) Key Management Personnel:

S. No.	Name	Position Held	Period
1	*Sh. Balraj Joshi	Chairman	Since 27.09.2017
2	**Sh. A. G. Ansari	Managing Director (KMP)	Since 24.07.2017
3	Sh. Rajneesh Vaish	Director	Continue
4	CA. Satya Prakash Mangal	Director	Continue
5	Sh. Vijay Kumar	Director	Continue
6	***Sh. R. P. Malviya	Director	Since 22.09.2017
7	Smt. Savitri Srivastav	Director	Continue
8	****Sh. Narendra Singh Tomar	Director	Since 08.02.2018
9	*****Sh Ratish Kumar	Chairman	Upto 26.09.2017
10	*****Sh. J. N. Shivhare	Director	Upto 08.09.2017
11	***** Sh. K. M. Singh	Chairman	Upto 31.07.2017

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12	***** Sh. Dhiman Parija	Managing Director (KMP)	Upto 02.06.2017
13	***** Sh. S. K. Panwar	Director	Upto 30.06.2017
14	Sh. B.L. Saboo	G. M (Finance) and CFO (KMP)	Continue
15	Sh. Vinay Tripathi	Company Secretary (KMP)	Continue

- *Sh. Balraj Joshi was appointed as Chairman on the Board of NHDC w.e.f. 27.09.2017.
- **Sh. A. G. Ansari was appointed as Managing Director on the Board of NHDC w.e.f. 24.07.2017.
- *** Sh. R. P. Malviya was appointed as Director on the Board of NHDC w.e.f. 22.09.2017.
- **** Sh. Narendra Singh Tomar was appointed as Director on the Board of NHDC w.e.f. 08.02.2018.
- *****Sh. Ratish Kumar was appointed as Chairman on the Board of NHDC w.e.f. 11.08.2017 and hold office upto 26.09.2017.
- *****Sh. J. N. Shivhare was appointed as Director on the Board of NHDC w.e.f. 24.07.2017 and hold upto 08.09.2017.
- *****Consequent to superannuation, Sh. K. M. Singh ceased to be Chairman w.e.f. 31.07.2017.
- *****Sh. Dhiman Parija ceased to be Managing Director w.e.f. 02.06.2017.
- *****Consequent to superannuation, Sh. S. K. Panwar ceased to be Director w.e.f. 30.06.2017.

(c) Name and nature of relationship with Government:

S. No.	Name of the Related parties	Nature of Relationship with NHPC
1	Government of India	Shareholder in Holding Company having control over company
2.	NHPC Limited	Holding Company
3	Govt. of Madhya Pradesh	Shareholder (48.92%) in Company having control over company
4	Central/State controlled PSU	Entities controlled by the same Government (Central Government/ State Govt.) that has control over NHDC

(d) Key Management Personnel (KMP) compensation:

(Amount in ₹ Lacs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
i) Short Term Employee Benefits	125	118
ii) Post-Employment Benefits	17	32
iii) Other Long Term Benefits	29	48
iv) Sitting Fees and other reimbursements to non-executive/independent directors non-executive/independent directors	2	1
Total	173	199

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

(Amount in ₹ Lacs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i)	(ii)	(iii)
i) Transaction with Government that has control over company (NHDC)- (Central Govt./State Government)		
Services Received by the Company	1,479	1,398
Services Provided by the Company	2,007	7,177
Sale of goods/Inventory made by the company	-	-
ii) Transaction with Entities controlled by the same Government that has control over company (NHDC)(Central & State PSU)		
Purchase of property/Other assets	-	-
Purchase of goods/Inventory	37	25
Insurance Premium paid by the Company	1,318	1,399
Claim Received from New India Insurance Co.	-	2,170
Interest Received during the year (Interest received on Securitised Debt from MPPMCL)	3,394	4,516
Interest Paid /Payables during the year	638	480
Revenue from Operations	78,491	1,30,693
Dividend paid during the year (GOMP)	60,202	19,587
Others-NVDA	7,723	18,229
Services Received by the Company	24	-
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	-	-
iii) Transaction with Holding Co.		
Services Received by the Company	14	-
Deputation of Employees by the company	-	-
Deputation of Employees to the company	-	-
Loan received by the Company	-	-
Equity contribution received by the Company	-	-
Dividend Paid by the company	62,852	20,449
iv) Transaction with KMP & Entities Controlled by KMP		
Services Provided by the Company	-	-
Services Received by the Company	-	1
Loan to KMP	6	5
v) Transaction with Trust created for Post-employment Benefit plans of NHDC		
Contribution to Trusts	1648	2363
Refund from Trusts (Payments)	-	-

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(f) Outstanding Balances with Related Parties:

(Amount in ₹ Lacs)

Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)
i) Balances with Government that has control over company (NHDC)- (Central Govt./State Govt.)		
Payables by the Company	191	128
Receivables by the Company	39	16
Loan from Government	-	-
Balances out of commitments made by the company	-	-
ii) Balances with Entities controlled by the same Government that has control over company (NHDC)		
Payables by the Company	26	27
Receivables by the Company	41,127	75,133
Claim Receivable from insurance Company	-	-
Balances out of commitments made by the company	-	-
iii) Balances with Holding Co.		
Payables by the Company	424	389
Receivables by the Company	-	-
Loan outstanding	-	-
Balances out of commitments made by the company	-	-
iv) Balances with KMP & Entities Controlled by KMP		
Receivables by the Company	17	19
Payables by the Company	-	-
v) Balances with Trust created for Post- employment Benefit plans of NHDC		
Receivable by Company	165	-
Payable by the Company	410	637

The Company has business transactions with the state governments and entities controlled by the Govt. of India. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturers (OEMs) for proprietary items/ on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items. Therefore, party-wise details of such transactions have not been given since such transactions are carried out in the ordinary course of business at normal commercial terms and not considered to be significant.

10. 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, which has been extended for another 2.5 years. 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 2016-17 ₹ 25 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 ₹ 526 Lacs (FY 2016-17 ₹ 377 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 Government of India (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 ($15/26 \times$ last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 20 lacs on superannuation, resignation, termination, disablement or on death. The plan is being managed by a separate Trust 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 liability for the same is recognised on the basis of actuarial valuation. The Scheme is being managed by a separate Trust 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

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

- (i) **Provident Fund** : Movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:

(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	5,409	5,413	(4)
Current Service Cost	306		306
Past Service Cost			
Interest Expenses/ (Income)	433	433	-
Total	739	433	306
Re-measurements			
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	60	62	(2)
Contributions:-			
-Employers	-	306	(306)
-Plan participants	422	422	-
Benefit payments	(115)	(115)	-
Closing Balance as at 31.03.2017	6,515	6,521	(6)

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2017-18			
Opening Balance as at 01.04.2017	6,515	6,521	(6)
Audited Opening Balance as at 01.04.2017	6,515	6512	3
Current Service Cost	314		314
Past Service Cost			
Interest Expenses/ (Income)	489	489	0
Total	803	489	314
Re-measurements			
(Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	111	(111)
(Gain)/loss from change in financial assumptions	(1)	-	(1)
Experience (gains)/Losses	93	-	93
Total	92	111	(19)

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Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2017-18		
Contributions:-			
-Employers	0	314	(314)
-Plan participants	430	430	0
Benefit payments	(93)	(93)	0
Closing Balance as at 31.03.2018	7,747	7,763	(16)

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

(Amount in ₹ Lacs)

Particulars	31st March 2018	31st March 2017
Present Value of funded obligations	7,747	6515
Fair value of Plan Assets	7,763	6512
Deficit/(Surplus) of funded plans	(16)	3
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	(16)	3

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 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Discount Rate	0.5%	0.5% Decrease by	0.01%	0.01% Increase by	0.01%	0.01%

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 16 Lacs determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the actuarial gains in Other Comprehensive Income, as these pertain to the Provident Fund Trust and not to the company.

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- (ii) **Gratuity:** The amount recognised in the Balance Sheet as at 31.03.2017 & 31.03.2018 along with the movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:
(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	1,207	1,172	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
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	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	-	78	(78)
-Plan participants			
Benefit payments	(27)	-	(27)
Closing Balance as at 31.03.2017	1,746	1,357	389

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2017-18			
Opening Balance as at 01.04.2017	1,746	1,357	389
Current Service Cost	155		155
Past Service Cost			
Interest Expenses/ (Income)	131	102	29
Total Amount recognised in Profit or Loss	286	102	184
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)		49	(49)
(Gain)/loss from change in demographic assumptions	2		2
(Gain)/loss from change in financial assumptions	27		27
Experience (gains)/Losses	(83)		(83)
Total Amount recognised in Other Comprehensive Income	(54)	49	(103)
Contributions:-			
-Employers		605	(605)
-Plan participants			
Benefit payments	(30)		(30)
Closing Balance as at 31.03.2018	1,948	2,113	(165)

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

(Amount in ₹ Lacs)

Particulars	31st March 2018	31st March 2017
Present Value of funded obligations	1,948	1,746
Fair value of Plan Assets	2,113	1,357
Deficit/(Surplus) of funded plans	(165)	389
Unfunded Plans		
Deficit/(Surplus) before asset ceiling	(165)	389

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 2018	31st March 2017		31st March 2018	31st March 2017		31st March 2018	31st March 2017
Discount Rate	0.50%	0.50%	Decrease by	6.52%	6.33%	Increase by	6.01%	6.9%
Salary growth rate	0.50%	0.50%	Increase by	3.66%	6.96%	Decrease by	3.78%	6.45%

- (iii) **Retired Employees Health Scheme (REHS):** The amount recognised in the Balance Sheet as at 31.03.2017& 31.03.2018 along with the movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:

(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
Past Service Cost	30	17	13
Interest Expenses/ (Income)	74	17	57
Total Amount recognised in Profit or Loss			
Re-measurements			
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	0	10
Total Amount recognised in Other Comprehensive Income	69	-	69
Contributions:-			
-Employers	-	427	(427)
-Plan participants			
Benefit payments	(1)		(1)
Closing Balance as at 31.03.2017	523	444	79

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(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2017-18			
Opening Balance as at 01.04.2017	523	444	79
Current Service Cost	49		49
Past Service Cost			
Interest Expenses/ (Income)	39	33	6
Total Amount recognised in Profit or Loss	88	33	55
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)		11	(11)
(Gain)/loss from change in demographic assumptions	1		1
(Gain)/loss from change in financial assumptions	40		40
Experience (gains)/Losses	21		21
Total Amount recognised in Other Comprehensive Income	62	11	51
Contributions:-			
-Employers		142	(142)
-Plan participants			
Benefit payments	(3)		(3)
Closing Balance as at 31.03.2018	670	630	40

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

(Amount in ₹ Lacs)

Particulars	31st March 2018	31st March 2017
Present Value of funded obligations	670	523
Fair value of Plan Assets	630	444
Deficit/(Surplus) of funded plans	40	79
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	40	79

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

	Change in assumptions			Increase in assumptions			Decrease in assumptions	
	31st March 2018	31st March 2017		31st March 2018	31st March 2017		31st March 2018	31st March 2017
Discount Rate	0.5%	0.5%	Decrease by	10.81%	11.90%	Increase by	10.70%	13.37%

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- (iv) **Allowances on Retirement/Death:** The amount recognised in the Balance Sheet as at 31.03.2017& 31.03.2018 along with the movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:

(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	49	-	49
Current Service Cost	5	-	5
Past Service Cost	4	-	4
Interest Expenses/ (Income)	-	-	-
Total Amount recognised in Profit or Loss	9	-	9
Re-measurements			
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	4	-	4
Experience (gains)/Losses	1	-	1
Total Amount recognised in Other Comprehensive Income	5	-	5
Contributions:-	-	-	-
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	(1)	-	(1)
Closing Balance as at 31.03.2017	62	-	62

(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
2017-18			
Opening Balance as at 01.04.2017	62	-	62
Current Service Cost	6	-	6
Past Service Cost	-	-	-
Interest Expenses/ (Income)	5	-	5
Total Amount recognised in Profit or Loss	11	-	11
Re-measurements			
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	3	-	3
Experience (gains)/Losses	2	-	2
Total Amount recognised in Other Comprehensive Income	5	-	5
Contributions:-	-	-	-
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	(1)	-	(1)
Closing Balance as at 31.03.2018	77	-	77

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

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(Amount in ₹ Lacs)

Particulars	31st March 2018	31st March 2017
Present Value of funded obligations	77	62
Fair value of Plan Assets	-	-
Deficit/(Surplus) of funded plans	77	62
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	77	62

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

	Change in assumptions			Increase in assumptions			Decrease in assumptions	
	31st March 2018	31st March 2017		31st March 2018	31st March 2017		31st March 2018	31st March 2017
Discount Rate	0.5%	0.5%	Decrease by	5.97%	7.22%	Increase by	5.90%	7.92%

- (v) **Memento to employees on attaining the age of superannuation:** The amount recognised in the Balance Sheet as at 31.03.2017 & 31.03.2018 along with the movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:

(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	2	-	2
Current Service Cost	-	-	-
Past Service Cost	-	-	-
Interest Expenses/ (Income)	-	-	-
Total Amount recognised in Profit or Loss	-	-	-
Re-measurements			
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	-	-	-
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-	-	-	-
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	-	-	-
Closing Balance as at 31.03.2017	2	-	2

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(Amount in ₹ Lacs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2017-18		
Opening Balance as at 01.04.2017	2	-	2
Current Service Cost	-	-	-
Past Service Cost	-	-	-
Interest Expenses/ (Income)	-	-	-
Total Amount recognised in Profit or Loss	-	-	-
Re-measurements			
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	-	-	-
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-			
-Employers			
-Plan participants			
Benefit payments	-	-	-
Closing Balance as at 31.03.2018	2	-	2

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

(Amount in ₹ Lacs)

Particulars	31st March 2018	31st March 2017
Present Value of funded obligations	2	2
Fair value of Plan Assets	-	-
Deficit/(Surplus) of funded plans	2	2
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	2	2

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

Particulars	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Discount Rate	0.50%	0.50%	Decrease by 6.97%	6.11%	Increase by 6.50%	6.65%

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

Particulars	31st March 2018	31st March 2017
Discount Rate	7.70%	7.50%
Salary growth rate	6.50%	6.00%

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

(i) Provident Fund:

(Amount in ₹ Lacs)

Particulars	31st March 2018			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	4,125	-	4,125	55.60%
Corporate Bonds	3,073	-	3,073	41.41%
Investment Funds				
Mutual Funds	222	-	222	2.99%
LIC				
Total	7,420		7,420	100.00%

(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	3,480	-	3,480	55.76%
Corporate Bonds	2,622	-	2,622	42.02%
Investment Funds				
Mutual Funds	138	-	138	2.22%
LIC				
Total	6,240		6,240	100.00%

(II) EDCSS:-

(Amount in ₹ Lacs)

Particulars	31st March 2018			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC	-	3,624	3,624	99.98%
Flexi Fixed Deposit	-	1	1	0.02%
Total	-	3,625	3,625	100.00%

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(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Investment Funds	-			
LIC	-	2,931	2,931	99.98%
Flexi Fixed Deposit	-	1	1	0.02%
Total	-	2,932	2,932	100.00%

(ii) **Gratuity:-**

(Amount in ₹ Lacs)

Particulars	31st March 2018			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme *	-	2,113	2,113	100.00%
Total	-	2,113	2,113	100.00%

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme	-	1,357	1,357	100.00%
Total	-	1,357	1,357	100.00%

(IV) **Retired Employees Health Scheme (REHS):**

(Amount in ₹ Lacs)

Particulars	31st March 2018			
	Quoted	Unquoted	Total	In %
Debt Instruments	-	-	-	-
Government Bonds	-	-	-	-
Corporate Bonds				
Investment Funds				
Fixed Deposit	-	571	571	100.00%
Total	-	571	571	100.00%

(Amount in ₹ Lacs)

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	-	-	-	-
Corporate Bonds	-	-	-	-
Investment Funds				
Fixed Deposit	-	427	427	100.00%
Cash & Cash Equivalents				
Total	-	427	427	100.00%

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

Description of Risk Exposures:

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

- A) **Salary Increase-** Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
 - B) **Investment Risk** – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
 - C) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.
 - D) **Mortality & disability** – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 - E) **Withdrawals** – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
- (f) **Defined benefit liability and employer contributions:** Funding levels are monitored on an annual basis and the current contribution rate is 30% of basic salary & dearness allowance. The Company 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 Provident Fund (NHDC Ltd. Employees Provident Fund)

(Amount in ₹ Lacs)

Particulars	Between 0-1 years	Between 1-5 years	Between 5-10 years	Over 10 years	Total
31.03.2018	154	856	921	5816	7747
31.03.2017	79	228	490	5718	6515

The expected maturity analysis of Gratuity (NHDC Ltd. Employees Group Gratuity Assurance Fund), Post employment Medical Benefits (NHDC Ltd. Retired Employees Health Scheme Trust), Allowances on Retirement/Death and Memento.

(Amount in ₹ Lacs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31.03.2018					
Gratuity	54	119	139	1,636	1,948
Post-employment Medical Benefits (REHS)	5	6	41	618	670
Allowances on Retirement/Death	-	1	2	74	77
Memento to employees on attaining the age of superannuation	-	-	-	2	2
TOTAL	59	126	182	2330	2697
31.03.2017					
Gratuity	46	20	137	1,543	1,746
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	50	25	183	2,075	2,333

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

11. (a) Balances shown under material issued to contractors, claims recoverable including insurance claims, advances for Capital expenditure, Trade receivables, Advances to Contractors, Trade Payables, and Deposits/Earnest money from contractors are subject to reconciliation/ confirmation and respective consequential adjustments.
- (b) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5 Lacs or above in respect of each party as at 31st December of every year. Status of confirmation of balances as at December 31, 2017 as well as amount outstanding as on 31.03.2018 is as under:

(Amount in ₹ Lacs)

Particulars	Outstanding amount as on 31.12.2017	Amount confirmed	Outstanding amount as on 31.03.2018
Trade receivable	36,760	36,760	37,301
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	1,763	55	1,331
Trade/Other payables	2,154	376	3,111
Security Deposit/Retention Money payable	708	296	964

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

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

(Amount in ₹ Lacs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a)* Value of imports calculated on CIF basis:		
i) Capital Goods	-	-
b)* Expenditure in Foreign Currency		
i) Interest	-	-
ii) Other Misc. Matters (foreign training)	4	-
c)* Value of spare parts and Components consumed in operating units.		
i) Imported	-	-
ii) Indigenous	479	148
d)* Earnings in foreign currency		
i) Interest	-	-
ii) Other Misc. Matters	-	-

* Accrual basis.

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13. Disclosure related to Corporate Social Responsibility (CSR):

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

(Amount in ₹ Lacs)

S. No.	Heads of Expenses constituting CSR expenses	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1	Health Care and Sanitation	15	13
2	Education & Skill Development	432	177
3	Women Empowerment /Senior Citizen	1	1
4	Environment	12	9
5	Art & Culture	-	-
6	Ex-Armed Forces	-	-
7	Sports	-	-
8	National Welfare Fund	-	-
9	Technology & Research	-	-
10	Rural Development	599	423
11	Capacity Building	101	66
12	Swachh Vidyalaya Abhiyan	2	-
13	Swachh Bharat Abhiyan	945	687
	Total amount	2,107	1,376

(ii) Other disclosures:-

(a) Details of expenditure incurred during the year ended on 31.03.2018 paid and yet to be paid along with the nature of expenditure (capital or revenue nature) is as under:-

(Amount in ₹ Lacs)

	Paid (a)	Yet to be paid (b)	Total (a+b)
(i) Construction/Acquisition of any asset	396	38	434
(ii) On purpose other than (i) above	1,626	47	1,673
Total	2,022	85	2,107

(b) As stated above, a sum of ₹ 85 Lacs out of total expenditure of ₹ 2107 Lacs is yet to be paid to concerned parties which are included in the relevant head of accounts pertaining to liabilities.

(iii) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to ₹ 2003 Lacs for FY 2017-18. The Board of Directors had allocated total budget of ₹ 2003 Lacs for FY 2017-18 (2% of average net profit of preceding three financial years in terms of section 135 read with section 198 of Companies Act, 2013). Accordingly the expenditure of ₹ 104 Lacs over and above current year allocation has been funded out of CSR Reserve.

14. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 04.09.2015 (Refer Note no. 20.2 and 20.3 of the Balance Sheet) are as under:

(Amount in ₹ Lacs)

Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:		
a)	Trade Payables:		
	-Principal	271	213
	-Interest	-	-
		15	64
b)	Others:	-	-
	-Principal		
	-Interest		
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

A) Operating Lease - Company as Lessee

- The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees amounting to ₹ 277 Lacs (31st March 2017 ₹ 248 Lacs) included under Salaries, wages, allowances in Note 27.
- The Company has taken premises for offices, guest houses & transit camps on operating leases which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps amounting to ₹ 28 Lacs (31st March 2017 ₹ 25 Lacs) are shown under Rent & Hire Charges in Note 26.
- The Company has taken vehicles on operating leases for a period generally 1 to 2 years and such leases are not non-cancellable. Lease payments in respect of hiring of vehicles amounting to ₹ 343 Lacs (31st March 2017 ₹ 285 Lacs) are shown under Rent & Hire Charges in Note 26.

B) 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.

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

(a) Gross investment in the Lease :

(Amount in ₹ Lacs)

Particulars	31-Mar-18	31-Mar-17
Within one year	69,893	78,314
After one year but not more than five years	2,42,888	2,51,712
More than five years	10,62,458	11,05,472
Total	13,75,239	14,35,498

(b) Present value of minimum lease payments receivable:

(Amount in ₹ Lacs)

Particulars	31-Mar-18	31-Mar-17
Within one year	14,382	20,921
After one year but not more than five years	36,513	42,018
More than five years	3,52,848	3,48,351
Total	4,03,743	411,290

(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-18	31-Mar-17
Gross investment in Lease	13,75,239	14,35,498
Adjustments:	-	-
Less: Un-earned Finance Income	9,13,398	9,66,236
Less: Unguaranteed residual value	58,098	57,972
Present value of Minimum Lease Payment (MLP)	4,03,743	4,11,290

(d) Present Value of minimum lease payments includes addition to PPE during the year, classified as lease, of ₹ 1263 Lacs (PY ₹ 2316 Lacs). Further, during the year, ₹ 8811 Lacs (PY ₹ 20768 Lacs) has been realized towards principal lease repayment.

16. The management is of the opinion that no case of impairment of assets exists under the provisions of Ind AS-36 on "Impairment of Assets" as at 31st March 2018.

17. Earnings Per Share:

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

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Earnings per Share before Regulatory Income (₹) – Basic & Diluted	273.54	471.41
Earnings per Share after Regulatory Income (₹) – Basic & Diluted	281.87	474.52
Face value per share (₹)	1000	1000

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

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Net Profit after Tax but before Regulatory Income used as numerator (₹ in Lacs)	53,683	92,518
Net Profit after Tax and Regulatory Income used as numerator (₹ in Lacs)	55,318	93,128

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

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Weighted Average number of equity shares used as denominator (Nos.)	1,96,25,800	1,96,25,800

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

(i) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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

(a) Provision for Performance Related Pay/Incentive:

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for the year (Previous Year 2016-17) on the basis of Management Estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India.

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

Short term provision for wage revision of the employees of the company has been recognised in the respective accounts for the period 1.01.2017 to 31.03.2017 and 01.04.2017 to 31.03.2018 as per notification of the Department of Public Enterprises, Government of India.

(iii) Other Provisions:

a) Provision For Tariff Adjustment:

Provision for tariff adjustment is made on estimated basis against probable refund to beneficiaries on reassessment of tariff billed, pending approval of Tariff/truing up for the period 2014-19 by Central Electricity Regulatory Commission (CERC).

b) Provision for Committed Capital Expenditure:

Provision has been recognised at discounted value for Capital Expenditure to be incurred towards environment, compensatory afforestation, local area development, etc. which was a pre-condition for 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.

c) Provisions for expenditure in respect of Arbitration Award/Court cases:

This includes provisions created on the basis of management assessment as to probable outflow in respect of contractors claims against which arbitration award/Court decision have been received and which have been further challenged in a Court of Law. Utilization/outflow of the provision is to be made on the outcome of the case.

d) Provisions- Others: This includes provisions towards:-

(i) Contractor claims, Land compensation cases, disputed tax demands and other cases created on the basis of management assessment as to probable outflow. Utilization/outflow of the provision is to be made on the outcome of the case

(ii) Wage revision of Central Government Employees whose services are utilised by the company.

19. Disclosures relating to creation of Regulatory Deferral Account balances as per Ind AS 114:

The Company is principally engaged in the construction & operation of hydroelectric power projects. The price (tariff) to be charged by the company for electricity sold to its customers is determined by Central Electricity Regulatory Commission (CERC) under applicable CERC (terms & conditions of tariff) Regulations. The said price (tariff) is based on allowable costs like interest costs, depreciation, operation & maintenance including a stipulated return. This form of rate regulation is known as cost-of-service regulations. The basic objective of such regulations is to give the entity the opportunity to recover its costs of providing the goods or services plus a fair return.

For the purpose, the Company is required to make an application to CERC based on capital expenditure incurred duly certified by the Auditors or already admitted by CERC or projected to be incurred upto the date of commercial operation and additional capital expenditure duly certified by the Auditor or projected to be incurred during tariff year. The tariff determined by CERC is recovered from the customers (beneficiaries) on whom the same is binding.

The above rate regulation does result into creation of right (asset) or an obligation (liability) as envisaged in the accounting framework which is not the case in other industries. Guidance Note on Accounting for Rate Regulated Activities (previous GAAP) issued by the ICAI is applicable to entities that provide goods or services whose prices are subject to cost-of-service regulations and the tariff determined by the regulator is binding on the customers (beneficiaries). As per guidance note, a regulatory asset is recognised when it is probable (a reasonable assurance) that the future economic benefits associated with it will flow to the entity as a result of the actual or expected actions of the regulator under applicable regulatory framework and the amount can be measured reliably.

As explained above, all operating activities of the Company are subject to cost-of-service regulations as it meets the criteria set out in the guidance note and is hence applicable to the Company.

The guidance note also provides that in some cases, a regulator 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.

With effect from 01.04.2016, such rate regulated items are to be accounted for as per Ind AS 114 'Regulatory Deferral Accounts.' Ind AS 114 allows an entity to continue to apply previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral account balances. For this purpose, Guidance Note of the ICAI on 'Accounting for Rate Regulated Activities' shall be considered to be the previous GAAP.

Regulatory Deferral Account Balances in respect of expenditure recognised due to recommendations of 3rd PRC for Pay Revision of CPSUs:

Pay Revision of employees of CPSUs is due from 1st January, 2017. According to the recommendations of the committee constituted for the purpose by the Government of India, in addition to enhancing Basic Pay, DA and allowances w.e.f. 01.01.2017, the ceiling limit of Gratuity has been proposed for enhancement from the existing ₹ 10 Lacs to ₹ 20 Lacs w.e.f. 01.01.2017.

Impact of proposed revision of pay for Financial Year 2017-18 includes expense recognised in the Statement of Profit & Loss towards provision for enhancement in pay and allowances for the period 01.04.2017 to 31.03.2018 and expense recognised in Profit & Loss/ Other Comprehensive Income (OCI) on actuarial valuation due to enhancement of ceiling limit of Gratuity in respect of both Power Stations including expenditure of Corporate Office allocated to such units.

CERC Tariff Regulations 2014-19 read with the Statement of Reasons CERC (Terms and Conditions of Tariff) Regulations, 2014 provides that the impact of actual increase in employee cost on account of wage revision of operational Power Stations is recoverable from the beneficiaries in future through tariff. Further, during the tariff period 2004-09, CERC had allowed recovery of the actual increase in employee cost on account of wage revision (w.e.f. 01.01.2007) upto 50% of the salary and wages (Basic + DA) of the employees of the petitioner company as on 31.12.2006 from the beneficiaries in twelve equal monthly installments.

Keeping in view the provisions of Ind AS 114- "Regulatory Deferral Accounts" as regards recognition and CERC Tariff Regulations 2014-19 as regards recoverability, additional expenditure on employee benefits due to pay revision, to the extent charged to the Statement of Profit & Loss or to Other Comprehensive Income and further recoverable from the beneficiaries in subsequent periods as per Tariff Regulations and earlier approval of the CERC, are being recognized as 'Regulatory Deferral Account balances'. These balances are to be adjusted from the year in which they become recoverable from the beneficiaries as per approval of the CERC.

The Regulatory Deferral Account Balance (assets) recognized in the books to be recovered from the beneficiaries in future periods are as follows:

Regulatory Deferral Account Balances relating to items recognised in the Statement of Profit & Loss:

(Amount in ₹ Lacs)

Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2017	610
B	Addition during the year (+)	1,635
C	Amount collected during the year (-)	-
D	Regulatory income recognized in the Statement of Profit & Loss (B+C)	1,635
E	Closing balance as on 31.03.2018 (A+D)	2,245

Regulatory Deferral Account Balances relating to items recognised in Other Comprehensive Income:

(Amount in ₹ Lacs)

Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2017	-
B	Addition during the year (+)	
C	Amount collected during the year (-)	-
D	Regulatory income recognized in Other Comprehensive Income (B+C)	
E	Closing balance as on 31.03.2018 (A+D)	

Certain risks and uncertainties might affect the future recovery of the Regulatory Deferral account balances being created in respect of additional expenditure due to revision of pay of employees. These are:

- a) **Demand Risk:** Recovery/payment of the regulatory deferral debit/credit balance shall be by way of billing to the beneficiaries. Accordingly, the same is affected by the normal risks and uncertainties impacting sale of electricity in India.
- b) **Regulatory Risk:** Tariff Regulations 2014-19 allows recovery of additional employee cost on account of pay revision through tariff. Any changes in tariff regulations beyond the current period regarding allowability of such costs in tariff may adversely affect the creation and recovery of these regulatory deferral balances.

20. Opening balances/corresponding figures for previous year/period have been re-grouped/re-arranged wherever necessary.

For and on the behalf of Board of Directors

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

sd/-
CA SHIV KUMAR SHARMA
Partner
M. No. 421955

Place: New Delhi
Date: 08.05.2018

sd/-
A.G. ANSARI
Managing Director
DIN 07884841

sd/-
V. K. TRIPATHI
Co. Secretary

sd/-
BALRAJ JOSHI
Chairman
DIN: 07449990

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

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 43(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NHDC LIMITED, BHOPAL FOR THE YEAR ENDED 31 MARCH 2018

The preparation of financial statement of NHDC Limited, Bhopal for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion of the financial statement under Section 143 of the Act based on independent audit in accordance with the standard on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 08 May, 2018.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of NHDC Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors report.

For and behalf of the
Comptroller & Auditor General of India

sd/-
(Ritika Bhatia)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board - III,
New Delhi

Place: New Dehi
Dated: 27 June, 2018

INDEPENDENT AUDITOR'S REPORT

To,

**The Members of LOKTAK DOWNSTREAM
HYDROELECTRIC CORPORATION LIMITED,**

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying IndAS financial statements of **Loktak Downstream Hydroelectric Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, 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 (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, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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.

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

- 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 2017-18 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 disclosure for specified Bank Notes is not applicable during the year

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

sd/-

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

Place : Faridabad
Date : 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

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 2018]

The Annexure referred to in our report to the members of LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED for the year Ended on 31st March-2018. 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 12.3.2018 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 measuring 3835 sq feet 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) The 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, 2018 for 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, Goods and Services Tax (GST), 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)

sd/-

FCA PRASHANT KUMAR MISHRA
Partner

(M. NO. 301019)

Place : Faridabad
Date : 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

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 2018]

Report on Directions under section 143(5) of Companies Act 2013 applicable from the Financial Year 2017-18

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)

sd/-

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

Place : Faridabad
Date : 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

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 2018]

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 31st March 2018 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 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 31 March 2018, 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)

sd/-

FCA PRASHANT KUMAR MISHRA
Partner

Place : Faridabad
Date : 09.05.2018

(M. NO. 301019)

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

COMPLIANCE CERTIFICATE

We have conducted the statutory audit of financial statement of LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED (CIN-U40101MN2009GOI008249) having its registered office at Loktak Power Station, NHPC Ltd , P.O Loktak, Komkeirap, Manipur -795124, for the financial year ended 31st March 2018 in accordance with the directions/ sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act,2013 and certify that we have complied with all the Directions/ Sub-directions issued to us in this regard.

For PRASAHANT RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN. 327475E)

sd/-

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

PLACE: Faridabad

DATE: 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
(1) NON-CURRENT ASSETS			
a) Property Plant & Equipment	2.1	1,09,20,825	1,05,89,433
b) Capital Work In Progress	2.2	1,30,46,84,484	1,14,73,29,719
c) Investment Property	2.3	-	-
d) Other Intangible Assets	2.4	33,677	97,004
e) Financial Assets			
i) Investments	3.1	-	-
ii) Loans	3.2	-	-
iii) Others	3.3	-	-
f) Non-Current Tax Assets (Net)	4.1	23,80,539	19,05,308
g) Other Non Current Assets	4.2	-	-
TOTAL NON CURRENT ASSETS		1,31,80,19,525	1,15,99,21,464
(2) CURRENT ASSETS			
a) Inventories	5	-	-
b) Financial Assets			
i) Investments	6	-	-
ii) Trade Receivables	7	-	-
iii) Cash & Cash Equivalents	8	(3,54,443)	43,026
iv) Bank balances other than Cash & Cash Equivalents	9	12,45,49,434	23,81,36,720
v) Loans	10	7,77,654	10,95,180
vi) Others	11	50,55,106	1,45,73,079
c) Current Tax Assets (Net)	12	-	-
d) Other Current Assets	13	-	75,58,065
TOTAL CURRENT ASSETS		13,00,27,751	26,14,06,070
(3) Regulatory Deferral Account Debit Balances	14	-	-
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		1,44,80,47,276	1,42,13,27,534
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	15.1	1,17,69,23,090	1,17,69,23,090
(b) Other Equity	15.2	19,39,10,121	18,75,21,124
TOTAL EQUITY		1,37,08,33,211	1,36,44,44,214
(2) LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	16.1	-	-
ii) Other financial liabilities	16.2	-	-
b) Provisions	17	-	-
c) Deferred Tax Liabilities (Net)	18	-	-
d) Other non-current Liabilities	19	-	-
TOTAL NON-CURRENT LIABILITIES		-	-

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
(3) CURRENT LIABILITIES		-	-
a) Financial Liabilities			
i) Borrowings	20.1	-	-
ii) Trade Payables	20.2		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		85,63,022	49,79,117
iii) Other financial liabilities	20.3	3,66,10,712	3,51,87,543
b) Other Current Liabilities	21	45,07,733	52,37,175
c) Provisions	22	2,75,32,598	1,14,79,485
d) Current Tax Liabilities (Net)	23	-	-
(4) FUND FROM C.O.	15.3	-	-
TOTAL CURRENT LIABILITIES		7,72,14,065	5,68,83,320
TOTAL EQUITY & LIABILITIES		1,44,80,47,276	1,42,13,27,534
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		
Note 1 to 34 form integral part of the Accounts			

In terms of our report of even date attached

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

sd/-
(FCA PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO. 301019)

For and on behalf of Board of Directors

sd/-
(BALRAJ JOSHI)
CHAIRMAN
DIN-07449990

sd/-
(VIJAY KUMAR)
DIRECTOR
DIN-03021294

sd/-
(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

sd/-
(TARUN AHUJA)
COMPANY SECRETARY
MEMBERSHIP NO: A37926

Place: Faridabad
Date: 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME			
i) Revenue from Continuing Operations	24	-	-
ii) Other Income	25	1,00,48,554	2,01,45,284
TOTAL INCOME		1,00,48,554	2,01,45,284
EXPENSES			
i) Generation and Other Expenses	26	12,29,759	38,24,020
ii) Employee Benefits Expense	27	-	-
iii) Finance Cost	28	-	-
iv) Depreciation & Amortization Expense	29	-	-
TOTAL EXPENSES		12,29,759	38,24,020
Profit before Exceptional items, Rate Regulated Activities and Tax		88,18,795	1,63,21,264
Exceptional items		-	-
PROFIT BEFORE TAX		88,18,795	1,63,21,264
Tax Expenses	30		
i) Current Tax		24,29,798	52,16,423
ii) Adjustments for Income Tax		-	-
iii) Deferred Tax		-	-
Total Tax Expenses		24,29,798	52,16,423
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		63,88,997	1,11,04,841
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	-	-
PROFIT FOR THE YEAR AND NET MOVEMENTS IN NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES.		63,88,997	1,11,04,841
Profit for the year from continuing operations (A)		63,88,997	1,11,04,841
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			
(a) Remeasurement of the defined benefit plans		-	-
Less: Income Tax on remeasurement of the defined benefit plans		-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities on Remeasurement of defined benefit plans		-	-
-Movement in Regulatory Deferral Account Balances- Remeasurement of defined benefit plans		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
Sub total (a)		-	-
(b) Investment in Equity Instruments		-	-
Less: Income Tax on Equity Instruments		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		-	-
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)			
	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Less: Income Tax on investment in Debt Instruments		-	-
Total (ii)		-	-
Other Comprehensive Income (B)=(i+ii)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		63,88,997	1,11,04,841
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		
Note 1 to 34 form integral part of the Accounts			

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

sd/-
(BALRAJ JOSHI)
CHAIRMAN
DIN-07449990

sd/-
(VIJAY KUMAR)
DIRECTOR
DIN-03021294

sd/-
(FCA PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO. 301019)

sd/-
(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

sd/-
(TARUN AHUJA)
COMPANY SECRETARY
MEMBERSHIP NO: A37926

Place: Faridabad
Date: 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

Annual Report 2017-18

(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)		
PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
A.) CASH FLOWS FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAXATION	88,18,795	1,63,21,264
<u>ADJUSTMENTS</u>		
-INTEREST/OTHER INCOME	(1,00,48,554)	(2,01,45,284)
-PRELIMINARY EXPENSE WRITTEN OFF		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(12,29,759)	(38,24,020)
<u>CHANGES IN WORKING CAPITAL</u>		
(INCREASE)/DECREASE IN LOANS & ADVANCES	3,17,526	77,013
(INCREASE)/DECREASE IN OTHER CURRENT ASSETS	1,70,76,038	1,71,91,513
INCREASE/(DECREASE) IN CURRENT LIABILITIES	42,77,632	3,00,10,334
INCREASE/(DECREASE) IN PROVISIONS	1,60,53,113	56,55,493
CASH GENERATED FROM OPERATIONS	3,64,94,550	4,91,10,333
INCOME TAX PAID	(24,29,798)	(52,16,423)
NET CASH FROM OPERATING ACTIVITIES (A)	<u>3,40,64,752</u>	<u>43,893,910</u>
Cash generated from Operations and Income tax paid		
B.) CASH FLOWS FROM INVESTING ACTIVITIES		
ADDITION OF FIXED ASSETS	(6,26,210)	(13,44,623)
INCREASE IN CAPITAL WORK IN PROGRESS	(15,69,96,620)	(12,82,59,626)
INCREASE IN NON CURRENT TAX ASSET	(4,75,231)	
CHANGES IN BANK DEPOSIT OTHER THAN CASH & CASH EQUIVALENT	11,35,87,286	6,55,16,616
INCREASE IN STORES & SPARES		
INTEREST INCOME	1,00,48,554	2,01,45,284
INTEREST INCOME (PRIOR PERIOD)		
NET CASH FROM INVESTING ACTIVITIES (B)	<u>(3,44,62,221)</u>	<u>(43,942,349)</u>
C.) CASH FLOWS FROM FINANCING ACTIVITIES		
MISCELLANEOUS EXPENSES	-	0
PROCEEDS AGST. SHARE ALLOTMENT/ APPLICATION MONEY		
PROCEEDS AGST. GRANT	-	-
NET CASH FROM FINANCING ACTIVITIES (C)	<u>-</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>(3,97,469)</u>	<u>(48,439)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>43,026</u>	<u>91,465</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>(3,54,443)</u>	<u>43,026</u>

In terms of our report of even date attached

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

sd/-
(FCA PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO. 301019)

For and on behalf of the Board of Directors

sd/-
(BALRAJ JOSHI)
CHAIRMAN
DIN-07449990

sd/-
(VIJAY KUMAR)
DIRECTOR
DIN-03021294

sd/-
(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

sd/-
(TARUN AHUJA)
COMPANY SECRETARY
MEMBERSHIP NO: A37926

Place: Faridabad
Date: 09.05.2018

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2018

OTHER EQUITY

Attributable to equity holders	(Amount in ₹)						
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Research & Development Fund	General Reserve	Surplus/ Retained Earnings
Balance as at 1st April, 2017	-	-	-	-	-	-	187,521,124
Profit for the year	-	-	-	-	-	-	6,388,997
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	6,388,997
Share Application Money received during the year.	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Transfer from Retained Earning	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to Bond Redemption Reserve	-	-	-	-	-	-	-
Transfer to Research & Development Fund	-	-	-	-	-	-	-
Trfr to General Reserve	-	-	-	-	-	-	-
Total as on 31st March 2018	-	-	-	-	-	-	193,910,121

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES

CHARTERED ACCOUNTANTS

(FRegn No:327475E)

sd/-

(FCA PRASHANT KUMAR MISHRA)

PARTNER

(MEMBERSHIP NO: 301019)

sd/-

(BHAGABAN MAHAPATRA)

CHIEF FINANCE OFFICER

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

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

OTHER EQUITY

Attributable to equity holders											(Amount in ₹)		
Capital Reserve	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Reserve & Surplus			Research & Development Fund	General Reserve	Suplus/ Retained Earnings	Other Comprehensive Income			
				Self Insurance Fund	Corporate Social Responsibility Fund	Equity Instruments through OCI				Debt Instruments through OCI	Total		
-	-	-	-	-	-	-	-	-	17,64,16,283	-	-	17,64,16,283	
Change in Accounting Policy													
Prior Period errors (Net)													
-	-	-	-	-	-	-	-	-	17,64,16,283	-	-	17,64,16,283	
Restated Balance at the Beginning of the Reporting Period (A)													
Profit for the year													
Other Comprehensive Income													
Total Comprehensive Income													
-	-	-	-	-	-	-	-	-	1,11,04,841	-	-	1,11,04,841	
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													
-	-	-	-	-	-	-	-	-	18,75,21,124	-	-	18,75,21,124	
Total as on 31.03.2017													

In terms of our report of even date attached

FOR PRASHANT RAJESH & ASSOCIATES

CHARTERED ACCOUNTANTS

(F:Regn No:327475E)

sd/-

(FCA PRASHANT KUMAR MISHRA)

PARTNER

(MEMBERSHIP NO: 301019)

sd/-

(BHAGABAN MAHAPATRA)

CHIEF FINANCE OFFICER

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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NOTE NO. 1: COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

(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, KOMKEIRAP, MANIPUR 795124. The object of the Company is to plan, promote and organize an integrated and efficient development of power through hydroelectric in the state of Manipur in all aspects

(ii) BASIS OF PREPARATION

(A) Statement of Compliance

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

(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 are presented in Indian 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 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

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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) 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.

e) 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- A summary of the significant accounting policies applied in the preparation of financial statements as given below 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 and 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 including expenditure on environment management plans relating 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 and Equipment.
- h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and 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

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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

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 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 and Intangible Assets under Development

- 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.
- 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

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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

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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 in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

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

- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent 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

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- 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.

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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 are initially recognised as deferred income when there is reasonable assurance that the grant will be received and the company will comply with the conditions associated with the grant. The deferred income so recognised is subsequently amortised in the Statement of Profit and Loss over the useful life of the related assets.
- c) Government grant related to income is recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

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.

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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 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 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 and 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. 18.0(d) below.
- c)
 - i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.0(d) below.
 - ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.

- d)
 - i) Depreciation in respect of following items of PPE is provided on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:
 - Construction Plant & Machinery
 - Computer & Peripherals
 - ii) Based on technical assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of Re 1.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization by retaining Re. 1/- as WDV.
- f) Tangible Assets valuing Rs. 5000/- or less but more than Rs. 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 Rs. 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

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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 based on certainty of realisation.

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 Material prior period errors

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

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25.0 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

26.0 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'.

27.0 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.

28.0 Miscellaneous

- a) Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.
- b) Liabilities for Goods in transit/Capital works executed but not certified are not provided for, pending inspection and acceptance by the Company.

iv) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules') on 28 March 2018. The rules shall be effective from reporting periods beginning on or after 1 April 2018 and cannot be early adopted.

A) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

The appendix can be applied either retrospectively for each period presented applying Ind AS 8 or prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied or from the beginning of a prior reporting period presented as comparative.

The Company has assessed the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance.

The Company has evaluated the effect of this on the financial statements and impact is not material.

The Company intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

B) Ind AS 115-Revenue from Contract with Customers:

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful

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information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is in the process of assessing the detailed impact of Ind AS 115.

C) Amendments to Ind AS 40 Investment property - Transfers of investment property

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The amendment provides two transition options. Entities can choose to apply the amendment either retrospectively without the use of hindsight or prospectively to changes in use that occur on or after the date of initial application.

The Company has assessed the effects of the amendment on classification of existing property at 1 April 2018 and concluded that no reclassifications are required.

The Company has decided to apply the amendment prospectively to changes in use that occur after the date of initial application (i.e. 1 April 2018).

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

sd/-
(FCA PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

For and on behalf of the Board of Directors

sd/-
(BALRAJ JOSHI)
CHAIRMAN
DIN-07449990

sd/-
(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

sd/-
(VIJAY KUMAR)
DIRECTOR
DIN-03021294

sd/-
(TARUN AHUJA)
COMPANY SECRETARY
MEMBERSHIP NO:A37926

Place: Faridabad
Date: 09.05.2018

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NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As at 01-Apr- 2017	Additions		Deductions	As at 31st March, 2018	For the Period	Adjust- ments	As at 31st March, 2018	As at 31st March, 2017	(Amount in ₹)
			IUT	Others	IUT	Others					
i)	Land – Freehold	-	-	-	-	-	-	-	-	-	-
ii)	Land – Leasehold	19,828	-	-	-	19,828	578	-	1,360	18,468	19,046
iii)	Roads and Bridges	35,92,278	-	-	-	35,92,278	1,59,109	-	4,77,327	31,14,951	32,74,060
iv)	Buildings	41,53,270	-	-	4,99,094	36,54,176	1,05,537	-49,030	18,01,865	18,52,311	24,07,912
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery	-	-	-	-	-	-	-	-	-	-
ix)	Sub station	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery	-	-	-	-	-	-	-	-	-	-
xi)	Transmission lines	-	-	-	-	-	-	-	-	-	-
xii)	Plant and machinery Others	11,880	-	-	-	11,880	2,425	-	2,425	9,455	9,455
xiii)	Construction Equipment	3,67,018	-	-	-	3,67,018	6,895	1,212	8,107	3,58,911	3,60,123
xiv)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-
xv)	Electrical installations	-	-	-	-	-	-	-	-	-	-
xvi)	Vehicles	4,23,077	-	-	-	4,23,077	-	-	-	4,23,077	4,23,077
xvii)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-
xviii)	Furniture and fixture	9,11,654	-	4,13,649	-	13,25,303	1,07,900	75,365	1,83,265	11,42,038	8,03,754
xix)	Computers	7,52,884	-	3,97,527	-	11,50,411	4,43,081	1,39,085	5,82,166	5,68,245	3,09,803
xx)	Communication Equipment	33,477	-	3,34,156	-	3,67,633	4,810	2,579	7,389	3,60,244	28,667
xxi)	Office Equipments	5,07,632	-	1,80,931	-	6,74,188	58,543	39,858	90,634	5,83,554	4,49,089
xxii)	Research and Development	-	-	-	-	-	-	-7,767	-	-	-
xxiii)	Other assets	26,81,314	-	1,61,970	-	28,43,284	1,77,888	1,76,852	3,54,740	24,88,544	25,03,426
xxiv)	Tangible Assets of minor value >750 and < Rs.5000	1,48,667	-	12,972	-	1,61,639	1,47,646	12,966	1,60,612	1,027	1,021
Total		1,36,02,979	15,01,205	5,13,469	-	1,45,90,715	30,13,546	-56,797	36,69,890	1,09,20,825	1,05,89,433
Previous year		1,22,58,356	-	-	-	1,36,02,979	23,43,018	-	30,13,546	1,05,89,433	99,15,338

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

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Annexure to note no. 2.1 Property, Plant and Equipment as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		As at 01-Apr- 2017	Additions		Deductions	As at 31st March, 2018	For the Period 2017	Adjust- ments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017	(Amount in ₹)
			IUT	Others	IUT	Others						
i)	Land - Freehold	-	-	-	-	-	-	-	-	-	-	-
ii)	Land - Leasehold	20,225	-	-	-	20,225	578	-	1,757	18,468	19,046	-
iii)	Roads and Bridges	47,63,741	-	-	-	47,63,741	1,59,109	-	16,48,790	31,14,951	32,74,060	-
iv)	Buildings	80,93,961	-	-	7,33,969	73,59,992	1,05,537	-2,83,905	55,07,681	18,52,311	24,07,912	-
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
ix)	Sub station	-	-	-	-	-	-	-	-	-	-	-
x)	Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
xi)	Transmission lines	-	-	-	-	-	-	-	-	-	-	-
xii)	Plant and machinery Others	94,554	-	-	-	94,554	-	-	85,099	9,455	9,455	-
xiii)	Construction Equipment	74,87,523	-	-	-	74,87,523	1,212	-	71,28,612	3,58,911	3,60,123	-
xiv)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-
xv)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-
xvi)	Vehicles	42,30,770	-	-	-	42,30,770	-	-	38,07,693	4,23,077	4,23,077	-
xvii)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-
xviii)	Furniture and fixture	18,90,925	-	4,13,649	-	23,04,574	75,365	-	11,62,536	11,42,038	8,03,754	-
xix)	Computers	26,25,890	-	4,34,680	-	30,60,570	1,39,085	37,153	24,92,325	5,68,245	3,09,803	-
xx)	Communication Equipment	1,51,933	-	3,34,156	-	4,86,089	2,579	-	1,25,845	3,60,244	28,667	-
xxi)	Office Equipments	11,71,375	-	1,80,931	-	11,74,127	39,858	-1,71,571	5,90,573	5,83,554	4,49,089	-
xxii)	Research and Development	-	-	-	-	-	-	-	-	-	-	-
xxiii)	Other assets	38,86,799	-	1,61,970	-	40,48,769	1,76,852	-	15,60,225	24,88,544	25,03,426	-
xxiv)	Tangible Assets of minor value > 750 and < Rs.5000	20,71,838	-	12,972	-	20,84,810	12,966	-	20,83,783	1,027	1,021	-
Total		3,64,89,534	-	15,38,358	-	3,71,15,744	7,13,141	-4,18,323	2,61,94,919	1,09,20,825	1,05,89,433	
Previous year		3,51,44,911	-	13,44,623	-	3,64,89,534	6,70,528	-	2,59,00,101	1,05,89,433	99,15,338	

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.

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Note no. 2.1 Property, Plant and Equipment (at Deemed Cost) 2016-17

PARTICULARS	GROSS BLOCK					DEPRECIATION			NET BLOCK		
	As at 01-Apr-2016	Additions		Deductions		Other Adjustments	As at 31st March, 2017	For the Period	Adjustments	As at 31st March, 2017	As at 31st March, 2016
		IUT	Others	IUT	Others						
Land – Freehold	-	-	-	-	-	-	-	-	-	-	-
Land – Leasehold	19,828	-	-	-	-	-	19,828	204	-	782	19,046
Roads and Bridges	35,92,278	-	-	-	-	-	35,92,278	1,59,109	-	3,18,218	32,74,060
Buildings	41,53,270	-	-	-	-	-	41,53,270	1,30,052	-	17,45,358	24,07,912
Railway sidings	-	-	-	-	-	-	-	-	-	-	-
Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-
Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-
Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-
Plant and machinery Others	11,880	-	-	-	-	-	11,880	2,425	-	2,425	9,455
Construction Equipment	3,67,018	-	-	-	-	-	3,67,018	5,683	1,212	6,895	3,61,335
Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-
Electrical installations	-	-	-	-	-	-	-	-	-	-	-
Vehicles	4,23,077	-	-	-	-	-	4,23,077	-	-	-	4,23,077
Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-
Furniture and fixture	7,55,204	-	1,56,450	-	-	-	9,11,654	49,947	57,953	1,07,900	8,03,754
Computers	5,49,551	-	2,03,333	-	-	-	7,52,884	2,99,158	1,43,923	4,43,081	3,09,803
Communication Equipment	33,477	-	-	-	-	-	33,477	2,405	-	4,810	28,667
Office Equipments	2,75,267	-	2,32,365	-	-	-	5,07,632	24,830	33,713	58,543	4,49,089
Research and Development	-	-	-	-	-	-	-	-	-	-	-
Other assets	19,44,214	-	7,37,100	-	-	-	26,81,314	51,300	1,26,588	1,77,888	25,03,426
Tangible Assets of minor value >750 and < Rs.5000	1,33,292	-	15,375	-	-	-	1,48,667	1,32,277	15,369	1,47,646	1,021
Total	1,22,58,356	-	13,44,623	-	-	-	1,36,02,979	23,43,018	6,70,528	30,13,546	1,05,89,433
As at 01/04/2015	1,04,91,454	-	18,25,191	-	58,289	-	1,22,58,356	-	23,43,018	23,43,018	99,15,338
											104,91,454

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Annexure Note no. 2.1 Property, Plant and Equipment 2016-17

PARTICULARS	GROSS BLOCK						DEPRECIATION			NET BLOCK			(Amount in ₹)
	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, 2016	
		IUT	Others	IUT	Others								
Land – Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-
Land – Leasehold	20,225	-	-	-	-	20,225	975	204	-	-	1,179	19,046	19,250
Roads and Bridges	47,63,741	-	-	-	-	47,63,741	13,30,572	1,59,109	-	-	14,89,681	32,74,060	34,33,169
Buildings	80,93,961	-	-	-	-	80,93,961	55,55,997	1,30,052	-	-	56,86,049	24,07,912	25,37,964
Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
Hydraulic Works/Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-	-	-
Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
"Plant and machinery Sub station"	-	-	-	-	-	-	-	-	-	-	-	-	-
"Plant and machinery Transmission lines"	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant and machinery Others	94,554	-	-	-	-	94,554	85,099	-	-	-	85,099	9,455	9,455
Construction Equipment	74,87,523	-	-	-	-	74,87,523	71,26,188	1,212	-	-	71,27,400	3,60,123	3,61,335
Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	42,30,770	-	-	-	-	42,30,770	38,07,693	-	-	-	38,07,693	4,23,077	4,23,077
Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and fixture	17,34,475	-	1,56,450	-	-	18,90,925	10,29,218	57,953	-	-	10,87,171	8,03,754	7,05,257
Computers	24,22,557	-	2,03,333	-	-	26,25,890	21,72,164	1,43,923	-	-	23,16,087	3,09,803	2,50,393
Communication Equipment	1,51,933	-	-	-	-	1,51,933	1,20,861	2,405	-	-	1,23,266	28,667	31,072
Office Equipments	9,39,010	-	2,32,365	-	-	11,71,375	6,88,573	33,713	-	-	7,22,286	4,49,089	2,50,437
Research and Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	31,49,699	-	7,37,100	-	-	38,86,799	12,56,785	1,26,588	-	-	13,83,373	25,03,426	18,92,914
Tangible Assets of minor value >750 and < Rs.5000	20,56,463	-	15,375	-	-	20,71,838	20,55,448	15,369	-	-	20,70,817	1,021	1,015
Total	3,51,44,911	-	13,44,623	-	-	3,64,89,534	2,52,29,573	6,70,528	-	-	259,00,101	1,05,89,433	99,15,338
Previous year	3,34,16,720	-	18,25,191	-	-	3,51,44,911	2,29,25,266	23,43,018	-38,711	-	2,52,29,573	99,15,338	1,04,91,454

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.

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

NOTE NO. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

PARTICULARS	As at 01-Apr-2017	Addition	Adjustment	Capitalised	As at 31st March, 2018
i) Roads and Bridges	-				-
ii) Buildings	3,51,98,530				3,51,98,530
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	12,59,12,786	2,18,41,635			14,77,54,421
xiv) Expenditure on compensatory Afforestation	15,95,28,000				15,95,28,000
xv) Expenditure attributable to construction *	82,65,86,208	13,55,13,130			96,20,99,338
Less: Provided for	-				-
Sub total (a)	1,14,72,25,524	15,73,54,765	-	-	1,30,45,80,289
* For addition during the period refer Note No. 32					
Construction Stores	1,04,195			-	1,04,195
Less : Provisions for construction stores	-			-	-
Sub total (b)	1,04,195	-	-	-	1,04,195
TOTAL	1,14,73,29,719	15,73,54,765	-	-	1,30,46,84,484
Previous year	1,01,83,36,238	12,89,93,481	-	-	1,14,73,29,719

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Annexure to Note 2.2

CUMMULATIVE EDC	(Amount in Rupees)	
Particulars	31/03/2018	31/03/2017
A. EMPLOYEES BENEFITS EXPENSES		
Salaries, wages, allowances	54,81,79,955	47,85,30,676
Gratuity and contribution to provident fund (including administration fees)	8,69,37,159	7,99,29,124
Staff welfare expenses	5,30,64,787	4,91,13,730
Leave Salary & Pension Contribution	4,869	4,869
Sub-total(a)	68,81,86,770	60,75,78,399
Less: Capitalized During the year/Period	-	-
Sub-total(A)	68,81,86,770	60,75,78,399
B. REPAIRS AND MAINTENANCE		
Building	3,15,17,140	2,06,81,950
Machinery	1,10,591	1,10,591
Others	2,22,02,522	1,99,90,144
Rent	1,27,69,604	99,78,743
Rates and taxes	2,12,780	1,31,789
Insurance	23,87,122	23,00,444
Security expenses	-	-
Electricity Charges	1,49,283	1,38,533
Travelling and Conveyance	2,61,22,234	2,37,23,107
Expenses on vehicles	86,48,682	77,78,980
Telephone, telex and Postage	30,68,585	28,38,051
Advertisement and publicity	21,81,244	13,57,161
Entertainment and hospitality expenses	23,045	23,045
Printing and stationery	49,78,530	41,66,778
Remuneration to Auditors	1,30,449	1,30,449
Design and Consultancy charges:	-	-
- Indigenous	10,70,03,833	7,66,17,821
- Foreign	-	-
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
Expenditure on land not belonging to corporation	1,83,233	1,83,233
Land acquisition and rehabilitation	-	-
Loss on assets/ materials written off	4,70,234	13,562
Losses on sale of assets	-	-
Other general expenses	2,69,32,814	2,15,95,362
Sub-total (b)	24,90,91,925	19,17,59,743
Less: Capitalized During the year/Period	-	-
Sub-total(B)	24,90,91,925	19,17,59,743
C. FINANCE COST		
i) Interest on :		
a) Government of India loan	-	-
b) Bonds	-	-
c) Foreign loan	-	-
d) Term loan	-	-
e) Cash credit facilities /WCDL	-	-
g) Exchange differences regarded as adjustment to interest cost	-	-
Loss on Hedging Transactions	-	-
ii) Bond issue/ service expenses	-	-
iii) Commitment fee	-	-
iv) Guarantee fee on loan	-	-

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Annexure to Note 2.2 (Continued...)

CUMMULATIVE EDC	(Amount in Rupees)	
Particulars	31/03/2018	31/03/2017
v) Other finance charges	1,81,826	1,81,826
vi) EAC- INTEREST ON LOANS FROM CENTRAL GOVERNMENT-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	-	-
vii) EAC- INTEREST ON SECURITY DEPOSIT/ RETENTION MONEY-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	-	-
viii) EAC- COMMITTED CAPITAL EXPENSES- ADJUSTMENT FOR TIME VALUE	-	-
Sub-total (c)	1,81,826	1,81,826
Less: Capitalized During the year/Period	-	-
Sub-total (C)	1,81,826	1,81,826
D. EXCHANGE RATE VARIATION (NET)		
i) ERV (Debit balance)	-	-
Less: ii) ERV (Credit balance)	-	-
Sub-total (d)	-	-
Less: Capitalized During the year/Period	-	-
Sub-total(D)	-	-
E. PROVISIONS	16,60,747	16,60,747
Sub-total(e)	16,60,747	16,60,747
Less: Capitalized During the year/Period	-	-
Sub-total(E)	16,60,747	16,60,747
F. DEPRECIATION & AMORTISATION	2,84,85,084	2,77,08,616
Sub-total (f)	2,84,85,084	2,77,08,616
Less: Capitalized During the year/Period	-	-
Sub-total(F)	2,84,85,084	277,08,616
G. PRIOR PERIOD EXPENSES (NET)		
Prior period expenses	65,299	65,299
Less Prior period income	-	-
Sub-total (g)	65,299	65,299
Less: Capitalized During the year/Period	-	-
Sub-total (G)	65,299	65,299
H. LESS : RECEIPTS AND RECOVERIES		
i) Income from generation of electricity – precommissioning	-	-
ii) Interest on loans and advances	27,06,199	27,06,199
iii) Miscellaneous receipts	21,47,304	15,49,050
iv) Profit on sale of assets	61,513	61,513
v) Provision not required written back	1,33,81,233	1,07,75,596
vi) Hire charges/ outturn on plant and machinery	4,28,929	4,28,929
vii) EAC-FAIR VALUE GAIN - SECURITY DEPOSIT/ RETENTION MONEY	-	-
viii) EAC- FAIR VALUE GAIN ON PROVISIONS FOR COMMITTED CAPITAL EXPENDITURE	-	-
Sub-total (h)	1,87,25,178	155,21,287
Less: Capitalized During the year/Period	-	-
Sub-total (H)	1,87,25,178	1,55,21,287
I. C.O./Regional Office Expenses (i)	1,31,52,865	1,31,52,865
Less: Capitalized During the year/Period	-	-
Sub-total(I)	1,31,52,865	1,31,52,865
GRAND TOTAL (a+b+c+d+e+f+g-h+i)	96,20,99,338	82,65,86,208
Less: Capitalized During the year/Period	-	-
GRAND TOTAL (A+B+C+D+E+F+G-H+I)	96,20,99,338	82,65,86,208

LOKTAK DOWNSTREAM HYDROELECTRIC CORPORATION LIMITED

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Note no. 2.2 Capital Work In Progress

(Amount in Rs)

Particulars	As at 01-Apr-2016	Addition	Adjustment	Capitalised	As at 31st March, 2017
i) Roads and Bridges	-				-
ii) Buildings	3,51,98,530				3,51,98,530
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	11,47,09,227	1,12,03,559			12,59,12,786
xiv) Expenditure on compensatory Afforestation	15,95,28,000				15,95,28,000
xv) Expenditure attributable to construction *	70,87,96,286	11,77,89,922			82,65,86,208
Less: Provided for	-				-
Sub total (a)	1,01,82,32,043	12,89,93,481	-	-	1,14,72,25,524
* For addition during the period refer Note No. 32					
Construction Stores (for valuation refer Accounting Policy no.10)	1,04,195			-	1,04,195
Less : Provisions for construction stores	-			-	-
Sub total (b)	1,04,195	-	-	-	1,04,195
TOTAL	1,01,83,36,238	12,89,93,481	-	-	1,14,73,29,719
Previous year	91,30,77,288	12,26,47,418	-1,73,88,468		1,01,83,36,238

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

NOTE NO. 2.3 INVESTMENT PROPERTY

Sl. No.	PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK		
		As at 01-Apr-2017	Additions	Deductions	Other Adjustments	As at 31st March, 2018	As at 01-Apr-2017	For the Period	Adjustments	As at 31st March, 2018
i)	Land Freehold	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-

i) Amounts recognised in profit or loss for investment property

	As at 31st March, 2018	As at 31st March, 2017
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.

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Annexure Note no. 2.3 Instrument Property

PARTICULARS	GROSS BLOCK					AMORTISATION			NET BLOCK		
	As at 01-Apr- 2016	Additions		Deductions		As at 31st March, 2017	For the Period 2016	Adjust- ments	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017
		IUT	Others	IUT	Others						
Land Freehold	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-	-	-

i) Amounts recognised in profit or loss for investment property

Rs.

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.

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

NOTE NO. 2.4 Other Intangible Assets

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK			(Amount in ₹)
		Additions		Deductions		As at 31st March, 2018	As at 01-Apr-2017	For the Year	Adjustments	As at 31st March, 2018	As at 31st March, 2017	
		As at 01-Apr-2017	IUT Others	IUT Others	Other Adjustments							
i)	Land- Right to Use	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	1,90,000	-	-	-	1,90,000	92,996	63,327	-	1,56,323	33,677	97,004
	Total	1,90,000	-	-	-	1,90,000	92,996	63,327	-	1,56,323	33,677	97,004
	Previous year	1,90,000				1,90,000				92,996	97,004	1,90,000

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

Annexure NOTE NO. 2.4 Other Intangible Assets

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK			(Amount in ₹)	
		Additions		Deductions		As at 01-Apr-2017	As at 31st March, 2018	As at 01-Apr-2017	For the Year	Adjustments	As at 31st March, 2018		As at 31st March, 2017
		IUT	Others	IUT	Others								
i)	Land- Right to Use	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	1,97,850	-	-	-	-	1,97,850	1,00,846	63,327	-	1,64,173	33,677	97,004
	Total	1,97,850	-	-	-	-	1,97,850	1,00,846	63,327	-	1,64,173	33,677	97,004
	Previous year	1,97,850	-	-	-	-	1,97,850	37,519	63,327	-	1,00,846	97,004	1,60,331

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Annexure to Note 2.1 & 2.4 as at 31.03.2018

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	TABLE WITH SIDE RETURN 6 PCS	411701	1,98,000
2	CENTRE TABLE & CHAIR 2 PCS	411701	25,000
3	DOUBLE BED 3 NOS	411707	64,125
4	CHAIR & TABLE 9 NOS	411707	47,925
5	TABLE & CHAIR 5 NOS	411707	44,263
6	WOODEN CHAIR 6 NOS	411707	34,336
7	SAMSUNG TABLET 1 NOS	411801	19,650
8	DESKTOP PC 4 NOS	411801	1,90,688
9	DESK TOP 2 NOS	411801	74,340
10	DESKTOP PC 2 NOS	411801	74,340
11	HP PRINTER 1 NOS	411803	27,500
12	EPBAX MACHINE	411903	3,34,156
13	HOSPITAL BED	412005	32,251
14	KENT FILTER 1 NOS	412007	20,350
15	ROOM HEATER 1 NOS	412007	10,990
16	GYSER & HEATER	412007	19,350
17	WINDOW A.C 3 NOS	412008	84,000
18	SONY CAMERA 1 NOS	412020	13,990
19	LED TV 1 NOS	412501	19,990
20	LED TV 2 NOS	412501	59,800
21	LED TV 2 NOS	412501	39,980
22	REFRIDGERATOR 1 NO	412505	15,000
23	REFRIDGERATOR 1 NO	412505	12,000
24	REFRIDGERATOR 1 NO	412505	15,200
25	STABILIZER 3 NOS	412801	6,600
26	INDUCTION HEATER 1 NOS	412801	3,350
27	FAN 1 NOS	412801	3,022
28	TRAVELMATE 1 NOS	411801	48,162
Total			15,38,358

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			-			

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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	
	Total		-			

2.1 Deductions on account of Others (Sale/Disposal/Write off)

Sl. No.	Particular of assets	Head of account	Gross block Addition (₹)
	HOSPITAL BUILDING	410324	733969
	HOSPITAL EQUIPMENT	412005	178179

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

Note no. 2.4 Other Intangible Assets

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	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, 2016
		IUT	Others	IUT	Others							
Land- Right to Use	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software	1,90,000	-	-	-	-	-	1,90,000	29,669	63,327	-	1,00,846	1,60,331
Total	1,90,000	-	-	-	-	-	1,90,000	29,669	63,327	-	1,00,846	1,60,331
As at 01/04/2015	-	1,90,000		-	-	-	1,90,000	-	29,669	-	29,669	-

Annexure Note no. 2.4 Property, Plant and Equipment 2016-17

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	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, 2016
		IUT	Others	IUT	Others							
Land- Right to Use	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software	1,97,850	-	-	-	-	-	1,97,850	37,519	63,327	-	1,00,846	1,60,331
Total	1,97,850	-	-	-	-	-	1,97,850	37,519	63,327	-	1,00,846	1,60,331
Previous year	7,850	1,90,000		-	-	-	1,97,850	7,850	29,669	-	37,519	-

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

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

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Total	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - LOANS

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
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	-	-
Provisions for doubtful Employees loans *1		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-

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(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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: -

- Loan included in Other Loans (Employees) 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
- 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 FINANCIAL ASSETS

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. Bank Deposits with more than 12 Months Maturity	-	-
B. Lease Rent receivable	-	-
C. Interest receivable on lease	-	-
D. Interest accrued on:	-	-
- Loan to Government of Arunachal Pradesh	-	-
- Bank Deposits with more than 12 Months Maturity	-	-
- Others	-	-
TOTAL	-	-

* Refer para-9 of Note No. 34-Other Explanatory Notes to Accounts for receivable mortgaged/hypothecated as security.

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(A JOINT VENTURE OF NHPC LIMITED & GOVT. OF MANIPUR)

NOTE NO. 4.1 NON-CURRENT TAX ASSETS (NET)

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax & Tax Deducted at Source	48,10,337	1,67,11,478
Less: Provision for Taxation	24,29,798	1,48,06,170
Total	23,80,539	19,05,308

NOTE NO. 4.2 OTHER NON-CURRENT ASSETS

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
A. CAPITAL ADVANCES		
Secured (considered good)	-	-
Unsecured (considered good)		
– Against bank guarantee	-	-
– Others	-	-
Less : Provision for expenditure awaiting utilisation certificate	-	-
Unsecured (considered doubtful)	1,51,747	1,51,747
Less : Provisions for doubtful advances *1	1,51,747	1,51,747
Sub-total	-	-
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) Deferred Foreign Currency Fluctuation Assets/Expenditure		
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	-	-
Provision for doubtful Advances *1		
Opening Balance	1,51,747	1,51,747
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	1,51,747	1,51,747
Provision for doubtful Deposits *2		
Opening Balance	-	-
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	-	-

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NOTE NO. 5 INVENTORIES

(Amount in ₹)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(Valuation as per Significant Accounting Policy No.1(iii)(10))		
Stores and spares	-	-
Stores in transit/ pending inspection	-	-
Loose tools	-	-
Scrap inventory	-	-
Material at site	-	-
Material issued to contractors/ fabricators	-	-
Inventory for Self Generated VER's/REC	-	-
Less: Provision for Obsolescence & Diminution in Value *1	-	-
TOTAL	-	-
*1 Provision for Obsolescence & Diminution in Value		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year #	-	-
Closing balance	-	-
Explanatory Note:		
i) During the year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.	-	-
ii) For details, refer para-9 of Note No. 34- Other Explanatory Notes to Accounts for information of assets mortgaged/hypothecated with banks as security for related borrowings.	-	-
# Excess provision made earlier has been reversed during the year which led to the reversal of Write down of value of inventories.	-	-

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Total	-	-

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NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
- Unsecured - Considered Good		-	-
- Unsecured - Considered Doubtful		-	-
Less: Provision for doubtful debts *1		-	-
TOTAL		-	-
*1 Provision for doubtful debts			
Opening Balance		-	-
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance		-	-

Explanatory Note: -

- 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.
- Debt due by subsidiaries/ Joint Ventures and others related parties of the company at point(i) above
- Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

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

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
A Balances with banks			
• With scheduled banks			
i) - In Current Account		(3,66,881)	36,754
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		12,438	6,272
TOTAL		(3,54,443)	43,026

Explanatory Note: -

- Cash on hand (Includes stamps on hand)
- Cash and Bank Balances on behalf of others and are not freely available for the business of the Company included in stated amount :-
 - held for Rural Road and Rural Electrification works being executed by Company on behalf of other agencies

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

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
A Balances with Banks		12,45,49,434	238,136,720
B Deposit account-Unpaid Dividend / Interest		-	-
TOTAL		12,45,49,434	23,81,36,720

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Explanatory Note: -

Cash and Bank Balances held for Rural Road and Rural Electrification 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, 2018	As at 31st March, 2017
OTHER LOANS			
Employees (including accrued interest)			
- Secured (considered good)		-	-
- Unsecured (considered good)		7,77,654	10,95,180
- Unsecured (considered doubtful)		-	-
Less : Provisions for doubtful Employee loans & advances *1		-	-
		<u>7,77,654</u>	<u>10,95,180</u>
Loan to State Government in settlement of dues from customer			
- Unsecured (considered good)		-	-
		-	-
Advances to Subsidiaries / JV's		-	-
	TOTAL	<u>7,77,654</u>	<u>10,95,180</u>
*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			

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NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
Others			
a) Claims recoverable		1,81,886	1,47,114
Less: Provisions for Doubtful Claims *1		-	-
Sub-total		1,81,886	1,47,114
b) Interest Income accrued on Bank Deposits		48,73,220	1,44,25,965
c) Receivable from Subsidiaries / JV's		-	-
d) Interest recoverable from beneficiary		-	-
e) Lease Rent receivable (Finance Lease)-Current		-	-
f) Interest receivable on Finance lease		-	-
g) Interest Accrued on Bonds		-	-
h) Receivable on account of unbilled revenue		-	-
i) Interest accrued on Loan to State Government in settlement of dues from customers		-	-
j) Advance to Contractor against arbitration award		-	-
TOTAL		50,55,106	1,45,73,079
*1 Provisions for Doubtful Claims			
Opening Balance		-	-
Addition during the year		-	-
Used during the year		-	-
Reversed during the year		-	-
Closing balance		-	-
Explanatory Note:-			
1) Receivable on account of unbilled revenue represents			
Grossing up of Return on Equity			
J&K water cess			
Unbilled sale for the month of March			
Sales due to revision of Tariff Order-Chutak Power Station			
Uttranchal Green & Water Cess			
Sales due to revision of Tariff Order-Parbati-III & Tanakpur Power Station			
Sales due to revision of Tariff Order-Chamera-III Power Station			
Sales due to revision of Tariff Order-Dhauliganga Power Station			
Recognition of Sale (Estimated) awaiting Tariff Order-Nimmo Bazgo Power Station			
Tax adjustment			
MEA Sales			
Parbati-III (4th Unit) Estimated Sale			
Recognition of Sale (Estimated) awaiting Tariff Order-Uri-II Power Station			
FERV			
Others		-	-
TOTAL		-	-

NOTE NO. 12 CURRENT TAX ASSETS (NET)

PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
Current Tax Assets			
Current Tax (Refer Note No-23)		-	-
TOTAL		-	-

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NOTE NO. 13 OTHER CURRENT ASSETS

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
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		-	75,03,972
Less : Provisions for expenditure awaiting utilization certificate		-	-
- Unsecured (considered doubtful)		-	-
Less : Provisions for doubtful advances *2		-	-
Sub-total		-	75,03,972
c) Other advances - Employees			
- Unsecured (considered good)		-	54,093
- Unsecured (considered doubtful)		-	-
Sub-total		-	54,093
d) Interest accrued on:			
Others			
- Considered Good		-	-
- Considered Doubtful		-	-
Less: Provisions for Doubtful Interest *3		-	-
Sub-total		-	-
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		4,56,672	-
Less : Provision for losses pending investigation/awaiting write off / sanction *5		4,56,672	-
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) Deferred Foreign Currency Fluctuation			
Deferred Foreign Currency Fluctuation Assets		-	-
Deferred Expenditure on Foreign Currency Fluctuation		-	-
g) Surplus / Obsolete Assets		-	-
h) Input GST		-	-
i) Others		-	-
TOTAL		-	75,58,065
*1 Provisions for Doubtful Deposits			
Opening Balance		-	-
Addition during the year		-	-
Used during the year		-	-
Reversed during the year		-	-

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		(Amount in ₹)	
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	
Closing balance	-	-	
*2 Provisions for doubtful advances (Contractors & Suppliers)			
Opening Balance	-		
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	
*3 Provisions for Doubtful Accrued Interest			
Opening Balance	-		
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	
*4 Provision for project expenses awaiting write off sanction			
Opening Balance	-		
Addition during the year			
Used during the year			
Reversed during the year			
Closing balance	-	-	
*5 Provision for losses pending investigation/awaiting write off / sanction			
Opening Balance	-		
Addition during the year	4,56,672		
Used during the year			
Reversed during the year			
Closing balance	4,56,672	-	
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 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, 2018	As at 31st March, 2017	
(i) Exchange Differences on Monetary Items			
Opening Balance	-	-	
Addition during the year	-	-	
Adjustment during the year			
Reversed during the year			
Closing balance	-	-	
Closing Balance (A)	-	-	
Deferred Tax Assets on Regulatory Deferral Account Balances	-	-	
Less:-Deferred Tax Adjustments against deferred tax assets	-	-	
Total (B)	-	-	
Regulatory Deferral Account Balances net of Deferred Tax.(A-B)	-	-	

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NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹)

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	Amount	Nos.	Amount
a) Authorized Equity Share Capital (Par value per share Rs. 10)	23,00,00,000	2,30,00,00,000	23,00,00,000	2,30,00,00,000
b) No. of Equity shares issued, subscribed and fully paid (Par value per share Rs. 10)	11,76,92,309	1,17,69,23,090	11,76,92,309	1,17,69,23,090
c) Changes in Equity Share Capital				
Opening number of shares outstanding	11,76,92,309	1,17,69,23,090	11,76,92,309	1,17,69,23,090
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 shares.	-	-	-	-
Closing number of shares outstanding	11,76,92,309	1,17,69,23,090	11,76,92,309	1,17,69,23,090
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, 2018		As at 31st March, 2017	
	Nos.	In (%)	Nos.	In (%)
NHPC LTD	87092309	74.00%	87092309	74.00%
GOVERNMENT OF MANIPUR	30600000	26.00%	30600000	26.00%

- 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 31.03.2018, 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

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NOTE NO. 15.2 Other Equity

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
1 Capital Reserve		-	-
2 Capital Redemption Reserve		-	-
3 Securities Premium Account		-	-
4 Bond Redemption Reserve		-	-
5 Research & Development Fund		-	-
6 Share Application Money Pending Allotment		-	-
7 General Reserve		-	-
8 Retained Earnings		-	-
i) Reserves created on account of Ind AS Adjustment		-	-
ii) Closing Balance Remeasurement of the defined benefit plans		-	-
iii) Surplus		19,39,10,121	18,75,21,124
9 FVTOCI Reserve-			
- Equity Instruments		-	-
- Debt Instruments		-	-
Total		19,39,10,121	18,75,21,124
* Surplus			
Profit for the Year as per Statement of Profit and Loss		63,88,997	1,11,04,841
Adjustment arising out of transition provisions for recognising Rate Regulatory Assets		-	-
Balance brought forward		18,75,21,124	17,64,16,283
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		19,39,10,121	18,75,21,124
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 :			
- Interim		-	-
- Final		-	-
Tax on Dividend			
- Interim		-	-
- Final		-	-
Balance carried forward		19,39,10,121	18,75,21,124

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

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
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	-	-
PARBATI-III	-	-
SEWA-II	-	-
URI - II	-	-
KISHANGANGA	-	-
NIMMO BAZGO	-	-
TLDP-IV	-	-
TEESTA-IV	-	-
SUBANSARI LOWER	-	-
DIBANG	-	-
TAWANG I & II	-	-
KOTLIBHEL 1A	-	-
INVESTIGATION PROJECTS, UTTAKHAND	-	-
RE CELL	-	-
WIND POWER PROJECTS, JAISALMER	-	-
BRRP	-	-
50MW SOLAR POWER PROJECT, TAMILNADU	-	-
POWER TRADING CELL	-	-
CHEQUE PAID ACCOUNT	-	-
CHEQUE COLLECTED ACCOUNT	-	-
COMMERCIAL - IUT	-	-
CENTRALIZED EMPLOYEE PAYMENT ACCOUNT	-	-
CENTRALIZED VENDOR PAYMENT ACCOUNT	-	-
TOTAL	-	-

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NOTE NO. 16.1 FINANCIAL LIABILITIES - NON-CURRENT - BORROWINGS

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Bonds		
- Secured	-	-
- Unsecured	-	-
Term Loans		
• From Banks		
- Secured	-	-
- Unsecured	-	-
• From Other Parties		
- Secured	-	-
- Unsecured-From Government (Subordinate Debts)	-	-
- Unsecured-From Others	-	-
TOTAL	-	-
Redemption / terms of repayment etc.		
i) Debt Covenants : Refer point no. 3 (Capital Management) of Note no. 33.		
ii) Particulars of Redemption & Repayments: Refer Annexures to Note 16.1		
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 LIABILITIES - NON-CURRENT - OTHERS

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
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	-	-

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NOTE NO. 17 PROVISIONS - NON CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)		
i) 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 Livelihood Assistance		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	-	-
iii) Provision-Others		
As per last Balance Sheet		
Additions during the year		
Amount used during the year		
Amount reversed during the year		
Closing Balance	-	-
TOTAL	-	-

* Information about Provisions are given in para 17 of Note 34-Other explanatory Notes to Accounts.

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

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
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 Liability	-	-
Less:-Set off Deferred Tax Assets pursuant to set off provisions		
a) Provision for doubtful debts, inventory and others		
b) Provision for employee benefit schemes		
c) Other Items		
Net Deferred Tax Assets	-	-
TOTAL	-	-

Explanatory Note: -

- 1) 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.
- 2) Movement in Deferred Tax Liability/Assets are shown in Annexure to Note No-18

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Annexure to Note-18

Movement in Deferred Tax Liability

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 2017						
Charged/(Credited)						-
-to Profit or loss						-
-to OCI						-
At 31 March 2018	-	-	-	-	-	-
	-	-	-	-	-	-

Movement in Deferred Tax Assets

Particulars	Provision for doubtful debts, inventory and others	Provision for employee benefit schemes	Other Items	Total
At 1 April 2017				
Charged/(Credited)				-
-to Profit or loss				-
-to OCI				-
At 31 March 2018	-	-	-	-
	-	-	-	-

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NOTE NO. 19 OTHER NON CURRENT LIABILITIES

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
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 BORROWINGS - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Borrowings-Other Loans-Secured		
From Banks	-	-
TOTAL	-	-

*Repayment Term: The loan amount may be repaid at any point of time

**Default in repayments (if any): Nil

NOTE NO. 20.2 TRADE PAYABLE - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Total outstanding dues of micro enterprise and small enterprise(s)	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	85,63,022	49,79,117
TOTAL	85,63,022	49,79,117

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.

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NOTE NO. 20.3 OTHER FINANCIAL LIABILITIES - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long term debt *		
- Bonds	-	-
- Term Loan -Banks-Secured	-	-
- Term Loan -Banks-Unsecured	-	-
- Other Parties-Secured	-	-
- Other Parties-Unsecured	-	-
Bond application money	-	-
Liability against capital works/supplies	-	-
Liability against capital works/supplies-MSME	-	-
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Deposits/ retention money	14,36,029	15,46,132
Due to Holding Company	60,39,437	33,35,914
Liability for share application money -to the extent refundable	-	-
Unpaid dividend	-	-
Unpaid interest	-	-
Other Payables-Payable to Employees	7,90,554	40,34,491
Other Payables-Payable to Others	2,83,44,692	2,62,71,006
TOTAL	3,66,10,712	3,51,87,543

* Details in respect of redemption, rate of interest, terms of repayment and particulars of security are disclosed in Annexure to Note no. 16.1. (For C.O. only)

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NOTE NO. 21 OTHER CURRENT LIABILITIES

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Income received in advance (Advance against depreciation)	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-
Unspent amount of deposit/agency basis works	-	-
Statutory dues payables	35,07,733	42,37,175
Advances against the deposit works	-	-
Amount Spent on Deposit Works	-	-
Advances against cost of Project Mgt./ Consultancy Work	10,00,000	10,00,000
Amount Spent in respect of Project Mgt./ Consultancy Works	-	-
Provision Toward Amt Recoverable in r/o Project Mgt / Consultancy Works	-	-
Other liabilities-Advance from Customers & Others.	-	-
Grants in aid-from Government-Deferred Income	-	-
TOTAL	45,07,733	52,37,175

NOTE NO. 22 PROVISIONS - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)		
i) As per last Balance Sheet	-	-
Additions during the year		
Amount used during the year		
Amount reversed during the year		
Closing Balance	-	-
ii) Provision for Wage Revision		
As per last Balance Sheet	14,72,535	13,80,067
Additions during the year	3,49,479	92,468
Amount used during the year	10,66,022	
Amount reversed during the year		
Closing Balance	7,55,992	14,72,535
Less: Advance paid	7,55,992	14,72,535
Closing Balance (Net of advance)	-	-
iii) Provision for Performance Related Pay/Incentive		
As per last Balance Sheet	69,65,688	41,38,927
Additions during the year	1,05,76,274	57,82,256
Amount used during the year	27,22,956	29,16,503
Amount reversed during the year	25,80,868	38,992
Closing Balance	1,22,38,138	69,65,688
iv) Provision for Superannuation / Pension Fund		
As per last Balance Sheet	1,26,036	16,85,065
Additions during the year	4,98,215	1,26,036
Amount used during the year	1,26,036	16,85,065
Amount reversed during the year	-	
Closing Balance	4,98,215	1,26,036

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		(Amount in ₹)	
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	
v) Provision For Wage Revision 3rd PRC			
As per last Balance Sheet	43,87,761	-	
Additions during the year	1,04,08,484	43,87,761	
Amount used during the year			
Amount reversed during the year			
Closing Balance	1,47,96,245	43,87,761	
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 used during the year	-	-	
Amount reversed during the year	-	-	
Unwinding of discount	-	-	
Closing Balance after Fair Value Adjustment	-	-	
v) Provision for exp in r/o arbitration award/ court cases			
As per last Balance Sheet	-	-	
Additions during the year	-	-	
Amount used during the year	-	-	
Amount reversed during the year	-	-	
Closing Balance	-	-	
vi) Provision - Others			
As per last Balance Sheet	-	-	
Additions during the year	-	-	
Amount used during the year	-	-	
Amount reversed during the year	-	-	
Closing Balance	-	-	
TOTAL	2,75,32,598	1,14,79,485	

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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, advance against personal pay adjustment of Rs 1066022 paid upto 31.01.2014 has been set-off against the Provision for wage revision. However, pending final decision in the matter, the balance amount of Rs. 755992 is continued in advance.

Thus, the cumulative amount provided towards the Personal Pay Adjustment w.e.f 01/02/2014 to 31/03/2018 under the head "Provision for Wage Revision" is Rs 755992 (including provision for the current period Rs. 99699) with corresponding amount shown as "Advance paid".

- 2) Information about Provisions are given in para 17 of Note 34 of Balance Sheet

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
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)	-	
Less: Current tax Assets (Move to Note No-12)	-	
TOTAL	-	-

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NOTE NO. 24 REVENUE FROM CONTINUING OPERATIONS

		(Amount in ₹)	
PARTICULARS		For the year ended 31st March, 2018	For the year ended 31st March, 2017
I Operating Revenue			
A SALES			
SALE OF POWER		-	-
ADVANCE AGAINST DEPRECIATION -Written back during the year		-	-
Less :			
Sales adjustment on a/c of Foreign Exchange Rate Variation		-	-
Tariff Adjustments		-	-
Regulated Power Adjustment		-	-
Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)		-	-
Rebate to customers		-	-
Sub-Total (A)		-	-
B Income from Finance Lease		-	-
C Income from Operating Lease		-	-
D REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS			
Contract Income		-	-
Revenue from Project management/ Consultancy works		-	-
Sub-Total (D)		-	-
Sub-Total-I (A+B+C+D)		-	-
E OTHER OPERATING REVENUE			
Interest from Beneficiary States (Revision of Tariff)		-	-
Sub-Total-II		-	-
TOTAL (I+II)		-	-

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NOTE NO. 25 OTHER INCOME

		(Amount in ₹)	
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
A) Interest Income			
- Interest from Investments carried at FVTOCI	-	-	
- Interest - Government Securities (8.5% tax free bonds issued by the State Governments)	-	-	
- Interest from Financial Assets carried at Amortized Cost			
- Loan to Government of Arunachal Pradesh	-	-	
- Deposit Account	1,00,48,554	2,01,45,284	
- Employee's Loans and Advances (Net of Rebate)	-	-	
- Interest from advance to contractors	-	-	
- Others	-	-	
B) Dividend Income			
- Dividend from subsidiaries	-	-	
- Dividend -Others	-	-	
C) Other Non Operating Income			
Late payment surcharge	-	-	
Income From Sale of Self Generated VERs/REC	-	-	
Realization of Loss Due To Business Interruption	-	-	
Profit on sale of investments	-	-	
Profit on sale of Assets.	-	-	
Income from Insurance Claim	1,75,484	-	
Liability/ Provisions not required written back #	26,05,637	2,15,172	
Material Issued to contractor			
(i) Sale on account of material issued to contractors	-	-	
(ii) Cost of material issued to contractors on recoverable basis	-	-	
(iii)Adjustment on account of material issued to contractor	-	-	
Amortization of Grant in Aid	-	-	
Income on account of generation based incentive (GBI)	-	-	
Exchange rate variation	-	-	
Others	4,22,770	1,84,498	
Sub-total	1,32,52,445	2,05,44,954	
Add/(Less): C.O./Regional Office/PID Expenses	-	-	
Sub-total	1,32,52,445	2,05,44,954	
Less: Income transferred to Expenditure Attributable to Construction	32,03,891	3,99,670	
Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-	
Less: Transfer of other income to grant	-	-	
Total carried forward to Statement of Profit & Loss	1,00,48,554	2,01,45,284	
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. 4.2)	-	-	
f) Bad & Doubtful Deposits(*2 under Note No. 4.2)	-	-	
g) Diminution in value of stores and spares (*1 under Note 5)	-	-	
h) Bad and doubtful debts (*1 under Note 7)	-	-	

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		(Amount in ₹)	
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
i) Bad & Doubtful Employees Loans (*1 under Note 10)	-	-	
j) Provision for doubtful claims (*1 under Note No.11)	-	-	
k) Provisions for Doubtful Accrued Interest (*3 under Note No. 13)	-	-	
l) Provisions for Doubtful Deposits (*1 under Note No. 13)	-	-	
m) Provisions for doubtful advances (Contractors & Suppliers) (*2 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(ii) of Note No-22)	-	-	
q) Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(iii) of Note No-22)	25,80,868	38,992	
r) Provision for Superannuation/Pension Fund (Sl.no-A(iv) of Note No-22)	-	-	
s) Provision for Retirement benefits(Sl.no-A (i) of Note No-17 & 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) Provision for 3rd PRC (Sl. No-A(v) of Note No.-22)	-	-	
z) Others	24,769	1,76,180	
TOTAL	26,05,637	2,15,172	

NOTE NO. 26 GENERATION AND OTHER EXPENSES

		(Amount in ₹)	
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
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	1,08,35,190	85,25,425	
- Machinery	-	-	
- Others	22,12,378	21,10,083	
D. OTHER EXPENSES			
Rent & Hire Charges	27,90,861	19,35,720	
Rates and taxes	1,52,263	53,755	
Insurance	86,678	79,515	
Security expenses	-	-	
Electricity Charges	10,750	-	
Travelling and Conveyance	26,17,263	28,99,859	

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(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Expenses on vehicles	8,69,702	6,22,999
Telephone, telex and Postage	2,30,534	2,47,953
Advertisement and publicity	8,63,791	30,42,260
Entertainment and hospitality expenses	1,27,077	6,750
Printing and stationery	8,11,752	7,74,179
Consultancy charges - Indigenous	3,03,86,012	1,68,51,296
Consultancy charges - Foreign	-	-
Audit expenses (Refer explanatory note-3 below)	1,10,277	72,300
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	31,451	31,975
Donation	-	-
CSR/ Sustainable Development	3,92,018	14,33,354
Community Development Expenses	-	-
Directors' expenses	-	-
Research and development expenses	-	-
Interest on Arbitration/ Court Cases	-	-
Interest to beneficiary states	-	-
Expenditure on Self Generated VER's/REC	-	-
Expenses for Regulated Power	-	-
Less: - Exp Recoverable on Regulated Power	-	-
Exchange rate variation	-	-
Training Expenses	2,00,112	3,05,290
Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC	-	-
Operational/Running Expenses of Kendriya Vidyalay	-	-
Operational/Running Expenses of Other Schools	-	-
Operational/Running Expenses of Guest House/Transit Hostel	39,19,815	32,06,233
Operating Expenses of DG Set-Other than Residential	-	-
Other general expenses	14,57,345	9,79,076
Sub-total	5,81,05,269	4,31,78,022
Add/(Less): C.O./Regional Office/PID Expenses	-	-
Sub-total	5,81,05,269	4,31,78,022
Less: Amount transferred to Expenditure Attributable to Construction	5,68,75,510	3,93,54,002
Less: Recoverable from Deposit Works	-	-
Less: Transfer of Generation & other expenses - IPO/Buyback	-	-
	12,29,759	38,24,020

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		(Amount in ₹)	
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
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	-	-	
Project expenses provided for	-	-	
Provision for fixed assets/ stores provided for	4,56,672	-	
Diminution in value of Inventory of Self Generated VER's Provided for	-	-	
Provision for catchment area treatment plan	-	-	
Provision for Interest to Beneficiary	-	-	
Provision for interest against court/arbitration award	-	-	
Others	-	-	
Sub-total	4,56,672	-	
Add/(Less): C.O./Regional Office/PID Expenses	-	-	
Sub-total	4,56,672	-	
Less: Amount transferred to Expenditure Attributable to Construction	4,56,672	-	
Less: Recoverable from Deposit Works	-	-	
Total carried forward to Statement of Profit & Loss	12,29,759	38,24,020	
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	33,750	25,000	
Tax Audit Fees	-	-	
In other Capacity			
Taxation Matters	-	-	
Company Law Matters	29,147	36,800	
Management Services	-	-	
Other Matters/services	-	-	
Reimbursement of expenses	47,380	10,500	
ii) Cost Auditors			
Audit Fees	-	-	
Reimbursement of expenses	-	-	
Total Audit Expenses	1,10,277	72,300	

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NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)		
PARTICULARS	For the year ended 31st March, 2,018	For the year ended 31st March, 2,017
Salaries, wages, allowances	6,96,49,279	5,60,35,076
Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	70,08,035	1,82,28,707
Staff welfare expenses	39,51,057	38,37,952
Leave Salary & Pension Contribution	-	-
Sub-total	8,06,08,371	7,81,01,735
Add/(Less): C.O./Regional Office Expenses	-	-
Sub-total	8,06,08,371	7,81,01,735
Less: Employee Cost transferred to Expenditure Attributable to Construction	8,06,08,371	7,81,01,735
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 included in Salaries, wages, allowances.		
2 Gratuity, Contribution to provident fund & pension scheme include contributions:		
i) towards Employees Provident Fund	30,90,867	30,09,321
ii) towards Employees Defined Contribution Superannuation Scheme	30,71,559	34,14,027

NOTE NO. 28 FINANCE COST

(Amount in ₹)		
PARTICULARS	For the year ended 31st March, 2,018	For the year ended 31st March, 2,017
A Interest on Financial Liabilities at Amortized Cost :		
Bonds	-	-
Term loan	-	-
Foreign loan	-	-
Government of India loan	-	-
Unwinding of discount-GOI Loan	-	-
Sub-total	-	-
B Other Borrowing Cost		
Loss on Hedging Transactions	-	-
Bond issue/ service expenses	-	-
Commitment fee	-	-
Guarantee fee on foreign loan	-	-
Other finance charges	-	-
Unwinding of discount-Provision & Financial Liabilities	-	-
Sub-total	-	-

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		(Amount in ₹)	
PARTICULARS	For the year ended 31st March, 2,018	For the year ended 31st March, 2,017	
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)	-	-	
Add/(Less): C.O./Regional Office/PID Expenses	-	-	
TOTAL	-	-	
Less: Finance Cost transferred to Expenditure Attributable to Construction	-	-	
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, 2,018	For the year ended 31st March, 2,017	
Depreciation & Amortisation Expenses	7,76,468	7,33,855	
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-	
Add/(Less): C.O./Regional Office / PID Expenses	-	-	
Sub-total	7,76,468	7,33,855	
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	7,76,468	7,33,855	
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, 2,018	For the year ended 31st March, 2,017	
Current Tax			
Income Tax Provision	24,29,798	52,16,423	
Adjustment Relating To Earlier periods	-	-	
Total current tax expenses	24,29,798	52,16,423	
Deferred Tax- *			
Decrease (increase) in deferred tax assets			
- Relating to origination and reversal of temporary differences	-	-	
- Relating to change in tax rate	-	-	
- Adjustments in respect of deferred tax of prior periods	-	-	
Increase (decrease) in deferred tax liabilities			
- Relating to origination and reversal of temporary differences	-	-	
- Relating to change in tax rate	-	-	
- Adjustments in respect of deferred tax of prior periods	-	-	
Total deferred tax expenses (benefits)	-	-	

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(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2,018	For the year ended 31st March, 2,017
Less: Recoverable for tariff period upto 2,009	-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	-	-
Net Deferred Tax	-	-
Total carried forward to Statement of Profit & Loss	24,29,798	52,16,423
Explanatory Notes:-		
i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.		
Accounting profit/loss before income tax	88,18,795	63,21,264
Applicable tax rate	02,75,525	03,19,609
Computed tax expense	24,29,798	52,16,423
Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
CSR/ Sustainable Development/ Community Development Expenses		
Recoverable portion of Deferred Tax		
Exempt and Tax Free Income		
Tax Incentives		
Adjustment for current tax of prior periods		
MAT Credit Available/(utilization)		
Reversal of Deferred Tax Assets		
Other Items		
Income tax expense reported in Statement of P/L	24,29,798	52,16,423

NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2,018	For the year ended 31st March, 2,017
Movement in Regulatory Deferral Account Balances on account of:-		
(i) Exchange Differences on Monetary Items	-	-
TOTAL (A)=(i)	-	-
Impact of Tax on Regulatory Deferral Accounts		
Deferred Tax Expense (Benefit) on Movement in Regulatory Deferral Account Balances	-	-
Less:-Deferred Tax Adjustment against deferred tax assets.	-	-
TOTAL (B)	-	-
Total carried forward to Statement of Profit & Loss (A-B)	-	-

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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, 2,018	For the year ended 31st March, 2,017
A. EMPLOYEE BENEFITS EXPENSE			
Salaries, wages, allowances		6,96,49,279	6,72,53,148
Gratuity and contribution to provident fund		70,08,035	70,10,635
Staff welfare expenses		39,51,057	38,37,952
Leave Salary & Pension Contribution		-	-
Sub-total		8,06,08,371	7,81,01,735
B. REPAIRS & MAINTENANCE			
Building		1,08,35,190	85,25,425
Machinery		-	-
Others		22,12,378	21,10,083
Sub-total		1,30,47,568	1,06,35,508
C. ADMINISTRATION & OTHER EXPENSES			
Rent		27,90,861	19,11,720
Rates and taxes		80,991	4,453
Insurance		86,678	79,515
Security expenses		-	-
Electricity Charges		10,750	-
Travelling and Conveyance		23,99,127	27,24,701
Expenses on vehicles		8,69,702	6,46,999
Telephone, telex and Postage		2,30,534	2,47,953
Advertisement and publicity		8,24,083	-
Entertainment and hospitality expenses		-	-
Printing and stationery		8,11,752	7,74,179
Design and Consultancy charges:			
- Indigenous		3,03,86,012	1,68,51,296
- Foreign		-	-
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses		-	-
Expenditure on land not belonging to company		-	-
Assets/ Claims written off		-	-
Land Acquisition and Rehabilitation Expenditure		-	-
Losses on sale of assets		-	-
Other general expenses		53,37,452	54,77,678
Exchange rate variation (Debit)		-	-
Sub-total		4,38,27,942	2,87,18,494
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		-	-

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(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2,018	For the year ended 31st March, 2,017
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	4,56,672	-
Sub-total	4,56,672	-
F. DEPRECIATION AND AMORTISATION EXPENSES	7,76,468	7,33,855
Sub-total	7,76,468	7,33,855
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	26,05,637	2,15,172
Hire charges/ outturn on plant and machinery	-	-
Miscellaneous receipts	5,98,254	1,84,498
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	32,03,891	3,99,670
TOTAL (A+B+C+D+E+F+G-H)	13,55,13,130	11,77,89,922

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A) Financial Instruments by category

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B) 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 classified its financial instruments into the following three levels prescribed under Ind AS-113 "Fair Value Measurements"

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

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

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

(Amount in ₹)

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

	Note No.	As at 31st March, 2018 Level 1	As at 31st March, 2017 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, 2018			As at 31st March, 2017		
		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 including current maturities and accrued interest	16.1 & 20.3						
(ii) Other Long Term Financial Liabilities	16.2						
Total Financial Liabilities		-	-	-	-	-	-

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

Particulars	Note No.	As at 31st March, 2018		As at 31 March, 2017	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	3.2				
(i) Loans					
a) Employees		-		-	-
b) Loans (including Interest Accrued)		-		-	
Others		-		-	-
(ii) Others	3.3				
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)"		-		-	
Total Financial Assets		-		-	
Financial Liabilities					
(i) Long-term borrowings including Current maturities and accrued interest	16.1				
(ii) Other Long Term Financial Liabilities	16.2				
Total Financial Liabilities		-		-	

Note:-

1. The Carrying amounts of current investments, Trade and other receivables, Cash and cash equivalents, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
2. For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.

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

- (1) The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:
 - use of Quoted marked Price or dealers quotes for similar instruments.
 - Fair value of remaining financial instruments is determined using discounted cash flow analysis.
- (2) The discount rate used to fair value financial instruments classified at Level -3 is based on the Weighted Average Rate of company's outstanding borrowings except subordinate debts and foreign currency borrowings.
- (3) As per Ind AS 109, financial liabilities that are subsequently measured at amortised cost are recognised initially at fair value minus transaction costs using the effective interest method. Since the transaction costs incurred on long term borrowings are not material, as such the company has not applied the effective interest method for initial recognition of such liabilities.

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(2) Financial Risk Management

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 and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company operates in a regulated environment. Tariff of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components:

1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above Foreign Currency Exchange variations and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company.

(B) Credit Risk

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

Trade Receivables & lease receivables :-

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

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

Financial assets at amortised cost :-

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

Loans to Govt. of Arunachal 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 share of free power of the state government from the first hydroelectric project to be commissioned in the state. Management does not envisage any probability of default on the loan.

Financial instruments and cash deposits :-

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

(i) Exposure to Credit risk

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

Particulars	As at 31st March 2,018	As at 31st March 2,017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	-	-
Loans Non-Current	-	-
Other Non-Current Financial Assets	-	-
Current Investments	-	-
Cash and cash equivalents	-3,54,443	43,026
Bank balances	12,45,49,434	23,81,36,720
Loans -Current	7,77,654	10,95,180
Total (A)	12,49,72,645	23,92,74,926
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	-	-
Lease Receivables	-	-
Total (B)	-	-
TOTAL (A+B)	12,49,72,645	23,92,74,926

(ii) Provision for expected credit losses :-

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company assesses outstanding receivables on an ongoing basis considering changes in payment behaviour and provides for expected credit loss on case-to-case basis.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

CERC Tariff Regulations 2,014-19 allow the Company to raise bills on beneficiaries for late-payment surcharge, which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit

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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.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not over due	0-60 days past due	61-120 days past due	121-180 days past due	More than 180 days past due	Total
Gross Carrying amount as on 31.3.2,018.	-	-	-	-	-	-
Gross Carrying amount as on 31.3.2,017.	-	-	-	-	-	-

(iv) Reconciliation of impairment loss provisions

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

	Trade Receivables	Lease Receivable	Loans	Total
Balance as at 1.4.2,017	-	-	-	-
Changes in Loss Allowances	-	-	-	-
Balance as at 31.03.2,018	-	-	-	-

(C) Liquidity Risk

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

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

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

Particulars	(Amount in ₹)	
	As at 31st March 2,018	As at 31st March 2,017
At Floating Rate	-	-
fixed rate	-	-
Total	-	-

(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.

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As at 31st March, 2,018		(Amount in ₹)				
Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2,018	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	3,66,10,712	3,66,10,712	-	-	-
Trade Payables	20.2	85,63,022	85,63,022	-	-	-
Total Financial Liabilities		4,51,73,734	4,51,73,734	-	-	-

As at 31st March 2,017		Amount in ₹)				
Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2,017	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	3,51,87,543	3,51,87,543	-	-	-
Trade Payables	20.2	49,79,117	49,79,117	-	-	-
Total Financial Liabilities		4,01,66,660	4,01,66,660	-	-	-

(D) Market Risk:

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

(i) Interest rate risk and sensitivity

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

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

Particulars	As at 31st March, 2,018	As at 31st March, 2,018	As at 31st March, 2,017	As at 31st March, 2,017
	weighted average interest rate	(₹)	weighted average interest rate	(₹)
Floating Rate Borrowings (INR)	-	-	-	-
Floating Rate Borrowings (FC)	-	-	-	-
Fixed Rate Borrowings (INR)	-	-	-	-
Fixed Rate Borrowings (FC)	-	-	-	-
Total	-	-	-	-

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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	(Amount in ₹)	
	Effect on Profit before Tax	
	As at 31st March 2,018	As at 31st March 2,017
Borrowing in INR-Interest rates-decreased by basis points (Previous year 2,016-17 decreased by basis points)*	-	-
Borrowing in FC-Interest rates-increased by basis points (Previous year 2,016-17 increased by basis points)*	-	-
Borrowing in FC-Interest rates-decreased by basis points (Previous year 2,016-17 decreased by basis points)*	-	-

(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

For Investment in Equity Instruments

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

Particulars	31st March 2,018		31st March 2,017	
	% change	Impact on other components of equity	% change	Impact on other components of equity
Investment in Equity Shares of:				

For Investment in Debt Instruments

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 2,018		31st March 2,017	
	% change	Impact on other components of equity (₹ in crores)	% change	Impact on other components of equity (₹ in crores)
Market Index-increase				
Market Index-decrease				

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(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 2,018	As at 31st March 2,017
Financial Liabilities:		
Foreign Currency Loans	-	-
Other Financial Liabilities	-	-
Net Exposure to foreign currency (liabilities)	-	-

(b) Sensitivity Analysis

There is no impact of foreign currency fluctuations on the profit of the company as these are either adjusted to the carrying cost of respective fixed asset/Capital Work-in-Progress or recovered through tariff as per CERC Tariff Regulation 2,014-19.

(3) Capital Management

(a) Capital Risk Management

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

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

Statement of Gearing Ratio		
Particulars	As at 31st March 2,018	As at 31st March 2,017
(a) Total Debt	-	-
(b) Total Capital	1,37,08,33,211	1,36,44,44,214
Gearing Ratio (a/b)	0.00	0.00

Note: For the purpose of the Company's capital management, capital includes issued capital and reserves. Net debt includes interest bearing loans and borrowings.

(b) Loan Covenants:

Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants:-

In terms of our report of even date attached

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

sd/-
(FCA PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

sd/-
(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

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SUB NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - LOANS

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
OTHER LOANS		
a) Employees (at amortised Cost)		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
Less: Fair Value Adjustments (Secured)	-	-
Less: Fair Value Adjustments (Unsecured)	-	-
Sub-total	-	-
b) Contractor / supplier		
- Against bank guarantee		
Add/ Less: Fair value adjustment	-	-
Sub-total	-	-
e) Deposits		
- Unsecured (considered good)	-	-
Add/ Less: Fair value adjustment	-	-
Sub-total	-	-

SUB NOTE NO. 11 FINANCIAL ASSETS - CURRENT - LOANS (old 13)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
OTHER LOANS		
Employees (including accrued interest)		
- Secured (considered good)	-	-
- Unsecured (considered good)	777654	1095180
Less : Fair Value Adjustments (Secured)	-	-
Less : Fair Value Adjustments (Unsecured)	-	-

SUB NOTE NO. 16.1 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Bonds		
- Secured	-	-
- Unsecured	-	-
Term Loans		
• From Banks		
- Secured	-	-
- Unsecured	-	-
• From Other Parties		
- Secured	-	-
' - Unsecured-From Government (Subordinate Debts)	-	-
' - Unsecured-From Others	-	-
Fair value Adjustment	-	-
TOTAL	-	-

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SUB NOTE NO. 16.2 FINANCIAL LIABILITIES - NON-CURRENT

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Deposits/ retention money	-	-
Less: Fair value adjustment - Deposits/ retention money	-	-
TOTAL	-	-

SUB NOTE NO. 17 NON CURRENT - PROVISIONS

B. OTHERS	As at 31st March, 2018	As at 31st March, 2017
i) <u>Provision For Committed Capital Expenditure</u>		
As per last Balance Sheet	-	
Additions during the year		
Amount used during the year		
Amount reversed during the year		
Closing Balance	-	-
Less: Fair Value Adjustment	-	-
Closing Balance after Fair Value Adjustment	-	-
ii) <u>Provision For Livelihood Assistance</u>		
As per last Balance Sheet	-	
Additions during the year		
Amount used during the year		
Amount reversed during the year		
Closing Balance	-	-
Less: Fair Value Adjustment	-	-
Closing Balance after Fair Value Adjustment	-	-
 Fair Value Adjustment-Provision for Committed Capital Expenditure		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Unwinding of discount		
Closing balance	0	0
 Fair Value Adjustment-Provision For Livelihood Assistance		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Unwinding of discount		
Closing balance	0	0

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NOTE NO. 20.3 OTHER FINANCIAL LIABILITIES - CURRENT

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Deposits/ retention money	14,36,029	15,46,132
Less: Fair value adjustment - Deposits/ retention money	-	-

SUB NOTE NO. 22 CURRENT - PROVISIONS

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
	Current (After Adj)	Current (After Adj)
A. PROVISION FOR EMPLOYEE BENEFITS		
v) <u>Provision for Wage Revision</u>		
As per last Balance Sheet	14,72,535	13,80,067
Additions during the year	3,49,479	92,468
Amount used during the year	10,66,022	-
Amount reversed during the year	-	-
Closing Balance	7,55,992	14,72,535
Less: Advance paid	7,55,992	14,72,535
Closing Balance (Net of advance)	-	-
vi) <u>Provision for Performance Related Pay/Incentive</u>		
As per last Balance Sheet	69,65,688	41,38,927
Additions during the year	1,05,76,274	57,82,256
Amount used during the year	27,22,956	29,16,503
Amount reversed during the year	25,80,868	38,992
Closing Balance	1,22,38,138	69,65,688
vii) <u>Provision for Superannuation / Pension Fund</u>		
As per last Balance Sheet	1,26,036	16,85,065
Additions during the year	4,98,215	1,26,036
Amount used during the year	1,26,036	-
Amount reversed during the year	-	-
Closing Balance	4,98,215	1,26,036
TOTAL	1,27,36,353	70,91,724

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

Management has assessed the above claims and recognized a provision of ₹ NIL. (previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ NIL (previous year ₹ 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.) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (Previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ NIL (previous year ₹ NIL.) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

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

(iv) Others

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

The above is summarized as at 31.03.2018 as below:

(Amount in ₹)							
Sl. No.	Particulars	Claims as on 31.03.2018	Provision against the claims paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition of contingent liability for the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works						
2.	Land Compensation cases						
3.	Disputed tax matters						
4.	Others						
	Total						

NIL

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- (b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) There is possibility of reimbursement to the company of ₹ NIL. (previous year ₹ NIL)towards above contingent liabilities.
- (e) (i) An amount of ₹ NIL. (previous year ₹ NIL) stands paid towards above Contingent Liabilities in respect of Capital Works, pursuant to Niti Aayog directions issued vide OM No. 14070/14/2016-PPPAU dated 5th September 20,16, in cases where Arbitral Tribunals have passed orders in favour of contractors in arbitral proceedings and such awards/orders have been further challenged by the Company in a Court of Law, upto 75% of the arbitral award (including interest payable as per such award) subject to contractors fulfilling the terms and conditions laid down in the Standard Operating Procedures framed by the Company in this regard. The amount so released is being shown as Current Financial Assets-Others (Note No. 11).
- (ii) An amount of of ₹ NIL. (previous year ₹ NIL.) stands paid /deposited with courts 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) Category of agency wise details of contingent liability as at 31.03.2018 are as under:

(Amount in ₹)							
Sl. No.	Category of Agency	Claims as on 31.03.2018	Provision against the claims/ Paid during the year	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition(+)/ deduction (-) from contingent liability during the year	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Central Govt. departments						
2.	State Govt. departments or Local Bodies						
3.	CPSEs						
4.	Others						
TOTAL						NIL	

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) 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 towards arbitration awards including updated interest thereon.

Based on Management assessment the inflow of economic benefits of ₹ NIL.(previous year ₹ NIL) are probable and for rest of the claims, possibility of any inflow is remote.

b) Late Payment Surcharge:

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. However, in view of significant uncertainties in the ultimate collection from the beneficiaries as resolved by the management an amount of ₹NIL.(previous year ₹NIL) has not been recognised.

c) Revenue to the extent not recognised in respect of power stations:

- d) Truing up order of 2009-14 and Tariff Order for 2014-19 is pending in respect ofPower stations pending approval of revised cost estimate. Management has assessed the impact of these expenditures on tariff and considers that inflow of ₹ NIL. (previous year ₹NIL.) is probable.

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e) Business Interruption Losses

Insurance Claim due to Business Interruption Losses in respect of Power Stations are recognised when no significant uncertainty of ultimate collection exists. Management has assessed that claim on account of Business Interruption losses aggregating to ₹ NIL. (Previous Year ₹ NIL) is probable.

f) Other Cases

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

Contingent Assets are summarized below:

		(Amount in ₹)	
Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)	(iv)
1.	Counter claims lodged by the company	NIL	NIL
2.	Late Payment Surcharge	NIL	NIL
3.	Revenue to the extent not recognised in respect of power stations	NIL	NIL
4.	Business Interruption Losses	NIL	NIL
5.	Other cases	NIL	NIL
	Total	NIL	NIL

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

		(Amount in ₹)	
Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)	(iv)
1.	Property Plant and Equipment (including CWIP)	NIL	NIL
2.	Investment Property	NIL	NIL
3.	Intangible assets	NIL	NIL
	Total	NIL	NIL

4. Pending approval of competent authority, provisional payments / provisions made towards executed quantities of works of some of the items beyond the approved quantities as also for extra items totalling to ₹ NIL.(previous year ₹ 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	31.03.2018	31.03.2017
(i)	(ii)	(iii)	(iv)
1.	Aggregate amount of costs incurred and recognised profits (less recognised losses) on contracts in progress upto reporting date.	NIL	NIL
2.	Amount of advances received.	NIL	NIL
3.	Amount of retention.	NIL	NIL
4.	The gross amount due from customers for contract works as an asset.	NIL	NIL
5.	The gross amount due to customers for contract works as a liability.	NIL	NIL

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

		(Amount in ₹)	
Sl. No.	Particulars	For the Year ended 31.03.2018	For the Year ended 31.03.2017
(i)	Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)	NIL	NIL
(ii)	Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)*	NIL	NIL
(iii)	Amount charged to Capital work-in-progress (as FERV)	NIL	NIL
(iv)	Amount adjusted by addition to the carrying amount of property, plant & equipment	NIL	NIL

7. Operating Segment: NOT APPLICABLE

- Electricity generation (including income from embedded Finance/ Operating leases) 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 on 'Operating Segment'.
- The Company has a single geographical segment as all its Power Stations are located within the Country.
- Information about major customers: Revenue of ₹ NIL. (previous period ₹ NIL) is derived from following customers as per details below:

(Amount in ₹)

Sl. No.	Name of Customer	Revenue from customer		Revenue from customer as a % of total revenue	
		For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2018	For the year ended 31.03.2017
		NIL	NIL	NIL	NIL
	TOTAL	NIL	NIL	NIL	NIL

- Revenue from External Customers:** The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is as under:

Particulars	For the Year ended 31.03.2018	For the Year ended 31.03.2017
	NIL	NIL
TOTAL	NIL	NIL

Note: Above includes amount in foreign currency ₹ NIL (Previous period ₹ NIL).

8. Related Party Disclosures are given below:

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

(a) Interest by Holding Company:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2018	31.03.2017
NHPC LTD	India	Power Generation	74%	74%

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(b) Key Management Personnel:

S.No.	Name	Position Held
1	SH. BISWAJIT BASU	CHIEF EXECUTIVE OFFICER
2	SH. BHAGABAN MAHAPATRA	CHIEF FINANCE OFFICER
3	SH. TARUN AHUJA	COMPANY SECERATARY

(c) Name and Nature of Relationship with Government:

S.No	Name of the Related parties	Nature of Relationship with NHPC
1	Government of India	Shareholder in Holding Company having control over company
2	Govt. of Manipur	Shareholder in Company having control over company

(d) Key Management Personnel (KMP) compensation:

(Amount in ₹)

Particulars	For the Year ended 31.03.2018	For the Year ended 31.03.2017
i) Short Term Employee Benefits	65,72,436	52,10,105
ii) Post-Employment Benefits	9,04,631	18,20,688
iii) Other Long Term Benefits	-	-
Other Transactions with KMP	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Sitting Fees and other reimbursements to non-executive/independent directors	NIL	NIL
Interest Received during the year	NIL	NIL

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

(Amount in ₹)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	(ii)	(iii)
i) Transaction with Government that has control over company- (Central Govt./State Government)	NIL	NIL
ii) Transaction with Entities controlled by the same Government that has control over company		
Insurance Premium paid by the Company*	86,678	79,515
Settlement amount received by the Company against Insurance Claims	-	-
iii) Transaction with Holding Co.		
Services Received by the Company	3,18,90,453	1,82,29,310
Deputation of Employees by the company	-	-
Deputation of Employees to the company	-	-
Loan received by the Company	-	-
Equity contribution received by the Company	-	-
Dividend Paid by the company	-	-
iv) Transaction with KMP & Entities Controlled by KMP		
Services Provided by the Company	-	-
Services Received by the Company	-	-
Loan to KMP (multipurpose adv)	5,25,000	-

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(f)

(Amount in ₹)

Balances with Entities controlled by the same Government that has control over company (NHPC)	As at 31.03.2018	As at 31.03.2017
Claim receivable from Insurance Company*	1,75,484	0

(h) Outstanding Balances with Related Parties:

(Amount in ₹)

Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)
i) Balances with Government that has control over company- (Central Govt./State Govt.)	NIL	NIL
ii) Balances with Entities controlled by the same Government that has control over company	NIL	NIL
iii) Balances with Holding Co.		
Payables by the Company	2,82,09,148	2,90,67,928
Receivables by the Company		
Loan outstanding		
Balances out of commitments made by the company		
iv) Balances with KMP & Entities Controlled by KMP		
OUTSTANDING LOAN	56,250	

The Company has business transactions with the state governments and entities controlled by the Govt. of India. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturers (OEMs) for proprietary items/ on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items. Therefore, party-wise details of such transactions have not been given since such transactions are carried out in the ordinary course of business at normal commercial terms and not considered to be significant.

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

(Amount in ₹)

Particulars	As at 31.03.2018	As at 31.03.2017
First Charge	NIL	NIL
Property Plant & Equipment	NIL	NIL
Capital Work In Progress	NIL	NIL
Financial Assets- Others	NIL	NIL
TOTAL	NIL	NIL

10. **Disclosures Regarding Employee Benefit Obligations:**

All the employees working in the company belongs to the Holding company (NHPC Ltd). The employee benefit obligations have been recognised by the Holding Company. Corresponding expenditure is borne by the Company.

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11. (a) Balances shown under material issued to contractors, claims recoverable including insurance claims, advances for Capital expenditure, Sundry Debtors, Advances to Contractors, Sundry Creditors and Deposits/Earnest money from contractors are subject to reconciliation/ confirmation and respective consequential adjustments. Claims recoverable also include claims in respect of projects handed over or decided to be handed over to other agencies in terms of Government of India directives. In the opinion of the management, unconfirmed balances shall not have any material impact.
- (b) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5,00,000 or above in respect of each party as at 31st December of every year. Status of confirmation of balances as at December 31, 2017 as well as amount outstanding as on 31.03.2018 is as under: (Amount in ₹)

Particulars	Outstanding amount as on 31.12.2017	Amount confirmed	(Amount in ₹)
			Outstanding amount as on 31.03.2018
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	1,25,96,460	1,25,96,460	1,25,96,460
Trade/Other payables	-	-	-
Security Deposit/Retention Money payable	6,49,746	6,49,746	6,49,746

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

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

Particulars	(Amount in ₹)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
a)* Value of imports calculated on CIF basis:	NIL	NIL
i) Capital Goods		
b)* Expenditure in Foreign Currency	NIL	NIL
i) Interest		
ii) Other Misc. Matters		
c)* Value of spare parts and Components consumed in operating units.	NIL	NIL
i) Imported		
ii) Indigenous		
d)* Earnings in foreign currency	NIL	NIL
i) Others		

* Accrual basis.

13. Disclosure related to Corporate Social Responsibility (CSR):

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

S. No	Heads of Expenses constituting CSR expenses	For the Year ended 31.03.2018	For the Year ended 31.03.2017
1	Health Care and Sanitation	1,54,418	2,98,827
2	Education & Skill Development	2,37,600	3,51,600
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		7,82,927
11	Capacity Building		
12	Swachh Vidyalaya Abhiyan		
13	Swachh Bharat Abhiyan		
	Total amount	3,92,018	14,33,354

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(ii) Other disclosures:-

(a) Details of expenditure incurred during the year ended on 31.03.2018 paid and yet to be paid 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	-	-
(ii)	On purpose other than (i) above	3,92,018	-
	Total	3,92,018	-

(b) 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.

(iii) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to ₹ for FY 2017-18. The Board of Directors had allocated total budget of ₹ Crore for FY 2017-18 (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). : NOT APPLICABLE

14. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 04.09.2015 (Refer Note no. 20.2 and 20.3 of the Balance Sheet) are as under:

		(Amount in ₹)	
Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:	NIL	NIL
	a) Trade Payables:		
	-Principal	NIL	NIL
	-Interest	NIL	NIL
	b) Others:		
	-Principal	NIL	NIL
	-Interest	NIL	NIL
(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

15. The management is of the opinion that no case of impairment of assets exists under the provisions of Ind AS-36 on "Impairment of Assets" as at 31st March 2018.

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16. Earnings Per Share:

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

Particulars	(Amount in ₹)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Earnings per Share before Regulatory Income (₹) – Basic & Diluted	0.05	0.09
Earnings per Share after Regulatory Income (₹) – Basic & Diluted	0.05	0.09
Face value per share (₹)	10	10

- b) Reconciliation of Earning Used in calculating Earnings Per Share:

Particulars	(Amount in ₹)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Net Profit after Tax but before Regulatory Income used as numerator (₹ in crore)	0.64	1.11
Net Profit after Tax and Regulatory Income used as numerator (₹ in crore)	0.64	1.11

- c) Reconciliation of weighted Average number of shares used as denominator :

Particulars	(Amount in ₹)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Weighted Average number of equity shares used as denominator	11,76,92,309	11,76,92,309

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

(i) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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

a) Provision for Performance Related Pay/Incentive:

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for the year (Previous Year 2016-17) on the basis of Management Estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India.

b) Provision For Wage Revision as per 3rd Pay Revision Committee (PRC): Short term provision for wage revision of the employees of the company has been recognised in the accounts for the period 1.01.2017 to 31.03.2018 as per notification of the Development of Public Enterprises, Government of India.

(iii) Other Provisions: Not applicable

18. In terms of MOU with Government 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 and Bank balances) and current liabilities as on 22nd October 2009 was converted into a joint venture company (a

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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 HE Project of the Corporation till 22nd October 2009 have been incorporated by the Company as Gross value of the assets and liabilities 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.

19. Till FY 2016-17, depreciation on mobile phones/ cellular phones was being charged as per the rate and methodology notified by CERC for the fixation of tariff. W.e.f. FY 2017-18, depreciation on Mobile phones is being provided on straight line basis over a period of three years with residual value of Re 1 based on management assessment. Accordingly, depreciation charge on mobile phones/ cellular phones during FY 2017-18 is higher by Rs NIL. Further, depreciation charge for mobile phones/ cellular phones existing as on 31st March 2018 shall be higher by Rs NIL. during the next two financial years.

20. Disclosure as per Ind AS 17 'Leases'

A) Operating leases

1) Company as lessee

- The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees amounting to ₹ 2282975 (31st March 2017 ₹1795123) included under Salaries, wages, allowances in Note 27.
- The Company has taken premises for offices, guest houses & transit camps on operating leases which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps amounting to Rs 1910911 (31st March 2017 ₹1409414) are shown under Rent& Hire Charges in Note 26.
- The Company has taken vehicles on operating leases for a period generally 1 to 2 years and such leases are not non-cancellable. Lease payments in respect of hiring of vehicles amounting to ₹ 879950 (31st March 2017 ₹526306.) are shown under Rent& Hire Charges in Note 26.

21. Opening balances/corresponding figures for previous year/period have been re-grouped/re-arranged wherever necessary.

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

sd/-
(FCA PRASHANT KUMAR MISHRA)
PARTNER
(MEMBERSHIP NO: 301019)

For and on behalf of the Board of Directors

sd/-
(BALRAJ JOSHI)
CHAIRMAN
DIN-07449990

sd/-
(BHAGABAN MAHAPATRA)
CHIEF FINANCE OFFICER

sd/-
(VIJAY KUMAR)
DIRECTOR
DIN-03021294

sd/-
(TARUN AHUJA)
COMPANY SECRETARY
MEMBERSHIP NO:A37926

Place: Faridabad
Date: 09.05.2018

BUNDELKHAND SAUR URJA LIMITED

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INDEPENDENT AUDITOR'S REPORT

To,

The Members,

BUNDELKHAND SAUR URJA LIMITED,

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of BUNDELKHAND SAUR URJA LIMITED, which comprise the Balance Sheet as at 31st March, 2018, 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), 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, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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

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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 disclosure for specified bank notes is not applicable during the year.

For VIVEK AGARWAL & CO.
Chartered Accountants
Firm's Registration No. 003179C

sd/-
(CA AJAY KUMAR BHARGAVA)
Partner
M. No. 077833

Place : Lucknow
Date : 13.08.2018

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Annex: A

BUNDELKHAND SAUR URJA LIMITED

Annexure 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-2018. 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.

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	(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 purposes 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.
(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 purposes 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)

Place : Lucknow
Date : 13.08.2018

sd/-
(CA AJAY KUMAR BHARGAVA)
(PARTNER)
M.No.077833

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

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 2017-18 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)

sd/-
(CA AJAY KUMAR BHARGAVA)
(PARTNER)
M. No.077833

Place : Lucknow
Date : 13.08.2018

ANNEXURE 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, 2018 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, 2018, 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)

sd/-

(CA AJAY KUMAR BHARGAVA)

(PARTNER)

M. No.077833

Place : Lucknow

Date : 13.08.2018

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
<u>ASSETS</u>			
(1) NON-CURRENT ASSETS			
a) Property Plant & Equipment	2.1	5,76,34,550	5,02,354
b) Capital Work In Progress	2.2	3,48,68,516	1,82,77,567
c) Investment Property	2.3	-	-
d) Other Intangible Assets	2.4	52,000	-
e) Financial Assets			
i) Investments	3.1	-	-
ii) Loans	3.2	-	-
iii) Others	3.3	-	-
f) Non-Current Tax Assets (Net)	4.1	-	-
g) Other Non-Current Assets	4.2	1,700	1,700
TOTAL CURRENT ASSETS		9,25,56,766	1,87,81,621
(2) CURRENT ASSETS			
a) Inventories	5	-	-
b) Financial Assets			
i) Investments	6	-	-
ii) Trade Receivables	7	-	-
iii) Cash & Cash Equivalents	8	11,55,18,203	11,35,42,530
iv) Bank balances	9	-	-
v) Loans	10	-	-
vi) Others	11	2,22,317	1,95,445
c) Current Tax Assets (Net)	12	-	-
d) Other Current Assets	13	-	-
TOTAL CURRENT ASSETS		11,57,40,520	11,37,37,975
(3) Regulatory Deferral Account Debit Balances	14	-	-
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		20,82,97,286	13,25,19,596
<u>EQUITY AND LIABILITIES</u>			
(1) EQUITY			
(a) Equity Share Capital	15.1	4,00,00,000	1,00,00,000
(b) Other Equity	15.2	(54,26,370)	(39,68,319)
TOTAL EQUITY		3,45,73,630	60,31,681
(2) LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	16.1	-	-
ii) Other financial liabilities	16.2	-	-
b) Provisions	17	-	-
c) Deferred Tax Liabilities (Net)	18	-	-
d) Other non-current Liabilities	19	-	-
TOTAL NON-CURRENT LIABILITIES		-	-

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

BALANCE SHEET AS AT 31ST MARCH, 2018

		(Amount in ₹)	
PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
(3) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	20.1	-	-
ii) Trade Payables	20.2		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		1,71,603	1,49,373
iii) Other financial liabilities	20.3	7,35,52,053	2,63,28,303
b) Other Current Liabilities	21	10,00,00,000	10,00,10,239
c) Provisions	22	-	-
d) Current Tax Liabilities (Net)	23	-	-
TOTAL CURRENT LIABILITIES		17,37,23,656	12,64,87,915
TOTAL EQUITY & LIABILITIES		20,82,97,286	13,25,19,596
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		
Note 1 to 34 form integral part of the Accounts			

(A Unit of NHPC Ltd) accounts are audited for the purpose of Consolidation.

For Vivek Agarwal & CO.

Chartered Accountants
(Firm Regn. No.003179C)

sd/-

(CA Ajay Kumar Bhargava)

Partner

M.No. 077833

sd/-

(Ratish Kumar)

Chairman

sd/-

(Sri Prakash)

Chief Executive Officer

sd/-

(Cherian Mathew)

Director

sd/-

(Tarkeshwar Singh)

Company Secretary

Place : Lucknow

Date : 13.08.2018

sd/-

(Surendra Prasad Singh)

Chief Financial Officer

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME			
i) Revenue from Continuing Operations	24	-	-
ii) Other Income	25	3,54,003	4,31,709
TOTAL INCOME		3,54,003	4,31,709
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		3,54,003	4,31,709
Exceptional items		-	-
PROFIT BEFORE TAX		3,54,003	431,709
Tax Expenses	30		
i) Current Tax		18,43,494	19,24,106
ii) Adjustments for Income Tax		(31,440)	15,91,512
iii) Deferred Tax		-	1,46,500
TOTAL TAX EXPENSES		18,12,054	36,62,118
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		(14,58,051)	(32,30,409)
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	-	-
PROFIT FOR THE YEAR AFTER NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		(14,58,051)	(32,30,409)
Profit for the year from continuing operations (A)		(14,58,051)	(32,30,409)
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax		-	-
OTHER COMPREHENSIVE INCOME (B)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		-	-
Less: Income Tax on Remeasurement of the defined benefit plans		-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities on Remeasurement of defined benefit plans		-	-
-Movement in Regulatory Deferral Account Balances- Remeasurement of defined benefit plans		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
Sub total (a)		-	-
(b) Investment in Equity Instruments		-	-
Less: Income Tax on Equity Instruments		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		-	-

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)			
	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-
Less: Income Tax on investment in Debt Instruments		-	-
Total (ii)		-	-
Other Comprehensive Income (B)=(i+ii)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		(14,58,051)	(32,30,409)
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		
Note 1 to 34 form integral part of the Accounts			
(A Unit of NHPC Ltd) accounts are audited for the purpose of Consolidation.			

For Vivek Agarwal & CO.
Chartered Accountants
(Firm Regn. No.003179C)

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

Place : Lucknow
Date : 13.08.2018

sd/-
(Ratish Kumar)
Chairman

sd/-
(Sri Prakash)
Chief Executive Officer

sd/-
(Surendra Prasad Singh)
Chief Financial Officer

sd/-
(Cherian Mathew)
Director

sd/-
(Tarkeshwar Singh)
Company Secretary

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

	(Amount in ₹)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	3,54,003	4,31,709
Less: Rate Regulated Income/(Expenditure)	-	
	3,54,003	4,31,709
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	-	
	<u>-</u>	<u>-</u>
	3,54,003	4,31,709
LESS :		
Advance against Depreciation written back	-	-
Provisions (Net gain)	-	-
NET GAIN/LOSS ON SALE OF Investments	-	-
Profit on Sale of Assets \ Realization of Loss	-	-
Dividend Income	-	-
Interest Income	2,85,956	3,53,017
	<u>2,85,956</u>	<u>3,53,017</u>
Cash flow from operating activities before working capital adjustments	68,047	78,692
Decrease (Increase) in Working Capital:		
Inventories	-	
Trade Receivables	-	
Other Assets, Loans and Advances	1,506	-3,91,084
Other Liabilities & Provisions	-99,06,159	1,19,46,226
	<u>-99,04,653</u>	<u>1,15,55,142</u>
Cash flow from operating activities before taxes	-98,36,606	1,16,33,834
Less : Taxes	18,12,054	30,43,378
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	-1,16,48,660	85,90,456

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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)	-2,25,34,256	-1,43,28,824
Creation of Rate Regulatory Assets	-	-
Realization from Investments / Bonds	-	-
Dividend Income	-	-
Interest Income	61,59,270	61,35,598
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-1,63,74,986	-81,93,226
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend and Dividend Tax Paid	-	-
Finance from Borrowings		
Share Capital	3,00,00,000	
Borrowings	-	-
Repayment of Borrowings	-	-
Interest & Finance Charges	-681	-639
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	2,99,99,319	-639
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	19,75,673	3,96,591
Cash & Cash Equivalents at the beginning of the year	11,35,42,530	11,31,45,939
Cash & Cash Equivalents at the close of the year	11,55,18,203	11,35,42,530
EXPLANATORY NOTES TO CASH FLOW STATEMENT		
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	1,15,5,18,203	-
Other Bank Balances *	-	1,13,5,42,530
	1,15,5,18,203	1,13,5,42,530
In terms of our report of even date attached	-	

For Vivek Agarwal & CO.
Chartered Accountants
(Firm Regn. No.003179C)

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

Place : Lucknow
Date : 13.08.2018

sd/-
(Ratish Kumar)
Chairman

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Chief Executive Officer

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(Surendra Prasad Singh)
Chief Financial Officer

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(Cherian Mathew)
Director

sd/-
(Tarkeshwar Singh)
Company Secretary

BUNDELKHAND SAUR URJA LIMITED

Annual Report 2017-18

(A Joint Venture between NHPC Ltd. and UPNEDA)

NOTE NO. 1: COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

(i) Reporting entity

Bundelkhand Saur Urja Ltd (the "Company") is a Company domiciled in India and limited by shares. The address of the Company's registered office is TC-43/V, Vibhuti Khand, Gomti Nagar, Lucknow., Uttar Pradesh -226010. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities.

(ii) Basis of preparation

(A) Statement of Compliance

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

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.

(B) 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 crores (upto two decimals) 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- A summary of the significant accounting policies applied in the preparation of financial statements as given below 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).

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- 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 and 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 including expenditure on environment management plans relating 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 and Equipment.
- h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and 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

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 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 and Intangible Assets under Development

- 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.

- 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

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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 in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

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

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

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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 are initially recognised as deferred income when there is reasonable assurance that the grant will be received and the company will comply with the conditions associated with the grant. The deferred income so recognised is subsequently amortised in the Statement of Profit and Loss over the useful life of the related assets.

c) Government grant related to income is recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

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.
- 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.

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.

- 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

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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 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 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 and 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. 18.0(d) below.
- c) i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.0(d) below.
ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.
- d) i) Depreciation in respect of following items of PPE is provided on straight line method based on the life and residual value (5%) given in the Schedule

II of the Companies Act, 2013:

- Construction Plant & Machinery
- Computer & Peripherals

- ii) Based on technical assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of Re 1.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization by retaining Re. 1/- as WDV.
- f) Tangible Assets valuing Rs. 5000/- or less but more than Rs. 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 Rs. 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.

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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 based on certainty of realisation.

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 Material prior period errors

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

25.0 Earnings per share

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

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

26.0 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'.**

27.0 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.

28.0 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.

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29.0 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules') on 28 March 2018. The rules shall be effective from reporting periods beginning on or after 1 April 2018 and cannot be early adopted.

A) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

The appendix can be applied either retrospectively for each period presented applying Ind AS 8 or prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied or from the beginning of a prior reporting period presented as comparative.

The Company has assessed the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance.

The Company has evaluated the effect of this on the financial statements and impact is not material.

The Company intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

B) Ind AS 115- Revenue from Contract with Customers:

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of

financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is in the process of assessing the detailed impact of Ind AS 115.

C) Amendments to Ind AS 40 Investment property - Transfers of investment property

For Vivek Agarwal & Co.
Chartered Accountants
FRN: 003179C

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 77833

sd/-
(S.P. Singh)
Chief Financial Officer

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NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As at 01-Apr-2017	Additions	Deductions	Other Adjustments	As at 31st March, 2018	As at 01-Apr-2017	For the Period	As at 31st March, 2018	As at 31st March, 2017
i)	Land – Freehold	-	57141900	-	-	57141900	-	-	57141900	-
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	3,98,927	-	-	-	3,98,927	1,730	25,252	26,982	3,97,197
xvii)	Computers	1,56,500	-	-	-	1,56,500	85,718	48,867	1,34,585	70,782
xviii)	Communication Equipment	-	-	-	-	-	-	-	-	-
xix)	Office Equipments	35,300	-	47,000	-	82,300	925	4,484	5,409	34,375
xx)	Research and Development	-	-	-	-	-	-	-	-	-
xxi)	Other assets	-	23,000	-	-	23,000	-	1,101	1,101	-
xxii)	Tangible Assets of minor value >750 and < Rs.5000	-	-	-	-	-	-	-	-	-
	Total	5,90,727	-	5,72,11,900	-	578,02,627	88,373	79,704	1,68,077	5,02,354
	Previous year	1,56,500	4,34,227	-	-	5,90,727	36,160	52,213	88,373	1,20,340

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

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NOTE NO. 2.4 Other Intangible Assets

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
		As at 01-Apr- 2017	Additions		Deductions		As at 31st March, 2018	As at 01-Apr- 2017	For the Year	Adjust- ments	As at 31st March, 2018	As at 31st March, 2017
			IUT	Others	IUT	Others						
i)	Land- Right to Use	-	-	-	-	-	-	-	-	-	-	-
ii)	Computer Software	-	-	78,000	-	-	78,000	-	26,000	-	52,000	-
	Total	-	-	78,000	-	-	78,000	-	26,000	-	52,000	-
	Previous year											

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

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Annexure to Note 2.1 & 2.4 as at 31.03.2018

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 (Rs.)
	LAND FREE HOLD	410101	57141900
	VOLTAS 1.5 TON WINDOW AC 5-STAR WITH V GUARD STABILIZER	412008	34000
	VOLTAS AIR COOLER VND 70 EH	412011	13000
	TALLY ERP9 GOLD	412201	63000
	WAVE SITE OF BSUL	412201	15000
	WHIRLPOOL REFRIGERATOR 260 I FRESH ROYAL	412505	23000
	Total		57289900

1.2 Addition on account of others (Transfer In from Subsidiary companies)

Sl. No.	Particular of assets	Head of account	Gross block (Rs.)	Net Block Addition (Rs.)	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 (Rs.)	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 (Rs.)
	Total		-

2.2 Deduction on account of others (Transfer out to Subsidiary companies)

Sl. No.	Particular of assets	Head of account	Gross block (Rs.)	Net Block Deduction (Rs.)	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 (Rs.)	Detail of the Unit / Company to which Assets Sent (Transferred Out)		Advice number
				Name of Unit / Company	Code of Unit / Company	
					e.g. 100 , 101	
	Total		-			

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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 (Rs.)
			(+) for Additon, (-) for Deduction)
	Total		-

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AS ON 31.03.2018

FAR OF BUNDELKHAND SAUR URJA LIMITED

Account	Account Description	Object Id	Object Desc	Depr Rate	Acq Date	Bill No And Date	Gross Block Acquisition Amount	Gross Block Add Inter Unit	Gross Block Add Others	Gross Block Del Inter Unit	Gross Block Del Others	Gross Block Closing Amount	Depreciation Opening Amount	Depreciation For The Year	Depreciation Adjustment	Depreciation Closing Amount	Net Block Closing Amount	Net Block Opening Amount
410101	LAND		LAND FREE HOLD		04.12.2017		-	-	57,141,900			5,71,41,900	-	-		-	5,71,41,900	
411701	FURNITURE & FIXTURE OFFICE		FINLING CABINET WITH TEMPTED GLASS AND HAR PVC UPHOLSTERY- F05C (SIZE- 1760x400x2100)	6.33	07.03.2017	SALE000272 27.02.2017	92,329					92,329	400	5,844		6,244	86,085	91,929
411701	FURNITURE & FIXTURE OFFICE		TABLE WITH MOVABLE PEDESTAL-ALONG WITH SIDE RETURN (2380 x 2400 x 750	6.33	07.03.2017	SALE000272 27.02.2017	139,936					1,39,936	607	8,858		9,465	130,471	139,329
411701	FURNITURE & FIXTURE OFFICE		HIGH BACK REVOLVING CHAIR WITH PU UPHOLSTERY	6.33	07.03.2017	SALE000272 27.02.2017	16,788					16,788	73	1,063		1,136	15,652	16,715
411701	FURNITURE & FIXTURE OFFICE		MID BACK REVOLVING CHAIR WITH PU UPHOLSTERY	6.33	07.03.2017	SALE000272 27.02.2017	15,896					15,896	69	1,006		1,075	14,821	15,827
411701	FURNITURE & FIXTURE OFFICE		MID BACK REVOLVING CHAIR WITH PU UPHOLSTERY	6.33	07.03.2017	SALE000272 27.02.2017	15,896					15,896	69	1,006		1,075	14,821	15,827
411701	FURNITURE & FIXTURE OFFICE		MID BACK REVOLVING CHAIR WITH PU UPHOLSTERY	6.33	07.03.2017	SALE000272 27.02.2017	15,896					15,896	69	1,006		1,075	14,821	15,827
411701	FURNITURE & FIXTURE OFFICE		THREE SEATER ITALIAN SOFA WITH PU FINISH AND STRUCTURE IS SS	6.33	07.03.2017	SALE000272 27.02.2017	49,196					49,196	213	3,114		3,327	45,869	48,983
411701	FURNITURE & FIXTURE OFFICE		TWO SEATER ITALIAN SOFA WITH PU FINISH AND STRUCTURE IS SS	6.33	07.03.2017	SALE000272 27.02.2017	38,661					38,661	168	2,447		2,615	36,046	38,493
411701	FURNITURE & FIXTURE OFFICE		CENTRE TABLE WITH TOUGHENED GLASS TOP (1200 x 640 x 420)	6.33	07.03.2017	SALE000272 27.02.2017	14,329					14,329	62	907		969	13,360	14,267
411801	COMPUTERS	6301040001	HP LAPTOP 15-AB035TX/ NATURAL SILVER (CORE I-75TH GENERATION/8GB RAM-DDR3/1TB HDD/2GB GRAPHICS/Win-8.1	03y 00m	6/19/2015	F/B-704	66,000	-	-	-	-	66,000	37,289	20,900	0	58,189	7,811	28,711
411801	COMPUTERS	6301040003	HP NB 15-AB035TX- 17/8GB/1TB/2GB G/WIN 8.1 5CD5214KHY	03y 00m	8/3/2015	F/B-1112	66,000					66,000	34,662	20,900		55,562	10,438	31,338

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AS ON 31.03.2018

FAR OF BUNDELKHAND SAUR URJA LIMITED

Account	Account Description	Object Id	Object Desc	Depr Rate	Acq Date	Bill No And Date	Gross Block Acquisition Amount	Gross Block Add Inter Unit	Gross Block Add Others	Gross Block Del Inter Unit	Gross Block Del Others	Gross Block Closing Amount	Depreciation Opening Amount	Depreciation For The Year	Depreciation Adjustment	Depreciation Closing Amount	Net Block Closing Amount	Net Block Opening Amount
411803	PRINTERS	6305010001	HP OFFICEJET 150 MOBILE PRINTER	03y 00m	6/19/2015	F/B-704	24,500	0	0	0	0	24,500	13,767	7,067	0	20,834	3,666	10,733
412007	TRANSIT CAMP/ G/H EQUIP.		LUPPUR RO (MODEL- ENVY NEO) (RO+UV+TEST ENHANCER) 5 STAGE PURIFICATION PROCESS WITH 8.0 LTRS. CAPACITY S.NO. B5FWB38D1000037	6.33	01.11.2016	570 / 29.09.16	15,800					15,800	414	1,000		1,414	14,386	15,386
412007	TRANSIT CAMP/ G/H EQUIP.		INVERTER 1250 FB 12 VOLT MICROTEK WITH BATTERY INVERTAL 1500 12 VOLT 150AH EXIDE MAKE	6.33	01.11.2016	186 / 03.10.16	19,500					19,500	511	1,234		1,745	17,755	18,989
412008	AIR CONDITIONER		VOLTAS 1.5 TON WINDOW AC 5-STAR WITH V GUARD STABILIZER	6.33	29.06.2017	356 /29.06.2017			34,000			34,000	0	1,627		1,627	32,373	0
412011	AIR COOLER / WATER COOLER		VOLTAS AIR COOLER WND 70 EH	6.33	29.06.2017	356 /29.06.2017			13,000			13,000	0	622		622	12,378	0
412201	COMPUTERS SOFTWARE		TALLY ERP9 GOLD	03y 00m	06.06.2017	SH223 06.06.2017			63,000			63,000	0	21,000		21,000	42,000	0
412201	COMPUTERS SOFTWARE		WAVE SITE OF BSUL	03y 00m	10.11.2017	CL1817-18/ 112			15,000			15,000	0	5,000		5,000	10,000	0
412505	REFRIGERATOR O/TAN OFFICE		WHIRLPOOL REFRIGERATOR 260 L FRESH ROYAL	6.33	29.06.2017	465/ 29.06.2017			23,000			23,000	0	1,101		1,101	21,899	0
					GRAND TOTAL		590,727	0	5,72,89,900	0	0	5,78,80,627	88,373	1,05,704	0	1,94,077	5,76,86,550	5,02,354

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Note no. 2.1 Property, Plant and Equipment as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION					(Amount in ₹)			
		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, 2016
			IUT	Others	IUT	Others									
i)	Land – Freehold	0	0	0	0	0	0	0	0	0	0	0	0		
ii)	Land – Leasehold	0	0	0	0	0	0	0	0	0	0	0	0		
iii)	Roads and Bridges	0	0	0	0	0	0	0	0	0	0	0	0		
iv)	Buildings	0	0	0	0	0	0	0	0	0	0	0	0		
v)	Railway sidings	0	0	0	0	0	0	0	0	0	0	0	0		
vi)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	0	0	0	0	0	0	0	0	0	0	0	0		
vii)	Generating Plant and machinery	0	0	0	0	0	0	0	0	0	0	0	0		
viii)	Plant and machinery	0	0	0	0	0	0	0	0	0	0	0	0		
ix)	Sub station	0	0	0	0	0	0	0	0	0	0	0	0		
x)	Plant and machinery	0	0	0	0	0	0	0	0	0	0	0	0		
	Transmission lines	0	0	0	0	0	0	0	0	0	0	0	0		
	Others	0	0	0	0	0	0	0	0	0	0	0	0		
xi)	Construction	0	0	0	0	0	0	0	0	0	0	0	0		
	Equipment	0	0	0	0	0	0	0	0	0	0	0	0		
xii)	Water Supply System/ Drainage and Sewerage	0	0	0	0	0	0	0	0	0	0	0	0		
	Electrical installations	0	0	0	0	0	0	0	0	0	0	0	0		
xiii)	Vehicles	0	0	0	0	0	0	0	0	0	0	0	0		
xiv)	Aircraft/ Boats	0	0	0	0	0	0	0	0	0	0	0	0		
xv)	Furniture and fixture	0	0	3,98,927	0	0	0	3,98,927	0	1,730	0	3,97,197	0		
xvi)	Computers	1,56,500	0	0	0	0	0	1,56,500	36,160	49,558	0	85,718	1,20,340		
xvii)	Communication	0	0	0	0	0	0	0	0	0	0	0	0		
xviii)	Equipment	0	0	35,300	0	0	0	35,300	0	925	0	34,375	0		
xix)	Office Equipments	0	0	0	0	0	0	0	0	0	0	0	0		
xx)	Research and Development	0	0	0	0	0	0	0	0	0	0	0	0		
xxi)	Other assets	0	0	0	0	0	0	0	0	0	0	0	0		
xxii)	Tangible Assets of minor value >750 and < Rs.5000	0	0	0	0	0	0	0	0	0	0	0	0		
	Total	1,56,500	0	4,34,227	0	0	0	5,90,727	36,160	52,213	0	88,373	1,20,340		
	Previous Year		1,76,400		19,900		1,56,500		39,162	(3,002)		36,160	1,20,340		

Explanatory Note

- 1) Title deeds/little to respect of freehold land amounting to Rs. (Previous year Rs....) covering an area of heclane (Previous year.... heclane) and lease deeds in respect of leasehold land amounting to Rs..... (Previous year Rs.....) covering an area of heclane (Previous year.... heclane) 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 34 for information of non-current assets pledged with bank as security for related borrowings.

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Note no. 2.2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

Particulars	As at 01-Apr-2017	Addition	Adjustment	Capitalised	As at 31st March, 2018
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	6,76,456	12,754			6,89,210
xiv) Expenditure on compensatory Afforestation	-				-
xv) Expenditure attributable to construction *	1,76,01,111	1,65,78,195			3,41,79,306
Less: Provided for	-				-
Sub total (a)	1,82,77,567	1,65,90,949	-	-	3,48,68,516
* For addition during the period refer Note No. 32					
Construction Stores	-				-
Less : Provisions for construction stores	-				-
Sub total (b)	0	-	-	-	0
TOTAL	1,82,77,567	1,65,90,949	-	-	3,48,68,516
Previous year	99,18,760	83,58,807			182,77,567

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(A Joint Venture between NHPC Ltd. and UPNEDA)

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	2,74,903	4,01,553			6,76,456
xiv) Expenditure on compensatory Afforestation	-				-
xv) Expenditure attributable to construction *	96,43,857	79,57,254			1,76,01,111
Less: Provided for	-				-
Sub total (a)	99,18,760	83,58,807	-	-	182,77,567
* 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	99,18,760	83,58,807	-	-	1,82,77,567
Previous year	11,55,759	1,32,83,681	-45,20,680		99,18,760

Explanatory Note: -

- 1) Expenditure attributable to construction (EAC) includes Rs.----- (Corresponding previous period Rs. ----- 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.

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Annexure to Note 2.2

CUMMULATIVE EDC		(Amount in ₹)	
Particulars	Linkage	As at 01-Apr-2018	As at 31-Mar-2017
A. EMPLOYEES BENEFITS EXPENSES			
Salaries, wages, allowances	437501	3,24,29,352	1,87,62,233
Gratuity and contribution to provident fund (including administration fees)	437502	43,92,580	28,62,954
Staff welfare expenses	437503	13,16,725	8,90,327
Leave Salary & Pension Contribution	437504	-	-
Sub-total(a)		3,81,38,657	2,25,15,514
Less: Capitalized During the year/Period	438103	-	-
Sub-total(A)		3,81,38,657	2,25,15,514
B. REPAIRS AND MAINTENANCE			
Building	437510	10,01,171	1,50,955
Machinery	437511	-	-
Others	437512	5,779	-
Rent	437514	13,41,709	5,42,607
Rates and taxes	437515	38,24,210	20,080
Insurance	437516	-	-
Security expenses	437517	-	-
Electricity Charges	437518	21,240	4,500
Travelling and Conveyance	437519	21,09,471	13,11,934
Expenses on vehicles	437520	-	-
Telephone, telex and Postage	437521	2,34,543	1,62,907
Advertisement and publicity	437522	18,75,516	18,75,516
Entertainment and hospitality expenses	437523	68,991	21,298
Printing and stationery	437524	2,09,076	1,34,370
Remuneration to Auditors	437552	1,46,000	1,06,000
Design and Consultancy charges:			
- Indigenous	437526	34,236	34,236
- 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	9,80,692	7,37,872
Sub-total (b)		118,52,634	51,02,275
Less: Capitalized During the year/Period	438102	-	-
Sub-total(B)		118,52,634	51,02,275
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	-	-

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CUMMULATIVE EDC		(Amount in ₹)	
Particulars	Linkage	As at 01-Apr-2018	As at 31-Mar-2017
iv) Guarantee fee on loan	437548	-	-
v) Other finance charges	437549	1,950	1,269
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)		1,950	1,269
Less: Capitalized During the year/Period	438105	-	-
Sub-total (C)		1,950	1,269
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	1,97,079	91,375
Sub-total (f)		1,97,079	91,375
Less: Capitalized During the year/Period	438104	-	-
Sub-total(F)		1,97,079	91,375
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	1,59,32,322	1,00,30,630
iii) Miscellaneous receipts	437572	78,692	7,86,92
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)		1,60,11,014	1,01,09,322
Less: Capitalized During the year/Period	438101	-	-
Sub-total (H)		1,60,11,014	1,01,09,322
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)		3,41,79,306	1,76,01,111
Less: Capitalized During the year/Period		-	-
GRAND TOTAL (A+B+C+D+E+F+G-H+I)		3,41,79,306	1,76,01,111

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

(Amount in ₹)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Total	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - LOANS

(Amount in ₹)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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	-	-
Provisions for doubtful Employees loans *1	-	-
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-

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(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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 FINANCIAL ASSETS

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. Bank Deposits with more than 12 Months Maturity	-	-
B. Lease Rent receivable	-	-
C. Interest receivable on lease	-	-
D. Interest accrued on:	-	-
- Loan to Government of Arunachal Pradesh	-	-
- Bank Deposits with more than 12 Months Maturity	-	-
- Others	-	-
E. Share Application Money-CVPPL (Pending Allotment)*	-	-
TOTAL	-	-

* Refer para-9 of Note No. 34-Other Explanatory Notes to Accounts for receivable mortgaged/hypothecated as security.

NOTE NO. 4.1 NON CURRENT TAX ASSETS (NET)

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax & Tax Deducted at Source	18,43,494	35,15,618
Less: Provision for Taxation	18,43,494	35,15,618
Total	-	-

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NOTE NO. 4.2 OTHER NON-CURRENT ASSETS

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
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)		1,700	1,700
Less : Provision against demand raised by Govt.Depts.		-	-
- Unsecured (considered doubtful)		-	-
Less : Provision for Doubtful Deposits *2		-	-
		1,700	1,700
ii) Other advances			
- Unsecured (considered good)		-	-
- Unsecured (considered doubtful)		-	-
		-	-
C. OTHERS			
i) Deferred Foreign Currency Fluctuation Assets/Expenditure			
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	1,700	1,700
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		-	-

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NOTE NO. 5 INVENTORIES

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(Valuation as per Significant Accounting Policy No.1(iii)(10))		
Stores and spares	-	-
Stores in transit/ pending inspection	-	-
Loose tools	-	-
Scrap inventory	-	-
Material at site	-	-
Material issued to contractors/ fabricators	-	-
Inventory for Self Generated VER's/REC	-	-
Less: Provision for Obsolescence & Diminution in Value *1	-	-
TOTAL	-	-
*1 Provision for Obsolescence & Diminution in Value		
Opening Balance	-	-
Addition during the year		
Used during the year		
Reversed during the year #		
Closing balance	-	-

Explanatory Note:

- i) During the year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.
 - ii) For details, refer para-9 of Note No. 34- Other Explanatory Notes to Accounts for information of assets mortgaged/hypothecated with banks as security for related borrowings.
- # Excess provision made earlier has been reversed during the year which led to the reversal of Write down of value of inventories.

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
	-	-
TOTAL	-	-

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NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
- Unsecured - Considered Good	-	-
- Unsecured - Considered Doubtful	-	-
Less: Provision for doubtful debts *1	-	-
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.		

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

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A Balances with banks		
• With scheduled banks		
i) - In Current Account	11,55,18,203	11,35,42,530
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	-	-
TOTAL	11,55,18,203	11,35,42,530

Explanatory Note: -

- Cash on hand -(Includes stamps on hand)
- Cash and Bank Balances on behalf of others and are not freely available for the business of the Company included in stated amount :-
 - held for Rural Road and Rural Electrification works being executed by Company on behalf of other agencies
 - BSUL Emergency relief fund created in pursuance of order of Hon'ble High Court of Sikkim
 - Others (Specify Nature)

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

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A Balances with Banks	-	-
B Deposit account-Unpaid Dividend / Interest	-	-
TOTAL	-	-

Explanatory Note: -

Cash and Bank Balances held for Rural Road and Rural Electrification 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, 2018	As at 31st March, 2017
OTHER LOANS		
Employees (including accrued interest)		
- Secured (considered good)	-	-
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful Employee loans & advances *1	-	-
Loan to State Government in settlement of dues from customer		
- Unsecured (considered good)	-	-
	-	-
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.	-	-

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NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
Others			
a) Claims recoverable		-	1,506
Less: Provisions for Doubtful Claims *		-	-
Sub-total		-	1,506
b) Interest Income accrued on Bank Deposits		2,22,317	1,93,939
c) Receivable from Subsidiaries / JV's		-	-
d) Interest recoverable from beneficiary		-	-
e) Lease Rent receivable (Finance Lease)-Current		-	-
f) Interest receivable on Finance lease		-	-
g) Interest Accrued on Bonds		-	-
h) Receivable on account of unbilled revenue		-	-
i) Interest accrued on Loan to State Government in settlement of dues from customers		-	-
j) Advance to Contractor against arbitration award		-	-
TOTAL		2,22,317	1,95,445
*1 Provisions for Doubtful Claims			
Opening Balance		-	-
Addition during the year		-	-
Used during the year		-	-
Reversed during the year		-	-
Closing balance		-	-
TOTAL		-	-

NOTE NO. 12 CURRENT TAX ASSETS (NET)

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
Current Tax Assets			
Current Tax (Refer Note No-23)		-	-
TOTAL		-	-

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NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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	-	-
d) Interest accrued on:		
Others		
- Considered Good	-	-
- Considered Doubtful	-	-
Less: Provisions for Doubtful Interest *3	-	-
Sub-total	-	-
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	-	1
Less: Provision for losses pending investigation/awaiting write off / sanction *5	-	1
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) Deferred Foreign Currency Fluctuation		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
g) Surplus / Obsolete Assets	-	-
h) Input GST	-	-
i) Others	-	-
TOTAL	-	-

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(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
*1 Provisions for Doubtful Deposits		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	-	-
*2 Provisions for doubtful advances (Contractors & Suppliers)		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	-	-
*3 Provisions for Doubtful Accrued Interest		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	-	-
*4 Provision for project expenses awaiting write off sanction		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	-	-
*5 Provision for losses pending investigation/awaiting write off / sanction		
Opening Balance	-	
Addition during the year		
Used during the year		
Reversed during the year		
Closing balance	-	-

Explanatory Note:

- Loans and Advances due from Directors or other officers at the end of the year / Period.
- Advances due by firms or Private Companies in which any Director of the Company is a Director a member.
- Surplus Assets/ Obsolete Assets held for disposal are shown at lower of book value and net reliable value.

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NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
(i) Exchange Differences on Monetary Items		
Opening Balance	-	-
Addition during the year	-	-
Adjustment during the year		
Reversed during the year		
Closing balance	-	-
Closing Balance (A)	-	-
Deferred Tax Assets on Regulatory Deferral Account Balances	-	-
Less:-Deferred Tax Adjustments against deferred tax assets	-	-
Total (B)	-	-
Regulatory Deferral Account Balances net of Deferred Tax.(A-B)	-	-

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(A Joint Venture between NHPC Ltd. and UPNEDA)

NOTE: 15.1- Equity Share Capital

(Amount in ₹)

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017	
	Nos	Amount	Nos	Amount
a) Authorized Equity Share Capital (Par value per share Rs. 10)	6,00,00,000	60,00,00,000	1,00,00,000	10,00,00,000
b) No. of Equity shares issued, subscribed and fully paid (Par value per share Rs. 10)	40,00,000	40,00,00,000	10,00,000	1,00,00,000
c) Changes in Equity Share Capital				
Opening number of shares outstanding	10,00,000	10,00,00,000	10,00,000	1,00,00,000
Add: No. of shares/Share Capital issued/ subscribed during the year	30,00,000	3,00,00,000	-	-
Less: Reduction in no. of shares/Share Capital on account of buy back of shares.	-	-	-	-
Closing number of shares outstanding	40,00,000	4,00,00,000	10,00,000	1,00,00,000
d) The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.				
e) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: NIL				
f) Shares in the company held by each shareholder holding more than 5 percent specifying the number of shares held : -				
	As at 31st March, 2018		As at 31st March, 2017	
	Nos	In (%)	Nos	In (%)
NHPC LTD	3999993	99.99	999,993	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 31.03.2018, 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				

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(A Joint Venture between NHPC Ltd. and UPNEDA)

NOTE NO. 15.2 OTHER EQUITY

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium Account	-	-
4	Bond Redemption Reserve	-	-
5	Research & Development Fund	-	-
6	Share Application Money Pending Allotment	-	-
7	General Reserve	-	-
8	Retained Earnings		
	i) Reserves created on account of Ind AS Adjustment	-	-
	ii) Closing Balance Remeasurement of the defined benefit plans	-	-
	iii) Surplus	(54,26,370)	(39,68,319)
9	FVTOCI Reserve-		
	- Equity Instruments	-	-
	- Debt Instruments	-	-
TOTAL		(54,26,370)	(39,68,319)
* Surplus			
Profit for the Year as per Statement of Profit and Loss		(14,58,051)	(32,30,409)
Adjustment arising out of transition provisions for recognising Rate Regulatory Assets		-	-
Balance brought forward		(39,68,319)	(7,37,910)
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		(54,26,370)	(39,68,319)
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 :			
- Interim		-	-
- Final		-	-
Tax on Dividend			
- Interim		-	-
- Final		-	-
Balance carried forward		(54,26,370)	(39,68,319)

BUNDELKHAND SAUR URJA LIMITED

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(A Joint Venture between NHPC Ltd. and UPNEDA)

NOTE NO. 16.1 FINANCIAL LIABILITIES - NON-CURRENT - BORROWINGS

(Amount in ₹)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
<u>Bonds</u>		
- Secured	-	-
- Unsecured	-	-
<u>Term Loans</u>		
• From Banks		
- Secured	-	-
- Unsecured	-	-
• From Other Parties		
- Secured	-	-
- Unsecured-From Government (Subordinate Debts)	-	-
- Unsecured-From Others	-	-
TOTAL	-	-
Redemption / terms of repayment etc.		
i) Debt Covenants : Refer point no. 3 (Capital Management) of Note no. 33.		
ii) Particulars of Redemption & Repayments: Refer Annexures to Note 16.1		
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 LIABILITIES - NON CURRENT - OTHERS

(Amount in ₹)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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	-	-

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NOTE NO. 17 PROVISIONS - NON CURRENT

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)			
i) 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 Livelihood Assistance			
As per last Balance Sheet		-	-
Additions during the year		-	-
Amount used during the year		-	-
Amount reversed during the year		-	-
Unwinding of discount		-	-
Closing Balance		-	-
iii) Provision-Others			
As per last Balance Sheet			
Additions during the year			
Amount used during the year			
Amount reversed during the year			
Closing Balance		-	-
TOTAL		-	-

* Information about Provisions are given in para 17 of Note 34-Other explanatory Notes to Accounts.

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

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
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 Liability		-	-
Less:-Set off Deferred Tax Assets pursuant to set off provisions			
a) Provision for doubtful debts, inventory and others			
b) Provision for employee benefit schemes			
c) Other Items			
Net Deferred Tax Assets		-	-
TOTAL		-	-

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.
- Movement in Deferred Tax Liability/Assets are shown in Annexure to Note No-18

BUNDELKHAND SAUR URJA LIMITED

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(A Joint Venture between NHPC Ltd. and UPNEDA)

NOTE NO. 19 OTHER NON CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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)	-	-

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NOTE NO. 20.1 BORROWINGS - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Borrowings-Other Loans-Secured		
From Banks	-	-
TOTAL	-	-

* Repayment Term: The Loan amount may be repaid at any point of time and in part also.

** Default in repayments (if any) : Nil

NOTE NO. 20.2 TRADE PAYABLE - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Total outstanding dues of micro enterprise and small enterprise(s)	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	1,71,603	1,49,373
TOTAL	1,71,603	1,49,373

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. 20.3 OTHER FINANCIAL LIABILITIES - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long term debt *		
- Bonds	-	-
- Term Loan -Banks-Secured	-	-
- Term Loan -Banks-Unsecured	-	-
- Other Parties-Secured	-	-
- Other Parties-Unsecured	-	-
Bond application money	-	-
Liability against capital works/supplies	-	-
Liability against capital works/supplies-MSME	-	-
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Deposits/ retention money	61,352	24,930
Due to Holding Co.	1,63,48,801	2,63,03,373
Liability for share application money -to the extent refundable	5,71,41,900	-
Unpaid dividend	-	-
Unpaid interest	-	-
Other Payables-Payable to Employees	-	-
Other Payables-Payable to Others	-	-
TOTAL	7,35,52,053	2,63,28,303

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

BUNDELKHAND SAUR URJA LIMITED

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(A Joint Venture between NHPC Ltd. and UPNEDA)

NOTE NO. 21 OTHER CURRENT LIABILITIES

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Income received in advance (Advance against depreciation)	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-
Unspent amount of deposit/agency basis works	-	-
Statutory dues payables	-	10,239
Advances against the deposit works	-	-
Amount Spent on Deposit Works	-	-
Advances against cost of Project Mgt./ Consultancy Work	-	-
Amount Spent in respect of Project Mgt./ Consultancy Works	-	-
Provision Toward Amt Recoverable in r/o Project Mgt / Consultancy Works	-	-
Other liabilities-Advance from Customers & Others.	-	-
Grants in aid-from Government-Deferred Income	10,00,00,000	10,00,00,000
TOTAL	10,00,00,000	10,00,10,239

NOTE NO. 22 PROVISIONS - CURRENT

PARTICULARS	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS		
(Provided for on basis of Actuarial Valuation)		
i) <u>As per last Balance Sheet</u>	-	-
Additions during the year		
Amount used during the year		
Amount reversed during the year		
Closing Balance	-	-
ii) <u>Provision for Wage Revision</u>		
As per last Balance Sheet	-	
Additions during the year	-	
Amount used during the year	-	
Amount reversed during the year	-	
Closing Balance	-	-
Less: Advance paid	-	-
Closing Balance (Net of advance)	-	-
iii) <u>Provision for Performance Related Pay/Incentive</u>		
As per last Balance Sheet	-	
Additions during the year	-	
Amount used during the year	-	
Amount reversed during the year	-	
Closing Balance	-	-
iv) <u>Provision for Superannuation / Pension Fund</u>		
As per last Balance Sheet	-	
Additions during the year	-	
Amount used during the year	-	
Amount reversed during the year	-	
Closing Balance	-	-
v) <u>Provision For Wage Revision 3rd PRC</u>		
As per last Balance Sheet	-	
Additions during the year		
Amount used during the year		
Amount reversed during the year		
Closing Balance	-	-

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(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
B. OTHERS		
i) <u>Provision For Tariff Adjustment</u>		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
ii) <u>Provision For Committed Capital Expenditure</u>		
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) <u>Provision for Restoration expenses of Insured Assets</u>		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
iv) <u>Provision For Livelihood Assistance</u>		
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) <u>Provision for exp in r/o arbitration award/ court cases</u>		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
vi) <u>Provision - Others</u>		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
TOTAL	-	-

Explanatory Note: -

2) Information about Provisions are given in para 17 of Note 34 of Balance Sheet

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NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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)	-	-
Less: Current tax Assets (Move to Note No-12)	-	-
TOTAL	-	-

NOTE NO. 24 REVENUE FROM CONTINUING OPERATIONS

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I Operating Revenue		
A SALES		
SALE OF POWER	-	-
ADVANCE AGAINST DEPRECIATION -Written back during the year	-	-
Less :		
Sales adjustment on a/c of Foreign Exchange Rate Variation	-	-
Tariff Adjustments	-	-
Regulated Power Adjustment	-	-
Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction)	-	-
Rebate to customers	-	-
Sub - Total (A)	-	-
B Income from Finance Lease	-	-
C Income from Operating Lease	-	-
D REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS		
Contract Income	-	-
Revenue from Project management/ Consultancy works	-	-
Sub - Total (D)	-	-
Sub-Total-I (A+B+C+D)	-	-
E OTHER OPERATING REVENUE		
Interest from Beneficiary States (Revision of Tariff)	-	-
Sub-Total-II	-	-
TOTAL (I+II)	-	-

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NOTE NO. 25 OTHER INCOME

		(Amount in ₹)	
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
A) Interest Income			
- Interest from Investments carried at FVTOCI	-	-	
- Interest - Government Securities (8.5% tax free bonds issued by the State Governments)	-	-	
- Interest from Financial Assets carried at Amortized Cost			
- Loan to Government of Arunachal Pradesh	-	-	
- Deposit Account	61,87,648	59,41,659	
- Employee's Loans and Advances (Net of Rebate)	-	-	
- Interest from advance to contractors	-	-	
- Others	-	-	
B) Dividend Income			
- Dividend from subsidiaries	-	-	
- Dividend -Others	-	-	
C) Other Non Operating Income			
Late payment surcharge	-	-	
Income From Sale of Self Generated VERs/REC	-	-	
Realization of Loss Due To Business Interruption	-	-	
Profit on sale of investments	-	-	
Profit on sale of Assets.	-	-	
Income from Insurance Claim	-	-	
Liability/ Provisions not required written back #	-	-	
Material Issued to contractor			
(i) Sale on account of material issued to contractors	-	-	
(ii) Cost of material issued to contractors on recoverable basis	-	-	
(iii) Adjustment on account of material issued to contractor	-	-	
Amortization of Grant in Aid	-	-	
Income on account of generation based incentive (GBI)	-	-	
Exchange rate variation	-	-	
Others	68,047	78,692	
Sub-total	62,55,695	60,20,351	
Add/(Less): C.O./Regional Office/PID Expenses	-	-	
Sub-total	62,55,695	60,20,351	
Less: Income transferred to Expenditure Attributable to Construction	59,01,692	55,88,642	
Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-	
Less: Transfer of other income to grant	-	-	
Total carried forward to Statement of Profit & Loss	3,54,003	4,31,709	
TOTAL	-	-	

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NOTE NO. 26 GENERATION AND OTHER EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. <u>GENERATION EXPENSES</u>		
(i) Water Usage Charges	-	-
(ii) Consumption of stores and spare parts	-	-
B. Direct Expenditure on Contract, Project Management and Consultancy Works	-	-
C. <u>REPAIRS & MAINTENANCE</u>		
- Building	8,50,216	1,50,955
- Machinery	-	-
- Others	5,779	-
D. <u>OTHER EXPENSES</u>		
Rent & Hire Charges	7,99,102	3,77,876
Rates and taxes	38,04,130	20,080
Insurance	-	-
Security expenses	-	-
Electricity Charges	16,740	4,500
Travelling and Conveyance	7,97,537	11,59,384
Expenses on vehicles	-	-
Telephone, telex and Postage	71,636	63,612
Advertisement and publicity	-	7,19,757
Entertainment and hospitality expenses	47,693	19,048
Printing and stationery	74,706	48,962
Consultancy charges - Indigenous	-	6,500
Consultancy charges - Foreign	-	-
Audit expenses (Refer explanatory note-3 below)	40,000	46,000
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	-	-
Donation	-	-
CSR/ Sustainable Development	-	-
Community Development Expenses	-	-
Directors' expenses	-	-
Research and development expenses	-	-
Interest on Arbitration/ Court Cases	-	-
Interest to beneficiary states	-	-

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(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Expenditure on Self Generated VER's/REC	-	-
Expenses for Regulated Power	-	-
Less: - Exp Recoverable on Regulated Power	-	-
Exchange rate variation	-	-
Training Expenses	64,117	-
Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC	-	65,000
Operational/Running Expenses of Kendriya Vidyalay	-	-
Operational/Running Expenses of Other Schools	-	-
Operational/Running Expenses of Guest House/Transit Hostel	5,901	22,619
Operating Expenses of DG Set-Other than Residential	-	-
Other general expenses	1,72,802	360,431
Sub-total	67,50,359	30,64,724
Add/(Less): C.O./Regional Office/PID Expenses	-	-
Sub-total	67,50,359	30,64,724
Less: Amount transferred to Expenditure Attributable to Construction	67,50,359	30,64,724
Less: Recoverable from Deposit Works	-	-
Less: Transfer of Generation & other expenses - IPO/Buyback	-	-
	-	-
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	-	-
Project expenses provided for	-	-
Provision for fixed assets/ stores provided for	-	-
Diminution in value of Inventory of Self Generated VER's Provided for	-	-
Provision for catchment area treatment plan	-	-
Provision for Interest to Beneficiary	-	-
Provision for interest against court/arbitration award	-	-
Others	-	-
Sub-total	-	-
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	-	-

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(A Joint Venture between NHPC Ltd. and UPNEDA)

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 true 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	40,000	46,000
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	40,000	46,000

NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages, allowances	1,36,67,119	85,59,327
Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	15,29,626	13,24,907
Staff welfare expenses	4,26,398	5,44,086
Leave Salary & Pension Contribution	-	-
Sub-total	1,56,23,143	1,04,28,320
Add/(Less): C.O./Regional Office Expenses	-	-
Sub-total	1,56,23,143	1,04,28,320
Less: Employee Cost transferred to Expenditure Attributable to Construction	1,56,23,143	1,04,28,320
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	-	-

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(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 included in Salaries, wages, allowances.		
2 Gratuity, Contribution to provident fund & pension scheme include contributions:		
i) towards Employees Provident Fund	8,50,766	6,62,054
ii) towards Employees Defined Contribution Superannuation Scheme	6,78,860	6,62,853

NOTE NO. 28 FINANCE COST

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A Interest on Financial Liabilities at Amortized Cost :		
Bonds	-	-
Term loan	-	-
Foreign loan	-	-
Government of India loan	-	-
Unwinding of discount-GOI Loan	-	-
Sub-total	-	-
B Other Borrowing Cost		
Loss on Hedging Transactions	-	-
Bond issue/ service expenses	-	-
Commitment fee	-	-
Guarantee fee on foreign loan	-	-
Other finance charges	681	639
Unwinding of discount-Provision & Financial Liabilities	-	-
Sub-total	681	639
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)	681	639
Add/(Less): C.O./Regional Office/PID Expenses	-	-
TOTAL	681	639
Less: Finance Cost transferred to Expenditure Attributable to Construction	681	639
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	-	-

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NOTE NO. 29 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation & Amortisation Expenses	1,05,704	52,213
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-
Add/(Less): C.O./Regional Office / PID Expenses	-	-
Sub-total	1,05,704	52,213
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	1,05,704	52,213
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, 2018	For the year ended 31st March, 2017
Current Tax		
Income Tax Provision	18,43,494	19,24,106
Adjustment Relating To Earlier periods	(31,440)	15,91,512
Total current tax expenses	18,12,054	35,15,618
<i>Deferred Tax- *</i>		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	-	1,46,500
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Increase (decrease) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Total deferred tax expenses (benefits)	-	1,46,500
Less: Recoverable for tariff period upto 2009	-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	-	-
Net Deferred Tax	-	1,46,500
Total carried forward to Statement of Profit & Loss (A+B)	18,12,054	36,62,118

Explanatory Notes:-

i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Accounting profit/loss before income tax	354,003	4,31,709
Applicable tax rate		
Computed tax expense	18,12,054	19,24,106
Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
CSR/ Sustainable Development/ Community Development Expenses		
Recoverable portion of Deferred Tax		
Exempt and Tax Free Income		
Tax Incentives		
Adjustment for current tax of prior periods		15,91,512
MAT Credit Available/(utilization)		
Reversal of Deferred Tax Assets		
Other Items		1,46,500
Income tax expense reported in Statement of P/L	18,12,054	36,62,118

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NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

(Amount in ₹)		
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Movement in Regulatory Deferral Account Balances on account of:-		
(i) Exchange Differences on Monetary Items	-	-
TOTAL (A)	-	-
Impact of Tax on Regulatory Deferral Accounts		
Deferred Tax Expense (Benefit) on Movement in Regulatory Deferral Account Balances	-	-
Less:-Deferred Tax Adjustment against deferred tax assets.	-	-
TOTAL (B)	-	-
Total carried forward to Statement of Profit & Loss (A-B)	-	-

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

(Amount in ₹)		
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. <u>EMPLOYEE BENEFITS EXPENSE</u>		
Salaries, wages, allowances	1,36,67,119	85,59,327
Gratuity and contribution to provident fund	15,29,626	13,24,907
Staff welfare expenses	4,26,398	5,44,086
Leave Salary & Pension Contribution	-	-
Sub-total	1,56,23,143	1,04,28,320
B. <u>REPAIRS & MAINTENANCE</u>		
Building	8,50,216	1,50,955
Machinery	-	-
Others	5,779	-
Sub-total	8,55,995	1,50,955
C. <u>ADMINISTRATION & OTHER EXPENSES</u>		
Rent	7,99,102	3,77,876
Rates and taxes	38,04,130	20,080
Insurance	-	-
Security expenses	-	-
Electricity Charges	16,740	4,500
Travelling and Conveyance	7,97,537	11,59,384
Expenses on vehicles	-	-
Telephone, telex and Postage	71,636	63,612
Advertisement and publicity	-	7,19,757
Entertainment and hospitality expenses	47,693	19,048
Printing and stationery	74,706	48,962
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 Acquisition and Rehabilitation Expenditure	-	-
Losses on sale of assets	-	-
Other general expenses	2,42,820	4,54,550
Exchange rate variation (Debit)	-	-
Sub-total	5,894,364	29,13,769

BUNDELKHAND SAUR URJA LIMITED

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(A Joint Venture between NHPC Ltd. and UPNEDA)

(Amount in ₹)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
D. <u>FINANCE COST</u>		
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	681	639
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	681	639
E. <u>PROVISIONS</u>		
Sub-total	-	-
F. <u>DEPRECIATION AND AMORTISATION EXPENSES</u>		
Sub-total	1,05,704	52,213
G. <u>C.O./Regional Office Expenses:</u>		
Other Income	-	-
Generation, Administration and Other Expenses	-	-
Employee Benefits Expense	-	-
Depreciation & Amortisation Expenses	-	-
Finance Cost	-	-
Provisions	-	-
Sub-total	-	-
H. <u>LESS: RECEIPTS AND RECOVERIES</u>		
Income from generation of electricity – precommissioning	-	-
Interest on loans and advances	59,01,692	55,88,642
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	59,01,692	55,88,642
TOTAL (A+B+C+D+E+F+G-H)	1,65,78,195	79,57,254

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2018

OTHER EQUITY

Attributable to equity holders	(Amount in ₹)						
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Corporate Social Responsibility Fund	Reserve & Surplus Research & Development Fund	General Reserve	Surplus/ Retained Earnings
Balance as at 1st April, 2017	-	-	-	-	-	-	-39,68,319
Profit for the year	-	-	-	-	-	-	-14,58,051
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-14,58,051
Share Application Money received during the year	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Transfer from Retained Earning	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to Bond Redemption Reserve	-	-	-	-	-	-	-
Transfer to Research & Development Fund	-	-	-	-	-	-	-
Trfr to General Reserve	-	-	-	-	-	-	-
Total as on 31st March 2018	-	-	-	-	-	-	-54,26,370

As per our report of even date attached

For and on behalf of Board of Directors

For Vivek Agarwal & CO.
Chartered Accountants
(Firm Regn. No.003179C)

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

sd/-
(Surendra Prasad Singh)
Chief Financial Officer

BUNDELKHAND SAUR URJA LIMITED

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NOTE- 33 (A)

Note No. 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, 2018		As as 31st March, 2017	
		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 (Including interest accrued)	3.2 & 3.3		-		-
c) Others			-		-
(iii) Others					
-Bank Deposits with more than 12 Months Maturity (Including interest accrued)	3.3		-		-
Total Non-current Financial assets		-	-	-	-
Current Financial assets					
(i) Current Investments	6		-		-
(ii) Trade Receivables	7		-		-
(iii) Cash and cash equivalents	8		11,55,18,203		11,35,42,530
(iv) Bank balances	9		-		-
(v) Loans	10		-		-
(vi) others (Excluding Lease Receivables)	11	-	2,22,317	-	1,95,445
Total Current Financial Assets		-	11,57,40,520	-	11,37,37,975
Total Financial Assets		-	11,57,40,520	-	11,37,37,975
		-		-	
Financial Liabilities					
(i) Long-term borrowings	16.1		-		-
(ii) Other Financial Liabilities	16.2		-		-
(iii) Borrowing -Short Term	20.1		-		-
(iv) Trade Payables including MSME	20.2		1,71,603		1,49,373
(v) Other Current financial liabilities					
a) Current maturities of long term borrowings	20.3		-		-
b) Interest Accrued but not due on borrowings	20.3		-		-
c) Other Current Liabilities	20.3		7,35,52,053		2,63,28,303
Total Financial Liabilities			7,37,23,656		2,64,77,676

NOTE- 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 classified its financial instruments into the following three levels prescribed under Ind AS-113 "Fair Value Measurements"

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

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

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

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

		(Amount in ₹)	
PARTICULARS		As at 31st March, 2018	As at 31st March, 2017
Financial Assets at FVTOCI	Note No.	Level 1	Level 1
(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, 2018			As at 31st March, 2017		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans	3.2						
a) Employees			-			-	
b) Loans (including Interest Accrued)			-			-	
c) Others			-			-	
(ii) Others	3.3						
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)		-			-		
Total Financial Assets		-	-	-	-	-	-
Financial Liabilities							
(i) Long-term borrowings including current maturities and accrued interest	16.1 & 20.3						
(ii) Other Long Term Financial Liabilities	16.2			-			
Total Financial Liabilities		-	-	-	-	-	-

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(Amount in ₹)

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

Particulars	Note No.	As at 31st March, 2018		As at 31st March, 2017	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	3.2				
(i) Loans					
a) Employees		-		-	
b) Loans (including Interest Accrued)		-	-	-	-
c) Others		-		-	
(iii) Others	3.3				
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)		-	-	-	-
Total Financial Assets		-	-	-	-
Financial Liabilities					
(i) Long-term borrowings including Current maturities and accrued interest	16.1	-		-	
(ii) Other Long Term Financial Liabilities	16.2	-		-	
Total Financial Liabilities		-	-	-	-

Note:-

- The Carrying amounts of current investments, Trade and other receivables, Cash and cash equivalents, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
 - For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.
- (d) Valuation techniques and process used to determine fair values**
- 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 marked price for dealers quoted for similar instrument.
 - 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 holding company's outstanding borrowings. Except subordinates debts & foreign currency borrowings
 - As per Ind AS 1,09, financial liabilities that are subsequently measured at amortised cost are recognised initially at fair value minus transaction costs using the effective interest method. Since the transaction costs incurred on long term borrowings are not material, as such the company has not applied the effective interest method for initial recognition of such liabilities.

NOTE- 33 (2)

(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, Lease Receivable.	Aging analysis, credit rating.	Diversification of bank deposits, letter of credit for selected customers.
Liquidity Risk	Borrowings and other facilities.	Rolling cash flow forecasts & Budgets	Availability of committed credit lines and borrowing facilities
Market Risk- Interest rate	Long term borrowings at variable rates	Sensitivity Analysis	1. Diversification of fixed rate and floating rates
Market Risk- security prices	Investment in equity and debt securities	Sensitivity Analysis	Portfolio diversification
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR.	Sensitivity Analysis	Foreign exchange rate variation is recovered through tariff as per CERC Regulation.

i) Credit risk

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

ii) Liquidity risk.

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

iii) Market risk

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

The company operates in a regulated environment. Tariff of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components:

1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above Foreign Currency Exchange variations and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company.

(B) Credit Risk

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

Trade Receivables & lease receivables

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

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

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Financial assets at amortised cost :-

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

Loans to Govt. of Arunachal 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 amortized cost. The loan is recoverable from the share of free power of the state government from the first hydroelectric project to be commissioned in the state. Management does not envisage any probability of default on the loan.

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 diversified across private and public sector banks with limited exposure with any single bank.

(i) Exposure to credit risk

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

Particulars	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Non-current investments	-	-
Loans -Non Current	-	-
Other Non Current Financial Assets	-	-
Current Investments	-	-
Cash and cash equivalents	11,55,18,203	11,35,42,530
Bank balances	-	-
Loans -Current	-	-
Total (A)	11,55,18,203	11,35,42,530
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	-	-
Lease Receivables	-	-
Total (B)	-	-
TOTAL (A+B)	11,55,18,203	11,35,42,530

(ii) Provision for expected credit losses :-

(a) Financial assets for which was allowance instruments using 12 month expected credit Version

The Company assesses outstanding receivables on an ongoing basis considering changes in payment behaviour and provides for expected credit loss on case-to-case basis.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

CERC Tariff Regulations 2014-19 allow the Company to raise bills on beneficiaries for late-payment surcharge. which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables. However, the Company assesses outstanding trade receivables on an ongoing basis

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considering changes in operating results and payment behaviour and provides for expected credit loss on case-to-case basis. As at the reporting date company does not envisage any default risk on account of non-realisation of trade receivables.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not over due	0-60 days past due	61-120 days past due	121-180 days past due	More than 180 days past due	Total
Gross Carrying amount as on 31.3.2018.						-
Gross Carrying amount as on 31.3.2017.						-

(iv) Reconciliation of impairment loss provisions

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

	Trade Receivables	Lease Receivable	Loans	Total
Balance as at 1.4.2017	-	-	-	-
Changes in Loss Allowances	-	-	-	-
Balance as at 31.03.2018	-	-	-	-

(C) Liquidity Risk

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

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

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

Particulars	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
At Floating Rate	-	-
fixed rate	-	-
Total	-	-

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.

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As at 31st March 2018

(Amount in ₹)						
Contratual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2018	Within 1 Year	More than 1 Years & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	1,64,10,153	1,64,10,153	-	-	-
Trade Payables	20.2	1,71,603	1,71,603	-	-	-
Total Financial Liabilities		1,65,81,756	1,65,81,756	-	-	-

As at 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 Years & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	2,63,28,303	2,63,28,303	-	-	-
Trade Payables	20.2	1,49,373	1,49,373	-	-	-
Total Financial Liabilities		2,64,77,676	2,64,77,676	-	-	-

(D) Market Risk:

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

(i) Interest rate risk and sensitivity

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

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

(Amount in ₹)				
Particulars	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2017
	weighted average interest rate		weighted average interest rate	
Floating Rate Borrowings (INR)		-		-
Floating Rate Borrowings (FC)		-		-
Fixed Rate Borrowings (INR)		-		-
Fixed Rate Borrowings (FC)		-		-
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.

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(Amount in ₹)

Particulars	Effect on Profit before Tax	
	As at 31st March, 2018	As at 31st March, 2017
Borrowing in INR-Interest rates-decreased by basis points (Previous year 2016-17 decreased by basis points)*		
Borrowing in FC-Interest rates-increased by basis points (Previous year 2016-17 increased by basis points)*		
Borrowing in FC-Interest rates-decreased by basis points (Previous year 2016-17 decreased by basis points)*		

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

(ii) Price Risk:

(a) Exposure

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

(b) Price Risk Sensitivity

For Investment in Equity Instruments

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

Particulars	As at 31st March 2018		As at 31st March, 2017	
	% change	Impact on other components of equity	% change	Impact on other components of equity
Investment in Equity shares of :				

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

For Investment in Debt Instruments

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

Particulars	As at 31st March 2018		As at 31st March, 2017	
	% change	Impact on other components of equity	% change	Impact on other components of equity

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(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 (in Lacs) are as follows :

Particulars	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Financial Liabilities:		
Foreign Currency Loans		
Other Financial Liabilities	-	-
Net Exposure to foreign currency (liabilities)	-	-

(b) Sensitivity Analysis

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

For Vivek Agarwal & CO.
Chartered Accountants
(Firm Regn. No.003179C)

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

sd/-
(Surendra Prasad Singh)
Chief Financial Officer

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NOTE- 33 (3)

(3) Capital Management

(a) Capital Risk Management

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

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

Statement of Gearing Ratio

Particulars	(Amount in ₹)	
	As at 31st March, 2018	As at 31st March, 2017
(a) Total Debt	-	-
(b) Total Capital	3,45,73,630	60,31,681
Gearing Ratio (a/b)	0.00	0.00

Note: For the purpose of the Company's capital management, capital includes issued capital and reserves. Net debt includes interest bearing loans and borrowings.

(b) Loan Covenants:

Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants:-

During the year the company has complied with the above loan covenants.

For Vivek Agarwal & CO.

Chartered Accountants
(Firm Regn. No.003179C)

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

sd/-

(Surendra Prasad Singh)
Chief Financial Officer

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Note No. - 34: Other Explanatory Notes to Accounts as on 31.03.2018(BSUL)

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

Management has assessed the above claims and recognized a provision of ₹ NIL (previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ NIL (previous year ₹ 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) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ NIL (Previous year ₹ NIL) based on probability of outflow of resources embodying economic benefits and estimated ₹ NIL (previous year ₹ NIL.) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

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

(iv) Others

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

The above is summarized as at 31.03.2018 as below:

(Amount in ₹)

Sl. No.	Particulars	Claims as on 31.03.2018	up to date Provision against the claims/ paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition/ (deduction) from contingent liability during the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works	NIL	NIL	NIL	NIL	NIL	NIL
2.	Land Compensation cases	NIL	NIL	NIL	NIL	NIL	NIL
3.	Disputed tax matters	NIL	NIL	NIL	NIL	NIL	NIL
4.	Others	NIL	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL	NIL

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- (b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) There is possibility of reimbursement to the company of ₹ NIL (previous year ₹ NIL) towards above contingent liabilities.
- (e) (i) An amount of ₹ NIL (previous year ₹ NIL) stands paid towards above Contingent Liabilities in respect of Capital Works, pursuant to Niti Aayog directions issued vide OM No. 14070/14/2016-PPPAU dated 5th September 2016, in cases where Arbitral Tribunals have passed orders in favour of contractors in arbitral proceedings and such awards/orders have been further challenged by the Company in a Court of Law, upto 75% of the arbitral award (including interest payable as per such award) subject to contractors fulfilling the terms and conditions laid down in the Standard Operating Procedures framed by the Company in this regard. The amount so released is being shown as Current Financial Assets-Others (Note No. 11).
- (ii) An amount of ₹ NIL (previous year ₹ NIL) stands paid/deposited with courts 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) Category of agency wise details of contingent liability as at 31.03.2018 are as under:

(Amount in ₹)

Sl. No.	Category of Agency	Claims as on 31.03.2018	up to date Provision against the claims/paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition(+)/deduction (-) from contingent liability during the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1	Central Govt. departments	NIL	NIL	NIL	NIL	NIL	NIL
2	State Govt. departments or Local Bodies	NIL	NIL	NIL	NIL	NIL	NIL
3	CPSEs	NIL	NIL	NIL	NIL	NIL	NIL
4	Others	NIL	NIL	NIL	NIL	NIL	NIL
	TOTAL	NIL	NIL	NIL	NIL	NIL	NIL

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) 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) towards arbitration awards including updated interest thereon.

Based on Management assessment the inflow of economic benefits of ₹ NIL (previous year ₹ NIL) are probable and for rest of the claims, possibility of any inflow is remote.

b) Other Cases

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

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Contingent Assets are summarized below:

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)	(iv)
1.	Counter claims lodged by the company	NIL	NIL
2.	Late Payment Surcharge	NIL	NIL
3.	Revenue to the extent not recognised in respect of power stations	NIL	NIL
4.	Business Interruption Losses	NIL	NIL
5.	Other cases	NIL	NIL
	Total	NIL	NIL

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

(Amount in ₹)

Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(iii)	(iv)
1.	Property Plant and Equipment (including CWIP)	NIL
2.	Investment Property	NIL
3.	Intangible Assets	NIL
	Total	NIL

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

5. Other disclosure under IND AS 11- 'Construction Contracts' are as under:

(Amount in ₹)

Sl.	Particulars	31.03.2018	31.03.2017
(i)	(ii)	(iii)	(iv)
1.	Aggregate amount of costs incurred and recognised profits (less recognised losses) on contracts in progress upto reporting date.	NIL	NIL
2.	Amount of advances received.	NIL	NIL
3.	Amount of retention.	NIL	NIL
4.	The gross amount due from customers for contract works as an asset.	NIL	NIL
5.	The gross amount due to customers for contract works as a liability.	NIL	NIL

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

(Amount in ₹)

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
(i)	Amount charged to Statement of Profit & Loss excluding depreciation (as FERV)	NIL
(ii)	Amount charged to Statement of Profit & Loss excluding depreciation (as Borrowing Cost)*	NIL
(iii)	Amount charged to Capital work-in-progress (as FERV)	NIL
(iv)	Amount adjusted by addition to the carrying amount of property, plant & equipment	NIL

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7. Operating Segment:

- Electricity generation (including income from embedded Finance/ Operating leases) 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 on 'Operating Segment'.
- The Company has a single geographical segment as all its Power Stations are located within the Country.
- Information about major customers: Revenue of ₹ NIL (previous period ₹ NIL) is derived from following customers as per details below:

(Amount in ₹)

S. No	Name of Customer	Revenue from customer		Revenue from customer as a % of total revenue	
		For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2018	For the year ended 31.03.2017
		NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

- Revenue from External Customers: The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is as under:

(Amount in ₹)

S. No	Revenue from External Customers	For the period ended 31.03.2018	For the period ended 31.03.2017
		NIL	NIL
	Total	NIL	NIL

Note: Above includes amount in foreign currency ₹ NIL .(Previous period ₹ NIL).

8. Related Party Disclosures are given below:

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

(a) Interest in Holding Co.:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2018	31.03.2017
NHPC LTD.	INDIA	POWER GENERATION	99.99	99.99

(b) Key Management Personnel:

S. No	Name	Position Held
1.	SH. S.K. DUBEY	CHIEF EXECUTIVE OFFICER
2.	SH. SURENDER PRASAD SINGH	CHIEF FINANCIAL OFFICER
3.	SH. TARKESHWAR SINGH	COMPANY SECRETARY

(c) Name and nature of relationship with Government:

S. No	Name of the Related parties	Nature of Relationship with NHPC
1	Government of India	Shareholder in Holding Company having control over company
2	Govt. of Uttar Pradesh	Shareholder in Company having control over company

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(d) Key Management Personnel (KMP) compensation:

(Amount in ₹)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
i) Short Term Employee Benefits	NIL	NIL
ii) Post-Employment Benefits	NIL	NIL
iii) Other Long Term Benefits	NIL	NIL

(Amount in ₹)

Other Transactions with KMP	For the year ended 31.03.2018	For the year ended 31.03.2017
Sitting Fees and other reimbursements to non-executive/independent directors	NIL	NIL
Interest Received during the year	NIL	NIL

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

(Amount in ₹)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i)	(ii)	(iii)
i) Transaction with Government that has control over company- (Central Govt./State Government)	-	-
Services Received by the Company	-	-
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	-	-
ii) Transaction with Entities controlled by the same Government that has control over company	-	-
Purchase of property/Other assets	-	-
Purchase of goods/Inventory	-	-
Services Received by the Company	-	-
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	-	-
iii) Transaction with Holding Co.	-	-
Services Provided by the Company	-	-
Deputation of Employees by the company	-	-
Deputation of Employees to the company	1,63,48,801	2,63,03,373
Loan received by the Company	-	-
Equity contribution received by the Company	-	-
Dividend Paid by the company	-	-
iv) Transaction with KMP & Entities Controlled by KMP	-	-
Services Provided by the Company	-	-
Services Received by the Company	-	-
Loan to KMP	-	-
v) Transaction with Trust created for Post-employment Benefit plans of NHDC	-	-
Contribution to Trusts	-	-
Refund from Trusts (Payments)	-	-

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(h) Outstanding Balances with Related Parties:

(Amount in ₹)

Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)
i) Balances with Government that has control over company- (Central Govt./ State Govt.)	-	-
Payables by the Company	-	-
Receivables by the Company	-	-
Loan from Government	-	-
Balances out of commitments made by the company	-	-
ii) Balances with Entities controlled by the same Government that has control over company	-	-
Payables by the Company	-	-
Receivables by the Company	-	-
Balances out of commitments made by the company	-	-
iii) Balances with Holding Co.	-	-
Payables by the Company	16348801	26303373
Receivables by the Company	-	-
Loan outstanding	-	-
Balances out of commitments made by the company	-	-
iv) Balances with KMP & Entities Controlled by KMP	-	-
Receivables by the Company	-	-
v) Balances with Trust created for Post- employment Benefit plans of NHDC	-	-
Receivable by Company	-	-
Payable by the Company	-	-

The Company has business transactions with the state governments and entities controlled by the Govt. of India. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturers (OEMs) for proprietary items/ on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items. Therefore, party-wise details of such transactions have not been given since such transactions are carried out in the ordinary course of business at normal commercial terms and not considered to be significant.

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

(Amount in ₹)

S. No	Particulars	As at 31.03.2018	As at 31.03.2017
	First Charge	-	-
1	Property Plant & Equipment	-	-
2	Capital Work In Progress	-	-
3	Financial Assets- Others	-	-
	Total	-	-

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10. Disclosures Regarding Employee Benefit Obligations: All the employees working in the company belongs to the Holding company (NHPC Ltd). The employee benefit obligations have been recognised by the Holding Company.

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

(b) The confirmation from external parties in respect of Trade Receivables, Trade Payables, Deposits, Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors is sought for outstanding balances of ₹ 5,00,000 or above in respect of each party as at 31st December of every year. Status of confirmation of balances as at December 31, 2017 as well as amount outstanding as on 31.03.2018 is as under:

(Amount in ₹)

Particulars	Outstanding amount as on 31.12.2017	Amount confirmed	Outstanding amount as on 31.03.2018
Trade receivable	-	-	-
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	-	-	-
Trade/Other payables	1,71,603	-	1,71,603
Security Deposit/Retention Money payable	61,352	-	61,352

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

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

(₹ in Crore)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
a)* Value of imports calculated on CIF basis:	-	-
i) Capital Goods	-	-
b)* Expenditure in Foreign Currency	-	-
i) Interest	-	-
ii) Other Misc. Matters	-	-
c)* Value of spare parts and Components consumed in operating units.	-	-
i) Imported	-	-
ii) Indigenous	-	-
d)* Earnings in foreign currency	-	-
i) Others	-	-

* Accrual basis.

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13. Disclosure related to Corporate Social Responsibility (CSR):

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

(Amount in ₹)

S. No	Heads of Expenses constituting CSR expenses	For the year ended 31.03.2018	For the year ended 31.03.2017
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 Vidyalaya Abhiyan	-	-
13	Swachh Bharat Abhiyan	-	-
	Total amount	-	-

(ii) Other disclosures:-

- (a) Details of expenditure incurred during the year ended on 31.03.2018 paid and yet to be paid 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	-	-	-
(ii) On purpose other than (i) above	-	-	-
Total	-	-	-

- (b) 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.

- (iii) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to ₹ NIL for FY 2017-18. The Board of Directors had allocated total budget of ₹ NIL Crore for FY 2017-18 (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).

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14. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 04.09.2015 (Refer Note no. 20.2 and 20.3 of the Balance Sheet) are as under:

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:		
a)	Trade Payables:	-	-
	-Principal	-	
	-Interest	-	
b)	Others:		
	-Principal		
	-Interest		
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date	-	
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

15. The management is of the opinion that no case of impairment of assets exists under the provisions of Ind AS-36 on "Impairment of Assets" as at 31st March 2018.

16. Earnings Per Share:

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

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Earnings per Share before Regulatory Income (₹) – Basic & Diluted		
Earnings per Share after Regulatory Income (₹) – Basic & Diluted		
Face value per share (₹)		

- b) Reconciliation of Earning Used in calculating Earnings Per Share:

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Net Profit after Tax but before Regulatory Income used as numerator (₹ in crore)		
Net Profit after Tax and Regulatory Income used as numerator (₹ in crore)		

- c) Reconciliation of weighted Average number of shares used as denominator :

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Weighted Average number of equity shares used as denominator		

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

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for the year (Previous Year 2016-17) on the basis of Management Estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India.

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

Short term provision for wage revision of the employees of the company has been recognised in the accounts for the period 1.01.2017 to 31.03.2018 as per notification of the Development of Public Enterprises, Government of India.

(iii) Other Provisions:**a) Provision For Tariff Adjustment:**

Provision for tariff adjustment is made on estimated basis against probable refund to beneficiaries on reassessment of tariff billed, pending approval of Tariff/truing up for the period 2014-19 by Central Electricity Regulatory Commission (CERC).

b) Provision for Livelihood Expenses:

Provision has been recognised at discounted value adjusted for average inflation in the accounts towards special financial package finalised in consultation with the State Government and approved by the Board of Directors of NHPC for livelihood assistance of the project affected families (PAFs) in Parbati-II and Parbati-III. As per the package, pending finalisation of modalities of payment, one eligible person from each PAF shall be provided livelihood assistance equivalent to minimum wage of unskilled category as per the Government of Himachal Pradesh/ Central Government whichever is higher on monthly instalment basis, for the periods as under:

- i) Till the date of superannuation for PAFs eligible for employment.
- ii) For 2000 days to those PAFs left with zero balance land but excluded for employment.
- iii) For 1000 days to all remaining PAFs.

c) Provision for Committed Capital Expenditure:

Provision has been recognised at discounted value for Capital Expenditure to be incurred towards environment, compensatory afforestation, local area development, etc. which was a pre-condition for 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.

d) Provision for restoration expenses of insured assets:

Provision has been recognised in the accounts based on Management Estimates for restoration of damaged assets insured under Mega & CPM Policy. Utilization of the provision is to be made against incurrence of actual expenditure towards restoration of the assets.

e) Provisions for expenditure in respect of Arbitration Award/Court cases:

This includes provisions created on the basis of management assessment as to probable outflow in respect of contractors claims against which arbitration award/Court decision have been received and which have been further challenged in a Court of Law. Utilization/outflow of the provision is to be made on the outcome of the case.

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f) Provisions- Others: This includes provisions towards:-

- (i) Contractor claims, Land compensation cases, disputed tax demands and other cases created on the basis of management assessment as to probable outflow. Utilization/outflow of the provision is to be made on the outcome of the case
- (ii) Wage revision of Central Government Employees whose services are utilised by the company.

18. Opening balances/corresponding figures for previous year/period have been re-grouped/re-arranged wherever necessary.

19. Disclosure as per Ind AS 17 'Leases'

A) Operating leases

1) Company as lessee

- a) The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees. These leasing arrangements, which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for residential use of employees amounting to Rs 824370/- (31st March 2017 Rs. 948854/-) included under Salaries, wages, allowances in Note 27.
- b) The Company has taken premises for offices, guest houses & transit camps on operating leases which are not non-cancellable, are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices, guest houses & transit camps amounting to Rs. 323519/- (31st March 2017 Rs. 123054/-) are shown under Rent & Hire Charges in Note 26.
- c) The Company has taken vehicles on operating leases for a period generally 1 to 2 years and such leases are not non-cancellable. Lease payments in respect of hiring of vehicles amounting to Rs 475583/- (31st March 2017 Rs. 254822/-) are shown under Rent & Hire Charges in Note 26.
- d) Till FY 2016-17, depreciation on mobile phones/ cellular phones was being charged as per the rate and methodology notified by CERC for the fixation of tariff. W.e.f. FY 2017-18, depreciation on Mobile phones is being provided on straight line basis over a period of three years with residual value of Re 1 based on management assessment. Accordingly, depreciation charge on mobile phones/ cellular phones during FY 2017-18 is higher by Rs NIL/- . Further, depreciation charge for mobile phones/ cellular phones existing as on 31st March 2018 shall be higher by Rs NIL/- during the next two financial years.

For Vivek Agarwal & CO.
Chartered Accountants
(Firm Regn. No.003179C)

sd/-
(CA Ajay Kumar Bhargava)
Partner
M.No. 077833

sd/-
(Ratish Kumar)
Chairman

sd/-
(Sri Prakash)
Chief Executive Officer

sd/-
(Surendra Prasad Singh)
Chief Financial Officer

sd/-
(Cherian Mathew)
Director

sd/-
(Tarkeshwar Singh)
Company Secretary

Place : Lucknow
Date : 13.08.2018

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Information required for reporting of matters under Companies (Auditor's Report) Order, 2016.:

- a) Undisputed Statutory dues outstanding as on 31.03.2018 which have not been deposited within six months from the date they became payable:

Nature of dues	Amount (in Rs.)	Due date of remittance
EPF	NIL	NIL
Income Tax	NIL	NIL
Goods & Service Tax Act	NIL	NIL
Sales Tax /VAT	NIL	NIL
Service Tax	NIL	NIL
Custom Duty	NIL	NIL
Excise Duty	NIL	NIL
Works Contract Tax	NIL	NIL
Any other levies (Please specify)	NIL	NIL

- b) Statutory dues which have not been deposited on account of any dispute:-

Name of the Statute	Nature of dues	Amount (in Rs.)	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
Goods & Service Tax Act	Goods & Service Tax	NIL	NIL	NIL
Please specify	Any other levies	NIL	NIL	NIL

- c) Details of Immovable Properties (land and other than land) for which title deeds are not held in the name of the company:

Sl. No.	Details of Land	Gross Block as at 31.03.2018	Net Block as at 31.03.2018	Area (in Hectare)	Reasons for non-execution of title deed
1	Land-Freehold	NIL	NIL	NIL	NIL
2	Land-Leasehold	NIL	NIL	NIL	NIL
3	Other than Land-	NIL	NIL	NIL	NIL

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Chenab Valley Power Projects [P] Limited.

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **Chenab Valley Power Projects [P] Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, 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 (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, 2018, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

1. The status of equity contribution as on 31st March, 2018 from the promoters namely NHPC Ltd., JKSPDC and PTC (India) Limited stood at ₹ 582,36,00,000/- (55.39%), ₹ 465,00,00,000/- (44.23%) and ₹ 4,08,00,000/- (0.39%) respectively. Since NHPC is a public limited company and more than 50% of the paid up share capital of the company Chenab Valley Power Projects Private Limited (CVPPPL) is being held by it, CVPPPL has become subsidiary of NHPC Ltd which is a public company. Hence the company CVPPPL, though a private limited company has acquired the status of deemed public company (being subsidiary of a public company.). The equity contribution of NHPC was raised to 55.39% in Oct 2017.
2. Minimum number of Directors' as per Article of Association are four where as it should be ten as per the Promoters' Agreement. The Article of Association have not been modified to bring them in line with Promoters' Agreement (as per clause 113 of AOA).
3. Total paid up share capital of the Company is ₹ 1051.44 Crores as on 31st March, 2018. Paid share capital of PTC (India) Limited is still ₹ 4.08 Crore. Having regard to mutual promoter contribution ratio as stipulated in Promoters' Agreement, the paid up capital of PTC (India) Limited Should be ₹ 23.77Crores. ₹ 23.77 Crores has been calculated based on Contribution of NHPC towards paid up Capital. Therefore, there is shortfall in promoters' contribution by PTC to the extent of ₹ 19.69 Crores.

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4. The paid up share capital of NHPC is ₹ 582.36 crores and as per promoters' agreement JKSPDC 's paid up share capital should reflect the matching amount. Hence the shortfall in promoter's contribution by JKSPDC is to the extent of ₹ 117.36 crores.
5. As per clause 84 of the Article of Association the post of Joint Managing Director shall be held by nominee of JKSPDC. However, the post is vacant since long.

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.

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

- e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the Company.
- f) With respect to the other matters to be included in the Auditor's Report for the year 2017-18 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 No. 34 (other explanatory Notes to Accounts)- Pt. No. 1 (a) (i) and Pt. No. 2 (a)
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The disclosure for specified Bank Notes is not applicable during the year 2017-18.

For S. Kumar Gupta & Co.
Chartered Accountants
(FRN. 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M. NO. 503362

Place : Jammu
Date : 26.05.2018

CVPPPL LIMITED

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ANNEXURE – “A” TO THE AUDITORS’ REPORT

[Referred to in our Report of even date on the Accounts of Chenab Valley Power Projects [P] Limited as at and for the year ended 31st March, 2018]

The Annexure referred to in our report to the members of Chenab Valley Power Projects [P] Limited for the year Ended on 31st March 2018. 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 by the management; no discrepancies were noticed on such verification.
- c) In respect of following sums paid by the company for following Immovable properties, the status of title deeds is as under:

Corporate Office	6.00 Crore	Mutation recorded in revenue record in the name of the company.
Pakal Dul	435.47 Crores	NOC from J&K SFC obtained for ₹ 435.47 Cores
Kiru	9.45 Crore	Utilization certificate received from J&K SFC
Kwar	3.44 Crore	Right to use the land granted by GoJK vide letter dated 08.08.2014.

- (ii) No Inventory has been procured by the Company, hence no physical verification of Inventory is required.
- (iii) According to the information and explanation given to us, The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly clauses 3 (iii) (a) to 3 (iii) (c) of the Order are not applicable.
- (iv) The 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, 2018 for 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.

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(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 S. Kumar Gupta & Co.
Chartered Accountants
(FRN. 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M. NO. 503362

Place : Jammu
Date : 26.05.2018

CVPPPL LIMITED

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ANNEXURE "B" TO THE AUDITORS' REPORT

[Referred to in our Report of even date on the Accounts of Chenab Valley Power Projects [P] Limited
as at and for the year ended 31st March 2018]

Directions u/s 143(5) of Companies Act, 2013 applicable from the year 2014-15 and onwards

Sr. No.	Directions	Remarks
1	If the company has been selected for disinvestment a complete report in terms of valuation of assets (including intangible assets and Land) and liability (including Committed and General Reserves) may be examined including the mode and present stage of Disinvestment process	The Company has not been selected for Disinvestment.
2	Please report whether there are any cases of waiver/ write off of debts/ loans/ interest etc. If yes, the reasons there for and the amount involved	There are no cases of waiver/write off of debts/ loans/ interest
3	Whether proper records are maintained for inventories lying with third parties and assets received as gifts from the government and other authorities	No inventories of the company are lying with third parties. No assets have been received as gift from government and other authorities.
4	A report on age wise analysis of pending legal/arbitration cases including the reasons for pendency and existence / effectiveness of monitoring mechanism for expenditure on all legal cases (foreign and local)	In the case of Jagdish Chand Gupta & Others an appeal has been filed against arbitration award by the the company. The appeal has been filed with District Court, Sector-43, Chandigarh on 26/09/2014. The law officer and the Manager of Pakal Dul HE Project have been deputed to personally attend all the hearings along with the legal Counsel. Counter Claim of ₹ 352 lakh has been filed in the year 2017-18 for non performance of contract as per terms and conditions.

For **S. Kumar Gupta and Co.**
(Chartered Accountant)

sd/-
CA Vinamar Gupta
(Partner)
M. No. 503362

Place : Jammu
Date : 26.05.2018

CVPPPL LIMITED

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BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹ Lacs)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
(1) NON-CURRENT ASSETS			
a) Property Plant & Equipment	2.1	3,972.00	2,002.12
b) Capital Work In Progress	2.2	56,016.69	48,215.81
c) Investment Property	2.3	-	-
d) Other Intangible Assets	2.4	44,866.52	43,941.56
e) Financial Assets			
i) Investments	3.1	-	-
ii) Loans	3.2	-	-
iii) Others	3.3	100.00	100.00
f) Non-Current Tax Assets (Net)	4.1	-	-
g) Other Non-Current Assets	4.2	15,236.19	7,037.41
TOTAL NON-CURRENT ASSETS		1,20,191.40	1,01,296.90
(2) CURRENT ASSETS			
a) Inventories	5	-	-
b) Financial Assets			
i) Investments	6	-	-
ii) Trade Receivables	7	-	-
iii) Cash & Cash Equivalents	8	17,424.62	14,180.71
iv) Bank balances	9	200.00	-
v) Loans	10	27.68	38.59
vi) Others	11	459.73	182.57
c) Current Tax Assets (Net)	12	0.72	-
d) Other Current Assets	13	12.02	41.65
TOTAL CURRENT ASSETS		18,124.77	14,443.52
(3) Regulatory Deferral Account Debit Balances	14	-	-
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		1,38,316.17	1,15,740.42
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	15.1	1,05,144.00	92,408.00
(b) Other Equity	15.2	9,041.59	2,128.01
TOTAL EQUITY		1,14,185.59	94,536.01
(2) LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	16.1	-	-
ii) Other financial liabilities	16.2	14.22	70.69
b) Provisions	17	227.47	71.64
c) Deferred Tax Liabilities (Net)	18	-	-
d) Other non-current Liabilities	19	-	-
TOTAL NON-CURRENT LIABILITIES		241.69	142.33

CVPPPL LIMITED

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹ Lacs)

PARTICULARS	Note No.	As at 31st March, 2018	As at 31st March, 2017
(3) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	20.1	-	-
ii) Trade Payables	20.2		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		-	-
iii) Other financial liabilities	20.3	12,336.80	19,999.82
b) Other Current Liabilities	21	10,275.18	619.88
c) Provisions	22	1,276.91	442.35
d) Current Tax Liabilities (Net)	23	-	0.03
(4) FUND FROM C.O.	15.3	-	-
TOTAL CURRENT LIABILITIES		23,888.89	21,062.08
TOTAL EQUITY & LIABILITIES		1,38,316.17	1,15,740.42
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		
Note 1 to 34 form integral part of the Accounts			

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

For S. Kumar Gupta & Co.
Chartered Accountants
(Firm Regn. No.: 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M.No.: 503362

Place : Jammu
Date : 26.05.2018

sd/-
(M Y Khan)
Chairman

sd/-
(K K Goel)
Chief (Finance)

sd/-
(M S Babu)
Managing Director

sd/-
(Sudhir Anand)
Company Secretary

CVPPPL LIMITED

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)			
	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME			
i) Revenue from Continuing Operations	24	-	-
ii) Other Income	25	620.16	1,088.16
TOTAL INCOME		620.16	1,088.16
EXPENSES			
i) Generation and Other Expenses	26	54.43	173.35
ii) Employee Benefits Expense	27	-	-
iii) Finance Cost	28	-	-
iv) Depreciation & Amortization Expense	29	-	-
TOTAL EXPENSES		54.43	173.35
Profit before Exceptional items, Rate Regulated Activities and Tax		565.73	914.81
Exceptional items		-	-
PROFIT BEFORE TAX		565.73	914.81
Tax Expenses	30		
i) Current Tax		171.14	364.77
ii) Adjustments for Income Tax		0.01	-
iii) Deferred Tax		-	-
Total Tax Expenses		171.15	364.77
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		394.58	550.04
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	-	-
PROFIT FOR THE YEAR AFTER NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES.		394.58	550.04
Profit for the year from continuing operations (A)		394.58	550.04
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinuing operations after tax		-	-
OTHER COMPREHENSIVE INCOME (B)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		-	-
Less: Income Tax on remeasurement of the defined benefit plans		-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities on Remeasurement of defined benefit plans		-	-
- Movement in Regulatory Deferral Account Balances- Remeasurement of defined benefit plans		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
Sub total (a)		-	-
(b) Investment in Equity Instruments		-	-
Less: Income Tax on Equity Instruments		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		-	-

CVPPPL LIMITED

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
(ii) Items that will be reclassified to profit or loss			
- Investment in Debt Instruments		-	-
Less: Income Tax on investment in Debt Instruments		-	-
Total (ii)		-	-
Other Comprehensive Income (B)=(i+ii)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		394.58	550.04
Earning per share before movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)			
Basic		0.0404	0.074
Diluted		0.0403	0.073
Earning per share after movements in Regulatory Deferral Account Balances (Equity shares, face value of 10/- each)			
Basic		0.0404	0.074
Diluted		0.0403	0.073
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		
Note 1 to 34 form integral part of the Accounts			

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

For S. Kumar Gupta & Co.
Chartered Accountants
(Firm Regn. No.: 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M.No.: 503362

Place : Jammu
Date : 26.05.2018

sd/-
(M Y Khan)
Chairman

sd/-
(K K Goel)
Chief (Finance)

sd/-
(M S Babu)
Managing Director

sd/-
(Sudhir Anand)
Company Secretary

CVPPPL LIMITED

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)

Particulars	AS AT 31st March, 2018	AS AT 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES:-		
Net Profit before tax and after extraordinary items	565.73	914.81
i) Adjustments:		
Finance cost	-	-
Loss on sale/ disposal of assets	-	-
Interest Income	(620.19)	(1,088.17)
Profit on sale/ disposal of assets	- (620.19)	- (1,088.17)
Cash flow from operating activities before working capital adjustments	(54.46)	(173.36)
ii) Changes in Working Capital:-		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Other Assets, Loans & Advances	(8,436.12)	(2,671.48)
Increase/(Decrease) in Trade and Other Payables & Liabilities	2,926.17 (5,509.95)	(8,739.35) (11,410.83)
Cash flow from operating activities before taxes	(5,564.41)	(11,584.19)
Less : Taxes	171.15	364.77
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	<u>(5,735.56)</u>	<u>(11,948.96)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:-		
Property, Plant & Equipments, Other Intangible Assets & Expenditure on Construction Projects (including expenditure during construction forming part of CWIP)	(10,695.72)	(49,468.57)
Interest Income Received	620.19	1,088.17
Reliaization/ (Investment) in Bank Deposits	-	(100.00)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	<u>(10,075.53)</u>	<u>(48,480.40)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:-		
Proceeds from Equity Share Capital	19,255.00	72,398.00
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	19,255.00	72,398.00
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	3,443.91	11,968.64

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹ Lacs)

Particulars	AS AT 31st March, 2018	AS AT 31st March, 2017
CASH & CASH EQUIVALENTS AT THE BEGINING OF THE YEAR	14,180.71	2,212.07
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	17,624.62	14,180.71

Explanatory Notes:-

1. Cash & Cash Equivalents at the end of the year consists of Cash/ Cheque/ Draft in Hand and Bank Balance including Short Term Deposits of varying periods. The details of Cash & Cash Equivalents at the end of the year is as per Note no. 8 of Balance Sheet.
2. A bank deposit against which a bank guarantee has been issued in favour of J&K Forest Department for a period of five year (as per Note no. 3.3 of Balance Sheet) and shown under the category Investing Activities.

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

For S. Kumar Gupta & Co.
Chartered Accountants
(Firm Regn. No.: 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M.No.: 503362

sd/-
(M Y Khan)
Chairman

sd/-
(K K Goel)
Chief (Finance)

sd/-
(M S Babu)
Managing Director

sd/-
(Sudhir Anand)
Company Secretary

Date : 26.05.2018
Place : Jammu

NOTE NO. 1: COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

(i) Reporting entity

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

(ii) Basis of preparation

(A) Statement of Compliance

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

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.

(B) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the Nearest Lacs (up to two decimals) for the Company. However, at Unit level, figures are presented in rupees (absolute number).

(C) 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

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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) 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** - A summary of the significant accounting policies applied in the preparation of financial statements as given below 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 and 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 including expenditure on environment management plans relating 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 and Equipment.
- h) Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and 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 Intangible Assets and Intangible Assets under Development

- 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

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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.

4.0 Foreign Currency Transactions

- a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.
- b) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

5.0 Regulatory Deferral Accounts

- a) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Statement of Profit and Loss i.e. not allowed to be capitalized as part of cost of relevant PPE in accordance with 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.

6.0 Fair value measurement

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

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

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

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

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

7.0 Financial assets other than investment in subsidiaries and joint ventures

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under conditions that are potentially favourable to

the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument.

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

a) Classification

The Company classifies its financial assets in the following categories:

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

The classification depends on the following:

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

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

b) Initial recognition and measurement

All financial assets 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

Financial instruments at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost

is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

A 'financial 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.

Financial 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.

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

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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.

8.0 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.

9.0 Financial liabilities

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

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

a) Classification, initial recognition and measurement

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

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

b) Subsequent measurement

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

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

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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.

10.0 Government Grants

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

11.0 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision net of any reimbursement is presented in the Statement of Profit and Loss or in the carrying amount of an asset if another standard permits such inclusion.
- b) If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- c) Contingent liabilities are possible obligations

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

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

12.0 Revenue Recognition and Other Income

- 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) 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

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notified, incentives/disincentives are recognized provisionally on assessment of the likelihood of acceptance of the same.

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

13.0 Employee Benefits

i) Short-term employee benefits

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

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

ii) Defined contribution plans

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

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Gratuity Scheme, Provident

Fund Scheme, Allowance on Retirement/Death to employees are in the nature of defined benefit plans.

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

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

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

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

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

iv) Other long-term employee benefits

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

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

14.0 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying 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.

15.0 Depreciation and amortization

- a) Depreciation on additions to /deductions from Property, Plant & Equipment (PPE) during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- b) Depreciation on Property, Plant and 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. 15.0(d) below.
- c) i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 15.0(d) below.
- ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.
- d) i) Depreciation in respect of following items of PPE is provided on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:
 - Construction Plant & Machinery
 - Computer & Peripherals
- ii) Based on technical assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of Re 1.

- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization by retaining Re. 1/- as WDV.
- f) Tangible Assets valuing Rs. 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 up to ₹ 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.

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16.0 Impairment of non-financial assets other than inventories

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

17.0 Income Taxes

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

a) Current tax

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

b) Deferred tax

- i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.
- ii) The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.
- iii) Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would flow in the manner

in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

- iv) Deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.
- v) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.
- vi) Deferred tax recovery adjustment account is credited/ debited to the extent the deferred tax for the current period which forms part of current tax in the subsequent periods and affects the computation of return on equity (ROE), a component of tariff.

18.0 Compensation from third parties

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

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

19.0 Segment Reporting

- a) In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.
- b) Electricity generation is the principal business activity of the Company.
- c) The Company is having a single geographical segment as all its Power Stations are located within the Country.

20.0 Leases

- a) **Company as a Lessee:**
 - i. Leases of property, plant and equipment (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. 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.

21.0 Material prior period errors

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

22.0 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for

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deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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

23.0 Statement of Cash Flows

a) Cash and Cash Equivalents:

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

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

24.0 Current versus non-current classification

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

- a) An asset is current when it is:
- Expected to be realised or intended to be sold or consumed in the normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability

for at least twelve months after the reporting period.

All other assets are classified as non-current.

b) A liability is current when:

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

25.0 Miscellaneous

- a) Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.
- b) Liabilities for Goods in transit/Capital works executed but not certified are not provided for, pending inspection and acceptance by the Company.

For S. Kumar Gupta & Co.

Chartered Accountants

FRN: 001667N

sd/-	sd/-	sd/-
(CA Vinamar Gupta)	(K K Goel)	(M S Babu)
Partner	Chief (Finance)	Managing Director
M. No. 503362		

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NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As at 01-Apr-2017	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
i)	Land – Freehold	600.00	-	-	-	-	-	600.00	600.00	600.00
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	723.63	-	-	-	148.24	18.93	56.35	519.04	686.21
iv)	Buildings	332.42	-	1,656.65	6.71	269.04	38.11	74.84	1,638.48	295.69
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	14.49	-	65.70	-	11.49	1.53	3.96	64.74	12.06
ix)	Plant and machinery Transmission lines	13.67	-	-	-	11.08	0.86	2.59	-	11.94
x)	Plant and machinery Others	10.17	5.89	53.92	5.89	-	1.83	3.42	60.67	8.58
xi)	Construction Equipment	3.96	-	-	-	-	-	0.03	3.93	3.93
xii)	Water Supply System/ Drainage and Sewerage	-	-	30.00	-	-	0.29	0.29	29.71	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	51.11	-	30.08	-	-	8.51	21.27	59.92	38.35
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	252.10	12.30	129.61	12.30	56.11	23.78	60.92	264.68	215.11
xvii)	Computers	56.31	0.78	101.99	0.78	0.50	16.43	56.75	101.05	16.39
xviii)	Communication Equipment	7.13	-	6.02	-	2.03	1.08	2.14	8.98	6.10
xix)	Office Equipments	97.99	5.08	336.79	5.08	11.63	17.68	38.00	385.15	77.71
xx)	Research and Development	-	-	-	-	-	-	-	-	-
xxi)	Other assets	38.06	23.65	217.81	23.65	0.52	11.70	19.72	235.63	30.04
xxii)	Tangible Assets of minor value >750 and < ₹5000	3.10	0.05	14.20	0.05	-	14.12	17.28	0.02	0.01
	Total	2,204.14	47.75	2,642.77	54.46	510.64	154.85	357.56	3,972.00	2,002.12
	Previous year	2,165.64	10.71	47.74	10.71	9.22	90.62	202.02	2,002.12	2,058.99

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

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Annexure to note no. 2.1 Property, Plant and Equipment as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As at 01-Apr-2017	Additions IUT	Others	Deductions IUT	Others	Other Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
i)	Land – Freehold	600.00	-	-	-	-	-	600.00	600.00	600.00
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	725.18	-	-	-	158.50	-	566.68	47.64	686.21
iv)	Buildings	475.35	-	1,656.65	6.82	316.49	-	1,808.69	170.20	295.69
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	16.24	-	65.70	-	16.22	-	65.72	0.98	12.06
ix)	Plant and machinery Transmission lines	16.32	-	-	-	16.32	-	-	-	11.94
x)	Plant and machinery Others	15.03	7.89	53.92	7.89	-	-	68.95	8.29	8.58
xi)	Construction Equipment	78.64	-	-	-	-	-	78.64	74.71	3.93
xii)	Water Supply System/ Drainage and Sewerage	-	-	30.00	-	-	-	30.00	0.29	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	96.33	-	30.08	-	-	-	126.41	66.49	38.35
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	300.23	16.30	129.61	16.30	91.29	-	338.55	73.87	215.11
xvii)	Computers	119.61	3.12	101.99	3.12	1.13	-	220.47	119.42	16.39
xviii)	Communication Equipment	8.24	-	6.02	-	3.30	0.04	11.00	2.02	6.10
xix)	Office Equipments	123.53	7.46	336.79	7.46	23.11	-	437.21	52.06	77.71
xx)	Research and Development	-	-	-	-	-	-	-	-	-
xxi)	Other assets	72.65	24.16	217.81	24.16	0.64	-	289.82	54.19	30.04
xxii)	Tangible Assets of minor value > 750 and < ₹ 5000	39.92	3.03	14.20	3.03	0.53	-0.04	53.55	53.53	0.01
	Total	2,687.27	61.96	2,642.77	68.78	627.53	-	4,695.69	723.69	2,002.12
	Previous year	2,654.38	-	47.74	-	14.84	-	2,687.27	685.15	2,058.98

Explanatory Note:-

- 1) 'Title deeds/title in respect of freehold land amounting to ₹ Nil (Previous year ₹ Nil) covering an area of Nil hectare (Previous year Nil hectare) and lease deeds in respect of leasehold land amounting to ₹ Nil (Previous year ₹ Nil) covering an area of Nil hectare (Previous year Nil hectare) are yet to be executed/passed.'
- 2) Refer para no-9 of Note no. 34 for information of non-current assets equitably mortgaged/hypothecated with banks as security for related borrowings...

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

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

Sl. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION			(Amount in ₹ Lacs)		
		Additions		Deductions		Other Adjustments	For the Year	As at 31-Mar-2017	As at 01-Apr-2016	As at 31-Mar-2017	As at 31-Mar-2016	
		IUT	Others	IUT	Others							
i)	Land – Freehold	-	-	-	-	-	-	-	-	600.00	600.00	
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-	-	
iii)	Roads and Bridges	712.13	-	-	-	-	24.28	-	37.42	686.21	698.99	
iv)	Buildings	324.26	12.55	-	1.05	-	11.54	0.36	36.73	295.69	299.43	
v)	Railway sidings	-	8.16	-	-	-	-	-	-	-	-	
vi)	Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	
viii)	Plant and machinery	14.49	-	-	-	-	0.86	-	2.43	12.06	12.92	
ix)	Sub station	13.80	-	-	-	0.13	0.86	-	1.73	11.94	12.93	
x)	Plant and machinery	10.16	-	-	-	-	0.79	-	1.59	8.58	9.37	
xi)	Transmission lines	3.96	-	-	-	-	-	-	0.03	3.93	3.93	
xii)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	
xiii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	
xiv)	Water Supply System/ Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	
xv)	Electrical installations	51.11	0.45	-	0.45	-	6.38	-	12.76	38.35	44.73	
xvi)	Vehicles	-	-	-	-	-	-	-	-	-	-	
xvii)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	
xviii)	Furniture and fixture	251.96	7.47	4.49	7.47	4.34	17.73	0.72	36.99	215.11	233.44	
xix)	Computers	50.67	-	5.72	-	0.08	12.88	2.41	39.92	16.39	26.04	
xx)	Communication Equipment	7.02	0.14	0.54	0.14	0.44	0.40	0.11	1.03	6.10	6.51	
xxi)	Office Equipments	93.37	1.15	7.75	1.15	3.14	9.75	0.30	20.28	77.71	83.13	
xxii)	Research and Development	-	-	-	-	-	-	-	-	-	-	
xxiii)	Other assets	31.82	1.34	6.29	1.34	0.05	3.00	0.76	8.02	30.04	27.56	
xxiv)	Tangible Assets of minor value >750 and < ₹ 5000	0.88	0.17	2.23	0.17	-	2.14	0.09	3.09	0.01	0.01	
Total		2,165.63	10.72	47.73	10.72	9.23	90.61	4.75	202.02	2,002.12	2,058.99	

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

Annexure to note no. 2.1 Property, Plant and Equipment as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION		(Amount in ₹ Lacs)					
		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	NET BLOCK As at 31st March, 2017	As at 31st March, 2016
		IUT	Others	IUT	Others									
i)	Land – Freehold	600.00	-	-	-	-	-	600.00	-	-	-	600.00	600.00	-
ii)	Land – Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Roads and Bridges	713.68	-	12.55	-	1.05	-	725.18	14.70	24.28	-0.01	686.21	698.98	-
iv)	Buildings	467.19	-	8.16	-	-	-	475.35	167.76	11.90	-	295.69	299.43	-
v)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery	16.24	-	-	-	-	-	16.24	3.32	0.86	-	12.06	12.92	-
ix)	Sub station	16.48	-	-	-	0.16	-	16.32	3.55	0.86	-0.03	11.94	12.93	-
x)	Plant and machinery	15.03	-	-	-	-	-	15.03	5.66	0.79	-	8.58	8.58	-
xi)	Construction Equipment	78.64	-	-	-	-	-	78.64	74.71	0.01	-0.01	3.93	3.93	-
xii)	Water Supply System/ Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Vehicles	96.33	-	-	-	-	-	96.33	51.60	6.38	-	38.35	44.73	-
xv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Furniture and fixture	301.75	-	4.49	-	6.01	-	300.23	68.31	18.40	-1.59	215.11	233.44	-
xvii)	Computers	115.93	-	5.72	-	2.03	-	119.62	89.89	14.53	-1.20	16.40	26.04	-
xviii)	Communication	8.14	-	0.54	-	0.44	-	8.24	1.63	0.52	-0.01	6.10	6.51	-
xix)	Equipment	120.57	-	7.75	-	4.80	-	123.52	37.43	9.91	-2.52	77.70	83.14	-
xx)	Office Equipments Research and Development	-	-	-	-	-	-	-	-	-	-	-	-	-
xxi)	Other assets	66.47	-	6.29	-	0.11	-	72.65	38.91	3.77	-0.07	30.04	27.56	-
xxii)	Tangible Assets of minor value > 750 and < ₹ 5000	37.93	-	2.23	-	0.24	-	39.92	37.92	2.23	-0.24	0.01	0.01	-
	Total	2,654.38	-	47.73	-	14.84	-	2,687.27	595.39	94.44	-4.68	685.15	2,002.12	2,058.99
	Previous year	1,768.27	609.56	892.65	610.19	5.71	-0.21	2,654.38	536.86	91.18	-32.64	595.19	2,058.99	1,231.41

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

Note no. 2.2 Capital Work In Progress as on 31.03.2018

(Amount in ₹ Lacs)

Particulars	As at 01-Apr-2017	Addition	Adjustment	Capitalised	As at 31st March, 2018
i) Roads and Bridges	340.47	948.98	-183.49	-	1,105.96
ii) Buildings	1,412.87	605.02	-8.25	1,986.63	23.01
iii) Railway sidings	-	-	-	-	-
iv) Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-	-	-	-	-
v) Generating Plant and Machinery	91.50	-	-	91.50	-
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	2,007.27	52.27	-0.03	-	2,059.51
xiv) Expenditure on compensatory Afforestation	-	-	-	-	-
xv) Expenditure attributable to construction *	44,362.45	8,464.51	-	-	52,826.96
Less: Provided for	-	-	-	-	-
Sub total (a)	48,214.56	10,070.78	-191.77	2,078.13	56,015.44
* For addition during the period refer Note No. 32					
Construction Stores	1.25	-	-	-	1.25
Less : Provisions for construction stores	-	-	-	-	-
Sub total (b)	1.25	-	-	-	1.25
TOTAL	48,215.81	10,070.78	-191.77	2,078.13	56,016.69
Previous year	42,287.53	5,943.75	-4.79	10.68	48,215.81

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

Note no. 2.2 Capital Work In Progress as on 31.03.2017

(Amount in ₹ Lacs)

Particulars	As at 01-Apr-2016	Addition	Adjustment	Capitalised	As at 31st March, 2017
i) Roads and Bridges	246.05	98.18	-1.24	2.52	340.47
ii) Buildings	1,110.06	310.97		8.16	1,412.87
iii) Railway sidings	-				-
iv) Hydraulic Works (Dams, Water Conductor system, Hydro mechanical gates, tunnels)	-				-
v) Generating Plant and Machinery	-	91.50			91.50
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	1,942.17	65.82	-0.72		2,007.27
xiv) Expenditure on compensatory Afforestation	-				-
xv) Expenditure attributable to construction *	38,987.58	5,377.29	-2.42		44,362.45
Less: Provided for	-				-
Sub total (a)	42,285.86	5,943.76	-4.38	10.68	48,214.56
* For addition during the period refer Note No. 32					-
Construction Stores	1.66		-0.41	-	1.25
Less : Provisions for construction stores	-			-	-
Sub total (b)	1.66	-	-0.41	-	1.25
TOTAL	42,287.52	5,943.76	-4.79	10.68	48,215.81
Previous year	36,367.16	6,249.04	-10.88	317.79	42,287.53

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

Annexure to Note 2.2

CUMULATIVE EDC		(Amount in ₹ Lacs)	
Particulars			
A. EMPLOYEES BENEFITS EXPENSES			
Salaries, wages, allowances	23,165.73	21,092.49	
Gratuity and contribution to provident fund (including administration fees)	4,360.65	4,122.12	
Staff welfare expenses	1,802.03	1,715.68	
Leave Salary & Pension Contribution	14.91	14.91	
	Sub-total (a)	29,343.32	26,945.20
Less: Capitalized During the year/Period		-	-
	Sub-total (A)	29,343.32	26,945.20
B. REPAIRS AND MAINTENANCE			
Building	277.04	153.83	
Machinery	13.01	13.02	
Others	110.12	93.39	
Rent	728.01	497.99	
Rates and taxes	6.65	3.86	
Insurance	16.10	14.61	
Security expenses	2,704.97	2,704.97	
Electricity Charges	55.05	45.85	
Travelling and Conveyance	305.19	257.65	
Expenses on vehicles	60.61	60.40	
Telephone, telex and Postage	40.72	33.13	
Advertisement and publicity	139.70	62.15	
Entertainment and hospitality expenses	4.72	4.72	
Printing and stationery	67.42	57.14	
Remuneration to Auditors	0.53	0.53	
Design and Consultancy charges:			
- Indigenous	4,360.88	1,965.65	
- Foreign	453.22	453.22	
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	10.00	3.90	
Expenditure on land not belonging to corporation	351.32	159.58	
Land acquisition and rehabilitation	-	-	
Loss on assets/ materials written off	1.42	1.42	
Losses on sale of assets	0.75	0.75	
Other general expenses	161.30	136.95	
	Sub-total (b)	9,868.73	6,724.71
Less: Capitalized During the year/Period		-	-
	Sub-total (B)	9,868.73	6,724.71
C. FINANCE COST			
i) Interest on :			
a) Government of India loan	-	-	
b) Bonds	-	-	
c) Foreign loan	-	-	
d) Term loan	-	-	
e) Cash credit facilities /WCDL	-	-	
f) Exchange differences regarded as adjustment to interest cost	-	-	
Loss on Hedging Transactions	-	-	
ii) Bond issue/ service expenses	-	-	
iii) Commitment fee	-	-	
iv) Guarantee fee on loan	-	-	
v) Other finance charges	3.92	3.92	
vi) EAC- INTEREST ON LOANS FROM CENTRAL GOVERNMENT-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	-	-	

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CUMULATIVE EDC		(Amount in ₹ Lacs)	
Particulars			
vii) EAC- INTEREST ON SECURITY DEPOSIT/ RETENTION MONEY-ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST	4.69	3.20	
viii) EAC- COMMITTED CAPITAL EXPENSES- ADJUSTMENT FOR TIME VALUE	-	-	
Sub-total (c)	8.61	7.12	
Less: Capitalized During the year/Period	-	-	
Sub-total (C)	8.61	7.12	
D. EXCHANGE RATE VARIATION (NET)			
i) ERV (Debit balance)	-	-	
Less: ii) ERV (Credit balance)	-	-	
Sub-total (d)	-	-	
Less: Capitalized During the year/Period	-	-	
Sub-total (D)	-	-	
E. PROVISIONS	5.53	5.52	
Sub-total (e)	5.53	5.52	
Less: Capitalized During the year/Period	-	-	
Sub-total (E)	5.53	5.52	
F. DEPRECIATION & AMORTISATION	503.32	441.43	
Sub-total (f)	503.32	441.43	
Less: Capitalized During the year/Period	-	-	
Sub-total (F)	503.32	441.43	
G. PRIOR PERIOD EXPENSES (NET)			
Prior period expenses	237.63	237.63	
Less Prior period income	0.72	0.72	
Sub-total (g)	236.91	236.91	
Less: Capitalized During the year/Period	-	-	
Sub-total (G)	236.91	236.91	
H. LESS : RECEIPTS AND RECOVERIES			
i) Income from generation of electricity – precommissioning	-	-	
ii) Interest on loans and advances	69.08	69.08	
iii) Miscellaneous receipts	220.56	181.56	
iv) Profit on sale of assets	0.05	0.05	
v) Provision not required written back	666.62	596.95	
vi) Hire charges/ outturn on plant and machinery	0.16	0.16	
vii) EAC-FAIR VALUE GAIN - SECURITY DEPOSIT/ RETENTION MONEY	0.02	-	
viii) EAC- FAIR VALUE GAIN ON PROVISIONS FOR COMMITTED CAPITAL EXPENDITURE	-	-	
Sub-total (h)	956.49	847.80	
Less: Capitalized During the year/Period	-	-	
Sub-total (H)	956.49	847.80	
I. C.O./Regional Office Expenses (i)	13,817.03	10,849.36	
Less: Capitalized During the year/Period	-	-	
Sub-total (I)	13,817.03	10,849.36	
GRAND TOTAL (a+b+c+d+e+f+g-h+i)	52,826.96	44,362.45	
Less: Capitalized During the year/Period	-	-	
GRAND TOTAL (A+B+C+D+E+F+G-H+I)	52,826.96	44,362.45	

NOTE NO. 2.3 INVESTMENT PROPERTY as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK	
		As at 01-Apr-2017	Additions	Deductions	Other Adjustments	As at 31st March, 2018	As at 01-Apr-2017	For the Year	As at 31st March, 2018	As at 31st March, 2017
i)	Land Freehold	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-

NOTE NO. 2.4 Other Intangible Assets as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK	
		As at 01-Apr-2017	Additions	Deductions	Other Adjustments	As at 31st March, 2018	As at 01-Apr-2017	For the Year	As at 31st March, 2018	As at 31st March, 2017
i)	Land- Right to Use	43,891.13	-	944.63	-	44,835.76	-	-	44,835.76	43,891.13
ii)	Computer Software	60.13	-	-	-	60.13	9.70	19.67	30.76	50.43
	Total	43,951.26	-	944.63	-	44,895.89	9.70	19.67	44,866.52	43,941.56
	Previous year	345.49	-	43,605.77	-	43,951.26	1.07	8.63	43,941.56	344.42

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

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Annexure to note no. 2.3 INVESTMENT PROPERTY as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
		As at 01-Apr-2017	Additions		Deductions	Other Adjustments	As at 01-Apr-2017	For the Year	Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
			IUT	Others								
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-

Annexure to note no. 2.4 Other Intangible Assets as on 31.03.2018

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
		As at 01-Apr-2017	Additions		Deductions	Other Adjustments	As at 01-Apr-2017	For the Year	Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
			IUT	Others								
i)	Land- Right to Use	43,891.13	-	944.63	-	-	-	-	-	44,835.76	43,891.13	-
ii)	Computer Software	60.11	-	-	-	-	9.68	19.67	-	29.35	30.76	50.43
	Total	43,951.24	-	944.63	-	-	9.68	19.67	-	29.35	44,866.52	43,941.56
	Previous year	345.52	-	43,605.72	-	-	1.11	8.57	-	9.68	43,941.56	344.41

NOTE NO. 2.3 INVESTMENT PROPERTY as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
		Additions		Deductions		Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	For the Year	As at 31-Mar-2017	As at 31-Mar-2016	As at 31-Mar-2016
		IUT	Others	IUT	Others							
i)	Land Freehold	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0

NOTE NO. 2.4 Other Intangible Assets as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK		
		Additions		Deductions		Other Adjustments	As at 31st March, 2017	As at 01-Apr-2016	For the Year	As at 31-Mar-2017	As at 31-Mar-2016	As at 31-Mar-2016
		IUT	Others	IUT	Others							
i)	Land- Right to Use	-	43,546.71	-	-	-	43,891.13	-	-	43,891.13	344.42	344.42
ii)	Computer Software	1.07	59.06	-	-	-	60.13	1.07	8.63	9.70	50.43	-
	Total	345.49	43,605.77	-	-	-	43,951.26	1.07	8.63	43,941.56	344.42	344.42

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Annexure to note no. 2.3 INVESTMENT PROPERTY as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				(Amount in ₹ Lacs)		
		Additions		Deductions		As at 31st March, 2017	As at 01-Apr-2016	For the Year	Adjustments	As at 31st March, 2017	As at 31st March, 2016	NET BLOCK
		IUT	Others	IUT	Others							
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-

Annexure to note no. 2.4 Other Intangible Assets as on 31.03.2017

Sl. No.	PARTICULARS	GROSS BLOCK				AMORTISATION				(Amount in ₹ Lacs)		
		Additions		Deductions		As at 31st March, 2017	As at 01-Apr-2016	For the Year	Adjustments	As at 31st March, 2017	As at 31st March, 2016	NET BLOCK
		IUT	Others	IUT	Others							
i)	Land- Right to Use	344.42	-	43546.71	-	43891.13	-	-	-	-	43,891.13	344.42
ii)	Computer Software	1.11	-	59.00	-	60.11	1.11	8.58	-0.01	9.68	50.43	-
	Total	345.53	-	43605.71	-	43951.24	1.11	8.58	-0.01	9.68	43,941.56	344.42
	Previous year	345.53	-	-	-	345.53	1.09	0.02	-	1.11	344.42	344.44

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

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Total	-	-

NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - LOANS

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
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) Deposits		
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *3	-	-
Sub-total	-	-
TOTAL	-	-
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	-	-

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(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Provision for Doubtful Deposits *3		
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	Nil	Nil
ii) Advance due by firms or private companies in which any Director of the Company is a Director or member	Nil	Nil

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

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. Bank Deposits with more than 12 Months Maturity	100.00	100.00
B. Lease Rent receivable	-	-
C. Interest receivable on lease	-	-
D. Interest accrued on:	-	-
- Bank Deposits with more than 12 Months Maturity	-	-
- Others	-	-
Total	100.00	100.00

Explanatory Notes:

- 1) A bank guarantee against CLTD of ₹ 1.00 Crore for a period of five years has been issued during the financial year 2015-16 in favour of J&K Forest Department for implementation of environmental safeguard, engineering and biological measures for rejuvenation of muck disposal site of Kiru HEP in district Kishtwar of J&K State.

* Refer para-9 of Note No. 34-Other Explanatory Notes to Accounts for receivable mortgaged/hypothecated as security.

NOTE NO. 4.1 NON-CURRENT TAX ASSETS (NET)

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax & Tax Deducted at Source	364.74	-
Less: Provision for Taxation	364.74	-
Total	-	-

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[A Joint venture among NHPC Ltd, JKSPDC Ltd and PTC (India) Ltd]

NOTE NO. 4.2 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. CAPITAL ADVANCES		
Secured (considered good)	-	-
Unsecured (considered good)	-	-
– Against bank guarantee	-	-
– Others	15,245.92	7,061.40
Less : Provision for expenditure awaiting utilisation certificate	24.13	24.13
Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances *1	-	-
Sub-total	15,221.79	7,037.27
B. ADVANCES OTHER THAN CAPITAL ADVANCES		
i) DEPOSITS		
- Unsecured (considered good)	14.40	0.14
Less : Provision against demand raised by Govt.Depts.	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *2	-	-
	14.40	0.14
ii) Other advances		
- Unsecured (considered good)	-	-
- Unsecured (considered doubtful)	-	-
	-	-
TOTAL	15,236.19	7,037.41
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	-	-

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NOTE NO. 5 INVENTORIES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(Valuation as per Significant Accounting Policy No.1(iii)(10))		
Stores and spares	-	-
Stores in transit/ pending inspection	-	-
Loose tools	-	-
Scrap inventory	-	-
Material at site	-	-
Material issued to contractors/ fabricators	-	-
Inventory for Self Generated VER's/REC	-	-
Less: Provision for Obsolescence & Diminution in Value *1	-	-
TOTAL	-	-
*1 Provision for Obsolescence & Diminution in Value		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year #	-	-
Closing balance	-	-
Explanatory Note:		
i) During the year, inventories written down to net realisable value (NRV) and recognised as an expense in profit or loss.	-	-
ii) For details, refer para-9 of Note No. 34- Other Explanatory Notes to Accounts for information of assets mortgaged/hypothecated with banks as security for related borrowings.		

NOTE NO. 6 FINANCIAL ASSETS - CURRENT - INVESTMENTS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
	-	-
	-	-

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NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
- Unsecured - Considered Good	-	-
- Unsecured - Considered Doubtful	-	-
Less: Provision for doubtful debts *1	-	-
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.	Nil	Nil
ii) Debt due by subsidiaries/ Joint Ventures and others related parties of the company at point (i) above.	Nil	Nil
iii) Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.		

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

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A Balances with banks		
• With scheduled banks		
i) - In Current Account	184.45	80.71
ii) - In deposits account	17,240.00	14,100.00
(Deposits with original maturity of less than three months)	-	-
• With other banks		
- In current account	-	-
Others	-	-
B Cheques, drafts on hand	-	-
C Cash on hand		
Cash on hand	0.17	-
TOTAL	17,424.62	14,180.71
Explanatory Note: -		
1) Cash on hand - (Includes stamps on hand)	Nil	Nil
2) Cash and Bank Balances on behalf of others and are not freely available for the business of the Company included in stated amount :-		
- Others (Specify Nature)	Nil	Nil

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

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A Balances with Banks	200.00	-
B Deposit account-Unpaid Dividend / Interest	-	-
TOTAL	200.00	-

NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
OTHER LOANS		
Employees (including accrued interest)		
- Secured (considered good)	-	-
- Unsecured (considered good)	27.68	38.59
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful Employee loans & advances *1	-	-
	27.68	38.59
Contractor / supplier		
- Secured (considered good)	-	-
- Unsecured (considered good)		
– Against bank guarantee	-	-
– Others	-	-
- Unsecured (considered doubtful)	-	-
	-	-
TOTAL	27.68	38.59
*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: -		
1) Loan & Advances due from directors or other officers of the company at the end of the period	Nil	Nil
2) Advance due by firms or private companies in which any Director of the Company is a Director or member	Nil	Nil

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NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Others		
a) Claims recoverable	444.73	124.73
Less: Provisions for Doubtful Claims *1	-	-
Sub-total	444.73	124.73
b) Interest Income accrued on Bank Deposits	15.00	57.84
c) Interest recoverable from beneficiary	-	-
d) Lease Rent receivable (Finance Lease)-Current	-	-
e) Interest receivable on Finance lease	-	-
f) Interest Accrued on Bonds	-	-
g) Receivable on account of unbilled revenue	-	-
h) Advance to Contractor against arbitration award	-	-
TOTAL	459.73	182.57
*1 Provisions for Doubtful Claims		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Explanatory Note:-		
1) Claim recoverable includes amount ₹ 4.36 Crore (previous year ₹ 1.24 Crore) on account of amount recoverable from NHPC Limited during the period and adjustment made through debit/ credit advices.		
2) Receivable on account of unbilled revenue represents		
- Others	-	-
TOTAL	-	-

NOTE NO. 12 CURRENT TAX ASSETS (NET)

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Current Tax Assets		
Current Tax (Refer Note No-23)	0.72	-
Total	0.72	-

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NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. Advances other than Capital Advances		
a) Deposits		
- Unsecured (considered good)	0.30	14.49
Less : Provision against demand raised by Govt.Depts.	-	-
- Unsecured (considered doubtful)	-	-
Less : Provision for Doubtful Deposits *1	-	-
Sub-total	0.30	14.49
b) Advance to contractor / supplier		
- Secured (considered good)	-	-
- Unsecured (considered good)		
– Against bank guarantee	-	-
– Others	0.70	22.18
Less : Provisions for expenditure awaiting utilization certificate	-	-
- Unsecured (considered doubtful)	-	-
Less : Provisions for doubtful advances *2	-	-
Sub-total	0.70	22.18
c) Other advances - Employees		
- Unsecured (considered good)	1.23	0.16
- Unsecured (considered doubtful)		
Sub-total	1.23	0.16
d) Interest accrued on:		
Others		
- Considered Good	-	-
- Considered Doubtful	-	-
Less: Provisions for Doubtful Interest*3	-	-
Sub-total	-	-
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	17.76	-
Less: Provision for losses pending investigation/awaiting write off / sanction *5	17.76	-
Sub-total	-	-
c) Prepaid Expenditure	9.79	4.82
d) Deferred Employee Costs		
Secured - Considered Good	-	-
Unsecured	-	-
e) Surplus / Obsolete Assets	-	-
f) Input GST	-	-
g) Others	-	-
TOTAL	12.02	41.65

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*1 Provisions for Doubtful Deposits		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*2 Provisions for doubtful advances (Contractors & Suppliers)		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*3 Provisions for Doubtful Accrued Interest		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*4 Provision for project expenses awaiting write off sanction		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
*5 Provision for losses pending investigation/awaiting write off / sanction		
Opening Balance	-	-
Addition during the year	17.76	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	17.76	-
Explanatory Note:-		
1 Loans and Advances due from Directors or other officers at the end of the year/ period	Nil	Nil
2 Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.	Nil	Nil
3 Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value.	-	-

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NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(i) Wage Revision as per 3rd PRC		
Opening Balance	-	-
Addition during the year	-	-
Adjustment during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
(ii) Exchange Differences on Monetary Items		
Opening Balance	-	-
Addition during the year	-	-
Adjustment during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
Closing Balance (A)=(i)+(ii)	-	-
Deferred Tax Assets on Regulatory Deferral Account Balances	-	-
Less:-Deferred Tax Adjustments against deferred tax assets	-	-
TOTAL (B)	-	-
Regulatory Deferral Account Balances net of Deferred Tax. (A-B)	-	-

NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017	
	Nos (in lacs)	Amount (in lacs)	Nos (in lacs)	Amount (in lacs)
a) Authorized Equity Share Capital (Par value per share ₹ 10)	25,000.00	250,000.00	15,000.00	150,000.00
b) No. of Equity shares issued, subscribed and fully paid (Par value per share ₹ 10)	10,514.40	105,144.00	9,240.80	92,408.00
c) Changes in Equity Share Capital				
Opening number of shares outstanding	9,240.80	92,408.00	2,001.00	20,010.00
Add: No. of shares/Share Capital issued/subscribed during the year	1,273.60	12,736.00	7,239.80	72,398.00
Less: Reduction in no. of shares/Share Capital on account of buy back of shares.	-	-	-	-
Closing number of shares outstanding	10,514.40	105,144.00	9,240.80	92,408.00
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.				

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- 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 : -

Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	Nos (in lacs)	In (%)	Nos (in lacs)	In (%)
i) NHPC Limited	5,823.60	55.39%	4,600.00	49.78%
ii) JKSPDC Limited	4,650.00	44.23%	4,600.00	49.78%
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 31.03.2018, 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). : NIL				

Note 15.2 Other Equity

(Amount in ₹ Lacs)		
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
1 Share Application Money Pending Allotment	6,519.00	-
2 General Reserve	-	-
3 Retained Earnings		
i) Reserves created on account of Ind AS Adjustment	-	7.62
ii) Closing Balance Remeasurement of the defined benefit plans	-	-
iii) Surplus	2,522.59	2,120.39
4 FVTOCI Reserve-		
- Equity Instruments	-	-
- Debt Instruments	-	-
TOTAL	9,041.59	2,128.01
* Surplus		
Profit for the Year as per Statement of Profit and Loss	394.58	550.04
Adjustment arising out of transition provisions for recognising Rate Regulatory Assets	-	-
Balance brought forward	2,128.01	1,570.35
Balance carried forward	2,522.59	2,120.39

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Annexure to Note No. 15.2 OTHER EQUITY

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
(i) General Reserve		
As per last Balance Sheet	-	-
Add: Transfer from Surplus/Retained Earnings	-	-
Less: Write back during the year	-	-
Add: Transfer from Self Insurance Fund	-	-
Less: Transfer to Capital Redemption Reserve	-	-
As at Balance Sheet date	-	-
(ii) Retained Earnings/ Surplus		
As per last Balance Sheet	2,128.01	1,577.97
Add:- Prior Period errors (Net)		
Add: Profit during the year	394.58	550.04
Add: Transferred from OCI	-	-
Add: Amount written back from Corporate Social Responsibility Fund	-	-
Less: Transfer to Research & Development Fund	-	-
Less: Transfer to General Reserve	-	-
Less: Transfer to Corporate Office	-	-
Add: Transfer from Power Stations and Projects	-	-
As at Balance Sheet date	2,522.59	2,128.01
TOTAL	2,522.59	2,128.01

STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2018

OTHER EQUITY

Attributable to equity holders	(Amount in ₹ Lacs)						
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Research & Development Fund	General Reserve	Other Comprehensive Income
							Surplus/ Retained Earnings
							Equity Instruments through OCI
							Debt Instruments through OCI
							Total
Balance as at 1st April, 2017	-	-	-	-	-	-	2,128.01
Profit for the year							394.58
Other Comprehensive Income							-
Total Comprehensive Income							394.58
Share Application Money received during the year.	6,519.00						6,519.00
Transfer to Retained Earning							-
Amount written back from Bond Redemption Reserve							-
Tax on Dividend - Write back							-
Others							-
Transfer from Retained Earning							-
Dividend							-
Tax on Dividend							-
Transfer to Bond Redemption Reserve							-
Transfer to Research & Development Fund							-
Transfer to General Reserve							-
Total as on 31st March 2018	6,519.00	-	-	-	-	-	2,522.59
							9,041.59

For S. Kumar Gupta & Co.
Chartered Accountants
(Firm Regn. No.: 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M.No.: 503362

sd/-
(K K Goel)
Chief (Finance)

sd/-
(M S Babu)
Managing Director

CVPPPL LIMITED

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

OTHER EQUITY

Attributable to equity holders	(Amount in ₹ Lacs)						
	Share Application Money Pending Allotment	Capital Redemption Reserve	Securities Premium	Bond Redemption Reserve	Research & Development Fund	General Reserve	Other Comprehensive Income
							Surplus/ Retained Earnings
							Equity Instruments through OCI
							Debt Instruments through OCI
							Total
Balance as at 1st April, 2017	-	-	-	-	-	-	1,577.97
Profit for the year	-	-	-	-	-	-	550.04
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	550.04
Share Application Money received during the year.	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-
Amount written back from Bond Redemption Reserve	-	-	-	-	-	-	-
Tax on Dividend - Write back	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Transfer from Retained Earning	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to Bond Redemption Reserve	-	-	-	-	-	-	-
Transfer to Research & Development Fund	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Total as on 31st March 2018	-	-	-	-	-	-	2,128.01

For S. Kumar Gupta & Co.
Chartered Accountants
(Firm Regn. No.: 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M.No.: 503362

sd/-
(K K Goel)
Chief (Finance)

sd/-
(M S Babu)
Managing Director

CVPPPL LIMITED

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

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
FUNDS FROM CORPORATE OFFICE	87,243.89	46,444.82
C.O. (JAMMU)	4,683.67	-23,555.91
IUT Closing Entries - CO	-	-
DULHASTI (STAGE - II)	-38.71	-38.71
PAKAL DUL	-21,477.82	-9,672.42
KIRU	-9,761.88	-8,830.84
KWAR	2,708.97	3,998.49
CHEQUE PAID ACCOUNT: -		
C.O. (JAMMU)	13,346.17	56,487.88
DULHASTI (STAGE - II)	-43.80	-43.80
PAKAL DUL	-69,122.17	-62,032.16
KIRU	-5,580.51	-2,757.35
KWAR	-1,957.81	-
CHEQUE COLLECTED ACCOUNT	-	-
TOTAL	-	-

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NOTE NO. 16.1 FINANCIAL LIABILITIES - NON-CURRENT - BORROWINGS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Term Loans		
• From Banks		
- Secured	-	-
- Unsecured	-	-
• From Other Parties		
- Secured	-	-
- Unsecured-From Government (Subordinate Debts)	-	-
- Unsecured-From Others	-	-
TOTAL	-	-
Maturity Analysis of Borrowings		
The table below summarises the maturity profile of the company's borrowings based on contractual payments :	N/A	N/A
Particulars		
More than 1 Year & Less than 3 Years	-	-
More than 3 Years & Less than 5 Years	-	-
More than 5 Years	-	-
TOTAL	-	-

NOTE NO. 16.2 FINANCIAL LIABILITIES - NON-CURRENT - OTHERS

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Deposits/ retention money	14.22	70.69
TOTAL	14.22	70.69
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	16.10	80.32
More than 3 Years & Less than 5 Years	-	-
More than 5 Years	-	-
TOTAL	16.10	80.32

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NOTE NO. 17 PROVISIONS - NON-CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS		
(provided for on basis of actuarial valuation)		
i) As per last Balance Sheet	71.64	93.04
Additions during the year	155.83	3.84
Amount used/ W-Off during the year	-	10.67
Amount reversed during the year	-	14.57
Closing Balance	227.47	71.64
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-Others		
As per last Balance Sheet	-	-
Additions during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	-	-
TOTAL	227.47	71.64

* Information about Provisions are given in para 17 of Note 34-Other explanatory Notes to Accounts.

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

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liability		
a) Property, Plant and Equipments, Investment Property and Intangible Assets.	-	-
b) Financial Assets at FVTOCI	-	-
c) Other Items	-	-
Less: Deferred Tax Adjustment against Deferred Tax Liabilities	-	-
Net Deferred Tax Liability	-	-
Less:-Set off Deferred Tax Assets pursuant to set off provisions		
a) Provision for doubtful debts, inventory and others		
b) Provision for employee benefit schemes		
c) Other Items		
Net Deferred Tax Assets	-	-
TOTAL	-	-
Explanatory Note: -		
i) 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.-		
ii) Movement in Deferred Tax Liability/Assets are shown in Annexure to Note No-18		
TOTAL	-	-

NOTE NO. 19 OTHER NON-CURRENT LIABILITIES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Income received in advance (Advance Against Depreciation)	-	-
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)	-	-

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NOTE NO. 20.1 BORROWINGS - CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Borrowings-Other Loans-Secured		
From Banks	-	-
TOTAL	-	-
* Repayment Term: The Loan amount may be repaid at any point of time and in part also.		
** Default in repayments (if any) : Nil		

NOTE NO. 20.2 TRADE PAYABLE - CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Total outstanding dues of micro enterprise and small enterprise(s)	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises	-	-
TOTAL	-	-

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. 20.3 OTHER FINANCIAL LIABILITIES - CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Liability against capital works/supplies	527.36	248.26
Deposits	-	-
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Deposits/ retention money	182.93	111.42
Unpaid interest	-	-
Other Payables-Payable to Employees	5.79	15.10
Other Payables-Payable to Others	11,620.72	19,625.04
TOTAL	12,336.80	19,999.82

Explanatory Notes:

- i) Other Payables- Payable to Others includes amount of ₹ 10911.28 Lacs * (Previous year ₹ 19446.67 Lacs *) payable to NHPC Limited during the period on account of employees related transaction and adjustment made through debit/ credit advices.

- Payable against Pakal Dul HEP (in crores) *	-	8,558.54
- Payable against Kiru HEP (in crores) *	10,303.42	10,303.42
- Employees related transaction (during the period - in crores) *	607.86	584.71

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NOTE NO. 21 OTHER CURRENT LIABILITIES

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Income received in advance (Advance against depreciation)	-	-
Unspent amount of deposit/agency basis works	-	-
Statutory dues payables	275.18	119.88
Advances against the deposit works	-	-
Amount Spent on Deposit Works	-	-
Other liabilities-Advance from Customers & Others.	10,000.00	500.00
Grants in aid-from Government-Deferred Income	-	-
TOTAL	10,275.18	619.88

NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
A. PROVISION FOR EMPLOYEE BENEFITS (provided for on basis of actuarial valuation)		
i) As per last Balance Sheet	2.76	3.70
Additions during the year	7.72	2.76
Amount used during the year	2.76	3.70
Amount reversed during the year		-
Closing Balance	7.72	2.76
ii) Provision for Wage Revision		
As per last Balance Sheet	58.15	52.64
Additions during the year	25.85	6.70
Amount used during the year	-	1.19
Amount reversed/ transferred during the year	22.09	-
Closing Balance	61.91	58.15
Less: Advance paid	61.91	58.15
Closing Balance (Net of advance)	-	-
iii) Provision for Performance Related Pay/Incentive		
As per last Balance Sheet	134.65	129.67
Additions during the year	438.71	134.65
Amount used during the year	109.48	125.90
Amount reversed during the year	23.51	3.77
Closing Balance	440.37	134.65
iv) Provision For Wage Revision 3rd PRC		
As per last Balance Sheet	147.07	-
Additions during the year	681.75	147.07
Amount used during the year	-	-
Amount reversed during the year	-	-
Closing Balance	828.82	147.07

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B. OTHERS

i) Provision - Others

As per last Balance Sheet	157.87	148.50
Additions during the year	-	9.37
Amount used during the year	-	-
Amount reversed during the year	157.87	-
Closing Balance	-	157.87

TOTAL **1,276.91** **442.35**

Explanatory Note:-

- 1) The cumulative amount provided towards the Personal Pay Adjustment w.e.f 01/02/2014 to 31/03/2018 under the head "Provision for Wage Revision" is ₹ 0.62 Crore (including provision for the current period ₹ 0.26 Crore) with corresponding amount shown as "Advance paid".
- 2) Information about Provisions are given in para 17 of Note 34 of Balance Sheet.

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹ Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Income Tax		
As per last Balance Sheet	878.80	514.03
Additions during the year	171.14	364.77
Amount adjusted during the year	-	-
Amount used during the year	0.03	-
Amount reversed during the year	514.03	-
Closing Balance	535.88	878.80
Less: Current Advance Tax	536.60	878.77
Net Current Tax Liabilities (Net)	-0.72	0.03
Less: Current tax Assets (Move to Note No-12)	0.72	-
TOTAL	-	0.03

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NOTE NO. 24 REVENUE FROM CONTINUING OPERATIONS

(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
I Operating Revenue		
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 REVENUE FROM CONTRACTS, PROJECT MANAGEMENT AND CONSULTANCY WORKS		
Contract Income	-	-
Revenue from Project management/ Consultancy works	-	-
Sub-Total (D)	-	-
Sub-Total-I (A+B+C+D)	-	-
E OTHER OPERATING REVENUE		
Interest from Beneficiary States (Revision of Tariff)	-	-
Sub-Total-II	-	-
TOTAL (I+II)	-	-

NOTE NO. 25 OTHER INCOME

(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A) Interest Income		
- Interest from Investments carried at FVTOCI	-	-
- Interest - Government Securities (8.5% tax free bonds issued by the State Governments)	-	-
- Interest from Financial Assets carried at Amortized Cost		
- Deposit Account	620.19	1,088.16
- Employee's Loans and Advances (Net of Rebate)	-	-
- Interest from advance to contractors	-	-
- Others	-	-
B) Other Non-Operating Income		
Late payment surcharge	-	-

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(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Income From Sale of Self Generated VERs/REC	-	-
Realization of Loss Due To Business Interruption	-	-
Profit on sale of investments	-	-
Profit on sale of Assets.	-	-
Income from Insurance Claim	-	-
Liability/ Provisions not required written back #	96.10	24.55
Material Issued to contractor		
(i) Sale on account of material issued to contractors	-	-
(ii) Cost of material issued to contractors on recoverable basis	-	-
(iii) Adjustment on account of material issued to contractor	-	-
Amortization of Grant in Aid	-	-
Income on account of generation based incentive (GBI)	-	-
Exchange rate variation	-	-
Others	93.76	45.21
Sub-total	810.05	1,157.92
Add/(Less): C.O./Regional Office/PID Expenses	-	-
Sub-total	810.05	1,157.92
Less: Income transferred to Expenditure Attributable to Construction	189.89	69.76
Less: Income transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-
Less: Transfer of other income to grant	-	-
Total carried forward to Statement of Profit & Loss	620.16	1,088.16
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. 4.2)	-	-
f) Bad & Doubtful Deposits (*2 under Note No. 4.2)	-	-
g) Diminution in value of stores and spares (*1 under Note 5)	-	-
h) Bad and doubtful debts (*1 under Note 7)	-	-
i) Bad & Doubtful Employees Loans (*1 under Note 10)	-	-
j) Provision for doubtful claims (*1 under Note No. 11)	-	-
k) Provisions for Doubtful Accrued Interest (*3 under Note No. 13)	-	-
l) Provisions for Doubtful Deposits (*1 under Note No. 13)	-	-
m) Provisions for doubtful advances (Contractors & Suppliers) (*2 under Note No. 13)	-	-
n) Provision for project expenses awaiting write off sanction (*4 under Note No. 13)	-	-

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(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
o) Provision for losses pending investigation/awaiting write off / sanction (*5 under Note No. 13)	-	-
p) Provision for wage revision (Sl.no-A(ii) of Note No-22)	22.09	-
q) Provision for PRP / Incentive /Productivity Linked Incentive (Sl.no-A(iii) of Note No-22)	23.51	3.77
r) Provision for Superannuation/Pension Fund (Sl.no-A(iv) of Note No-22)	-	-
s) Provision for Retirement benefits (Sl.no-A (i) of Note No-17 & 22)	-	14.57
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) Provision for 3rd PRC (Sl. No-A(v) of Note No.-22)	-	-
z) Others	50.50	6.21
TOTAL	96.10	24.55

NOTE NO. 26 GENERATION AND OTHER EXPENSES

(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
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	259.89	89.22
- Machinery	-	-
- Others	28.71	44.53
D. OTHER EXPENSES		
Rent & Hire Charges	313.70	198.31
Rates and taxes	15.03	72.75
Insurance	5.77	6.17
Security expenses	41.42	8.56
Electricity Charges	48.13	23.51
Travelling and Conveyance	132.27	102.80
Expenses on vehicles	14.37	12.23

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(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Telephone, telex and Postage	22.32	14.41
Advertisement and publicity	100.68	38.19
Entertainment and hospitality expenses	4.51	4.92
Printing and stationery	19.59	23.38
Consultancy charges - Indigenous	2,422.36	1,125.90
Consultancy charges - Foreign	-	-
Audit expenses (Refer explanatory note-3 below)	1.83	1.40
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	6.10	-
Expenditure on land not belonging to company	191.74	149.47
Loss on Assets	18.40	0.86
Losses out of insurance claims (upto excess clause)	-	-
Losses out of insurance claims (beyond excess clause)	-	-
Books & Periodicals	0.40	0.93
Donation	-	-
CSR/ Sustainable Development	6.98	-
Community Development Expenses	-	-
Directors' expenses	-	-
Research and development expenses	-	-
Interest on Arbitration/ Court Cases	-	-
Interest to beneficiary states	-	-
Expenditure on Self Generated VER's/REC	-	-
Expenses for Regulated Power	-	-
Less: - Exp Recoverable on Regulated Power	-	-
Exchange rate variation	-	-
Training Expenses	1.54	13.60
Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC	0.20	0.33
Operational/Running Expenses of Kendriya Vidyalay	-	-
Operational/Running Expenses of Other Schools	-	-
Operational/Running Expenses of Guest House/Transit Hostel	0.10	-
Operating Expenses of DG Set-Other than Residential	-	-
Other general expenses	54.57	38.13
Sub-total	3,710.61	1,969.60

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(Amount in ₹ Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Add/(Less): C.O./Regional Office/PID Expenses	-	-
Sub-total	3,710.61	1,969.60
Less: Amount transferred to Expenditure Attributable to Construction	3,656.18	1,796.25
Less: Recoverable from Deposit Works	-	-
Less: Transfer of Generation & other expenses - IPO/Buyback	-	-
	54.43	173.35
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	-	-
Project expenses provided for	-	-
Provision for fixed assets/ stores provided for	-	-
Diminution in value of Inventory of Self Generated VER's Provided for	-	-
Provision for catchment area treatment plan	-	-
Provision for Interest to Beneficiary	-	-
Provision for interest against court/arbitration award	-	-
Others	-	-
Sub-total	-	-
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	54.43	173.35
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.		

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(Amount in Lacs)

2 Detail of audit expenses are as under: -	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
i) Statutory auditors		
As Auditor		
Audit Fees	1.44	1.14
Tax Audit Fees	-	-
In other Capacity		
Taxation Matters	-	-
Company Law Matters	-	-
Management Services	-	-
Other Matters/services	0.16	-
Reimbursement of expenses	0.23	0.26
ii) Cost Auditors		
Audit Fees	-	-
Reimbursement of expenses	-	-
Total Audit Expenses	1.83	1.40

NOTE NO. 27 EMPLOYEE BENEFITS EXPENSE

(Amount in Lacs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Salaries, wages, allowances	4,113.14	2,759.43
Gratuity, Contribution to provident fund & pension scheme (incl. administration fees)	441.84	651.26
Staff welfare expenses	260.58	131.05
Leave Salary & Pension Contribution	-	-
Sub-total	4,815.56	3,541.74
Add/(Less): C.O./Regional Office Expenses	-	-
Sub-total	4,815.56	3,541.74
Less: Employee Cost transferred to Expenditure Attributable to Construction	4,815.56	3,541.74
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 included in Salaries, wages, allowances.		
2 Gratuity, Contribution to provident fund & pension scheme include contributions:	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
i) towards Employees Provident Fund	185.47	161.42
ii) towards Employees Defined Contribution Superannuation Scheme	126.17	113.45

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NOTE NO. 28 FINANCE COST

(Amount in Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A Interest on Financial Liabilities at Amortized Cost :		
Term loan	-	-
Government of India loan	-	-
Unwinding of discount-GOI Loan	-	-
Sub-total	-	-
B Other Borrowing Cost		
Other finance charges	-	-0.01
Unwinding of discount-Provision & Financial Liabilities	8.14	6.07
Sub-total	8.14	6.06
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)	8.14	6.06
Add/(Less): C.O./Regional Office/PID Expenses	-	-
TOTAL	8.14	6.06
Less: Finance Cost transferred to Expenditure Attributable to Construction	8.14	6.06
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	-	-

NOTE NO. 29 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Depreciation & Amortisation Expenses	174.52	103.00
Depreciation adjustment on account of Foreign Exchange Rate Variation	-	-
Add/(Less): C.O./Regional Office / PID Expenses	-	-
Sub-total	174.52	103.00
Less: Depreciation & Amortisation Expenses transferred to Expenditure Attributable to Construction	174.52	103.00
Less: Recoverable from Deposit Works	-	-
Total carried forward to Statement of Profit & Loss	-	-

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NOTE NO. 30 TAX EXPENSES

(Amount in Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Current Tax		
Income Tax Provision	171.14	364.77
Adjustment Relating To Earlier periods	0.01	-
Total current tax expenses	171.15	364.77
Deferred Tax- *		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Increase (decrease) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Total deferred tax expenses (benefits)	-	-
Less: Recoverable for tariff period upto 2009	-	-
Less: Deferred Tax Adjustment Against Deferred Tax Liabilities	-	-
Net Deferred Tax	-	-
Total carried forward to Statement of Profit & Loss	171.15	364.77
Explanatory Notes:-		
i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Accounting profit/loss before income tax	565.73	914.81
Applicable tax rate	0.28	0.33
Computed tax expense	155.87	306.04
Tax effects of amounts which are not deductible (Taxable) in calculating taxable income (non-allocable expense)	15.01	58.00
CSR/ Sustainable Development/ Community Development Expenses		
Recoverable portion of Deferred Tax		
Exempt and Tax Free Income		
Tax Incentives		
Adjustment for current tax of prior periods	0.01	
MAT Credit Available/(utilization)		
Reversal of Deferred Tax Assets		
Other Items - Interest under section- 234C	0.26	0.73
Income tax expense reported in Statement of P/L	171.15	364.77

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NOTE NO. 31 MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES

(Amount in Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Movement in Regulatory Deferral Account Balances on account of:-		
(i) Wage Revision as per 3rd PRC	-	-
(ii) Exchange Differences on Monetary Items	-	-
TOTAL (A) = (i) + (ii)	-	-
Impact of Tax on Regulatory Deferral Accounts		
Deferred Tax Expense (Benefit) on Movement in Regulatory Deferral Account Balances	-	-
Less:- Deferred Tax Adjustment against deferred tax assets.	-	-
TOTAL (B)	-	-
Total carried forward to Statement of Profit & Loss (A-B)	-	-

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

(Amount in Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages, allowances	2,073.23	1,187.84
Gratuity and contribution to provident fund	238.53	148.89
Staff welfare expenses	86.35	26.56
Leave Salary & Pension Contribution	-	-
Sub-total	2,398.11	1,363.29
B. REPAIRS & MAINTENANCE		
Building	123.21	22.35
Machinery	-	-
Others	16.73	38.86
Sub-total	139.94	61.21
C. ADMINISTRATION & OTHER EXPENSES		
Rent	230.02	61.54
Rates and taxes	2.79	0.35
Insurance	1.49	0.69
Security expenses	-	-
Electricity Charges	9.20	3.47
Travelling and Conveyance	47.54	21.09
Expenses on vehicles	0.21	1.31

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(Amount in Lacs)

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Telephone, telex and Postage	7.59	4.51
Advertisement and publicity	77.55	-
Entertainment and hospitality expenses	-	-
Printing and stationery	10.28	12.65
Design and Consultancy charges:		
- Indigenous	2,395.23	1,068.87
- Foreign	-	-
Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	6.10	-
Expenditure on land not belonging to company	191.74	149.47
Assets/ Claims written off	-	-
Land Acquisition and Rehabilitation Expenditure	-	-
Losses on sale of assets	-	-
Other general expenses	24.36	1.41
Exchange rate variation (Debit)	-	-
Sub-total	3,004.10	1,325.36
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	1.50	1.80
Transfer of expenses to EAC-committed capital expenses-adjustment for time value	-	-
Sub-total	1.50	1.80

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(Amount in Lacs)

PARTICULARS		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
E. PROVISIONS		-	-
	Sub-total	-	-
F. DEPRECIATION AND AMORTISATION EXPENSES		61.89	57.54
	Sub-total	61.89	57.54
G. C.O./Regional Office Expenses:			
Other Income		-81.19	-32.86
Generation, Administration and Other Expenses		512.14	409.68
Employee Benefits Expense		2,417.45	2,178.45
Depreciation & Amortisation Expenses		112.63	45.46
Finance Cost		6.64	4.26
Provisions		-	-
	Sub-total	2,967.67	2,604.99
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		69.67	4.49
Hire charges/ outturn on plant and machinery		-	-
Miscellaneous receipts		39.01	32.41
Transfer of fair value gain to EAC- security deposit / retention money		0.02	-
Transfer of fair value gain to EAC - on provisions for committed capital expenditure		-	-
	Sub-total	108.70	36.90
TOTAL (A+B+C+D+E+F+G-H)		8,464.51	5,377.29

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Note No. 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, 2018		As as 31st March, 2017	
		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 (Including interest accrued)	3.2 & 3.3		-	-
c)	Others			-	-
(iii) Others					
	-Bank Deposits with more than 12 Months Maturity (Including interest accrued)	3.3		100.00	100.00
Total Non-current Financial assets			-	100.00	-
Current Financial assets					
(i) Current Investments		6		-	-
(ii) Trade Receivables		7		-	-
(iii) Cash and cash equivalents		8		17,424.62	14,180.71
(iv) Bank balances		9		200.00	-
(v) Loans		10		27.68	38.59
(vi) Others (Excluding Lease Receivables)		11		459.73	182.57
Total Current Financial Assets			-	18,112.03	-
Total Financial Assets			-	18,212.03	-
				-0.00	-0.00
Financial Liabilities					
(i) Long-term borrowings		16.1		-	-
(ii) Other Financial Liabilities		16.2		14.22	70.69
(iii) Borrowing -Short Term		20.1		-	-
(iv) Trade Payables including MSME		20.2		-	-
(v) Other Current financial liabilities					
a)	Current maturities of long term borrowings	20.3		-	-
b)	Interest Accrued but not due on borrowings	20.3		-	-
c)	Other Current Liabilities	20.3		12,336.80	19,999.82
Total Financial Liabilities				12,351.02	20,070.51

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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 classified its financial instruments into the following three levels prescribed under Ind AS-113 "Fair Value Measurements"

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

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

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

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

	Note No.	As at 31st March, 2018 Level 1	As at 31st March, 2017 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 Lacs)

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

Particulars	Note No.	As at 31st March, 2018			As at 31st March, 2017		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans	3.2						
a) Employees			Nil			Nil	
b) Loans (including Interest Accrued)			-			-	
Others			-			-	
(ii) Others	3.3						
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)		106.18	-	-	108.27	-	-
Total Financial Assets		106.18	-	-	108.27	-	-
Financial Liabilities							
(i) Long-term borrowings including current maturities and accrued interest	16.1 & 20.3	-	-	-	-	-	-
(ii) Other Long Term Financial Liabilities	16.2	-	-	-	-	-	64.46
Total Financial Liabilities		-	-	-	-	-	64.46

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(Amount in Lacs)

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

Particulars	Note No.	As at 31st March, 2018		As at 31st March, 2017	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	3.2				
(i) Loans					
a) Employees		-	Nil	-	Nil
b) Loans (including Interest Accrued)		-	-	-	-
Others		-		-	
(ii) Others	3.3				
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)		100.00	106.18	100.00	108.27
Total Financial Assets		100.00	106.18	100.00	108.27
Financial Liabilities					
(i) Long-term borrowings including Current maturities and accrued interest	16.1	-	Nil	-	Nil
(ii) Other Long Term Financial Liabilities	16.2	14.22	14.50	70.69	64.46
Total Financial Liabilities		14.22	14.50	70.69	64.46

Note:-

- The Carrying amounts of current investments, Trade and other receivables, Cash and cash equivalents, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
 - For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.
- (d) Valuation techniques and process used to determine fair values**
- The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:
 - Use of Quoted market price or dealer quotes for similar instruments.
 - Fair value of remaining financial instruments is determined using discounted cash flow analysis.
 - CVPP has adopted the discount rate of NHPC for fair valuation of financial assets or financial liabilities not at fair value (except long term employee loans) for FY 2017-18 i.e. 8.75% p.a. Since CVPP does not have any borrowings as on balance sheet date and considering the similar business and risk profile of NHPC and CVPP, discounting rate for recognition of fair value gain/ loss on financial assets/ financial liabilities has been done at the rate adopted by NHPC.
 - The discount rate @ 8.00% P.A. used to fair value financial instruments classified at Level-3 is based on the Weighted Average Rate as on 31.03.2018 of the parent company.
 - As per Ind AS 109, financial liabilities that are subsequently measured at amortised cost are recognised initially at fair value minus transaction costs using the effective interest method. Since the transaction costs incurred on long term borrowings are not material, as such the company has not applied the effective interest method for initial recognition of such liabilities.

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(2) Financial Risk Management

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

i) Credit risk

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

ii) Liquidity risk.

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

iii) Market risk

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

The company operates in a regulated environment. Tariff of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components: 1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above Foreign Currency Exchange variations and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company.

(B) Credit Risk

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

Trade Receivables & lease receivables :-

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

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

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Financial assets at amortised cost :-

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

Financial instruments and cash deposits :-

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

(i) Exposure to credit risk

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

(Amount in Lacs)

Particulars	As at 31.03.2018	As at 31.03.2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	-	-
Loans -Non Current	-	-
Other Non Current Financial Assets	100.00	100.00
Current Investments	-	-
Cash and cash equivalents	17,424.62	14,180.71
Bank balances	200.00	-
Loans -Current	27.68	38.59
Total (A)	17,752.30	14,319.30
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	-	-
Lease Receivables	-	-
Total (B)	-	-
TOTAL (A+B)	17,752.30	14,319.30

(ii) Provision for expected credit losses :-

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company assesses outstanding receivables on an ongoing basis considering changes in payment behaviour and provides for expected credit loss on case-to-case basis.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

CERC Tariff Regulations 2014-19 allow the Company to raise bills on beneficiaries for late-payment surcharge which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables. However, the Company 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.

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(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not over due	0-60 days past due	61-120 days past due	121-180 days past due	More than 180 days past due	Total
Gross Carrying amount as on 31.3.2018.	-	-	-	-	-	-
Gross Carrying amount as on 31.3.2017.	-	-	-	-	-	-

(iv) Reconciliation of impairment loss provisions

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

	Trade Receivables	Lease Receivable	Loans	Total
Balance as at 1.4.2017	-	-	-	-
Changes in Loss Allowances	-	-	-	-
Balance as at 31.03.2018	-	-	-	-

(C) Liquidity Risk

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

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

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

	As at 31st March 2018	As at 31st March 2017
At Floating Rate	Nil	Nil
	Nil	Nil
Total	Nil	Nil

ii) Maturities of Financial Liabilities:

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

As at 31st March 2018

(Amount in Lacs)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2018	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
Borrowings	16.1, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	12,355.74	12,339.64	16.10	-	-
Trade Payables	20.2	-	-	-	-	-
Total Financial Liabilities		12,355.74	12,339.64	16.10	-	-

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As at 31st March 2017

(Amount in Lacs)

Contractual 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, 20.1 & 20.3	-	-	-	-	-
Other financial Liabilities	16.2 & 20.3	20,080.28	19,999.96	80.32	-	-
Trade Payables	20.2	-	-	-	-	-
Total Financial Liabilities		20,080.28	19,999.96	80.32	-	-

(D) Market Risk:

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

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

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

Particulars	As at 31st March 2018	As at 31st March 2018	As at 31st March, 2017	As at 31st March, 2017
	weighted average interest rate		weighted average interest rate	
Floating Rate Borrowings (INR)	Nil	-	Nil	-
Floating Rate Borrowings (FC)	Nil	-	Nil	-
Fixed Rate Borrowings (INR)	Nil	-	Nil	-
Fixed Rate Borrowings (FC)	Nil	-	Nil	-
Total	Nil	-	Nil	-

Interest Rate Sensitivity Analysis

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

(Amount in Lacs)

	Effect on Profit before Tax	
	As at 31st March 2018	As at 31st March 2017
Borrowing in INR-Interest rates-decreased by basis points (Previous year 2016-17 decreased by basis points)*	Nil	Nil
Borrowing in FC-Interest rates-increased by basis points (Previous year 2016-17 increased by basis points)*	Nil	Nil
Borrowing in FC-Interest rates-decreased by basis points (Previous year 2016-17 decreased by basis points)*	Nil	Nil

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

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(ii) Price Risk:

(a) Exposure

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

(b) Price Risk Sensitivity

For Investment in Equity Instruments

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

Particulars	As at 31st March 2018		As at 31st March, 2017	
Investment in Equity shares of :	% change	Impact on other components of equity	% change	Impact on other components of equity
	Nil		Nil	
	Nil		Nil	

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

For Investment in Debt Instruments

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

Particulars	As at 31st March 2018		As at 31st March, 2017	
	% change	Impact on other components of equity	% change	Impact on other components of equity
	Nil		Nil	
	Nil		Nil	

(iii) Foreign Currency Risk

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

(a) Foreign Currency Exposure:

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

(Amount in Lacs)

Particulars	As at 31st March 2018	As at 31st March, 2017
Financial Liabilities:		
Foreign Currency Loans	-	-
Other Financial Liabilities	-	-
Net Exposure to foreign currency (liabilities)	-	-

(b) Sensitivity Analysis

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

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(3) Capital Management

(a) Capital Risk Management

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

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

Statement of Gearing Ratio

Particulars	As at 31st March 2018	As at 31st March, 2017
(a) Total Debt	-	-
(b) Total Capital	114,185.59	94,536.01
Gearing Ratio (a/b)	-	-

For S. Kumar Gupta & Co.
Chartered Accountants
FRN: 001667N

sd/-
(CA Vinamar Gupta)
Partner
M. No. 503362

sd/- sd/-
(K K Goel) (M S Babu)
Chief (Finance) Managing Director

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

Management has assessed the above claims and recognized a provision of ₹ Nil (previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹ 1,74,67,519 (previous year ₹ 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) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of ₹ Nil (Previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹ Nil (previous year ₹ Nil) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

(iii) Disputed Tax Demands

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

(iv) Others

Claims on account of other miscellaneous matters amount to ₹ 1,04,15,862 (previous year ₹ 1,04,10,000). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of ₹ Nil (previous year ₹ Nil) based on probability of outflow of resources embodying economic benefits and estimated ₹ Nil (previous year ₹ Nil) as the amount of contingent liability as outflow of resources is considered as not probable. In respect of the rest of the claims/obligations, possibility of any outflow in settlement is considered as remote.

The above is summarized as at 31.03.2018 as below:

(Amount in ₹)

Sl. No.	Particulars	Claims as on 31.03.2018	Up to date Provision against the claims/ paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition/ (deduction) from contingent liability during the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works	1,74,67,519	-	1,74,67,519	-	-	-
2.	Land Compensation cases	-	-	-	-	-	-
3.	Disputed tax matters	-	-	-	-	-	-
4.	Others	1,04,15,862	-	1,04,15,862	1,04,10,000	-	-
	Total	2,78,83,381	-	2,78,83,381	1,04,10,000	-	-

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- (b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) There is possibility of reimbursement to the company of ₹ Nil (previous year ₹ Nil) towards above contingent liabilities.
- (e) (i) An amount of ₹ Nil (previous year ₹ Nil) stands paid towards above Contingent Liabilities in respect of Capital Works, pursuant to Niti Aayog directions issued vide OM No. 14070/14/2016-PPPAU dated 5th September 2016, in cases where Arbitral Tribunals have passed orders in favour of contractors in arbitral proceedings and such awards/orders have been further challenged by the Company in a Court of Law, upto 75% of the arbitral award (including interest payable as per such award) subject to contractors fulfilling the terms and conditions laid down in the Standard Operating Procedures framed by the Company in this regard. The amount so released is being shown as Current Financial Assets-Others (Note No. 11).
- (ii) An amount of ₹ Nil (previous year ₹ Nil) stands paid /deposited with courts 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) Category of agency wise details of contingent liability as at 31.03.2018 are as under:

(Amount in ₹)

Sl. No.	Category of Agency	Claims as on 31.03.2018	Up to date Provision against the claims/ paid	Contingent liability as on 31.03.2018	Contingent liability as on 31.03.2017	Addition(+)/ deduction (-) from contingent liability during the period	Reduction of contingent liability from Opening Balance as on 01.04.2017
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1	Central Govt. departments	-	-	-	-	-	-
2	State Govt. departments or Local Bodies	1,00,00,000	-	1,00,00,000	1,00,00,000	-	-
3	CPSEs	-	-	-	-	-	-
4	Others	1,78,83,381	-	1,78,83,381	4,10,000	-	-
	TOTAL	2,78,83,381	-	2,78,83,381	1,04,10,000	-	-

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

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

The company has lodged counter claims aggregating to ₹ 3,51,81,330/- (previous year ₹ 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) towards arbitration awards including updated interest thereon.

Based on Management assessment the inflow of economic benefits of ₹ Nil (previous year ₹ Nil) are probable and for rest of the claims, possibility of any inflow is remote.

b) Other Cases

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

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3. Estimated amount of contracts remaining to be executed on capital account and not provided for are as under: (Amount in ₹)

Particulars		As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)	(iv)
1.	Property Plant and Equipment (including CWIP)	10,58,91,24,074	14,42,69,916
2.	Investment Property	-	-
3.	Intangible Assets	-	-
Total		10,58,91,24,074	14,42,69,616

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

5. The effect of foreign exchange fluctuation during the period is as under:

(Amount in ₹)

		For the period ended 31.03.2018	For the Year ended 31.03.2017
(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 Capital work-in-progress (as FERV)	-	-
(iv)	Amount adjusted by addition to the carrying amount of property, plant & equipment	-	-

6. Operating Segment:

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

7. Related Party Disclosures are given below:

The Company is a Joint Venture of NHPC Limited (A GoI Enterprise), JKSPDC (A GoJK Undertaking) and PTC (India) Limited. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial Statements.

(a) Interest in Holding Co.:

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2018	31.03.2017
Not Applicable. Since the CVPP is a joint venture company of NHPC, JKSPDC and PTC (India) Ltd.				

(b) Key Management Personnel:

S. No.	Name	Position Held
1.	M. Y. Khan	Chairman
2.	M. S. Babu	Managing Director
3.	Sudhir Anand	Company Secretary

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(c) Name and nature of relationship with Government:

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

(d) Key Management Personnel (KMP) compensation:

(Amount in ₹)

Particulars	For the year ended 31.03.2018	For the Year ended 31.03.2017
Short Term Employee Benefits	50,81,140	47,27,605
Post-Employment Benefits	-	-
Other Long Term Benefits	-	-

(Amount in ₹)

Other Transactions with KMP	For the year ended 31.03.2018	For the Year ended 31.03.2017
Sitting Fees and other reimbursements to non-executive/independent directors	3,60,000	3,60,000
Interest Received during the year	0	0

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

(Amount in ₹)

Particulars	For the year ended 31.03.2018	For the Year ended 31.03.2017
(i)	(ii)	(iii)
i) Transaction with Government that has control over company (Central Govt./State Government) - CVPP		
Services Received by the Company	-	-
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	-	-
ii) Transaction with Entities controlled by the same Government that has control over company - CVPP		
Purchase of property/Other assets	-	-
Purchase of goods/Inventory	-	-
Services Received by the Company	-	-
Services Provided by the Company	-	-
Sale of goods/Inventory made by the company	-	-
Insurance Premium paid by the Company	20,83,915	5,09,585
Settlement amount received by the Company against Insurance claim	-	-

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iii) Transaction with Joint Venture Partners (NHPC, JKSPDC & PTC India Ltd)		
Services Provided by the Company	-	-
Services Received by the Company	23,67,89,076	8,29,08,812
Deputation of Employees by the company	-	-
Deputation of Employees to the company	-	-
Loan received by the Company	-	-
Equity contribution received by the Company	1,92,55,00,000	7,23,98,00,000
Dividend Paid by the company	-	-
iv) Transaction with KMP & Entities Controlled by KMP		
Services Provided by the Company	-	-
Services Received by the Company	-	-
Loan to KMP	-	-

(f) Outstanding Balances with Related Parties:

(Amount in ₹)

Particulars	As at 31.03.2018	As at 31.03.2017
(i)	(ii)	(iii)
i) Balances with Government that has control over company (Central Govt./State Govt.) - CVPP		
Payables by the Company	-	-
Receivables by the Company	-	-
Loan from Government	-	-
Balances out of commitments made by the company	-	-
ii) Balances with Entities controlled by the same Government that has control over company - CVPP		
Payables by the Company	-	-
Receivables by the Company	-	-
Balances out of commitments made by the company	-	-
Claim receivables from Insurance Company	-	-
iii) Balances with Joint Venture Partners (NHPC, JKSPDC & PTC India Ltd)		
Payables by the Company	5,78,85,540	66,29,883
Receivables by the Company	-	-
Loan outstanding	-	-
Balances out of commitments made by the company	-	-
iv) Balances with KMP & Entities Controlled by KMP		
Receivables by the Company	-	-

The Company has business transactions with the state governments and entities controlled by the Govt. of India. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturers (OEMs) for proprietary items/ on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items. Therefore, party-wise details of such transactions have not been given since such transactions are carried out in the ordinary course of business at normal commercial terms and not considered to be significant.

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

(Amount in ₹)

S. No	Particulars	As at 31.03.2018	As at 31.03.2017
	First Charge		
1	Property Plant & Equipment	-	-
2	Capital Work In Progress	-	-
3	Financial Assets- Others	1,00,00,000	1,00,00,000
	TOTAL	1,00,00,000	1,00,00,000

9. Disclosures Regarding Employee Benefit Obligations:

(A) Defined Contribution Plans-

- (i) **Provident Fund:** The Company pays fixed contribution to Provident Fund at predetermined rates to Additional Commissioner of Provident Fund, J&K. The contribution to the fund for the period is recognized as expense and charges to the Statement of Profit & Loss/expenditure attributable to construction. The obligation of the Company is to make fixed contribution.

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

- (i) **Gratuity:** The Company has a defined benefit gratuity plan. The ceiling limit of gratuity is fixed as per the Payment of Gratuity Act, 1972, whereby every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.20 Crore on superannuation, resignation, termination, disablement or on death. The obligation of the company for the same is recognised on the basis of actuarial valuation.
- (ii) **Allowances on Retirement/Death:** Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he / she may like to settle after retirement is paid as per the rules of the Company. In case of death, family of deceased employee can also avail this facility. The liability for the same is recognised on the basis of actuarial valuation.

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

- (i) **Gratuity:** The amount recognised in the Balance Sheet as at 31.03.2017 & 31.03.2018 along with the movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:

(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii = (i)-(ii)
	2016-17		
Opening Balance as at 01.04.2016	26,38,451	-	26,38,451
Current Service Cost	(2,18,598)	-	(2,18,598)
Past Service Cost	-	-	-
Interest Expenses/ (Income)	2,11,076	-	2,11,076
Total Amount recognised in Profit or Loss	(7,522)	-	(7,522)
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	-	-	-
Experience (gains)/Losses	-	-	-

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Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii = (i)-(ii)
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	-	-	-
Closing Balance as at 31.03.2017	26,30,929	-	26,30,929
	2017-18		
Opening Balance as at 01.04.2017	26,30,929	-	26,30,929
Current Service Cost	52,03,780	-	52,03,780
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1,97,320	-	1,97,320
Total Amount recognised in Profit or Loss	54,01,100	-	54,01,100
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	-	-	-
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	-	-	-
Closing Balance as at 31.03.2018	80,32,029	-	80,32,029

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

(Amount in ₹)

Particulars	31st March 2018	31st March 2017
Present Value of funded obligations	80,32,029	26,30,929
Fair value of Plan Assets	-	-
Deficit/(Surplus) of funded plans	80,32,029	80,32,029
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	80,32,029	80,32,029

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

	Change in assumptions			Increase in assumptions			Decrease in assumptions	
	31st March 2018	31st March 2017		31st March 2018	31st March 2017		31st March 2018	31st March 2017
Discount Rate	0.50%	0.50%	Decrease by	8.40%	8.62%	Increase by	9.44%	9.72%
Salary Growth Rate	0.50%	0.50%	Increase by	9.50%	9.81%	Decrease by	8.51%	8.77%

- (ii) **Allowances on Retirement/Death:** The amount recognised in the Balance Sheet as at 31.03.2017 & 31.03.2018 along with the movements in the net defined benefit obligation during the years 2016-17 and 2017-18 are as follows:

(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2016-17		
Opening Balance as at 01.04.2016	17,194	-	17,194
Current Service Cost	13,051	-	13,051
Past Service Cost	0	-	0
Interest Expenses/ (Income)	1,376	-	1,376
Total Amount recognised in Profit or Loss	31,621	-	31,621
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	-	-	-
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	-	-	-
Closing Balance as at 31.03.2017	31,621	-	31,621

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(Amount in ₹)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2017-18		
Opening Balance as at 01.04.2017	31,621	-	31,621
Current Service Cost	15,584	-	15,584
Past Service Cost	-	-	-
Interest Expenses/ (Income)	2,372	-	2,372
Total Amount recognised in Profit or Loss	17,956	-	17,956
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	-	-	-
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	-	-	-
Contributions:-			
-Employers	-	-	-
-Plan participants	-	-	-
Benefit payments	-	-	-
Closing Balance as at 31.03.2018	49,577	-	49,577

The net liability disclosed above related to unfunded plans.

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

	Change in assumptions			Increase in assumptions			Decrease in assumptions	
	31.03.18	31.03.17		31.03.18	31.03.17		31.03.18	31.03.17
Discount Rate	0.50%	0.50%	Decrease by	8.06%	12.74%	Increase by	8.52%	11.17%

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

Particulars	31st March 2018	31st March 2017
Discount Rate	7.60%	7.50%
Salary growth rate	6.50%	6.00%

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

Gratuity (Amount in ₹)

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

Particulars	31st March 2017			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme *	-	-	-	-
Cash & Cash Equivalents	-	-	-	-
TOTAL	-	-	-	-

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

Description of Risk Exposures:

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

- A) Salary Increase- Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

F) Defined benefit liability and employer contributions:

Expected contributions to defined-benefit plans for the year ending March 31, 2018 are ₹ Nil

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

(₹ in Crore)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31.03.2018					
Gratuity	77,304	5,70,799	4,37,165	69,46,761	80,32,029
Allowances on Retirement/Death	-	-	-	-	-
TOTAL	77,304	5,70,799	4,37,165	69,46,761	80,32,029
31.03.2017					
Gratuity	36,360	-	2,55,626	23,38,673	26,30,929
Allowances on Retirement/Death	-	-	-	-	-
TOTAL	36,360	-	2,55,626	23,38,673	26,30,929

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

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

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

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

Status of confirmation of balances as at 31st December, 2017 as well as amount outstanding as on 31st March, 2018 is as under:

(Amount in ₹)

Particulars	Outstanding amount as on 31.12.2017	Amount confirmed	Outstanding amount as on 31.03.2018
Trade receivable	-	-	-
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	-	-	-
Trade/Other payables	136,49,36,100	106,42,69,080	108,78,90,236
Security Deposit/Retention Money payable	78,19,411	83,50,315	94,47,954

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

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

(₹ in Crore)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
a)* Value of imports calculated on CIF basis:		
i) Capital Goods	-	-
b)* Expenditure in Foreign Currency		
i) Interest	-	-
ii) Other Misc. Matters	-	-
c)* Value of spare parts and Components consumed in operating units.		
i) Imported	-	-
ii) Indigenous	-	-
d)* Earnings in foreign currency		
i) Others	-	-

* Accrual basis.

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12. 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 the period ended on 31.03.2018	For the period ended on 31.03.2017
1	Health Care and Sanitation	29,900	-
2	Education & Skill Development	6,57,950	-
3	Women Empowerment /Senior Citizen	-	-
4	Environment	-	-
5	Art & Culture	-	-
6	Ex-Armed Forces	-	-
7	Sports	10,610	-
8	National Welfare Fund	-	-
9	Technology & Research	-	-
10	Rural Development	-	-
11	Capacity Building	-	-
12	Swachh Vidyalaya Abhiyan	-	-
13	Swachh Bharat Abhiyan	-	-
	Total amount	6,98,460	Nil

(ii) Other disclosures: -

(a) Details of expenditure incurred during the year ended on 31.03.2018 paid and yet to be paid 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	6,98,460	0	6,98,460
(ii) On purpose other than (i) above	0	0	0
Total	6,98,460	0	6,98,460

(b) As stated above, a sum of ₹ Nil out of total expenditure of ₹ 6,98,460/- is yet to be paid to concerned parties which are included in the relevant head of accounts pertaining to liabilities.

(iii) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to ₹ 6,94,928/- for FY 2017-18. The Board of Directors had allocated total budget of ₹ 7,00,000/- for FY 2017-18 (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).

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13. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 04.09.2015 (Refer Note no. 20.2 and 20.3 of the Balance Sheet) are as under:

(Amount in ₹)

Sl. No.	Particulars	As at 31.03.2018	As at 31.03.2017
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:		
a)	Trade Payables:		
	-Principal	-	-
	-Interest	-	-
b)	Others:	-	-
	-Principal		
	-Interest		
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid as on Balance Sheet date	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

14. The management is of the opinion that no case of impairment of assets exists under the provisions of Ind AS-36 on "Impairment of Assets" as at 31st March 2018.

15. Earnings Per Share:

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

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Earnings per Share before Regulatory Income		
(₹) - Basic	0.0404	0.074
(₹) - Diluted	0.0403	0.073
Earnings per Share after Regulatory Income		
(₹) - Basic	0.0404	0.074
(₹) - Diluted	0.0403	0.073
Face value per share (₹)	10.00	10.00

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

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Net Profit after Tax but before Regulatory Income used as numerator (₹ in crore)	3.95	5.50
Net Profit after Tax and Regulatory Income used as numerator (₹ in crore)	3.95	5.50

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

	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Weighted Average number of equity shares used as denominator		
Basic	97,73,42,027	74,33,83,333
Diluted	97,99,99,561	74,83,83,333

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

(i) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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

a) Provision for Performance Related Pay/Incentive:

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees for the year (Previous Year 2016-17) on the basis of Management Estimates in case of NHPC employees presently on the rolls of the Company on the basis of amount actually paid for the F.Y 2016-17.

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

Short term provision for wage revision of the of the company has been recognised in the accounts for the period 1.01.2017 to 31.03.2018 as per notification of the Development of Public Enterprises, Government of India.

17. The status of equity contribution as on 31st March, 2018, from joint venture partners namely NHPC, JKSPDC and PTC (India) Limited stood at ₹ 582,36,00,000/- (55.39%), ₹ 465,00,00,000/- (44.23%) and ₹ 4,08,00,000/- (0.39%) respectively.

18. In line with the revised decision of NHPC Limited to handover the assets/accommodation of Dulhasti Power Station to Pakal Dul Project on rental basis instead of ownership basis, conveyed by Dulhasti Power Station on 11.04.2017, the said assets/accommodation amounting to ₹ 3,28,78,810/- have been de-capitalised. The balance of assets has decreased with corresponding increase in advance to NHPC - Dulhasti Power Station. With this entry the balance under Advance to NHPC - Dulhasti Power Station increased to ₹ 3,51,57,478/- (including earlier balance of ₹ 22,78,668/-). Further, against the said balance under advance, ₹ 1,25,00,000/- has been adjusted against rent charges payable

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to NHPC-Dulhasti Power Station for the period from 01.10.2012 to 31.03.2018 amounting to ₹ 1,34,22,731/- and balance amount of ₹ 2,26,57,478/- has been adjusted against the reimbursement to NHPC Ltd. towards expenditure on Pakal Dul Project amounting to ₹175,58,53,519/-.

19. Till FY 2016-17, depreciation on mobile phones/ cellular phones was being charged as per the rate and methodology notified by CERC for the fixation of tariff. w.e.f. FY 2017-18, depreciation on Mobile phones is being provided on straight line basis over a period of three years with residual value of Re 1 based on management assessment. Accordingly, depreciation charge on mobile phones/ cellular phones during FY 2017-18 is higher by ₹ 7,569/-. Further, depreciation charge for mobile phones/ cellular phones existing as on 31st March 2018 shall be higher by ₹ 9,508/- during the next two financial years.
20. Opening balances/corresponding figures for previous year/period have been re-grouped/re-arranged wherever necessary.

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

For S. Kumar Gupta & Co.
Chartered Accountants
(Firm Regn. No.: 001667N)

sd/-
(CA Vinamar Gupta)
Partner
M.No.: 503362

Place : Jammu
Date : 26.05.2018

sd/-
(M Y Khan)
Chairman

sd/-
(K K Goel)
Chief (Finance)

sd/-
(M S Babu)
Managing Director

sd/-
(Sudhir Anand)
Company Secretary



540 MW Chamera-I Power Station (Himachal Pradesh) - Dam

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एनएचपीसी लिमिटेड
(भारत सरकार का उद्यम)



NHPC Limited
(A Government of India Enterprise)

CIN L40101HR1975GOI032564

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