INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NHDC LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of NHDC LTD ("the Company"), which comprises the Balance Sheet as on March 31, 2022 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended as on that date, and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory notes for the year ended as on that date (hereinafter referred to as "Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules 2015, as amended (Ind AS) and other accounting principles generally accepted in India of the state of affairs of the company as on March 31, 2022 and its Profit, Changes in Equity and its cash flows for the year ended as on that date.

Basis for Opinion:

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors Responsibilities for the audit of the standalone financial statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics. We believe that the audit evidence that is obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters, for incorporation in our Report.

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Sl	Key Audit Matter	Auditor's Response
1	**Recognition and measurement of revenue from sale of power :** The Company records revenue from Sale of Power based on CERC Tariff Regulations. During the Year, CERC has notified trued up tariff order for the period 2014-19 and projected tariff for the period 2019-24 for ISPS and OSPS. Earlier year Sales has been accounted for differential tariffs of previous years. Tariff Regulation notified by CERC vide notification dated 07/03/2019 interalia provides that capital cost considered for fixation of tariff for current period tariff period shall be subject to truing up at the end of tariff period. Accordingly, Sales for the year has been recognized based on principles enunciated in CERC regulation 2019-24 and as per on actual Capex of admitted items. Accordingly, tariff adjustment has been calculated for truing up adjustment. This is considered as key audit matter due to the nature and extent of estimates made as per the CERC Tariff Regulations, which leads to recognition and measurement of revenue from sale of power being complex.	We have obtained an understanding of the CERC tariff Regulations, Orders, Guidelines and the Company's Accounting Policy and procedures in respect of on revenue recognition and measurement of revenue from sale of power comprising of capacity and energy charges and adopted the following audit procedures: Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of power. We understood determination and working of the various factors and parameters in billing and revenue recognition in terms of CERC Regulations Based on the above procedure performed, the recognition and measurement of revenue from sale of power is considered to be adequate and reasonable.
2	**Embedded lease arrangement pursuant to Ind AS 116, identifying and segregating lease and non-lease components in the transactions, reviewing the trial balance to comply with Ind AS.** Power Purchase Agreement entered into by NHDC Ltd with single beneficiary for the substantial period of the stipulated life of the Hydel Power Stations has the substance of an	We verified the Ind AS Annexure as the main tool in preparation of the Standalone Financial Statement. This statement has a linkage to the codes of

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	embedded lease arrangement pursuant to Ind AS 116. Revenue from power generation business is divided into 2 parts in the Profit and Loss Account: lease rental and balance as sale of power. Further major portion of the lease rental is recognized as income from finance lease and disclosed under Revenue from Operations Income while the balance amount of lease rental is deducted from the value of lease receivable and this lease receivable is classified as Non-current asset and partly under Current assets - Financial assets - others. As per Ind AS116, the lease payments shall be discounted using the interest rate implicit in the lease, which keeps changing on each reporting date on account of additional capitalization or de capitalization of assets and change in trued-up / estimate Annual Fixed Charges (AFC) as per latest notifications of CERC, to the extent applicable.	accounts in the Trial balance. Various factors under the monthly energy billing and other billings are to be identified and segregated to those relating to lease model and those relating to sale of power. We called for a reconciliation of all bills raised in the year. The energy bills contains various factors of billing as per Tariff order applicable like capacity charge (normative), energy charges, energy over saleable design energy, incentives and other adjustments. Also there is unbilled revenue. Certain elements of billing fall under Annual Fixed Cost (AFC). We verified the finance lease model working on the reporting date. AFC is apportioned to lease model and repayment of principal amount of lease model is worked out. The reconciliation statement shows the total billed and unbilled amount mapped to Income from lease model and income on sale of power. This reconciliation statement was verified by us. Refer Sl. no 16(B) of Note 34- Explanatory notes to account where maturity analysis of lease receivables and changes in carrying amount of net investment in finance lease is given. Based on the above procedures performed, the recognition of revenue and measurement of Lease rent receivable is considered adequate and reasonable
3	Regulatory Deferral Account Balances and accruals of revenue pending tariff Notifications. Revenue recognition on sale of power to and the disclosure requirements under Ind AS 114	We have assessed the application of the provisions of Ind AS 114, Guidance Note on Accounting for Rate Regulated Activities (Previous GAAP) issued by the

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	"Regulatory Deferral Accounts" The operating activities of the Company are subject to cost of service regulations where by tariff charged for electricity generated is based on allowable capital and other cost and expenses and stipulated return there against Regulatory Deferral Accounts are based on the estimates with respect to recoverability there of as per the current CERC Tariff Regulations on final approval and notifications. The above rate regulation results in 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. The company has recognized deferred tax asset relating to MAT credit entitlement as per Ind AS 12. Utilization of MAT credit will result in lower outflow of income tax in future years. Further partial benefit of MAT credit is to be appropriated/adjusted in future years through effective tax rate adjustment mechanism as applicable for the tariff Regulations 2019-24 and accordingly accounted as Regulatory Deferral Liability. The debit balance in Regulatory Deferral Account is disclosed in Note No 14.1 and credit balance in Note No 14.2 separately in the balance sheet.	ICAI in respect of the Company's revenue recognition policy for sale of power We have verified the accounting of revenue in accordance with the CERC Tariff Regulations, Orders, Circulars, Guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity and energy charges. - It is observed that the consideration of various items under "Net movement in Regulatory Deferral Account Balances" and the treatment in the audited accounts are in compliance with the accounting principles laid down in Ind AS 114 Based on the above procedure performed, the recognition, measurement and adequacy of disclosure of revenue as per Ind AS 114 and Ind AS 115 for FY 2021-22 are considered to be adequate and reasonable. Attention is invited to Sl no 21 of Note - 34 - other Explanatory notes to Accounts: We called for a statement of MAT credit entitlement year wise till 2021-22, how much MAT credit was utilized and how much lapsed till 2021-22. We also reviewed the future cash flow submitted for tariff revision and also future cash flow assessment to determine whether the MAT credit shall be utilized in future. Based on the above procedures performed, the recognition and measurement of deferred tax relating to MAT credit entitlement and corresponding Regulatory Deferral Liability are reasonable.

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4	Impairment assessment of Plant, Property and Equipment (PPE) The company has a material asset base (PPE) in physical terms and not reflected as such in the financial statements. Most of the PPE are reflected in Lease rent receivable under embedded finance lease model in pursuance of Ind AS 116. The company has identified that each of the hydro generating plant as Cash Generating Units(CGU). Ind AS 36- Impairment of Assets requires an entity to assess on each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the entity is required to estimate the recoverable amount of the asset. Based on the assessment, the company has concluded that there exists no significant impairment indicator or any impairment in respect of the CGUs of the company tested for impairment during the year 2021-2022. Hence no provision for impairment against PPE has been considered necessary by the company. We considered this as a key audit matter as the carrying value of PPE requires impairment assessment based on future expected cash flows associated with the power plants.	We have obtained the inhouse technical committee report on impairment and reviewed. The committee constituted has senior officials from Commercial, O&M, D&E and Finance division. The fact that there is no restructuring or discontinuation of operation of the business of company during the period, there is no deterioration in the financial condition of beneficiary, there are no instances of write off of trade receivables in the past and that company has taken Mega Insurance coverage of Assets of Projects was all considered by the committee. The assessment of impairment indicators based on internal & external sources of information for both the power stations have been considered for the purpose of impairment analysis. Based on the above procedures performed, we observed that the company's assessment of impairment of the PPE is adequate and reasonable.
5	Contingent Liability There are a number of litigations pending before various forums, against the company other than capital commitments on capital works. These litigations are against the company in matter of disputes over land compensation cases, disputed tax matters, contractor's payments subject to arbitration or challenging of arbitration awards. Contingent liabilities as on 31-03-2022 other than capital commitments is Rs 526.05 Lakhs. Claims made against the Company are significant. These are pending for decision before arbitration or other judicial forums and	Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the Contingent Liabilities include the following: Obtained the status of the case from the legal department and their view on the matter; Evaluated the contractual terms and conditions and management's rationale for the adequacy of the provision so far made and the amount remaining un provided against the demands made against the Company;

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	consequential and possible impact thereof and provisions/disclosure required have been based on the management's assessment of the probability of the occurrence of the liability. The 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.	Discussion with management and reviewing the correspondences and Notes on related matters. Reliance has been placed on the decisions on similar matters and probability of the liability arising therefrom and provision made by the Management pending final judgement / decisions Reviewed the appropriateness and adequacy of the disclosure by the management as required in terms of the requirement of IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets". Based on the above procedures performed, the estimation and disclosures of contingent liabilities is considered to be adequate and reasonable.

Information Other than the standalone Financial Statements and Auditor's Report Thereon:

• The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures, Management Discussion and Analysis Report and Report on Corporate Governance, but does not include the standalone financial statements and our auditor's reports thereon. The other information as stated above is expected to be made available to us after the date of this Auditor's Report.

• Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

• In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

• When we read the other information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

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Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 (the Act) with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Cash Flows and Changes in Equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities: selection and application of appropriate implementation and maintenance accounting policies: making judgments and estimates that are reasonable and prudent; and the 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.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

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resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluation the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order 2020 (the order) issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure -1 as a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

2. Based on the verification of books of account of the Company and according to information and explanations given to us, we give below a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143 (5) of the Act:

Sl No	Directions	Reply	Action taken thereon	Impact on Accounts & Financial Statements of the company
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated	According to the information and explanations given to us and based on our audit, all accounting transactions are routed through ORACLE system implemented by the Company. Period end standalone Financial Statements are compiled offline based on balances and transactions generated from ORACLE system. We have neither been informed nor have we come across during the course of our audit any accounting transactions having impact on the integrity of the accounts along with the financial implications which have been processed outside the IT system.	No action required	NIL

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2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	According to information and explanations given to us and based on our audit, there is no case of restructuring of an existing loan or cases of waiver/write off of debts / loans / interest etc. made by lender to the Company.	No action required	NIL
3	Whether funds (grants/ subsidy etc.) received/receivable for specific schemes from Central/State Government and its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	According to information and explanations given to us and based on our audit, the company has accounted for and utilized the funds received for specific schemes Central / State agencies as per the terms and conditions of the schemes.	No action required	NIL

3. Further to our comments in the annexure referred to in the paragraph above, as required by section 143(3) of the Act, based on our audit we report that:

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

(ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.

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(iii) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

(iv) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 as amended.

(v) In terms of Notification no. G.S.R. 463 (E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of the Directors, are not applicable as it is a government Company.

(vi) 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 -2 to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(vii) As per Notification No. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India, section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with the requirement of provisions of section 197(16) of the Act is not applicable to the Company.

(viii) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us :

a) The company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements as on 31-Mar-2022. (Refer Note no:34 Para 1 to the standalone Financial Statements)

b) The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts. However, there are no such derivative contracts dealt by the company, hence provision for foreseeable losses towards derivative contracts are not applicable.

c) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

d) Omitted as per Companies (Audit and Auditors) Amendment Rules, 2021, which has been notified by MCA vide Notification dt. 24-Mar-2021

(e) (i) The management has represented that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities

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identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided above, contains any material mis-statement.

(f) As stated in Note No. 33(3)(c) to the standalone financial statements

(i) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(ii) The 1st interim dividend declared and paid by the Company during the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

(iii) The Board of Directors of the Company have proposed second interim dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

(g) The requirement of having accounting software by the company for maintaining its books of account which has a feature of recording audit trail is not applicable, as the same has been extended to 01-Apr-2023.

For **BHUTORIA GANESAN & CO.,**
Chartered Accountants
Firm Registration No - 004465C

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CA UMASHANKAR. U
Partner
M.No. : 229774
UDIN : 22229774AIQOOX7710

Date : 09-May-2022
Place : Bhopal

ANNEXURE - '1' TO THE INDEPENDENT AUDITOR'S REPORT 2021-22

[Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement's" section of our report to the Members of NHDC Ltd. of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right – to-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets

(b) All the Property, Plant and Equipment have been physically verified by the management (except for submerged assets in water) during the year in accordance with its annual assets and inventory verification policy of the company, which in our opinion, is reasonable having regard to the size of the company, location of its plants and the nature of its assets. Discrepancies noticed on such verification during the year have been appropriately dealt in books of account.

(c) According to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee)disclosed in the financial statements are held in the name of the company, the major portion of immovable properties is land acquired for dam, resettlement and rehabilitation of affected people, these are right-to-use of land and so no title deed exists in the name of the company, as on the balance sheet date except for the following where the title/ lease deeds are not available with the Company.

Description of property	Gross carrying value ## *(Rs. in Lakhs)*	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
Land Right to Use-Indira Sagar Project (ISP)-102352.14 Acres	264500.71	Land owned by Govt of Madhya Pradesh	No	-	Right to use granted by Govt of MP
Land Right to Use-Omkareshwar Project (OSP)-14405.87 Acres	105004.81	Land owned by Govt of Madhya Pradesh	No	-	Right to use granted by Govt of MP

Expenditure incurred are compensatory in nature including payment made to land Outsees and resettlement expenses incurred upto 31-Mar-2022.

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(d) The Company has not revalued any of its property, Plant and Equipment (including right-to-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at all locations in reasonable intervals during the year. The procedures of physical verification of inventory followed by the management, in our opinion is reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records for inventory and no discrepancies exceeding 10% or more in the aggregate for each class of inventory were noticed. Minor discrepancies were properly dealt with in the books of account noticed during physical verification.

(b) The Company has not been sanctioned working capital limits in excess of Rs.5 Crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable.

(iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(a) The Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence reporting under clause 3(iii)(a)(A & B) & 3(iii)(b,c,d,e & f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us the company has complied with the provisions of sections 185 and 186 with respect to loans, investments, guarantees and security made.

(v) The company has not accepted any deposit or amounts which are deemed to be deposits, from the public. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to rules made by the Central Government for the maintenance of cost records under clause 148(1) of the Companies Act 2013, for the products/ services of the company which is electricity generation. We 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 these records wifh a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, during the year, the company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of customs, Duty of excise, Value added tax, Cess, Electricity duty, Energy Cess and any other statutory dues with the appropriate authorities to the extent applicable to it with the appropriate authorities.

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There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employee's State Insurance, Income tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as on 31-03-2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us and as per books of accounts of the company, the following statutory dues referred to in sub-clause (a) which have not been deposited with appropriate authorities on account of any dispute, Details of the same given below:

Income Tax

Nature of Statute	Nature of dues	Amount unpaid (Rs. in lakhs)	Year to which it pertains (F.Y.)	Forum where dispute is pending
Income Tax	Outstanding Demand as per Traces	0.68	2008-09	CPC
Income Tax	Outstanding Demand as per Traces	0.14	2009-10	CPC
Income Tax	Outstanding Demand as per Traces	0.14	2007-08	CPC
Income Tax	Outstanding Demand as per Traces	0.04	2015-16	CPC
Income Tax	Outstanding Demand as per Traces	0.02	Various years	CPC

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) According to the information and explanations given to us, during the year,

(a) Based on our audit procedures and as per the information and explanations given by the management, The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the order is not applicable.

(b) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender; or government or any government authority.

(c) The company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under Clause 3(ix)(c) of the order is not applicable.

(d) The company has not raised funds either for short term purpose or for long term purpose, hence reporting under Clause 3(ix)(d) is not applicable.

BHUTORIA GANESAN & CO. CHARTERED ACCOUNTANTS FRN 4465C BHOPAL

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, Associates or Joint ventures.

(f) The Company has not raised any loans during the year and hence reporting on Clause 3(ix)(f) of the Order is not applicable.

(x) (a) In our opinion and according to the information and explanations given to us by the management the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised during the year, hence reporting under clause 3(x)(a) is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or Optionally) and hence reporting under Clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no material fraud by the company or no material fraud on the company has been noticed or reported during the year and up to the date of this report.

(b) No report under sub section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules ,2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) (a) The company is not a Nidhi company and hence reporting under Clause 3(xii)(a,b,c) of the order is not applicable.

(xiii) According to the information and explanations given by the management, transactions with related parties are in compliance with section 177 and 188 of the Companies Act 2013 where applicable and the details of related party transactions have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them as per the provisions of section 192 of Companies Act. Hence, paragraph 3(xv) are not applicable.

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 (2 of 1934). Hence Reporting under Clause 3(xvi)(a & b) of the Order is not applicable.

(c) In our opinion, there is no Core Investment Company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3(xvi)(c & d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence, reporting under clause 3 (xviii) is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) The company has transferred unspent amount in respect of other than ongoing projects to a Fund specified in Schedule VII to the Companies Act.

(b) The company does not have any ongoing projects under CSR activities as on 31-Mar-2022, hence reporting under Clause 3(xx)(b) is not applicable.

(xxi) Since, the financial statement is a standalone financial statement, reporting to the clause (xxi) of the order is not applicable.

For **BHUTORIA GANESAN & CO.,**
Chartered Accountants
Firm Registration No - 004465C

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

CA UMASHANKAR. U
Partner
M. No. : 229774
UDIN : 22229774AIQOOX7710

Date : 09-May-2022
Place : Bhopal

ANNEXURE - '2' TO THE INDEPENDENT AUDITOR'S REPORT 2021-22

[Referred to in paragraph 3(f) under "Report on Other Legal and Regulatory Requirement's" section of our report to the Members of NHDC Ltd. of even date]

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

We have audited the internal financial controls over financial reporting of NHDC Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Standalone Ind AS 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

BHUTORIA GANESAN & CO.
FRN 4465C
BHOPAL
CHARTERED ACCOUNTANTS

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, to the best of our information and according to the explanations given to us , the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the criteria for internal financial control over financial reporting 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 **BHUTORIA GANESAN & CO.,**
Chartered Accountants
Firm Registration No - 004465C

BHUTORIA GANESAN & CO. CHARTERED ACCOUNTANTS FRN 4465C BHOPAL

CA UMASHANKAR. U
Partner
M. No. - 229774
UDIN : 22229774AIQOOX7710

Date : 09-May-2022
Place : Bhopal

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NHDC

NHDC LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in ₹ Lakhs)

PARTICULARS	Note No.	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
ASSETS				
(1) NON-CURRENT ASSETS				
a) Property, Plant and Equipment	2.1	14,399	15,020	15,759
b) Capital Work in Progress	2.2	776	1,608	752
c) Right Of Use Assets	2.3	81,970	87,345	92,114
d) Investment Property	2.4	-	-	-
e) Intangible Assets	2.5	-	-	-
f) Intangible Assets under development	2.6	51	17	-
g) Financial Assets				
i) Investments	3.1	-	-	-
ii) Loans	3.2	2,651	2,388	2,006
iii) Others	3.3	4,89,028	4,26,118	4,14,036
h) Non Current Tax Assets (Net)	4	982	983	1,432
i) Deferred Tax Assets (Net)	18	18,707	28,162	29,643
j) Other Non Current Assets	5	1,509	1,393	1,328
TOTAL NON CURRENT ASSETS		6,10,073	5,63,034	5,57,070
(2) CURRENT ASSETS				
a) Inventories	6	1,014	927	837
b) Financial Assets				
i) Trade Receivables	7	56,632	60,125	44,623
ii) Cash and Cash Equivalents	8	13,948	21,968	887
iii) Bank balances other than Cash and Cash Equivalents	9	37,966	1,03,108	1,27,015
iv) Loans	10	534	429	487
v) Others	11	17,053	17,574	16,700
c) Current Tax Assets (Net)	12	2,256	2,256	5,076
d) Other Current Assets	13	1,648	1,443	2,109
TOTAL CURRENT ASSETS		1,31,051	2,07,830	1,97,734
(3) Regulatory Deferral Account Debit Balances	14.1	30,064	30,064	30,064
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES		7,71,188	8,00,928	7,84,868
EQUITY AND LIABILITIES				
(1) EQUITY				
(a) Equity Share Capital	15.1	1,96,258	1,96,258	1,96,258
(b) Other Equity	15.2	3,68,209	3,74,409	3,62,847
TOTAL EQUITY		5,64,467	5,70,667	5,59,105
(2) LIABILITIES				
NON-CURRENT LIABILITIES				
a) Financial Liabilities				
i) Borrowings	16.1	-	-	-
ia) Lease Liabilities	16.2	39	39	80
ii) Other financial liabilities	16.3	31	87	105
b) Provisions	17	623	130	2,789
c) Other non-current Liabilities	19	99,812	1,06,269	1,11,682
TOTAL NON CURRENT LIABILITIES		1,00,505	1,06,525	1,14,656
(3) CURRENT LIABILITIES				
a) Financial Liabilities				
i) Borrowings	20.1	-	-	-
ia) Lease Liabilities	20.2	-	-	18
ii) Trade Payables	20.3			
Total outstanding dues of micro enterprises and small enterprises		703	519	411
Total outstanding dues of Creditors other than micro enterprises and small enterprises		469	439	711
iii) Other financial liabilities	20.4	4,400	4,733	5,025
b) Other Current Liabilities	21	8,846	9,986	8,616
c) Provisions	22	19,997	31,680	21,255
d) Current Tax Liabilities (Net)	23	1,456	-	279
TOTAL CURRENT LIABILITIES		35,871	47,357	36,315
(4) Regulatory Deferral Account Credit Balances	14.2	70,345	76,379	74,792
TOTAL EQUITY, LIABILITIES AND REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES		7,71,188	8,00,928	7,84,868

Accompanying notes to the Standalone Financial Statements 1-35

Note: The figures as at 31st March 2021 and 1st April 2020 as given above are restated (Note No-35)

As per our report of even date attached

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

CA UMASHANKAR U.
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) & Chief Financial Officer

Place: Bhopal
Date: 09/05/2022

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NHDC

NHDC LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in ₹ Lakhs)

PARTICULARS	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
INCOME			
i) Revenue from Operations	24.1	85,820	1,15,841
ii) Other Income	24.2	22,708	19,065
TOTAL INCOME		1,08,528	1,34,906
EXPENSES			
i) Generation Expenses	25	288	319
ii) Employee Benefits Expense	26	13,415	14,098
iii) Finance Costs	27	59	50
iv) Depreciation and Amortization Expense	28	6,407	6,380
v) Other Expenses	29	21,797	26,302
TOTAL EXPENSES		41,966	47,149
PROFIT BEFORE EXCEPTIONAL ITEMS, REGULATORY DEFERRAL ACCOUNT BALANCES AND TAX		66,562	87,757
Exceptional items		-	-
PROFIT BEFORE REGULATORY DEFERRAL ACCOUNT BALANCES AND TAX		66,562	87,757
Tax Expenses	30.1		
i) Current Tax		18,878	20,555
ii) Deferred Tax		2,421	(1,454)
Total Tax Expenses		21,299	19,101
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES		45,263	68,656
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	6,033	(1,586)
PROFIT FOR THE YEAR (A)		51,296	67,070
OTHER COMPREHENSIVE INCOME (B)	30.2		
(i) Items that will not be reclassified to profit or loss (Net of Tax)			
(a) Remeasurement of the post employment defined benefit obligations		(123)	21
Less:-Movement in Regulatory Deferral Account Balances in respect of tax on defined benefit obligations		66	(12)
-Movement in Regulatory Deferral Account Balances-Remeasurement of post employment defined benefit obligations		-	-
Less: Impact of Tax on Regulatory Deferral Accounts		-	-
Sub total (a)		(189)	33
(b)Investment in Equity Instruments		-	-
Sub total (b)		-	-
Total (i)=(a)+(b)		(189)	33
(ii) Items that will be reclassified to profit or loss (Net of Tax)			
- Investment in Debt Instruments		-	-
Total (ii)		-	-
Other Comprehensive Income (B)=(i+ii)		(189)	33
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B) (COMPRISING PROFIT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR)		51,107	67,103
Earning per share (Basic and Diluted) (Equity shares, face value of ₹ 1000/- each)	34 (12)		
Before movements in Regulatory Deferral Account Balances		230.63	349.82
After movements in Regulatory Deferral Account Balances		261.37	341.74
Accompanying notes to the Standalone Financial Statements	1-35		

Note: The figures for the year ended on 31st March 2021 given above are restated (Note No-35)

As per our report of even date attached

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

CA UMASHANKAR, U
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) & Chief Financial Officer

Place: Bhopal
Date: 09/05/2022

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2022

A. EQUITY SHARE CAPITAL

Particulars	Refer Note No.	Amount
As at 1st April 2021	15.1	1,96,258
Change in Equity Share Capital	15.1	
As at 31st March 2022	15.1	1,96,258

B. OTHER EQUITY

(Amount in ₹ Lakhs)

Particulars	Reserve & Surplus				Other Comprehensive Income		Total
	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Surplus/ Retained Earnings	Debt instruments through OCI	Equity Instruments through OCI	
Balance as at 1st April, 2021	-	-	3,56,350	16,645	-	-	3,72,995
Changes in accounting policy or prior period errors	-	-	-	1,414	-	-	1,414
Restated balances as at 1st April 2021	-	-	3,56,350	18,059	-	-	3,74,409
Profit for the year	-	-	-	51,296	-	-	51,296
Other Comprehensive Income	-	-	-	-189	-	-	-189
Total Comprehensive Income for the year	-	-	-	51,107	-	-	51,107
Share Application Money received during the year.							-
Transfer to Retained Earning							-
Amount transferred from Bond Redemption Reserve	-	-		-			-
Tax on Dividend - Write back	-	-		-			-
Amount written back from Research & Development Fund				-			-
Amount Transferred from General Reserve							-
Transfer from Retained Earning							-
Dividend	-	-		(57,307)			(57,307)
Transfer to Bond Redemption Reserve	-	-		-			-
Transfer to Research and Development Fund	-	-		-			-
Transfer to General Reserve			-	-			-
Balance as at 31st March 2022	-	-	3,56,350	11,859	-	-	3,68,209

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

CA UMASHANKAR. U
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

Place: Bhopal
Date: 09/05/2022

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) &
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2021

A. EQUITY SHARE CAPITAL

(Amount in ₹ Lakhs)

Particulars	Refer Note No.	Amount
As at 1st April 2020	15.1	1,96,258
Change in Equity Share Capital	15.1	-
As at 31st March 2021	15.1	1,96,258

B. OTHER EQUITY

(Amount in ₹ Lakhs)

Particulars	Reserve & Surplus				Other Comprehensive Income		Total
	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Surplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	
Balance as at 1st April, 2020 (As previously Reported)	361	-	3,56,350	5,329	-	-	3,62,040
Changes in accounting policy or prior period errors	-	-	-	807	-	-	807
Restated Balance as at 1st April, 2020	361	-	3,56,350	6,136	-	-	3,62,847
Profit for the period	-	-	-	67,070	-	-	67,070
Other Comprehensive Income	-	-	-	33	-	-	33
Total Comprehensive Income for the year	-	-	-	67,103	-	-	67,103
Share Application Money received during the year.							-
Transfer to Retained Earning							-
Amount transferred from Corporate Social Responsibility Fund	(361)	-		361			-
Tax on Dividend - Write back	-	-		-			-
Amount written back from Research & Development Fund		-		-			-
Amount Transferred from General Reserve							-
Transfer from Retained Earning							-
Dividend	-	-		(55,541)			(55,541)
Transfer to Bond Redemption Reserve	-	-		-			-
Transfer to Research and Development Fund	-	-		-			-
Transfer to General Reserve			-	-			-
Balance as at 31st March 2021	-	-	3,56,350	18,059	-	-	3,74,409

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

CA UMASHANKAR. U
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V.K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal
Date: 09/05/2022

NHDC LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2022

(Amount in ₹ Lakhs)

		For the Year ended 31st March, 2022		For the Year ended 31st March, 2021	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before tax for the year including movements in Regulatory Deferral Account Balance		72,595		86,171
	Less: Movement in Regulatory Deferral Account Balances		6,033		(1,586)
	Profit before Tax		66,562		87,757
	ADD :				
	Depreciation	6,407		6,380	
	Finance Cost (Net of EDC)	59		50	
	Provisions (Net loss)	4		6,483	
	Expenditure towards Regulatory Deferral Account Balances (net of finance and depreciation)	-		-	
	Tariff Adjustment (loss)	5,967		5,837	
	Loss on sale of assets/Claims written off	151		38	
			12,588		18,788
			79,150		1,06,545
	LESS :				
	Advance against Depreciation written back	434		434	
	Provisions (Net gain)	1,744		-	
	Net Gain/Loss on sale of Investmets	-		-	
	Profit on Sale/Disposal of Assets	18		1	
	Dividend Income	-		-	
	Interest Income	14,031		12,349	
	Exchange rate variation	-		-	
	Fair Value Adjustments	93		38	
	Amortisation of Government Grants	6,407		6,378	
			22,727		19,200
	Cash flow from Operating Activities before Operating Assets & Liabilities adjustments		56,423		87,345
	Changes in Operating Assets and Liabilities:				
	Inventories	(90)		(90)	
	Trade Receivables	3,494		(15,502)	
	Other Assets, Loans and Advances	782		3,891	
	Other Liabilities & Provisions	(16,960)		(3,165)	
			(12,774)		(14,866)
	Cash flow from operating activities before taxes		43,649		72,479
	Less : Taxes		10,387		14,631
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		33,262		57,848
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Property, Plant and Equipment, Other Intangible Assets (including Capital Work in Progress for the year) - Net of Grant		665		(911)
	Realization/ (Investment) in Bank Deposits		1,791		7,949
	Dividend Income		-		-
	Interest Income		13,614		11,772
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		16,070		18,810
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Dividend Paid		(57,307)		(55,541)
	Proceeds from Borrowings		-		-
	- Long Term	-			
	- Short Term	-			
	Repayment of Borrowings		-		-
	Interest & Finance Charges		(42)		(33)
	Repayment of Lease Liability		(3)		(3)
	- Principal	-		-	
	- Interest	(3)		(3)	
	Fair value adjustments of Lease Liability		-		-
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(57,352)		(55,577)
D.	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(8,020)		21,081
	Cash & Cash Equivalents at the beginning of the year		21,968		887
	Cash & Cash Equivalents at the close of the year		13,948		21,968

EXPLANATORY NOTES TO CASH FLOW STATEMENT

Bank Balances other than Cash & Cash Equivalents include an amount of ₹ 8 Lakhs (As on 31.03.2021 ₹ 9 Lakhs) representing deposit by Oustees towards Land for Land in respect of Omkareshwar Project, which is not freely available for the business of the Company (refer note no. 9)

Bank Balances other than Cash & Cash Equivalents include an amount of ₹ 752 Lakhs (As on 31.03.2021 ₹ 718 Lakhs) under lien with banks as per orders of Hon'ble Court of Law which is not available for use as on 31.03.2022 (refer note no. 9).

Company has incurred ₹ 1619 Lakhs in cash on account of Corporate Social Responsibility (CSR) expenditure during FY 2021-22 (Previous FY 2020-21 ₹ 1929 Lakhs).

Figures for the previous periods have been re-grouped/ re-arranged /re-classified, wherever necessary (Refer Note 35).

Net Debt Reconciliation

(Amount in ₹ Lakhs)

	31st March, 2022	31st March, 2021
Cash & Cash Equivalents	13,948	21,968
Current Borrowings	-	-
Non current Borrowings	-	-
Lease Liability	(39)	(40)
Net Debt	13,909	21,928

Particulars	For the Year ended 31st March, 2022			For the Year ended 31st March, 2021		
	*Borrowings (Current & Non-Current)	Lease Liability	Total	*Borrowings (Current & Non-Current)	Lease Liability	Total
Opening Net Debt as on 1st April	-	40	40	-	98	98
Proceeds from Borrowings		-	-	-	-	-
Repayment of Borrowings/Lease Liability	-	-	-	-	-	-
Interest paid	-	(3)	(3)	-	(3)	(3)
Other Non-Cash Movements :		-			-	
-Increase in Lease Liability	-	-	-	-	(58)	(58)
-Foreign exchange adjustments	-	-	-	-	-	-
-Interest and Finance Charges	-	3	3	-	3	3
-Fair value adjustments	-	-	-	-	-	-
Closing Net Debt as on 31st March	-	40	40	-	40	40

*For Borrowings refer Note No.16.1, 20.1 and 20.4 (Extracts)

For and on behalf of Board of Directors

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

CA UMASHANKAR. U
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal
Date: 09/05/2022

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 (CIN U31200MP2000GOI014337). 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 going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorised for issue by the Board of Directors on 09/05/2022.

Basis of Measurement

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

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

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

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. 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.

(B) Application of new and revised standards

During the year, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2021 which has brought about certain amendments in the existing Indian Accounting Standards. Impact of these amendments are disclosed hereunder:

(i) **Interest rate benchmark reform – Phase 2: Amendments to Ind AS 109, Ind AS 107 and Ind AS 116:** The Companies (Indian Accounting Standards) Amendment Rules, 2021 has added certain provisions regarding interest rate benchmark reforms under Ind AS 109" Financial Instruments". Consequential amendments have also been made in Ind AS 107- Financial Instruments-Disclosures and Ind AS 116-Leases. There is, however, no material impact on the financial statements of the Company.

(ii) **Ind AS 116: COVID-19 related rent concession**

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no material impact on the financial statements of the Company.

(iii) **Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". Consequential amendments have been made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no material impact on the financial statements of the Company.

(iv) Amendments/ revision in other standards are either not applicable or do not have any material impact on the financial statements.

(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 Lakhs except where indicated otherwise.

(E) Use of estimates and management judgments

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

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

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

Critical judgments and estimates

a) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116- Leases. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Identification of a lease requires significant judgment.

To assess whether a contract conveys the right to control the use of an identified asset for a period of time, an entity shall assess whether, throughout the period of use, the customer has both of the following:

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a. the right to obtain substantially all of the economic benefits from use of the identified asset; and

b. the right to direct the use of the identified asset.

To control the use of an identified asset, a customer is required to have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use. A customer has the right to direct the use of an identified asset throughout the period of use if the customer has the right to direct how and for what purpose the asset is used throughout the period of use.

The Company also uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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 power station is recognised as a Lease Receivable. The minimum lease payments are identified by segregating the embedded lease payments from the rest of the contract amounts. Each lease receipt is allocated between the receivable and finance lease income so as to achieve a constant rate of return on the Lease Receivable outstanding.

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

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

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

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

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prescribed in Schedule II of the Companies Act, 2013 and mobile phones which are as per management assessment.

c) **Recoverable amount of Property, Plant and Equipment, Capital Work in Progress and Intangible Assets**

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

d) **Post-retirement benefit plans**

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

e) **Revenue**

The Company records revenue from sale of power based on Tariff approved by the CERC, as per the principles of Ind AS 115- *Revenue from Contracts with Customers.* However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, where tariff is pending revision due to revision in cost estimates, tariffs are computed based on the parameters and methods prescribed under the CERC Tariff Regulations and an estimated amount of revenue is recognised when an application is made to the CERC after obtaining necessary approvals to the extent it is highly probable that there will be no downward adjustment to the revenue recognised.

f) **Provisions and contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change due to 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 and maintenance including a stipulated return. Guidance Note on Rate Regulated Activities issued by the ICAI (previous GAAP) and Ind AS 114- 'Regulatory Deferral Accounts' permits an entity to include in the rate base, as part of the cost of self-constructed (tangible) PPE or internally generated intangible assets, amounts that would otherwise be recognised as an expense in the Statement of Profit and Loss in accordance with Ind AS. The Company estimates that items of regulatory deferral accounts recognised in the financial statements are recoverable as per the current CERC Tariff Regulations 2019-24. However, changes in CERC tariff regulations beyond the current tariff period may affect the recoverability of such balances.

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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 cost 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 and Equipment, Capital Work in Progress is based on estimates and assumptions as per terms and conditions of insurance policies.

(III) SIGNIFICANT ACCOUNTING POLICIES:

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

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

1.0 Property, Plant and Equipment (PPE)

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

b) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. In cases where final settlement of bills with contractors is pending, but the asset is complete and available for operating in the manner intended by the management, capitalisation is done on estimated basis subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

c) Expenditure incurred on renovation and modernization of power station on completion of the originally estimated useful life of the power station is added to the cost of the related asset when it meets the recognition criteria. PPE acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

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

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e) Deposits, payments made/ liabilities created provisionally towards compensation (including interest on enhanced compensation till the date of award by the Court), rehabilitation & resettlement and other expenses including expenditure on environment management plans relatable to land in possession are treated as cost of land.

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

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

h) Spares parts (procured along with the Plant and 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 and spares" forming part of inventory.

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

j) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. 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 (CWIP)

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

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

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

3.0 Investment Property

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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 supported by evidence.

4.0 Intangible Assets and Intangible Assets under Development

a) Expenditure on research is charged to expenditure as and when incurred. Expenditure on development is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to & has sufficient resources to complete development and to use or sell the asset.

b) Intangible assets that are acquired by the Company and which have finite useful lives, are measured on initial recognition at cost. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

c) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the Company and the cost of the item can be measured reliably.

d) 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 reporting date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.

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

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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. Where the Company has paid or received advance consideration in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is the date when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

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 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.

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• 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 less impairment, if any.

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 right 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 and joint ventures, Trade Receivables, Loan to employees, 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
- At fair value through profit and loss

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 are either recorded in the Statement of Profit and Loss or under 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 Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

b) Initial recognition and measurement

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

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

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

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

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

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

ii) The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments at fair value through Other Comprehensive Income are measured at each reporting date at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On 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). The Company classifies all other equity instruments 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 of an equity instrument classified at FVTOCI, are recognized in 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.

Trade Receivables:

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

d) **Derecognition**

A financial asset is derecognised only when:

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

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

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

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

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

e) **Impairment of financial assets**

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

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

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

iii) Contract Assets and Trade Receivables under Ind AS 115- *Revenue from Contracts with Customers*

iv) Lease Receivables under Ind AS 116- *Leases.*

The Company follows the 'simplified approach' permitted under Ind AS 109, "Financial Instruments" for recognition of impairment loss allowance based on life time expected credit loss from initial recognition on contract assets, lease receivables and trade receivables resulting from transactions within the scope of Ind AS 116 and Ind AS 115.

For recognition of impairment loss on other financial assets, the Company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognize impairment loss allowance based on 12-month ECL. The amount of expected credit loss/ 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 Equipment and are valued at cost or net realizable value (NRV)

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whichever is lower. The cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Scrap is valued at net realisable value.

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

11.0 Dividends

Final 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 obligations 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 and borrowings, trade and other payables.

a) Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value less 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 cost 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.

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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.

e) **Derivative financial instruments**

Derivative financial instruments that are held by the Company to hedge the foreign currency and interest rate risk exposures and are not designated as hedges are accounted for at fair value through profit or loss. Changes in fair value are recognised in the Statement of Profit and Loss.

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 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.

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.

b) 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

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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.

c) 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

Company's revenues arise from sale and trading of energy, project management / construction contracts/ consultancy assignment services and other income. Revenue from other income comprises interest from banks, employees, contractors etc., dividend from investments in joint ventures and subsidiary companies, dividend from investments in equity in other bodies corporate, interest from investment in bonds, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

a) Revenue from sale of power

i) Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over the products or services to a customer.

ii) Revenue from sale of power (except minimum lease receipts in respect of power stations considered as Finance Lease/Operating Lease) is accounted for as per tariff notified by the Central Electricity Regulatory Commission (CERC) under the CERC (Terms & Conditions of Tariff) Regulations, 2019 as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In the case of Power Stations where provisional/ final tariff is yet to be notified or where incentives/disincentives are chargeable/ payable as per CERC (Terms & Conditions of Tariff) Regulations, revenue is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Rebates given to beneficiaries as early payments incentives are deducted from the amount of revenue.

iii) 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).

iv) Recovery/ refund towards foreign currency variation in respect of foreign currency loans and recovery towards Income Tax are recognised on year to year basis based on regulatory norms. Recovery towards deferred tax items recognized till March 31, 2009 are accounted for when the same materialises.

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

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vi) 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 a period of 12 years from the date of commercial operation of the Power Station.

b) Revenue from Project Management / Construction Contracts/ Consultancy assignments

i) Revenue from Project Management / Construction Contracts/ Consultancy assignments is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services and excludes amounts collected on behalf of third parties. The Company recognises revenue on the basis of input method. Input method recognises revenue on the basis of the costs incurred towards the satisfaction of a performance obligation relative to the total expected costs to the satisfaction of that performance obligation.

ii) Contract modifications, if any, are accounted for when there is a change in the scope or price (or both) of a contract that is approved by the parties to the contract and when the parties to a contract approve a modification that either creates new or changes existing enforceable rights and obligations of the parties to the contract. Accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Contract modifications are recorded on standalone basis when the scope of the contract increases because of the addition of promised goods or services or the price of the contract increases by an amount of consideration that reflects the Company's standalone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

c) Revenue from trading of power

i) Accounting for revenue from trading of power involves assessment of the contract conditions to determine whether the Company is required to act in the capacity of a principal or as an agent. The Company acts in the nature of a principal in case it obtains control of the electricity before transferring it to the customer. Indicators of control includes assessment of whether the company is primarily responsible for fulfilling the promise to provide the electricity, it has the discretion to establish the price or whether it bears the inventory risk. Where the Company does not obtain control of the electricity before transferring it to the customer and its performance obligation is to arrange for the supply of electricity by another party, it acts in the nature of an agent.

ii) Where the Company acts as a principal in a contract for trading of power, the amount of the transaction price allocated to the performance obligation that is satisfied is recognised as revenue.

iii) Where the Company acts as an agent in a contract for trading of power, the net consideration retained after paying the supplier for the electricity provided to the

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customer is recognised as revenue from operations. Financial assets and liabilities arising out of these transactions are not set off.

d) **Other income**

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

ii) 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.

iii) Interest/Surcharge recoverable from customers including those arising out of contracts for trading of power and liquidated damages /interest on advances to contractors is recognised when it is highly probable that a significant reversal in the amount of revenue recognised will not occur in the future.

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. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction from future payments is available. 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 Social Security Scheme administered through separate trusts are accounted for as defined contribution plans.

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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, Memento on Superannuation to employees and Employees Family Economic Rehabilitation Scheme are in the nature of defined benefit plans. All these plans, other than Allowance on Retirement/Death, Memento on Superannuation to employees and Employees Family Economic Rehabilitation Scheme are administered through separate trusts.

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

In respect of Provident Fund Scheme, a liability is recognised in the Balance Sheet where the present value of the defined benefit obligation at the end of the reporting period is higher than the fair value of plan assets. Any surplus of fair value of plan assets over the present value of the defined benefit obligation at the end of the reporting period is not recognised as an asset since the Company does not have any right to the benefits either in the form of refunds from the Plan or by way of lower contribution to the Plan.

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

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

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

Remeasurement gains (except in the case of Provident Fund Scheme) and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in Other Comprehensive Income in the period in which they occur and 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.

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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 consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116– 'Leases' and(c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalisation of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Other borrowing costs are recognized as an expense in the year in which they are incurred.

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) (i) Depreciation on Property, Plant and Equipment of Operating Units of the Company capitalized till five years before the end of the useful life of the Power Station is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.0(d).

(ii) Depreciation on Property, Plant and Equipment capitalized during the last five years of the useful life of a Power Station is charged on straight-line method for the period of extended life as per CERC Tariff Regulations/Orders, from the date on which such asset becomes available for use.

(iii) Where the life and / or efficiency of a Power Station is increased due to renovation and modernization, the expenditure thereon along with its

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unamortized depreciable amount is charged prospectively on straight-line method over the revised / remaining useful life.

c) i) Depreciation on Property, Plant and Equipment (except old and used) of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in Policy No. 18.0(d).

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

   - Construction Plant and Machinery
   - Computer and Peripherals

   ii) Based on management assessment, depreciation on Mobile Phones is provided on straight line basis over a period of three years with residual value of Re 1.

   iii) Based on management assessment, depreciation on Roof Top Solar Power System / Equipment is provided on straight line basis over a period of twenty five years with residual value of 10%.

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

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

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

h) Leasehold Land of operating units, is amortized over the period of lease or 40 years whichever is lower, following the rates and methodology notified vide CERC tariff regulations.

i) Leasehold Land and buildings, of units other than operating units, is amortized over the period of lease or 40 years, whichever is lower.

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

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

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

m) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the

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residual life of such assets at the rate of depreciation and methodology notified by CERC tariff regulations.

n) Spare parts procured along with the Plant and Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.

o) Useful life, method of depreciation and residual value of assets where depreciation is charged as per management assessment are reviewed at the end of each financial year and adjusted prospectively over the balance useful life of the asset, wherever required.

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, 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

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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**

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

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 forms part of current tax in the subsequent periods and affects the computation of return on equity (ROE), a component of tariff.

vii) When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

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, Consultancy works and Trading of Power do not form a reportable segment as per the Ind AS -108.

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

23.0 Leases

The Company assesses whether a contract is or contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

i. Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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 Right of Use Assets.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Assessment of impairment is done using the principles of Ind AS 36- Impairment of Assets as given in Significant Accounting Policy No. 19.0 above.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or when a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term

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of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property as a separate line item on the face of the balance sheet.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

For embedded leases in the nature of a Finance Lease, the investment in the power station is recognised as a Lease Receivable. The minimum lease receipts are identified by segregating the embedded lease receipts from 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 (forming part of revenue from operations) so as to achieve a constant rate of return on the Lease Receivable outstanding.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109-Financial Instruments, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115- *Revenue from Contracts with Customers* to allocate the consideration in the contract.

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 Business combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognized at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Where the fair value of net identifiable assets acquired and liabilities assumed exceed the consideration transferred, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve. Acquisition related costs are expensed as incurred.

25.0 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the new accounting policy prospectively from the earliest date practicable.

26.0 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.

27.0 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'.

28.0 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.

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b) A liability is current when:

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

All other liabilities are classified as non-current.

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

29.0 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: Standards issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain Indian Accounting Standards, and are effective April 1, 2022. The summary of the major amendments and its impact on the Company are given hereunder:

(i) Ind AS 16 – Proceeds before intended use

The amendment prohibits an entity recognising the excess of net sale proceeds of items produced over the cost of testing, in the Statement of Profit and Loss. Instead, the same shall be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The Company does not expect the amendment to have any impact in the financial statements.

(ii) Ind AS 37 – Onerous Contract – Cost of fulfilling a Contract

The amendments specify that the "Cost of fulfilling" a contract comprises the "cost that relate directly to the Contract". Cost that relate directly to the Contract are both the incremental costs of fulfilling the contract (example: direct labour, material) and allocation of other costs that relate directly to fulfilling the contract.

This amendment is essentially in the nature of a clarification and the Company does not expect the amendment to have any material impact in the financial statements.

(iii) Ind AS 103: Business Combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no material impact on the financial statements of the Company.

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(iv) Ind AS 109 – Annual improvement to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the "ten percent" test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the amendment to have any impact in the financial statements.

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NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2022

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
i)	Land – Freehold	-	-	-	-	-	-	-	-	-		-	-	-
ii)	Roads and Bridges	-	-	-	-	-	-	-	-	-		-	-	-
iii)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	23,528	-	-	-	1	-	23,527	8,508	620	-	9,128	14,399	15,020
vi)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Computers	-	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xviii)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	23,528	-	-	-	1	-	23,527	8,508	620	-	9,128	14,399	15,020
	Previous year	23,527	-	1	-	-	-	23,528	7,768	740	-	8,508	15,020	15,759

Note: -

2.1.1 Title deeds of Immoveable Properties not held in name of the Company as on 31st March 2022:-

	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of Promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Land	-	-	-	-	-
	Building	-	-	-	-	-
	Others	-	-	-	-	-

2.1.2 Pursuant to application of Ind AS 116- "Leases", both the power stations have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.

2.1.3 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.

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nnexure-I to NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2022

(Amount in ₹ Lakhs)

l. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
	Land – Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-
	Roads and Bridges	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	37,592	-	-	-	1	-	37,591	22,572	620	-	23,192	14,399	15,020
	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
i)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
i)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
r)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
i)	Computers	-	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	37,592	-	-	-	1	-	37,591	22,572	620	-	23,192	14,399	15,020
	Previous year	37,591	-	1	-	-	-	37,592	21,832	740	-	22,572	15,020	15,759

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NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2021

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 01-Apr-2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Land – Freehold	-	-	-	-	-	-	-	-	-		-	-	-
ii)	Roads and Bridges	-	-	-	-	-	-	-	-	-		-	-	-
iii)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	23,527	-	1	-	-	-	23,528	7,768	740	-	8,508	15,020	15,759
vi)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Computers	-	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xviii)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	23,527	-	1	-	-	-	23,528	7,768	740	-	8,508	15,020	15,759
	Previous year	23,515	-	12	-	-	-	23,527	6,637	1,131	-	7,768	15,759	16,878

Note: -

2.1.1 **Title deeds of Immoveable Properties not held in name of the Company as on 31st March 2021:-**

	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of Promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Land	-	-	-	-	-
	Building	-	-	-	-	-
	Others	-	-	-	-	-

2.1.2 Pursuant to application of Ind AS 116 both the power stations have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.

2.1.3 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.

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Annexure-I to NOTE NO. 2.1 Property, Plant and Equipment as on 31.03.2021

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 01-Apr-2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Land – Freehold	-	-	-	-	-	-	-	-		-	-	-	-
ii)	Roads and Bridges	-	-	-	-	-	-	-	-		-	-	-	-
iii)	Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	37,591	-	1	-	-	-	37,592	21,832	740	-	22,572	15,020	15,759
vi)	Generating Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Plant and machinery Sub station	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Plant and machinery Transmission lines	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Plant and machinery Others	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	-	-	-	-	-	-	-	-	-	-	-	-	-
xii)	Electrical installations	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
xiv)	Aircraft/ Boats	-	-	-	-	-	-	-	-	-	-	-	-	-
xv)	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-	-	-
xvi)	Computers	-	-	-	-	-	-	-	-	-	-	-	-	-
xvii)	Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
xviii)	Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	37,591	-	1	-	-	-	37,592	21,832	740	-	22,572	15,020	15,759
	Previous year	37,579	-	12	-	-	-	37,591	20,701	1,131	-	21,832	15,759	16,878

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Note no. 2.2 Capital Work In Progress as on 31.03.2022

(Amount in ₹ Lakhs)

S.No	Particulars	As at 01-Apr-2021	Addition	Adjustment	Capitalised	As at 31st March, 2022
i)	Roads and Bridges	80	217	-	111	186
ii)	Buildings	68	184	-	185	67
iii)	Building-Under Lease	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	357	281	-	625	13
vi)	Generating Plant and Machinery	1016	494	(58)	1267	185
vii)	Plant and Machinery - Sub station	17	277	-	18	276
viii)	Plant and Machinery - Transmission lines	-	-	-	-	-
ix)	Plant and Machinery - Others	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	25	-	-	-	25
xii)	Computers	-	-	-	-	-
xiii)	Office Equipments	-	-	-	-	-
xiv)	Assets awaiting installation	45	52	-	73	24
xv)	CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-	-
xvi)	Survey, investigation, consultancy and supervision charges	-	-	-	-	-
xvii)	Expenditure on compensatory Afforestation	-	-	-	-	-
xviii)	Expenditure attributable to construction (Refer Note-32)	-	-	-	-	-
	Less: Capital Work in Progress Provided (Refer Note 2.2.4)	-	-	-	-	-
	Sub total (a)	**1608**	**1505**	**(58)**	**2279**	**776**
	Construction Stores	-			-	-
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	**0**	-	-	-	**0**
	TOTAL	**1608**	**1505**	**(58)**	**2279**	**776**
	Previous year	**752**	**2477**	**-**	**1621**	**1608**

2.2.1 **(a) CWIP ageing schedule as on 31st March 2022**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	742	34	-	-	776
Projects temporarily Suspended	-	-	-	-	-
Total	742	34	-	-	776

(b) CWIP Completion Schedule as on 31st March 2022 for delayed projects

CWIP	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
					-
					-
Total	-	-	-	-	-

2.2.2 CWIP of ₹ 776 Lakhs (As on 31.03.2021 ₹ 1608 Lakhs) created on Land unclassified / right to use are included under relevant head.

2.2.3 CWIP Capitalised during the year, to the extent Grant Receivable, is transferred to Property, Plant & Equipments and balance appropriated towards Lease Rent Receivable.

2.2.4 Figures in parenthesis represent deductions.

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Note no. 2.2 Capital Work In Progress as on 31.03.2021

(Amount in ₹ Lakhs)

S.No	Particulars	As at 01-Apr-2020	Addition	Adjustment	Capitalised	As at 31st March, 2021
i)	Roads and Bridges	-	80	-	-	80
ii)	Buildings	272	322	-	526	68
iii)	Building-Under Lease	-	-	-	-	-
iv)	Railway sidings	-	-	-	-	-
v)	Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels)	12	345	-	-	357
vi)	Generating Plant and Machinery	29	1,099	240	352	1016
vii)	Plant and Machinery - Sub station	-	17	-	-	17
viii)	Plant and Machinery - Transmission lines	128	392	-	520	-
ix)	Plant and Machinery - Others	-	-	-	-	-
x)	Construction Equipment	-	-	-	-	-
xi)	Water Supply System/Drainage and Sewerage	-	25	-	-	25
xii)	Assets awaiting installation	311	197	(240)	223	45
xiii)	CWIP - Assets Under 5 KM Scheme Of the GOI	-	-	-	-	-
xiv)	Survey, investigation, consultancy and supervision charges	-	-	-	-	-
xv)	Expenditure on compensatory Afforestation	-	-	-	-	-
xvi)	Expenditure attributable to construction (Refer Note-32)	-	-	-	-	-
	Less: Capital Work in Progress Provided	-	-	-	-	-
	Sub total (a)	752	2477	-	1621	1608
	Construction Stores	-			-	-
	Less : Provisions for construction stores	-			-	-
	Sub total (b)	0	-	-	-	0
	TOTAL	752	2477	-	1621	1608
	Previous year	148	1505	(1)	900	752

2.2.1 (a) CWIP ageing schedule as on 31st March 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,579	28	-	1	1,608
Projects temporarily Suspended	-	-	-	-	-
Total	1,579	28	-	1	1,608

(b) CWIP Completion Schedule as on 31st March 2021 for delayed projects

CWIP	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Generating Plant and Machinery	58	-	-	-	58
Total	58	-	-	-	58

2.2.2 CWIP of ₹ 1608 Lakhs (As on 31.03.2020 ₹ 752 Lakhs) created on Land unclassified / right to use are included under relevant head.

2.2.3 CWIP Capitalised during the year, to the extent Grant Receivable, is transferred to Property, Plant & Equipments and balance appropriated towards Lease Rent Receivable.

2.2.4 Figures in parenthesis represent deductions.

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NOTE NO. 2.3 Right - of - use Assets as on 31.03.2022

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
	Land -Leasehold	40	-	-	-	-	-	40	3	1	-	4	36	37
)	Building Under Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
i)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
/)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Land-Right to Use	1,20,769	-	412	-	-	-	1,21,181	33,461	5,786	-	39,247	81,934	87,308
	Total	1,20,809	-	412	-	-	-	1,21,221	33,464	5,787	-	39,251	81,970	87,345
	Previous year	1,19,956	-	927	-	74	-	1,20,809	27,842	5,640	(19)	33,464	87,345	92,114

ote:-

.3.1 Pursuant to application of Ind AS 116 both the power stations have been classified as finance Lease and a component of Land-Right to Use of both the power station excluding government grant have been derecognised from balance sheet and presented as value of Underlying Asset.

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

Annexure-I to NOTE NO. 2.3 Right of use Assets as on 31.03.2022

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
)	Land Leasehold	40	-	-	-	-	-							
i)	Building Under Lease	-	-	-	-	-	-	40	3	1	-	4	36	37
ii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
)	Land-Right to Use	1,53,127	-	412	-	-	-	-	-	-	-	-	-	-
	Total	1,53,167	-	412	-	-	-	1,53,539	65,819	5,786	-	71,605	81,934	87,308
	Previous year	1,52,314	-	927	-	74	-	1,53,579	65,822	5,787	-	71,609	81,970	87,345
								1,53,167	60,200	5,640	(19)	65,822	87,345	92,114

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NOTE NO. 2.3 Right - of - use Assets as on 31.03.2021

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 01-Apr-2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Land -Leasehold	40	-	-	-	-	-	40	1	2	-	3	37	39
ii)	Building Under Lease	74	-	-	-	74	-	-	19	-	(19)	-	-	55
iii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Land-Right to Use	1,19,842	-	927	-	-	-	1,20,769	27,822	5,639	-	33,461	87,308	92,020
	Total	1,19,956	-	927	-	74	-	1,20,809	27,842	5,640	(19)	33,464	87,345	92,114
	Previous year	1,17,127	-	2,829	-	-	-	1,19,956	22,103	5,739	-	27,842	92,114	95,024

Note:-

2.3.1 Pursuant to application of Ind AS 116 both the power stations have been classified as finance Lease and a component of Land-Right to Use of both the power station excluding government grant have been derecognised from balance sheet and presented as value of Underlying Asset.

2.3.2 Additional disclosure of Right of use 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 Right - of - use Assets as on 31.03.2021

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							DEPRECIATION				NET BLOCK	
		As at 01-Apr-2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 01-Apr-2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Land Leasehold	40	-	-	-	-	-	40	1	2	-	3	37	39
ii)	Building Under Lease	74	-	-	-	74	-	-	19	-	(19)	-	-	55
iii)	Construction Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
v)	Land-Right to Use	1,52,200	-	927	-	-	-	1,53,127	60,180	5,639	-	65,819	87,308	92,020
	Total	1,52,314	-	927	-	74	-	1,53,167	60,200	5,640	(19)	65,822	87,345	92,114
	Previous year	1,49,484	-	2,829	-	-	-	1,52,314	54,460	5,739	-	60,200	92,114	95,024

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NOTE NO. 2.4 INVESTMENT PROPERTY as on 31.03.2022

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

2.4.1 **Title deeds of Immoveable Properties not held in name of the Company as on 31st March 2022:-**

	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of Promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property						

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

NOTE NO. 2.5 Intangible Assets as on 31.03.2022

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

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

2.5.2 Pursuant to application of Ind AS 116- "Leases", both the power stations have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.

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(Amount in ₹ Lakhs)

No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

nexure-I to NOTE NO. 2.5 Intangible Assets as on 31.03.2022

(Amount in ₹ Lakhs)

No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2021	Additions		Deductions		Other Adjustments	As at 31st March, 2022	As at 01-Apr-2021	For the Year	Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
			IUT	Others	IUT	Others								
	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

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NOTE NO. 2.4 INVESTMENT PROPERTY as on 31.03.2021

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 1st April, 2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 1st April, 2020	For the Period	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

2.4.1 Title deeds of Immoveable Properties not held in name of the Company as on 31st March 2021:-

	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of Promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property						

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

NOTE NO. 2.5 Intangible Assets as on 31.03.2021

(Amount in ₹)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 1st April, 2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 1st April, 2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
ii)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: -

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

2.5.2 Pursuant to application of Ind AS 116- "Leases", both the power stations have been classified as finance Lease and a component of PPE of both the power station excluding government grant have been derecognised from balance sheet and presented as value of underlying Asset.

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Annexure-I to NOTE NO. 2.4 INVESTMENT PROPERTY as on 31.03.2021

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 01-Apr-2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Land Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

Annexure-I to NOTE NO. 2.5 Intangible Assets as on 31.3.2021

(Amount in ₹ Lakhs)

Sl. No.	PARTICULARS	GROSS BLOCK							AMORTISATION				NET BLOCK	
		As at 01-Apr-2020	Additions		Deductions		Other Adjustments	As at 31st March, 2021	As at 01-Apr-2020	For the Year	Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
			IUT	Others	IUT	Others								
i)	Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
	Previous year	-	-	-	-	-	-	-	-	-	-	-	-	-

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Note no. 2.6 Intangible Assets Under Development as on 31.03.2022

(Amount in ₹ Lakhs)

S.No	Particulars	As at 01-Apr-2021	Addition	Adjustment	Capitalised	As at 31st March, 2022
(i)	Computer Software Under Development	17	47	-	13	51
	TOTAL	17	47	-	13	51
	Previous year	-	17	-	-	17

2.6.1 Intangible Assets under Development ageing schedule as on 31st March 2022

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	47	4	-	-	51
Projects temporarily Suspended	-	-	-	-	-
Total	47	4	-	-	51

2.6.2 Intangible Assets under Development Completion Schedule as on 31st March 2022 for delayed projects

Intangible Assets under Development	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
					-
					-
Total	-	-	-	-	-

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Note no. 2.6 Intangible Assets Under Development as on 31.03.2021

(Amount in ₹ Lakhs)

S.No	Particulars	As at 01-Apr-2020	Addition	Adjustment	Capitalised	As at 31-Mar-2021
(i)	Computer Software Under Development	-	17	-	-	17
	TOTAL	-	17	-	-	17
	Previous year	-	-	-	-	-

Note:-

2.6.1 Intangible Assets under Development ageing schedule as on 31st March 2021

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	15	2	-	-	17
Projects temporarily Suspended	-	-	-	-	-
Total	15	2	-	-	17

2.6.2 Intangible Assets under Development Completion Schedule as on 31st March 2021 for delayed projects

Intangible Assets under Development	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
	-	-	-	-	-
	-	-	-	-	-
Total	-	-	-	-	-

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

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Total		

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

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
	At Amortised Cost		
A	Loan to Related Party - Considered good- Unsecured	-	-
B	Loans to Employees (Refer Note 3.2.1, 3.2.2 & 3.2.4)		
	- Considered good- Secured	2,531	2,187
	- Considered good- Unsecured	120	201
	- Considered doubtful- Unsecured	-	-
	Less : Allowances for doubtful Employees loans	-	-
	Sub-total	2,651	2,388
C	Contractor / supplier		
	- Considered good- Secured	-	-
	- Considered good- Unsecured	-	-
	– Against bank guarantee	-	-
	– Others	-	-
	- Considered doubtful- Unsecured	-	-
	Less : Allowances for doubtful advances to Contractor/ Supplier	-	-
	Sub-total	-	-
	TOTAL	2,651	2,388
3.2.1	Loans and advances in the nature of loan that are repayable on demand.	-	-
	Loans and advances in the nature of loan that are without specifying any terms or period of repayment.	-	-
	Detail of Repayment:-		
	Represents loan granted for business purpose.		
3.2.2	Due from directors or other officers of the company.	3	10
3.2.3	Advance due by firms or private companies in which any director of the company is a director or member.	-	-

3.2.4 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.

3.2.5 Refer Note 34(13) of the Standalone Financial Statements with regard to confirmation of balances.

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

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A	Deposits		
	- Considered good- Unsecured	197	214
	- Considered doubtful- Unsecured	-	-
	Less : Allowances for Doubtful Deposits	-	-
	Sub-total	197	214
B	Bank Deposits with more than 12 Months Maturity	1,18,749	55,397
C	Lease Rent receivable	3,65,060	3,68,553
D	Claims Recoverable (Refer Note 3.3.1)	1,038	-
E	Interest receivable on lease	-	-
F	Interest accrued on:	-	-
	- Bank Deposits with more than 12 Months Maturity	3,984	1,954
	TOTAL	4,89,028	4,26,118

3.3.1 Claims represents PRP recovery (at amortised cost) from employees related to Financial Year 2017-18 to 2020-21.

3.3.2 Refer Note 34 of Financial Statements with regard to confirmation of balances.

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NOTE NO. 4 NON CURRENT TAX ASSETS (NET)

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax including Tax Deducted at Source	39,880	21,247
Less: Provision for Current Tax	38,898	21,244
Non Current Tax **(Refer Note No-23)**	-	980
Total	**982**	**983**

NOTE NO. 5 OTHER NON-CURRENT ASSETS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A. CAPITAL ADVANCES		
- Considered good- Secured	-	-
- Considered good- Unsecured		
– Against bank guarantee	-	-
– Others	40	61
Less : Expenditure booked pending utilisation certificate	-	-
- Considered doubtful - Unsecured	-	-
Less : Allowances for doubtful advances (Refer Note 5.1)	-	-
Sub-total	40	61
B. ADVANCES OTHER THAN CAPITAL ADVANCES		
i) DEPOSITS		
- Considered good- Unsecured	-	-
Less : Expenditure booked against demand raised by Government Departments.	-	-
- Considered doubtful - Unsecured	-	-
Less : Allowances for Doubtful Deposits (Refer Note 5.2)	-	-
Sub-total	-	-
ii) Other advances		
- Considered good- Unsecured	6	11
- Considered doubtful - Unsecured	-	-
Sub-total	6	11
C Interest accrued		
Others		
- Considered Good	-	-
D. Others		
i) Advance against arbitration awards towards capital works (Unsecured)		
Released to Contractors - Against Bank Guarantee	-	-
Released to Contractors - Others	-	-
Deposited with Court	-	-
Sub-total	-	-
ii) Deferred Foreign Currency Fluctuation Assets/ Expenditure		
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
Sub-total	-	-
iii) Deferred Cost on Employees Advances	1,463	1,321
TOTAL	1,509	1,393
5.1 Provision for doubtful Advances		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
5.2 Provision for doubtful Deposits		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
5.3 Refer Note 34 of Financial Statements with regard to confirmation of balances.		

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NOTE NO. 6 INVENTORIES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(Valued at lower of Cost or Net Realisable Value)		
Stores and spares	307	336
Stores in transit/ pending inspection	34	6
Loose tools	-	-
Scrap inventory	4	22
Material at site	687	579
Material issued to contractors/ fabricators	-	-
Less: Allowances for Obsolescence and Diminution in Value **(Refer Note 6.1)**	18	16
TOTAL	**1,014**	**927**
6.1 Allowances for Obsolescence and Diminution in Value		
Opening Balance	16	16
Addition during the year **(Refer Note 6.1.1)**	2	1
Used during the year	-	1
Reversed during the year **(Refer Note 6.1.2)**	-	-
Closing balance	18	16
6.1.1 During the Year, inventories written down to net realisable value (NRV) and recognised as an expense in the Statement of Profit and Loss.	2	1
6.1.2 Allowances for Obsolence and Diminution in value of inventory booked in earlier years and reversed during the year.	-	-

NOTE NO. 7 FINANCIAL ASSETS - CURRENT - TRADE RECEIVABLES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
- Trade Receivables- Considered Good- Unsecured (Refer Note 7.2 and 7.3)	17,165	20,418
-Trade Receivables-Unbilled- Considered Good- Unsecured (Refer Note 7.6)	39,467	39,707
- Trade Receivables- Credit Impaired **(Refer Note 7.2 and 7.3)**	-	-
Less: Impairment allowances for Trade Recevables (Refer Note 7.1)	-	-
TOTAL	**56,632**	**60,125**
7.1 Impairment allowances for Trade Recevables		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
7.2 Trade Receivables Unsecured - considered good includes dues agreed for deferment receivable in equated monthy instalments along-with applicable interest, as per agreement.	-	-
7.3 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.	-	-
7.4 Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.		
7.5 Refer Annexure-I to Note No-7 for Ageing schedule of Trade Receivables.		
7.6 Represents receivable on account of :		
Unbilled sale for the month of March-2022	8,762	7,950
Impact of O&M, Security and Wage Revision	4,959	6,175
Energy Shortfall	25,746	22,863
ISPS Final Tariff Order for the period 2014-19	-	-
Others	-	2,719
Total	39,467	39,707

7.7 Refer Note 34(13) of the Standalone Financial Statements with regard to confirmation of balances.

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Annexure-I to Note No-7

As at 31st March 2022

(Amount in ₹ Lakhs)

Particulars	Unbilled	Not Due	Trade Receivable due and outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade receivables-Considered Good	39,467	-	17,165	-	-	-	-	56,632
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-
			-	-	-	-	-	-
Total	**39,467**	**-**	**17,165**	**-**	**-**	**-**	**-**	**56,632**

As at 31st March 2021

(Amount in ₹ Lakhs)

Particulars	Unbilled	Not Due	Trade Receivable due and outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade receivables-Considered Good	39,707	-	20,418	-	-	-	-	60,125
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-Credit Impaired	-	-	-	-	-	-	-	-
				-	-	-	-	-
Total	**39,707**	**-**	**20,418**	**-**	**-**	**-**	**-**	**60,125**

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

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A	Balances with banks		
	With scheduled banks		
i)	- In Current Account	4,948	468
ii)	- In deposits account (Deposits with original maturity of less than three months)	9,000	21,500
B	Cheques, drafts on hand	-	-
C	Cash on hand (Refer Note 8.1)	-	-
	TOTAL	13,948	21,968
8.1	Includes stamps on hand	-	-

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

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A	Bank Deposits for original maturity more than 3 months upto 12 months (Refer Note 9.1 & 9.2)	37,966	1,03,108
B	Deposit -Unpaid Dividend	-	-
C	Deposit -Unpaid Interest	-	-
D	Other Earmarked Balances with Banks	-	-
	TOTAL	37,966	1,03,108
9.1	Bank Deposits include an amount representing deposit by Oustees towards Land for Land in respect of Omkareshwar Project, which is not freely available for the business of the Company.	8	9
9.2	Bank Deposits include an amount under lien with banks as per orders of Hon'ble Court of Law, which is not freely available for the business of the Company included in stated amount.	752	718

NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A	Loan (including interest thereon) to Related Party - Unsecured (considered good)	-	-
	Sub-total	-	-
B	Employees Loan (including accrued interest) (Refer Note 10.1 & 10.2)		
	- Loans Receivables- Considered good- Secured	303	256
	- Loans Receivables- Considered good- Unsecured	231	173
	- Loans Receivables which have significant increase in Credit Risk	-	-
	Less : Impairment allowances for loans which have significant increase in Credit Risk	-	-
	Sub-total	534	429
C	Loan to State Government in settlement of dues from customer		
	- Unsecured (considered good)	-	-
	Sub-total	-	-
D	Advances to Subsidiaries / JV's	-	-
	TOTAL	534	429
10.1	Loans and advances in the nature of loan that are repayable on demand.		
	Loans and advances in the nature of loan that are without specifying any terms or period of repayment.		
	*Detail of Repayment:-		
	*Represents loan granted for business purpose.		
10.2	Due from directors or other officers of the company.	3	9
10.3	Advance due by firms or private companies in which any Director of the Company is a Director or member .	-	-
10.4	Particulars of Loans as required in terms of Section 186 (4) of the Companies Act, 2013 have been disclosed under Note 10 above.		

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NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

(Amount in ₹ Lakhs)

	PARTICULARS		As at 31st March, 2022	As at 31st March, 2021
A	**Deposits**			
	- Considered good- Unsecured		-	-
	'- Considered doubtful- Unsecured		-	-
	Less : Impairement Allowances for Doubtful Deposits		-	-
		Sub-total	-	-
B	Amount recoverable **(Refer Note 11.1)**		6,770	5,551
	Less: Allowances for Doubtful Recoverables **(Refer Note 11.2)**		3	3
		Sub-total	6,767	5,548
C	Receivable on account of Late Payment Surcharge		306	317
D	Lease Rent receivable (Finance Lease)		6,601	6,555
E	Interest Income accrued on Bank Deposits		3,303	5,068
F	Interest receivable on Finance lease		-	-
G	Claim recoverable from parent company - NHPC LTD.		76	86
	TOTAL		17,053	17,574

11.1 Claims recoverable (at B) includes following:
(a) An amount of ₹ 3868 Lakhs (As on 31.03.2021 ₹ 4070 Lakhs) due from Govt. of Madhya Pradesh.
(b) Duplicate payments recoverable from oustees of ₹ 3 Lakhs- (As on 31.03.2021 ₹ 3 Lakhs) already provided for.
(c) An amount of ₹ 2693 Lakhs (As on 31.03.2021 ₹ 1349 Lakhs) on account of PRP recoverable from employees for the period 2017-18 to 2020-21.

11.2	**Allowances for Doubtful Recoverables**		
	Opening Balance	3	6
	Addition during the year	-	-
	Used during the year	-	-
	Reversed during the year	-	3
	Closing balance	3	3

NOTE NO. 12 CURRENT TAX ASSETS (NET)

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
	Current Tax Assets		
A	Advance Income Tax including Tax Deducted at Source	-	-
B	Less: Provision for Current Tax	-	-
	Net Current Tax Assets (A-B)	-	-
	Income Tax Refundable	2,256	2,256
	Total	2,256	2,256

NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹ Lakhs)

	PARTICULARS		As at 31st March, 2022	As at 31st March, 2021
A.	**Advances other than Capital Advances**			
	a) **Deposits**			
	- Considered good- Unsecured		142	156
	Less : Expenditure booked against demand raised by Government Departements		-	-
	- Considered doubtful- Unsecured		-	-
	Less : Allowances for Doubtful Deposits **(Refer Note 13.1)**		-	-
		Sub-total	142	156
	b) **Advance to contractors and suppliers (Refer Note 13.5)**			
	- Considered good- Secured		-	-
	- Considered good- Unsecured			
	– Against bank guarantee		-	-
	– Others		359	142
	Less : Expenditure booked pending utilisation certificate		-	-
	- Considered doubtful- Unsecured		-	-
	Less : Allowances for doubtful advances **(Refer Note 13.2)**		-	-
		Sub-total	359	142
	c) **Other advances - Employees**			
	- Considered good- Unsecured		5	2
		Sub-total	5	2

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
B. Others		
a) Expenditure awaiting adjustment	-	-
Less: Allowances for project expenses awaiting write off sanction (Refer Note 13.4)	-	-
Sub-total	-	-
b) Losses awaiting write off sanction/pending investigation	-	-
Less: Allowances for losses pending investigation/awaiting write off / sanction	-	-
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**	1,003	1,002
e) **Deferred Cost on Employees Advances**	133	103
f) **Deferred Foreign Currency Fluctuation**	-	-
Deferred Foreign Currency Fluctuation Assets	-	-
Deferred Expenditure on Foreign Currency Fluctuation	-	-
g) **Surplus / Obsolete Assets (Refer Note 13.6)**	6	26
h) **Goods and Services Tax Input Receivable**	-	-
Less: Allowances for Goods and Services Tax Input Receivable	-	-
Sub-total	-	-
i) **Others**	-	12
TOTAL	1,648	1,443
13.1 Allowances for Doubtful Deposits		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
13.2 Allowances for doubtful advances (Contractors and Suppliers)		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
13.3 Allowances for losses pending investigation/ awaiting write off / sanction		
Opening Balance	-	-
Addition during the year	-	-
Used during the year	-	-
Reversed during the year	-	-
Closing balance	-	-
13.4 Loans and Advances due from Directors or other officers at the end of the year.	-	-
13.5 Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.	-	-

13.6 Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value.

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NOTE NO. 14.1 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A Wage Revision as per 3rd Pay Revision Committee		
Opening Balance	3,903	3,903
Addition during the year (through Statement of Profit and Loss)	-	-
Addition during the year (through Other Comprehensive Income)	-	-
Adjustment during the year	-	-
Reversed during the year	-	-
Closing balance	3,903	3,903
B Adjustment against Deferred Tax Recoverable for tariff period upto 2009		
Opening Balance	26,161	26,161
Addition during the year	-	-
Used during the year **(Refer Note 31)**	-	-
Reversed during the year	-	-
Closing balance	26,161	26,161
Closing Balance (A+B)	30,064	30,064
Less: Deferred Tax on Regulatory Deferral Account Balances	989	989
Add: Deferred Tax recoverable from Beneficiaries	989	989
Regulatory Deferral Account Balances net of Deferred Tax.	30,064	30,064

14.1.1 For details refer Note-34 of Financial Statements.

NOTE NO. 14.2 REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
MAT CREDIT		
Opening Balance	76379	74792
Addition during the year	-	4521
Used during the year	6034	2934
Reversed during the year	-	-
Closing balance	70,345	76,379

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NOTE : 15.1 EQUITY SHARE CAPITAL

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
		Nos	Amount	Nos	Amount
	Authorized Share Capital (Par value per share Rs. 1000)	30000000	300000	30000000	300000
	Equity shares issued, subscribed and fully paid (Par value per share Rs. 1000)	19625800	196258	19625800	196258

15.1.1 **Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

Opening Balance	19625800	1,96,258	19625800	1,96,258
Less:-Buyback of shares during the year	-	-	-	-
Closing Balance	19625800	1,96,258	19625800	1,96,258

15.1.2 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.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.1.3 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.

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

	As at 31st March, 2022		As at 31st March, 2021	
	Number	In (%)	Number	In (%)
- NHPC	1,00,24,200	51.08%	1,00,24,200	51.08%
- Govt. of Madhya Pardesh	51,02,708	26.00%	96,01,600	48.92%
- Narmada Basin Projects Company Limited (Wholly owned by GoMP)	44,98,892	22.92%	-	-

15.1.5 In preceding five financial years immediately preceding 31.03.2022, 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).

15.1.6 Shareholding of Promoters as at 31st March 2022

S.No	Promoter Name	No. of Shares	% of Total Shares	% Change during the Year
1	NHPC Limited	1,00,24,200	51.08%	0.00%
2	Govt. of Madhya Pradesh	51,02,708	26.00%	-22.92%

15.1.7 Shareholding of Promoters as at 31st March 2021

S.No	Promoter Name	No. of Shares	% of Total Shares	% Change during the Year
1	NHPC Limited	1,00,24,200	51.08%	0.00%
2	Govt. of Madhya Pradesh	96,01,600	48.92%	0.00%

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NOTE NO. 15.2 OTHER EQUITY

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(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	-	361
Add: Transfer from Surplus	-	-
Less: Write back during the year	-	361
As at Balance Sheet date	-	-
(vii) Research & Development Fund		
As per last Balance Sheet	-	-
Add: Transfer from Surplus/Retained Earnings	-	-
Less: Write back during the year	-	-
As at Balance Sheet date	-	-
(viii) General Reserve		
As per last Balance Sheet	3,56,350	3,56,350
Add: Transfer from Surplus/Retained Earnings	-	-
Less: Write back during the year	-	-
Add: Transfer from Self Insurance Fund	-	-
Less: Tranfer to Capital Redemption Reserve	-	-
As at Balance Sheet date	3,56,350	3,56,350
(ix) Retained Earnings/ Surplus		
As per last Balance Sheet	18,059	6,136
Add:- Prior Period errors (Net)	-	-
Add: Profit during the year	51,296	67,070
Add: Transferred from OCI	(189)	33
Add: Amount written back from Bond Redemption Reserve	-	-
Add: Amount written back from Corporate Social Responsibility Fund	-	361
Add: Tax on Dividend - Write back	-	-
Less: Dividend and CDT	57,307	55,541
Less: Transfer to Bond Redemption Reserve	-	-
Less: Transfer to Self Insurance Fund	-	-
Less: Transfer to Research & Development Fund	-	-
Less: Transfer to General Reserve	-	-
Less: Transfer to Corporate Office	-	-
Add: Transfer from Power Stations and Projects	-	-
As at Balance Sheet date	11,859	18,059
(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	3,68,209	3,74,409

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NOTE NO. 16.1 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS

(Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
	At Amortised Cost		
A	- Secured Loans		
	-Bonds	-	-
	-Term Loan	-	-
	- from Banks	-	-
	- from Other (Financial Institutions)	-	-
B	- Unsecured Loans		
	-Term Loan		
	- from Bank	-	-
	- from Other (in Foreign Currency)	-	-
	TOTAL	-	-

16.1.1 Maturity Analysis of Borrowings

The table below summarises the maturity profile of the company's borrowings and lease liability based on contractual payments (Undiscounted Cash Flows) :

Particulars	As at 31st March, 2022	As at 31st March, 2021
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 - LEASE LIABILITIES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Lease Liabilities	39	39
TOTAL	39	39

16.2.1 Maturity Analysis of Lease Liability

The table below summarises the maturity profile of the company's borrowings and lease liability based on contractual payments (Undiscounted Cash Flows) :

Particulars	As at 31st March, 2022	As at 31st March, 2021
More than 1 Year & Less than 3 Years	6	6
More than 3 Year & Less than 5 Years	6	6
More than 5 Years	78	81
TOTAL	90	93

16.2.2

Movement in Lease Liability	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	39	98
Addition in lease liabilities	-	(59)
Finance Cost accrued during the year	3	3
Less: Payment of lease liabilities	3	3
Closing Balance	39	39
Current maturities of lease obligations (Refer Note 20.2)	-	-
Long term maturities of lease obligations	39	39

NOTE NO. 16.3 FINANCIAL LIABILTIES - NON CURRENT - OTHERS

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Retention Money	31	87
TOTAL	31	87

16.3.1 Maturity Analysis of Retention Money

The table below summarises the maturity profile of the deposits/retention money based on contractual payments (Undiscounted Cash Flows) :

Particulars	As at 31st March, 2022	As at 31st March, 2021
More than 1 Year & Less than 3 Years	29	92
More than 3 Year & Less than 5 Years	5	4
More than 5 Years	-	-
TOTAL	34	96

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NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A. PROVISION FOR EMPLOYEE BENEFITS		
i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)		
As per last Balance Sheet	130	2,789
Additions during the year	493	10
Amount used during the year	-	2,669
Amount reversed during the year	-	-
Closing Balance	623	130
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	623	130

17.1 Information about Provisions is given in Note 34 of Financial Statements.

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

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets		
a) Provision for employee benefit scheme, doubtful debts, inventory and others	758	592
b) Other Items	-	-
c) MAT credit entitlement	92,306	99,340
Deferred Tax Assets	93,064	99,932
Less:-Set off Deferred Tax Liability pursuant to set off provisions		
a) Property, Plant and Equipments, Right of Use, Investment Property and Intangible Assets.	-	-
b) Financial Assets at FVTOCI	-	-
c) Other Items	74,357	71,770
Deferred Tax Liability	74,357	71,770
Deferred Tax Assets (Net)	18,707	28,162

18.1 Deferred tax liability/(assets) has been created in compliance to the Ind AS 12 on "Income Taxes" notified under The Companies Act, 2013.

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

18.3 CERC Regulation provides the convincing evidence of realization of Annual Fixed cost. Hence on the above consideration future taxable income will result in partial utilisation of MAT credit. The MAT credit entitlement as on 31/03/2022 amounting to Rs. 92306 Lakhs (as on 31/03/2021 Rs. 99340 Lakhs), after utilisation of MAT credit of Rs. 7034 Lakhs during the current period (Previous Year Rs. 2935 Lakhs), has been recognized as deferred tax assets on account of unused tax credits as on 31/03/2022.
Out of above an amount of Rs. 70345 Lakhs as on 31/03/2022 (as on 31/03/2021 Rs. 76379 Lakhs) has been recognized as regulatory deferral credit balances (as the same is to be appropriated/adjusted in future years through grossing up of ROE at effective tax rate as per CERC regulation 2019-24) **(Refer Note 14.2)**.

18.4 The above MAT credit entitlement of Rs. 92306 Lakhs includes a sum of Rs. 3807 Lakhs for which Income Tax Department has filed appeal in ITAT against decision of CIT(Appeal).

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Annexure to Note No. 18

Movement in Deferred Tax Assets

(Amount in ₹ Lakhs)

Particulars	Provision for employee benefit scheme, doubtful debts, Inventory and others	Other Items	MAT credit entitlement	Total
At 1st April 2021	592	-	99,340	99,932
(Charge)/Credit				-
-to Statement of Profit and Loss	232	-		232
-MAT Credit Utilized against Current Tax Provision			(7,034)	(7,034)
-to Other Comprehensive Income	(66)			(66)
At 31st March 2022	758	-	92,306	93,064
			-	

Movement in Deferred Tax Liability

(Amount in ₹ Lakhs)

Particulars	Property, Plant and Equipments,Investment Property and Intangible Assets.	Financial Assets at FVTOCI	Other Items	Total
At 1st April 2021	-	-	71,770	71,770
Charge/(Credit)				
-to Statement of Profit and Loss	-	-	2,653	2,653
-to Other Comprehensive Income			(66)	(66)
At 31st March 2022	-	-	74,357	74,357

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Annexure to Note No. 18

Movement in Deferred Tax Assets

(Amount in ₹ Lakhs)

Particulars	Provision for employee benefit scheme, doubtful debts, inventory and others	Other Items	MAT credit entitlement	Total
At 1st April 2020	1,491	-	98,349	99,840
(Charge)/Credit				-
-to Statement of Profit and Loss	(911)	-		(911)
-MAT Credit Utilized against Current Tax Provision			991	991
-to Other Comprehensive Income	12			12
At 31st March 2021	592	-	99,340	99,932
			-	

Movement in Deferred Tax Liability

(Amount in ₹ Lakhs)

Particulars	Property, Plant and Equipments,Investment Property and Intangible Assets.	Financial Assets at FVTOCI	Other Items	Total
At 1st April 2020	-	-	70,197	70,197
Charge/(Credit)				
-to Statement of Profit and Loss	-	-	1,561	1,561
-to Other Comprehensive Income			12	12
At 31st March 2021	-	-	71,770	71,770

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NOTE NO. 19 OTHER NON CURRENT LIABILITIES (Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Income received in advance-Advance Against Depreciation	9,884	10,319
Deferred Foreign Currency Fluctuation Liabilities	-	-
Deferred Income from Foreign Currency Fluctuation Account	-	-
Grants in aid-from Government-Deferred Income (Refer Note 19.1)	89,928	95,950
TOTAL	**99,812**	**1,06,269**
19.1 GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME		
Opening Balance (Current and Non Current)	**1,02,328**	**1,07,779**
Add: Received during the year	412	927
Less: Transferred to Statement of Profit and Loss (Refer Note 24.2)	6,406	6,378
Closing Balance (Current and Non Current) (Refer Note 19.1.1)	96,334	1,02,328
Grants in Aid-from Government-Deferred Income (Current)- (Refer Note No-21)	6,406	6,378
Grants in Aid-from Government-Deferred Income (Non-Current)	89,928	95,950

19.1.1 Grant in Aid is contribution by Governent of Madhya Pradesh towards cost of Indira Sagar Project and Omkareshwar Project (refer Sl. 6 of Note No. 34).

NOTE NO. 20.1 BORROWINGS - CURRENT (Amount in ₹ Lakhs)

	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A	**Loan Repayable on Demand**		
	From Banks-Secured **(Refer Note 20.1.1)**	-	-
B	**Other Loans**		
	From Bank-Secured **(Refer Note 20.1.2)**	-	-
C	**Current maturities of long term debt (Refer Note 20.1.3)**		
	- Bonds	-	-
	- Term Loan -Banks-Secured	-	-
	- Term Loan -Banks-Unsecured	-	-
	- Term Loan -Financial Institutions-Secured	-	-
	- Unsecured-From Government (Subordinate Debts)	-	-
	- Other-Unsecured (in Foreign Currency)	-	-
	Sub Total (C)	-	-
	TOTAL	-	-

NOTE NO. 20.2 LEASE LIABILTIES - CURRENT (Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Current maturities of Lease Liabilities (Refer Note 16.2.2)	-	-
TOTAL	-	-

NOTE NO. 20.3 TRADE PAYABLE - CURRENT (Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprise and small enterprise(s) **(Refer Note 20.3.1)**	703	519
Total outstanding dues of medium scale enterprise(s) **(Refer Note 20.3.1)**	29	6
Total outstanding dues of Creditors other than micro, small and medium enterprises	440	433
TOTAL	**1,172**	**958**

20.3.1 Disclosure regarding Micro, Small and Medium Enterprise :-

Outstanding Liabilities towards Micro, Small and Medium Enterprise	732	525

Disclosure of amount payable to Micro and Small Enterprises is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Additional disclosure as required under Section 22 of The Micro, Small and Medium Enterprise Development Act, 2006 is given under Note No.34(15).

20.3.2 Refer Annexure-I to Note No-20.3 for Ageing schedule of Trade Payables.

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Annexure-I to Note No-20.3

As at 31st March 2022

(Amount in ₹ Lakhs)

Particulars	Unbilled	Not Due	Trade Payble due and outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	-	-	723	7	2	-	732
(ii) Others	-	-	435	5	-	-	440
(iii) Disputed dues-MSME	-	-	-	-	-	-	0
(iv) Disputed dues-Others	-	-	-	-	-	-	0
Total	-	-	1,158	12	2	-	1,172

As at 31st March 2021

(Amount in ₹ Lakhs)

Particulars	Unbilled	Not Due	Trade Payble due and outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	-	-	522	3	-	-	525
(ii) Others	-	-	423	4	-	6	433
(iii) Disputed dues-MSME	-	-	-	-	-	-	0
(iv) Disputed dues-Others	-	-	-	-	-	-	0
Total	-	-	945	7	-	6	958

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

NOTE NO. 20.4 OTHER FINANCIAL LIABILITIES - CURRENT

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Liability against capital works/supplies other than Micro and Small Enterprises	2,641	3,448
Liability against capital works/supplies-Micro and Small Enterprises (Refer Note 20.4.1)	570	297
Liability against Corporate Social Responsibility (Refer Note 20.4.2)	419	46
Earnest Money Deposit/ Retention Money	732	879
Due to Holding- NHPC Ltd.	-	-
Payable to Employees	23	32
Payable to Others	15	31
TOTAL	4,400	4,733
20.4.1 Disclosure regarding Micro, Small and Medium Enterprise :-		
Outstanding Liabilities towards Micro, Small and Medium Enterprise	594	322
Outstanding Interest towards Micro, Small and Medium Enterprise	-	-

Disclosure of amount payable to Micro and Small Enterprises is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Additional disclosure as required under Section 22 of The Micro, Small and Medium Enterprise Development Act, 2006 is given under Note No.34(15).

NOTE NO. 21 OTHER CURRENT LIABILITIES

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Income received in advance (Advance against depreciation)	435	435
Deferred Income from Foreign Currency Fluctuation Account	-	-
Deferred Foreign Currency Fluctuation Liabilities	-	-
Unspent amount of deposit/agency basis works	-	-
Water Usage Charges Payables	-	-
Statutory dues payables	2,003	3,173
Contract Liablities-Deposit Works	-	-
Contract Liablities-Project Management/ Consultancy Work	-	-
Provision toward amount recoverable in respect of Project Management/ Consultancy Work	-	-
Advance from Customers and Others	2	-
Grants in aid-from Government-Deferred Income (Refer Note No-19)	6,406	6,378
TOTAL	8,846	9,986

NOTE NO. 22 PROVISIONS - CURRENT

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
A. PROVISION FOR EMPLOYEE BENEFITS		
i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)		
As per last Balance Sheet	1	125
Additions during the year	15	-
Amount used during the year	-	124
Amount reversed during the year	-	-
Closing Balance	16	1
ii) Provision for Wage Revision		
As per last Balance Sheet	21	33
Additions during the year	-	-
Amount used during the year	1	12
Amount reversed during the year	13	-
Closing Balance	7	21
Less: Advance paid	-	-
Closing Balance (Net of advance)	7	21
iii) Provision for Performance Related Pay/Incentive		
As per last Balance Sheet	6,021	5,476
Additions during the year	206	2,646
Amount used during the year	3,445	2,018
Amount reversed during the year	1,105	83
Closing Balance	1,677	6,021
Less:-Advance Paid	-	1,839
Closing Balance Net of Advance	1,677	4,182

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PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
B. OTHERS		
i) Provision For Tariff Adjustment		
As per last Balance Sheet	9,292	4,676
Additions during the year	5,967	4,969
Amount used during the year	8,014	353
Amount reversed during the year	624	-
Closing Balance	6,621	9,292
ii) Provision For Committed Capital Expenditure		
As per last Balance Sheet	4,653	3,317
Additions during the year	-	1,528
Amount used during the year	16	192
Amount reversed during the year	-	-
Unwinding of discount	-	-
Closing Balance	4,637	4,653
iii) Provision in respect of arbitration award/ court cases		
As per last Balance Sheet	1,638	1,637
Additions during the year	14	245
Amount used during the year	52	243
Amount reversed during the year	24	1
Closing Balance	1,576	1,638
iv) Provision - Others		
As per last Balance Sheet	11,893	5,991
Additions during the year	37	6,355
Amount used during the year	6,383	327
Amount reversed during the year	84	126
Closing Balance	5,463	11,893
TOTAL	19,997	31,680

22.1 Provision for Wage Revision includes arrear of pay and allowances w.e.f 01/01/2016 till 30/06/2017 and arrear of dearness allowance w.e.f. 01/07/2019 payable to GoMP employees on deputation in accordance with various circulars issued by GoMP.

NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Current Tax Liability as per last Balance Sheet	17,654	21,244
Additions during the year	18,920	20,589
Less: MAT Credit Utilized during the year	7,034	2,935
Net addition after utilization of MAT Credit	11,886	17,654
Amount adjusted during the year	-	-
Amount used during the year	17,654	21,244
Amount reversed during the year	-	-
Closing Balance of Current Tax Liablity (A)	11,886	17,654
Less: Current Advance Tax including Tax Deducted at Source (B)	10,430	18,634
Net Current Tax Liabilities (A-B)	1,456	(980)
(Disclosed under Note No-4 above)	-	980
TOTAL	1,456	-

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NOTE NO. 24.1 REVENUE FROM OPERATIONS (Amount in ₹ Lakhs)

	PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Operating Revenue		
A	**SALES (Refer Note 24.1.1, 24.1.2 and 24.1.4)**		
	Sale of Power	30,722	39,106
	Advance Against Depreciation -Written back during the period	434	434
	Performance based Incentive	8,576	29,572
	Sub-total (i)	**39,732**	**69,112**
	Less :		
	Sales adjustment on account of Foreign Exchange Rate Variation	-	-
	Tariff Adjustments **(Refer Note 24.1.3)**	5,967	5,837
	Regulated Power Adjustment	-	-
	Rebate to customers	-	180
	Sub-total (ii)	**5,967**	**6,017**
	Sub - Total (A) = (i-ii)	**33,765**	**63,095**
B	**Income from Finance Lease**	52,055	52,746
C	**Income from Operating Lease**	-	-
D	**Revenue From Contracts, Project Management and Consultancy Works**		
	Contract Income	-	-
	Revenue from Project management/ Consultancy works	-	-
	Sub - Total (D)	-	-
E	**Revenue from Power Trading**		
	Sale of Power (Net of Rebate)	-	-
	Trading Margin	-	-
	Sub - Total (E)	-	-
	Sub-Total-I (A+B+C+D+E)	**85,820**	**1,15,841**
F	OTHER OPERATING REVENUE		
	Income From Sale of Self Generated VERs/REC	-	-
	Income on account of generation based incentive (GBI)	-	-
	Interest from Beneficiary States -Revision of Tariff	-	-
	Sub-Total-II	-	-
	TOTAL (I+II)	**85,820**	**1,15,841**
24.1.1	Power Purchase Agreement entered into by NHDC with single beneficiary has the substance of an embedded lease arrangement pursuant to IND AS 116.		
	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.		
24.1.2	CERC has notified trued up tariff order for the period 2014-19 and projected tariff for the period 2019-24 for ISPS and OSPS. Sales includes:		
	(i) Sales on account of earlier year sales.	(4,485)	-
	(ii) Petition Fee.	334	-
24.1.3	Tariff Regulation notified by CERC vide notification dated 07/03/2019 interalia provides that capital cost considered for fixation of tariff for current period tariff period shall be subject to truing up at the end of tariff period. Accordingly, stated amount has been provided in books.	5,967	5,837
24.1.4	Amount of unbilled revenue included in Sales.		
	(i) On account of truing up/ effective tax rate adjustment	-	7
	(ii) On account of Security Expenses	-	1,440
	(iii) On account of Wage Revision	1,653	1,653
	(iv) Shortfall of Energy Charges for FY 2017-18 and 2018-19.	2,883	-
	(v) On account of Earlier Year Sales	-	326
24.1.4	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	43	1,915
	- Energy Development Cess	3,954	6,333

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NOTE NO. 24.2 OTHER INCOME

(Amount in ₹ Lakhs)

	PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A)	**Interest Income**		
	- Investments carried at FVTOCI- Non Taxable	-	-
	- Investments carried at FVTOCI- Taxable	-	-
	- Interest from Beneficiary -Trade receivables on deferred credit (securitized)	-	-
	- Deposit Account	9,534	10,844
	- Employee's Loans and Advances (Net of Rebate upto 23/09/20)	365	279
	- Advance to contractors	-	-
	- Others	122	65
B)	**Other Non Operating Income (Net of Expenses directly attributable to such income)**		
	Late payment surcharge	4,291	1,311
	Realization of Loss Due To Business Interruption	-	-
	Profit on sale of investments	-	-
	Profit on sale of Assets (Net)	-	-
	Income from Insurance Claim	-	-
	Liabilities/ Impairment Allowances/ Provisions not required written back **(Refer Note 24.2.1)**	1,744	-
	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 **(Refer Note 19)**	6,407	6,378
	Exchange rate variation (Net)	-	-
	Mark to Market Gain on Derivative	-	-
	Others	245	188
	Sub-total	22,708	19,065
	Add/(Less): C.O. Expenses Allocation	-	-
	Add/(Less): Regional Office Expenses Allocation	-	-
	Sub-total	22,708	19,065
	Less: transferred to Expenditure Attributable to Construction	-	-
	Less: transferred to Advance/ Deposit from Client/Contractees and against Deposit Works	-	-
	Less: Transfer of other income to grant	-	-
	Total	22,708	19,065

24.2.1 Detail of Liabilities/Impairment Allowances/Provisions not required written back		
a) Provision for write back of PRP	1,105	-
b) Provision for tariff adjustment towards interest to Beneficiary on differential tariff of ISPS	624	-
c) Others	15	-
TOTAL	1,744	-

BHUTORIA GANESAN & CO. CHARTERED ACCOUNTANTS FRN 4465C BHOPAL

NOTE NO. 25 GENERATION EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of stores and spare parts	288	319
Total	288	319

NOTE NO. 26 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Lakhs)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Wages	10,103	11,549
Contribution to provident and other funds	1,924	1,855
Staff welfare expenses	1,388	694
Sub-total	13,415	14,098
Add/(Less): C.O. Expenses Allocation	-	-
Add/(Less): Regional Office Expenses Allocation	-	-
Sub-total	13,415	14,098
Less: transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Total	13,415	14,098

		For the year ended 31st March, 2022	For the year ended 31st March, 2021
26.1	Contribution to provident and other funds include contributions:		
	i) towards Employees Provident Fund	701	600
	ii) towards Employees Defined Contribution Superannuation Scheme	874	991
26.2	Salary and wages includes expenditure on short term leases as per IND AS-116 " Leases".	5	10

NOTE NO. 27 FINANCE COSTS

(Amount in ₹ Lakhs)

	PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A	**Interest on Financial Liabilities at Amortized Cost**		
	Bonds	-	-
	Term loan	-	-
	Foreign loan	-	-
	Short Term Loan	-	-
	Other interest charges	-	-
	Lease Liabilities	3	3
	Unwinding of discount-Government of India Loan	-	-
	Sub-total	3	3
B	**Other Borrowing Cost**		
	Call spread/ Coupon Swap	-	-
	Bond issue/ service expenses	-	-
	Commitment fee	-	-
	Guarantee fee on foreign loan	-	-
	Other finance charges	-	-
	Unwinding of discount-Provision & Financial Liablities	14	14
	Sub-total	14	14
C	**Applicable net (gain)/ loss on Foreign currency transactions and translation**		
	Exchange differences regarded as adjustment to interest cost	-	-
	Less: Transferred to Deferred Foreign Currency Fluctuation Assets	-	-
	Sub-total	-	-
D	**Interest on Income Tax**	42	33
	Total (A + B + C+D)	59	50
	Add/(Less): C.O. Expenses Allocation	-	-
	Add/(Less): Regional Office Expenses Allocation	-	-
	TOTAL	59	50
	Less: transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Total	59	50

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NOTE NO. 28 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation -Property, Plant and Equipment	620	740
Depreciation-Right of use Assets	5,787	5,640
Amortization -Intangible Assets	-	-
Add/(Less): C.O. Expenses Allocation	-	-
Add/(Less): Regional Office Expenses Allocation	-	-
Sub-total	6,407	6,380
Less: transferred to Expenditure Attributable to Construction	-	-
Less: Recoverable from Deposit Works	-	-
Total	6,407	6,380

NOTE NO. 29 OTHER EXPENSES

(Amount in ₹ Lakhs)

	PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A.	**Direct Expenditure on Contract, Project Management and Consultancy Works**	-	-
B.	**REPAIRS AND MAINTENANCE**		
	- Building	1,170	875
	- Machinery	809	755
	- Others	2,091	1,869
C.	**OTHER EXPENSES**		
	Rent	27	24
	Hire Charges	445	409
	Rates and taxes	4,024	8,268
	Insurance	1,337	1,383
	Security expenses	1,854	1,691
	Electricity Charges	887	875
	Travelling and Conveyance	70	62
	Expenses on vehicles	29	23
	Telephone, telex and Postage	72	65
	Advertisement and publicity	25	12
	Entertainment and hospitality expenses	13	14
	Printing and stationery	68	71
	Consultancy charges - Indigenous	229	224
	Consultancy charges - Foreign	-	-
	Audit expenses **(Refer Note 29.2)**	18	18
	Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses	-	-
	Expenditure on land not belonging to company	6	371
	Loss on Assets (Net)	133	38
	Losses out of insurance claims	-	-
	Donation	-	-
	Corporate social responsibility **(Refer Note 34)**	1,991	1,975
	Community Development Expenses	-	-
	Directors' Sitting Fees	2	2
	Interest on Arbitration/ Court Cases	64	74
	Interest to beneficiary	1,938	-
	Training Expenses	28	5
	Petition Fee /Registration Fee /Other Fee – To CERC/RLDC/RPC/IEX/PXIL	70	73
	Operational/Running Expenses of Kendriya Vidyalay	103	73
	Operational/Running Expenses of Other Schools	-	-
	Operational/Running Expenses of Guest House/Transit Hostel	161	149
	Operating Expenses of DG Set-Other than Residential	22	41
	Change in Fair Value of Derivatives	-	-
	Other general expenses	4,107	380
	Sub-total	21,793	19,819
	Add/(Less): C.O. Expenses Allocation	-	-
	Add/(Less): Regional Office Expenses Allocation	-	-
	Sub-total	21,793	19,819
	Less: transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Less: Transfer to General Reserve for Expenses on Buyback	-	-
	Sub-total (i)	21,793	19,819

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	PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
D.	PROVISIONS/ IMPAIRMENT ALLOWANCE		
	Impairment allowance for trade receivables	-	-
	Impairment Allowance for Expected Credit Loss -Trade Receivables	-	-
	Allowance for Bad and doubtful advances / deposits	1	-
	Allowance for Bad and doubtful claims	-	-
	Allowance for Doubtful Interest	-	-
	Allowance for stores and spares/ Construction stores	3	1
	Allowance for Shortage in store & spares provided	-	-
	Allowance against diminution in the value of investment	-	-
	Allowance for Project expenses	-	-
	Allowance for losses pending investigation/ awaiting write off / sanction	-	-
	Allowance for Diminution in value of Inventory of Self Generated VER's Provided for	-	-
	Allowance for catchment area treatment plan	-	-
	Interest to Beneficiary **(Refer Note 29.1)**	-	218
	Interest against court/arbitration award	-	-
	Others	-	6,264
	Sub-total	4	6,483
	Add/(Less): C.O. Expenses Allocation	-	-
	Add/(Less): Regional Office Expenses Allocation	-	-
	Sub-total	4	6,483
	Less: transferred to Expenditure Attributable to Construction	-	-
	Less: Recoverable from Deposit Works	-	-
	Sub-total (ii)	4	6,483
	Total (i+ii)	21,797	26,302

(Amount in ₹ Lakhs)

29.1

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Pending notification of revision order by CERC in respect of truing up application filed by the company under CERC notification dated 07.03.2019 stated amount has been provided in the books during the year towards Interest to Beneficiary States, which may have to be paid in case of reduction in tariff as a result of said revision order.	-	218

(Amount in ₹ Lakhs)

29.2

Detail of audit expenses are as under: -	For the year ended 31st March, 2022	For the year ended 31st March, 2021
i) Statutory auditors		
As Auditor		
Audit Fees	9	9
Tax Audit Fees	3	2
In other Capacity		
Taxation Matters	-	-
Company Law Matters	-	-
Management Services	-	-
Other Matters/services	5	5
Reimbursement of expenses	-	-
ii) Cost Auditors		
Audit Fees	2	2
Reimbursement of expenses	-	-
iii) Goods and Service Tax (GST) Auditors		
Audit Fees	-	-
Reimbursement of expenses	-	-
Total Audit Expenses	19	18

29.3 Rent includes the following expenditure as per IND AS-116 " Leases".

(i)	Expenditure on short-term leases other than lease term of one month or less	26	24
(ii)	Expenditure on long term lease of low-value assets	-	-
(iii)	Variable lease payments not included in the measurement of lease liabilities	-	-

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NOTE NO. 30.1 TAX EXPENSES

(Amount in ₹ Lakhs)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax		
Provision for Current Tax	18,878	20,555
Adjustment Relating To Earlier periods	-	-
Total current tax expenses	**18,878**	**20,555**
Deferred Tax		
Decrease (increase) in deferred tax assets		
- Relating to origination and reversal of temporary differences	(232)	909
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
- Adjustments on account of MAT credit entitlement	-	(3,925)
Increase (decrease) in deferred tax liabilities		
- Relating to origination and reversal of temporary differences	2,653	1,562
- Relating to change in tax rate	-	-
- Adjustments in respect of deferred tax of prior periods	-	-
Total deferred tax expenses (benefits)	2,421	(1,454)
Net Deferred Tax	2,421	(1,454)
Total	**21,299**	**19,101**

		For the year ended 31st March, 2022	For the year ended 31st March, 2021
30.1.1	**Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate.**		
	Accounting profit/loss before income tax including movement in Regulatory Deferral Account Balance	66,562	87,757
	Applicable tax rate (%)	34.944%	34.944%
	Computed tax expense	23,259	30,666
	Tax effects of amounts which are not deductible (Taxable) in calculating taxable income.		
	Non Deductible Tax Expenses	2,889	1,671
	Tax Exempt Income	-	-
	Tax Incentives (80-IA Deductions)	(4,849)	(9,310)
	Adjustment for current tax of earlier periods	-	-
	Minimum Alternate Tax Adjustments	-	(3,926)
	Income tax expense reported in Statement of Profit and Loss	**21,299**	**19,101**
30.1.2	**Amounts recognised directly in Equity**		
	Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/(credited) to equity		
	Current Tax	....	....
	Deferred tax	....	....
	Total		
30.1.3	**Tax losses and credits**		
	(i) Unused tax losses for which no deferred tax asset has been recognised	....	....
	Potential tax benefit @ 30%	....	....
	(ii) The details of MAT Credit available to the Company in future but not recognised in the books of account **(Refer Note 30.5)**		
30.1.4	**Unrecognised temporary differences**		
	Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised.		
	Undistributed Earnings	....	....
	Unrecognised deferred tax liabilities relating to the above temporary differences	....	....

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NOTE NO. 30.2 OTHER COMPREHENSIVE INCOME

(Amount in ₹ Lakhs)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Items that will not be reclassified to profit or loss		
(a) Remeasurement of the post employment defined benefit obligations	(189)	33
Less: Income Tax on remeasurement of the post employment defined benefit obligations	(66)	12
Remeasurement of the post employment defined benefit obligations (net of Tax)	(123)	21
Less:-Movement in Regulatory Deferral Account Balances in respect of tax on defined benefit obligations	66	(12)
-Movement in Regulatory Deferral Account Balances-Remeasurement of post employment defined benefit obligations	-	-
Less: Impact of Tax on Regulatory Deferral Accounts	-	-
Remeasurement of the post employment defined benefit obligations (net of Tax) and Regulatory deferral account balances (a)	(189)	33
(b) Investment in Equity Instruments	-	-
Less: Income Tax on Equity Instruments	-	-
Sub total (b)	-	-
Total (i)=(a)+(b)	(189)	33
(ii) Items that will be reclassified to profit or loss		
- Investment in Debt Instruments	-	-
Less: Income Tax on investment in Debt Instruments	-	-
Total (ii)	-	-
Total =(i+ii)	(189)	33

NOTE NO. 31 Movement in Regulatory Deferral Account Balances

(Amount in ₹ Lakhs)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Wage Revision as per 3rd Pay Revision Committee	-	-
(ii) Adjustment against Deferred Tax Recoverable for tariff period upto 2009	-	-
(iii) MAT Credit	6,033	(1,586)
TOTAL (i)+(ii)+(iii)	6,033	(1,586)
Impact of Tax on Regulatory Deferral Accounts		
Less: Deferred Tax on Regulatory Deferral Account Balances	-	-
Add: Deferred Tax recoverable from Beneficiaries	-	-
Total	6,033	(1,586)

Refer Note 14 of Financial Statements.

BHUTORIA GANESAN & CO. * CHARTERED ACCOUNTANTS * FRN 4465C BHOPAL

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

(Amount in ₹ Lakhs)

	PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A.	GENERATION EXPENSE		
	Consumption of stores and spare parts	-	-
	Sub-total	-	-
B.	EMPLOYEE BENEFITS EXPENSE		
	Salaries and Wages	-	-
	Contribution to provident and other funds	-	-
	Staff welfare expenses	-	-
	Leave Salary & Pension Contribution	-	-
	Sub-total	-	-
C.	FINANCE COST		
	Interest on : **(Refer Note 2.2.1)**		
	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	-	-
	Sub-total	-	-
D.	DEPRECIATION AND AMORTISATION EXPENSES	-	-
	Sub-total	-	-
E.	OTHER EXPENSES		
	Repairs And Maintenance :		
	-Building	-	-
	-Machinery	-	-
	-Others	-	-
	Rent & Hire Charges	-	-
	Rates and taxes	-	-
	Insurance	-	-
	Security expenses	-	-
	Electricity Charges	-	-
	Travelling and Conveyance	-	-
	Expenses on vehicles	-	-
	Telephone, telex and Postage	-	-
	Advertisement and publicity	-	-
	Printing and stationery	-	-
	Design and Consultancy charges:		
	- Indigenous	-	-
	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	-	-
F.	PROVISIONS	-	-
	Sub-total	-	-
G.	CORPORATE OFFICE/REGIONAL OFFICE EXPENSES		
	Other Income	-	-
	Other Expenses	-	-
	Employee Benefits Expense	-	-
	Depreciation & Amortisation Expenses	-	-
	Finance Cost	-	-
	Provisions	-	-
	Sub-total	-	-
	TOTAL (A+B+C+D+E+F+G) (Refer Note 2.2)	-	-

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Note-33: Disclosure on Financial Instruments, Risk Management and Financial Ratios

(1)Fair Value Measurement

A) Financial Instruments by category

(Amount in ₹ Lakhs)

Financial assets	Notes	As at 31st March, 2022 Fair value through Profit or Loss	As at 31st March, 2022 Fair value through Other Comprehensive Income	As at 31st March, 2022 Amortised Cost	As as 31st March, 2021 Fair value through Profit or Loss	As as 31st March, 2021 Fair value through Other Comprehensive Income	As as 31st March, 2021 Amortised Cost
Non-current Financial assets							
(i) Non-current investments							
a) In Equity Instrument (Quoted)	3.1			-			-
b) In Debt Instruments (Government/ Public Sector Undertaking)- Quoted	3.1			-			-
Sub-total			-	-		-	-
(ii) Loans							
a) Loans to Joint Venture	3.2			-			-
b) Employees	3.2			2,651			2,388
c) Others	3.2			-			-
(iii) Others							
- Deposits	3.3			197			214
-Lease Receivables including interest	3.3			3,65,060			3,68,553
-Claims Recoverable on account of PRP Recovery from Employees	3.3			1,038			-
-Bank Deposits with more than 12 Months Maturity (Including interest accrued)	3.3			1,22,733			57,351
Total Non-current Financial assets		-	-	4,91,679	-	-	4,28,506
Current Financial assets							
(i) Trade Receivables	7			56,632			60,125
(ii) Cash and cash equivalents	8			13,948			21,968
(iii) Bank balances other than Cash and Cash Equivalents	9			37,966			1,03,106
(iv) Loans	10						
-Employee Loans				534			429
-Loans				-			-
-Others				-			-
(v) others (Excluding Lease Receivables)	11			10,452			11,019
(vi) others (Lease Receivables including interest)	11			6,601			6,555
Total Current Financial Assets		-	-	1,26,133	-	-	2,03,204
Total Financial Assets		-	-	6,17,812	-	-	6,31,710

Financial Liabilities	Notes	As at 31st March, 2022 Fair value through Profit or Loss	As at 31st March, 2022 Fair value through Other Comprehensive Income	As at 31st March, 2022 Amortised Cost	As as 31st March, 2021 Fair value through Profit or Loss	As as 31st March, 2021 Fair value through Other Comprehensive Income	As as 31st March, 2021 Amortised Cost
Non-current Financial Liabilities							
(i) Long-term borrowings	16.1			-			-
(ii) Long term maturities of lease liabilities	16.2			39			39
(iii) Other Financial Liabilities	16.3			31			87
Total Non-current Financial Liabilities		-	-	70	-	-	126
Current Financial Liabilities							
(i) Borrowing -Short Term including current maturities of long term borrowings	20.1			-			-
(ii) Current maturities of lease obligations	20.2			-			-
(iii) Trade Payables including Micro, Small and Medium Enterprises	20.3			1,172			958
(iv) Other Current financial liabilities							
a) Interest Accrued but not due on borrowings	20.4			-			-
b) Other Current Liabilities	20.4			4,400			4,733
Total Current Financial Liabilities		-	-	5,572	-	-	5,691
Total Financial Liabilities		-	-	5,642	-	-	5,817

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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.The fair value of financial assets and liabilities included in level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments. This includes derivative MTM assets/liabilities,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 ₹ Lakhs)

		As at 31st March, 2022			As as 31st March, 2021		
	Note No.	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets at FVTOCI							
(i) Investments-							
- In Equity Instrument (Quoted)	3.1	-			-		
- In Debt Instruments (Government/ Public Sector Undertaking)- Quoted *	3.1	-			-		
Financial Assets at FVTPL :							
(i) Derivative MTM Asset (Call spread option and Coupon only swap)	3.3		-			-	
Total		-	-	-	-	-	-

Note:

* in the absence of latest quoted market rates in respect of these instruments, rates have been derived as per Fixed Income Money Market and Derivatives Association of India (FIMMDA).

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

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

(Amount in ₹ Lakhs)

Particulars		As at 31st March, 2022			As at 31st March, 2021		
	Note No.	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans							
a) Employees	3.2		2651			2388	
b) Loans	3.2		-			-	
c) Others	3.2			-			-
(ii) Others							
Deposits	3.3			197			214
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)	3.3		1,22,733			57,351	
-Claims Recoverable on account of PRP Recovery from Employees	3.3		1,051			-	
Total Financial Assets		-	1,26,435	197	-	59,739	214
Financial Liabilities							
(i) Long-term borrowings including current maturities and accrued interest	16.1,20.1 and 20.4						
(ii) Long term & Short term maturities of lease obligations	16.2 & 20.2			39			39
(iii) Other Long Term Financial Liabilities	16.3	-		30	-		88
Total Financial Liabilities		-	-	69	-	-	127

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

(Amount in ₹ Lakhs)

Particulars		As at 31st March, 2022		As at 31st March, 2021	
	Note No.	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
(i) Loans					
a) Employees	3.2	2,651	2,651	2,388	2,388
b) Loans	3.2	-	-	-	-
c) Others		-	-	-	-
(ii) Others					
Deposits	3.3	197	197	214	214
-Bank Deposits with more than 12 Months Maturity (Including Interest accrued)	3.3	1,22,733	1,22,733	57,351	57,351
-Claims Recoverable on account of PRP Recovery from Employees	3.3	1,038	1,051	-	-
Total Financial Assets		1,26,619	1,26,632	59,953	59,953
Financial Liabilities					
(i) Long-term borrowings including Current maturities and accrued interest	16.1,20.1 and 20.4	-		-	
(ii) Long term & Short term maturities of lease obligations	16.2 & 20.2	39	39	39	39
(iii) Other Long Term Financial Liabilities	16.3	31	30	87	88
Total Financial Liabilities		70	69	126	127

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 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 company's outstanding borrowings except subordinate debts and foreign currency borrowings.

(3) Financial liabilities that are subsequently measured at amortised cost are recognised initially at fair value minus transaction costs using the effective interest method where such transaction costs incurred on long term borrowings are material.

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(2)Financial Risk Management

(A) Financial risk factors

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. Call spread option and coupon only swap

Risk management framework

The Company's activities make it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. Company has a well-defined risk management policy to provide overall framework for the risk management in the Company. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company is exposed to the following risks from its use of financial instruments:

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

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, unbilled revenue & 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. Unbilled revenue primarily relates to the Company's right to consideration for work completed but not billed at the reporting date and have substantially the same risk characteristics as trade receivables for the same type of contracts.

Lease receivables of the company are with regard to Power Purchase Agreements classified as finance lease as per Ind AS 116- 'Leases' as referred to in Note No. 34. The power purchase agreements are for sale of power to single beneficiary and recoverability of interest income and principal on leased assets i.e. PPE of the power stations are assessed on the same basis as applied for trade receivables.

Financial assets at amortised cost :-

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

Financial instruments and cash deposits :-

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

(i) Exposure to credit risk

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

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments (Other than Subsidiaries and Joint Ventures)	-	-
Loans -Non Current (including interest)	2,848	2,602
Other Non Current Financial Assets	1,23,771	57,351
Current Investments	-	-
Cash and cash equivalents	13,948	21,968
Bank balances other than Cash and Cash Equivalents	37,966	1,03,108
Loans -Current	534	429
Other Financial Assets (Excluding Lease Receivables)	10,452	11,019
Total (A)	1,89,519	1,96,477

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	56,632	60,125
Lease Receivables (Including Interest)	3,71,661	3,75,108
Total (B)	4,28,293	4,35,233
TOTAL (A+B)	6,17,812	6,31,710

(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 2019-24 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:

(Amount in ₹ Lakhs)

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 31.3.2022.	-	14,274	2,891	-	-	17165
Gross Carrying amount as on 31.3.2021.	-	19,029	1,389	-	-	20418

(iii) Reconciliation of impairment loss provisions

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

(Amount in ₹ Lakhs)

	Trade Receivables	Claim Recoverable	Loans	Total
Balance as at 1.4.2020	-	6	-	6
Changes in Loss Allowances	-	(3)	-	(3)
Balance as at 1.4.2021	-	3	-	3
Changes in Loss Allowances	-	-	-	-
Balance as at 31.3.2022	-	3	-	3

Based on historical default rates, the company believes that no impairment allowance is necessary in respect of any other financial assets as the amounts of such allowances are not significant.

(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:

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
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, 2022 (Amount in ₹ Lakhs)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.3.2022	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 and 20.1	-	-	-	-	-
Lease Liabilities	16.2 & 20.2	39	-	-	-	39
Other financial Liabilities	16.3 & 20.4	4,438	4,404	29	5	-
Trade Payables	20.3	1,172	1,172	-	-	-
Total Financial Liabilities		5,649	5,576	29	5	39

As at 31st March, 2021 (Amount in ₹ Lakhs)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt as on 31.03.2021	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 and 20.1	-	-	-	-	-
Lease Liabilities	16.2 & 20.2	39	-	-	-	39
Other financial Liabilities	16.3 & 20.4	4,836	4,740	92	4	-
Trade Payables	20.3	958	958	-	-	-
Total Financial Liabilities		5,833	5,698	92	4	39

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(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 ₹ Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2021
	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. The majority of the borrowings of the company are at fixed interest rate. In case of floating rate borrowings there is no impact on Statement of Profit and Loss of the company due to increase/decrese 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.

(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 ₹ Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial Liabilities:		
Foreign Currency Loans		
Other Financial Liabilities	81	83
Net Exposure to foreign currency (liabilities)	81	83

(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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Note No-33(4) :-Financial Ratios of NHPC Limited

S.No	Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
(a)	Current Ratio	Current Assets	Current Liabilities	3.65	4.39	(16.75)	-
(b)	Debt-Equity Ratio	Total Debts	Shareholder's Equity	0.01	0.01	-	-
(c)	Debt Service Coverage Ratio	Earning Avilable for debt service	Debt Service	NA	NA	-	-
(d)	Return on Equity Ratio	Profit After Tax	Average Shareholder's Equity	2.26	2.97	(23.88)	
(e)	Inventory turnover Ratio	Revenue From Operations	Average Inventory	NA	NA	-	-
(f)	Trade Receivable turnover ratio	Revenue From Operations	Average Debtors	0.37	0.55	(33.54)	Decrease is mainly on account of reduced Generation as compared to previous period.
(g)	Trade Payables turnover ratio	Purchases	Average Trade Payables	444.72	427.78	3.96	-
(h)	Net Capital turnover ratio	Revenue From Operations	Working Capital	0.90	0.72	24.91	
(i)	Net Profit ratio	Net Profit	Revenue from operations	59.77	57.90	3.24	-
(j)	Return on Capital Employed	Earning Before Interest and Taxes	Capital Employed (Total Assets-Current Liabilities)	9.88	11.44	(13.64)	
(k)	Return on investment	-	-	-	-	-	Not Applicable

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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:

(Amount in ₹ Lakhs)

Statement of Gearing Ratio

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Total Debt	39	39
(b) Total Capital	5,64,467	5,70,667
Gearing Ratio (a/b)	0.01	0.01

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 31/03/2022 Company is a debt-free Company.

(c) Dividends:

(Amount in ₹ Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(i) Equity Shares		
Final dividend for the year ended 31st March 2021 of INR 82/- per fully fully paid up Shares (INR Nil per fully paid share for year ended 31st March 2020)	16,093	
Interim dividend for the period ended 31st March 2022 of INR 210/- (for year ended 31st March 2021- INR 283/-) per fully paid share.	41,214	55,541
(ii) Dividend not recognised at the end of the reporting period		
The directors have recommended the payment of Second Interim dividend of INR 57/- per fully paid up Shares (for year ended 31 st March 2021-INR 82/-) .	11,187	16,093

As per our report of even date attached

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

CA UMASHANKAR. U
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) &
Chief Financial Officer

Place: Bhopal
Date: 09/05/2022

Note No. - 34: Other Explanatory Notes to Accounts

1. Disclosures relating to Contingent Liabilities:-

Contingent Liabilities to the extent not provided for –

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

(i) Capital works

Contractors have lodged claims aggregating to Rs. 24134 Lakhs (previous year Rs.23612 Lakhs) 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 Rs 24101 Lakhs (previous year Rs. 23075 Lakhs) 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 Rs. NIL (previous year Rs. NIL) based on probability of outflow of resources embodying economic benefits and estimated Rs. 24134 Lakhs (previous year Rs. 23612 Lakhs) 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 Rs 29330 Lakhs (previous year Rs. 28169 Lakhs) before various authorities/courts. Pending settlement, the Company has assessed and provided an amount of Rs.1577 Lakhs (previous year Rs. 1638 Lakhs) based on probability of outflow of resources embodying economic benefits and estimated Rs. 27753 Lakhs (previous year Rs. 26531 Lakhs) 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 Rs. NIL (previous year Rs. NIL). Pending settlement, the Company has assessed and provided an amount of Rs. NIL (previous year Rs. NIL) based on probability of outflow of resources embodying economic benefits and rest of the claims i.e Rs. NIL (previous year Rs. 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.

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(iv) Others

Claims on account of other miscellaneous matters amount to Rs. 718 Lakhs (previous year Rs. 11087 Lakhs). These claims are pending before various forums. Pending settlement, the Company has assessed and provided an amount of Rs. NIL (previous year Rs. 6264 Lakhs) based on probability of outflow of resources embodying economic benefits and estimated Rs. 718 Lakhs (Previous year Rs. 4823 Lakhs) 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 31.03.2022 as below:

(Amount Rs. in Lakhs)

Sl. No.	Particulars	Claims as on 31.03.2022	up to date Provision against the claims/ paid	Contingent liability as on 31.03.2022	Contingent liability as on 31.03.2021	Addition/ (deduction) from contingent liability during the period	Reduction in contingent liability against Balance Outstanding as on 01.04.2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1.	Capital Works	24134	-	24134	23612	522	505
2.	Land Compensation cases	29330	1577	27753	26531	1222	206
3.	Disputed tax matters	-	-	-	-	-	-
4.	Others	718	-	718	4823	(4105)	4218
	Total	**54182**	**1577**	**52605**	**54966**	**(2361)**	**4929**

(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 Rs. NIL- (previous year Rs. NIL) towards above contingent liabilities.

(e) A cumulative amount of Rs. 142 Lakhs (previous year Rs. 156 Lakhs) stands paid /deposited with courts towards above contingent liabilities to contest the cases and is being shown as Other Non- Current Assets/ Current Assets.

(f) The 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.

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(g) Category of agency wise details of contingent liability as at 31.03.2022 are as under:

(Amount Rs. in Lakhs)

Sl. No.	Category of Agency	Claims as on 31.03.2022	up to date Provision against the claims/ paid	Contingent liability as on 31.03.2022	Contingent liability as on 31.03.2021	Addition/ Deduction () from contingent liability during the period	Reduction in contingent liability against Balance Outstanding as on 01.04.2021
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(v)-(vi)	(viii)
1	Central Govt. departments	-	-	-	-	-	-
2	State Govt. departments or Local Bodies	711	-	711	4716	(4005)	4118
3	CPSEs	-	-	-	100	(100)	100
4	Others	53471	1577	51894	50150	1744	711
	TOTAL	**54182**	**1577**	**52605**	**54966**	**(2361)**	**4929**

2. **Contingent Assets:**

(a)

Counter Claims lodged by the company on other entities:	(Amount Rs. in Lakhs)	
Particulars	**31.03.2022**	**31.03.2021**
Counter Claims lodged by the Company 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	-	-
Counter claims towards arbitration awards (including updated interest thereon) included in the claim	-	-
Amount of contingent assets i.e. Based on Management assessment, a favourable outcome is probable	-	-
In respect of rest of the claims, the possibility of any inflow is remote. Accordingly, these claims have not been recognized.		

(b)

	Late Payment Surcharge:	(Amount Rs. in Lakhs)	
	Particulars	**31.03.2022**	**31.03.2021**
(i)	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. In view of significant uncertainties in the ultimate collection from the beneficiaries, late payment surcharge not recognized by	-	-

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	the management :		
(ii)	CERC (Terms & Conditions of Tariff) Regulations 2019-24 provide for levy of Late Payment Surcharge by generating company in case of delay in payment by beneficiaries beyond 45 days from the date of presentation of bill. In view of significant uncertainties in the ultimate collection from the beneficiaries, late payment surcharge not recognized by the management :	-	-

(c)	Revenue to the extent not recognized in respect of power stations::	(Amount Rs in Lakhs)	
	Particulars	**31.03.2022**	**31.03.2021**
	Truing up order of 2014-19 are pending in respect of Indira Sagar and Omkareshwar Power stations for approval by CERC. Management has assessed that an additional revenue is likely to accrue on account of these expenditures which has not been recognized due to significant uncertainty for the approval thereof.	-	1505
	Tariff order of 2019-24 are pending in respect of Indira Sagar and Omkareshwar Power stations before CERC. Management has assessed that an additional revenue is likely to accrue on account of these expenditures which has not been recognized due to significant uncertainty for the approval thereof.	-	378

CERC has notified truing up tariff orders for ISPS & OSPS during the current year.

(d)	**Business Interruption Losses:**	(Amount Rs. in Lakhs)	
	Particulars	**31.03.2022**	**31.03.2021**
	Insurance Claims due to Business Interruption Losses in respect of Power Stations are recognized when no significant uncertainty of ultimate collection exists. Claim not recognized by the Management in this respect :	-	-

(e)	**Other Cases:**	(Amount Rs. in Lakhs)	
	Particulars	**31.03.2022**	**31.03.2021**
	Claims on account of other miscellaneous matters estimated by Management but not been recognized.	3055	2589

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

(Amount Rs. in Lakhs)

	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	(ii)	(iii)	(iv)
1.	Property Plant and Equipment (including CWIP)	2155	1726
2.	Intangible Assets/RUA/Intangible under development	3224	1620
	Total	**5379**	**3346**

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 Rs. 6 Lakhs (previous year Rs. NIL) are included in Capital Work-in-Progress/Property Plant &Equipment.

5. **Disclosures as per IND AS 115 'Revenue from contracts with customers':**

(A) Nature of goods and services

The revenue of the Company comprises of income from electricity sales. Sale of electricity is the only principal activity of the Company:

(a) Revenue from electricity sales

The major revenue of the Company comes from sales of electricity. The Company sells electricity to electricity utilities owned by M.P. State Government. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiary.

The details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for electricity sales are as under:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of electricity	The Company recognises revenue from contracts for electricity sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from electricity sales is determined in terms of CERC Regulations as notified from time to time. The amount of revenue recognised for electricity sales is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(B) Disaggregation of Revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

(Amount Rs. in Lakhs)

Particulars	Generation of electricity For the period ended		Others for the period ended		Total for the period ended	
Geographical markets	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
India	33765	63095			33765	63095
Others	-	-		-	-	-

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Total	33765	63095	-	-	33765	63095
Timing of revenue recognition						
Products and services transferred over time	33765	63095	-	-	33765	63095
Units Sold (MU)	2630.13	4212.74	-	-	2630.13	4212.74

(C) Contract Balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms to realise such revenue in cash. The contract liabilities primarily relate to the advance consideration received from the customers for Deposit Works and Contract Liabilities-Project Management/Consultancy Work.

Details of trade receivables, unbilled revenue and 'advances from customers / clients for Deposit Works and Contract Liabilities-Project Management/Consultancy Work are as under:

(Amount Rs. in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	Non-Current	Current	Non-Current
Trade receivables	56632	-	60125	-
Advance from Customers & Others	-	-	-	-

The company has recognised revenue of Rs NIL (previous Year Rs. NIL) from opening contract liabilities.

(D) Transaction price allocated to the remaining performance obligations is either not applicable or not material to the Company's operations.

(E) **Practical expedients applied as per Ind AS 115:**

(i) The company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

(ii) Company does not have any contracts in the normal course of business where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Accordingly, transaction price has been adjusted for the time value of money only where such time value of money is significant.

(F) The Company has not incurred any incremental costs of obtaining contracts with a customer and has therefore, not recognised any asset for such costs.

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6. 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 Rs. in Lakhs)

(A) Amount received in Cash or in kind	Cumulative up to 31.03.2021	During Apr -2021 to March-2022	Cumulative up to 31.03.2022
i. Expenditure by NVDA on account of Project	137566	298	137864
ii. Cash Received	67283	-	67283
iii. Amount transferred from OSP A/c	856	-	856
Total of (A)	**205705**	**298**	**206003**
(B) Due/Adjusted on account of			
i. Equity Capital	66000	-	66000
ii. Irrigation Component	40691	35	40726
iii. SSP Component	51995	46	52041
iv. Sub-vention towards excess R&R Expenses	42257	257	42514
v. Electricity charges & water supply maintenance charges	504	-	504
vi. Equity of OSP	3308	-	3308
Total of (B)	**204755**	**338**	**205093**
(C) Amount recoverable from NVDA i.e. (B-A)	**(950)**	**40**	**(910)**

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Omkareshwar Project: -

(Amount Rs. in Lakhs)

(D) Amount received in Cash or in kind	Cumulative up to 31.03.2021	During Apr -2021 to March-2022	Cumulative up to 31.03.2022
i. Expenditure by NVDA on account of Project	12777	16	12793
ii. Cash Received	65541	300	65841
iii. Amount transferred from ISP A/C	3308	-	3308
Total of (D)	**81626**	**316**	**81942**
(E) Due/Adjusted on account of			
i. Equity Capital	30016	-	30016
ii. Irrigation Component	24303	9	24312
iii. Sub-venation towards excess R&R Expenses	8272	65	8337
iv. Amount Transferred to ISP A/C	856	-	856
v. Additional Special R&R Package	23199	-	23199
Total of (E)	**86646**	**74**	**86720**
(F) Amount recoverable from NVDA i.e. (E-D)	**5020**	**(242)**	**4778**
(G) Total Amount recoverable i.e (C+F)	**4070**	**(202)**	**3868**

Movement of Grant in Reserve during Apr -2021 to March-2022 is as under:-

(Amount Rs. in Lakhs)

Sl. No.	Particulars	01.04.2021	Additions	Deductions	Adjust-ments	31.03.2022
1.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in ISPS as a Grant-in-Aid	20079	35	1263	-	18851
2.	Proportionate Sub-vention towards Sardar Sarovar project transferred from NVDA Account for ISPS.	25660	46	1614	-	24092
3.	Contribution by Govt of Madhya Pradesh towards R&R of ISPS.	23833	257	1671	-	22419
4.	Proportionate contribution by Govt. of Madhya Pradesh towards Irrigation Component in OSPS as Grant-in-Aid	11535	9	581	-	10963
5.	Contribution by Govt of Madhya Pradesh towards R&R of OSPS.	21221	65	1277	-	20009
	Total	102328	412	6406	-	96334

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7. The effect of foreign exchange rate variation (FERV) during the year are as under:

(Amount Rs. in Lakhs)

	Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
(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	(1)	3

8. Operating Segment:

a) Electricity generation (including income from embedded Finance lease) 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'.

b) The Company has a single geographical segment as all its Power Stations are located within the Country.

c) NHDC has single beneficiary /Customer, MP Power Management Co. Ltd. The revenue from operations for 2021-22 was Rs. 85820 Lakhs (Previous year Rs. 115841 Lakhs).

d) The Company is domiciled in India. Revenue from External Customers is Nil (Previous Year Nil).

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

(A) List of Related Parties:

(i) Parent:

Name of Companies	Principle place of operation
NHPC LTD	India
Govt. of Madhya Pradesh	India

(ii) Joint Ventures: NIL

Name of Companies	Principal place of operation

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(iii) Key Management Personnel:

S. No	Name	Position Held	Remarks
1	Sh. Abhay Kumar Singh	Chairman	Continue
2	Sh. Vijay Kumar Sinha	Managing Director (KMP)	w.e.f. 01.10.2021
3	Sh. Harish Kumar	Managing Director (KMP)	Ceased on 30.09.2021
4	R.P. Goyal	Director	w.e.f. 27.07.2021
5	Sh. I. C.P. Keshari	Director	Ceased on 31.03.2022 (A/N)
6	Sh. R. P. Malviya	Director	Continue
7	Sh. Arun Daga	Director	Continue
8	Smt. Madhusmita Pany	Director	w.e.f. 16.09.2021
9	Sh. H. S. Puri	Director	Ceased on 15.07.2021
10	Smt. Savitri Srivastav	Director	Ceased on 31.08.2021
11	Sh. Sanjeev Mathur	G.M. (Finance) and CFO (KMP)	Continue
12	Sh. Vinay Tripathi	Company Secretary (KMP)	Continue

(iv) **Post- Employment Benefit Plans of NHDC :**

Name of Related Parties	**Principal place of operation**
NHDC Ltd. Employees Provident Fund Trust	India
NHDC Ltd. Employees Group Gratuity Assurance Fund	India
NHDC Ltd. Retired Employees Health Scheme Fund	India
NHDC Employees Social Security Scheme Trust	India
NHDC Ltd. Employees Defined Contribution Superannuation Scheme	India
NHDC Ltd. Employees Leave Encashment Trust	India

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

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares. The Company has applied the exemption available for government related entities and has made limited disclosures in the Financial Statements in accordance with Ind AS 24. Accordingly, Party-wise details of material/significant transaction carried out with the Central Public Sector Enterprises/Govt. Agencies only have been disclosed. Transactions with these related parties are carried out in the ordinary course of business at normal commercial terms.

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

Name of Companies	Principle place of operation	Principal activities	Proportion of Ownership interest as at	
			31.03.2022	31.03.2021
NHPC LTD	India	Power Generation	51.08%	51.08%

(b) **Name and nature of relationship with Government:**

S.No	Name of the Related parties	Nature of Relationship with NHDC
1	Government of India	Control over parent Company (NHPC)
2.	NHPC Limited	Holding Company
3	Govt. of Madhya Pradesh	Shareholder (26.00%) in Company having control over company
4	Narmada Basin Projects Company Limited (Wholly owned Company of Govt. of Madhya Pradesh)	Shareholder (22.92%) in Company having control over company
5	Central/State controlled PSU	Entities controlled by the same Government (Central Government/State Govt.) that has control over NHDC

(B) **Transactions with related parties are as follows:**

(i) **Transactions with Parent: NHPC Limited**

(Amount Rs. in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(i)	(ii)	(iii)
Services received by the Company from Parent		
▪ NHPC	61	3
Services provided by the Company to Parent		
▪ NHPC	-	-
Dividend Paid to Parent		
▪ NHPC	29271	28368
Equity contributions by the Parent		
▪ NHPC	-	-
Reimbursement of cost of employee on deputation /posted by		
• NHPC	191	205

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Loans & Advances given by the Company to:		
• NHPC	-	-
Loans & Advances received by the Company from:		
• NHPC	-	-

Outstanding balances and guarantees with Parent:

Particulars	As at 31.03.2022	As at 31.03.2021
(i)	(ii)	(iii)
Balances with Parent (NHPC)		
▪ Equity contributions by the Parent	100242	100242
▪ Payable (unsecured) by the Company	45	-
▪ Receivables (unsecured) by the Company	76	86

(ii) Transactions with Government that has control over the Company- M.P. Government and its companies:

(Amount Rs. in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(i)	(ii)	(iii)
Purchase of property/Other assets	-	-
Purchase of goods/Inventory	-	-
Services Received by the Company	618	614
Services Provided by the Company	-	2180
Sale of goods/Inventory made by the company	85820	115841
Grant Received during the Year	412	927
Dividend Paid During The Year	14900	27173

Outstanding balances and guarantees with Government that has control over the Company- M.P. Government and its companies:

(Amount Rs. in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(i)	(ii)	(iii)
▪ Equity contributions by the M.P. Government	51027	96016
▪ Payable (unsecured) by the Company	-	23
▪ Receivables (unsecured) by the Company	21036	24488

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(iii) Transactions with Narmada Basin Projects Company Limited (Wholly owned Company of Govt. of Madhya Pradesh):

(Amount Rs. in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(i)	(ii)	(iii)
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	-	-
Dividend Paid During The Year	13136	-

Outstanding balances and guarantees with Narmada Basin Projects Company Limited:

(Amount Rs. in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(i)	(ii)	(iii)
▪ Equity contributions by the NBPCL	44989	-
▪ Payable (unsecured) by the Company	-	-
▪ Receivables (unsecured) by the Company	-	-

(iv) Compensation to Key Management Personnel:

(Amount Rs. In Lakhs)

Particulars	Transactions for the period ended 31.03.2022 and Balances as at 31.03.2022						
Key management Personnel (KMP)	Compensation to Key Management Personnel				Other transactions & Balances		
Name	Short Term Employee Benefits	Post-Employment Benefits	Other Long Term Benefits	Termination Benefits	Interest received on outstanding loans	Sitting Fee	Outstanding Loans receivable
1. Whole Time Directors/Functional Directors:							
Vijay Kumar Sinha	43	5	9		-		-
Harish Kumar	26	5	-		-		-

2. Nominee Directors:							
A. Madhya Pardesh Government							
I.C.P Keshari	-	-	-	-	-	-	-
R. P. Malviya	-	-	-	-	-	-	-
Arun Daga	-	-	-	-	-	2	-
2. Nominee Directors							
B. Holding Company (NHPC LTD)							
Abhay Kumar Singh	-	-	-	-	-	-	-
R.P.Goyal	-	-	-	-	-	-	-
Madhusmita Pany	-	-	-	-	-	-	-
3. Company Secretary/CFO							
Vinay Kumar Tripathi	74	8	(11)	-	-	-	6
Sanjeev Mathur	72	10	(10)	-	-	-	-

(Amount Rs. in Lakhs)

Particulars	**Transactions for the period ended 31.03.2021 and Balances as at 31.03.2021**						
Key management Personnel (KMP)	**Compensation to Key Management Personnel**				**Other transactions & Balances**		
Name	**Short Term Employee Benefits**	**Post-Employment Benefits**	**Other Long Term Benefits**	**Termination Benefits**	**Interest received on outstanding loans**	**Sitting Fee**	**Outstanding Loans receivable**
1. Whole Time Directors							
Arun Kumar Mishra	88	8	-	-	-		-
Harish Kumar	18	2	(5)				
2. Nominee Directors							
A. MP Govt.							

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I.C.P Keshari	-	-	-	-	-	-	-
R. P. Malviya	-	-	-	-	-	-	-
Arun Daga	-	-	-	-	-	1	-
B. Holding Company (NHPC LTD)							
Abhay Kumar Singh	-	-	-	-	-	-	-
Vijay Kumar	-	-	-	-	-	-	-
Savtri Shrivastava	-	-	-	-	-	-	-
Jugal Kishore Mohapatra	-	-	-	-	-	1	-
H.S.Puri	-	-	-	-	-	-	-
3. **Company Secretary/CFO**							
Vinay Kumar Tripathi	50	7	12	-	-	-	11
B. L. Saboo	87	8	-	-	-	-	-
Sanjeev Mathur	20	1	10	-	-	-	8

(v) Transactions with other related parties- Post Employment Benefit Plans

(Amount Rs. in Lakhs)

Post -Employment Benefit Plans (Name)	Contribution by the company (Net of Refund from Post - Employment Benefit Plans)		Balances with Post - Employment Benefit Plans	
	for the year ended 31.03.2022	for the year ended 31.03.2021	As at 31.03.2022	As at 31.03.2021
NHDC Limited Employees Provident Fund Trust	541	540	51 (Payable)	-

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NHDC Limited Employees Group Gratuity Assurance Fund	-	365	132 (Receivable)	75 (Receivable)
NHDC Limited Retired Employees Health Scheme Fund	56	63	457 (Payable)	56 (Payable)
NHDC Employees Social Security Scheme Trust	24	24	2 (Payable)	2 (Payable)
NHDC Limited Employees Defined Contribution Superannuation Scheme Trust	680	786	82 (Payable)	373 (Payable)
NHDC Limited Employee Leave Encashment Trust	431	2793	292 (Payable)	431 (Payable)

(vi) **Transactions with entities controlled by the Government that has control over the Parent Company i.e. NHPC- (Various CPSU/ Govt. Agencies):**

(Amount Rs. in Lakhs)

Name of Entity/ Govt. Agency	Nature of Transaction	Detail of Transaction	For the year ended 31.03.2022	For the period ended 31.03.2021
Central Industrial Security Force (CISF)	Services Received by the Company	Security Services	1540	1442
Kendriya Vidyalaya Sangathan(KVS)	Services Received by the Company	Education Facilities	253	206
Central Water and Power Research Station (CWPRS)	Services Received by the Company	Research/ Model Studies	45	47
Bharat Heavy Electricals Limited (BHEL)	Purchase of Assets	Purchase of Equipments & Erection	-	19
	Purchase of Spares	Purchase of Spares	-	-
	Services Received by the Company	Maintenance Services	25	-
Bharat Sanchar Nigam Limited (BSNL)	Services Received by the Company		-	4
Indian Oil Corporation LTD. (IOCL)	Purchase of goods/Inventory	Purchase HSD Oil	32	-
Life Insurance Corporation of India	Services Received by the Company	Insurance Premium	16	-
The New India Assurance Company Limited	Services Received by the Company	Insurance Premium	1318	1358

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United Insurance Company Limited	Services Received by the Company	Insurance Premium	1	-
The Oriental Insurance Company Limited	Services Received by the Company	Insurance Premium	1	-
National Informatics Centre (NIC)	Services Received by the Company	Publication of Tender	11	-
Central Warehousing Corporation	Services Received by the Company	Pest Control	10	-

(vii) Outstanding balances and guarantees with Entities Controlled by Central Government:

(Amount Rs. in Lakhs)

Name of Related Party	Nature of Balance	As at 31.03.2022	As at 31.03.2021
Central Industrial Security Force (CISF)	Payable (unsecured)	154	151
	Receivable (unsecured)	82	31
Kendriya Vidyalaya Sangathan(KVS)	Payable (unsecured)	11	-
	Receivable (unsecured)	-	12
Central Water and Power Research Station (CWPRS)	Payable (unsecured)	1	-
	Receivable (unsecured)	100	112
Bharat Heavy Electricals Limited (BHEL)	Payable (unsecured)	3	3
	Receivable (unsecured)	-	-
Maulana Azad National Institute of Technology , Bhopal	Payable (unsecured)	-	-
	Receivable (unsecured)	2	3
National Informatics Centre (NIC)	Payable (unsecured)	-	-
	Receivable (unsecured)	4	-
Life Insurance Corporation of India	Payable (unsecured)	-	-
	Receivable (unsecured)	8	-
The New India Assurance Company Limited PAN: AAACN4165C CIN:L66000MH1919GOI000526	Payable (unsecured)	-	-
	Receivable (unsecured)	973	-

Central Warehousing Corporation	Payable (unsecured)	5	-
	Receivable (unsecured)	-	-
SR.DIVISIONAL FINANCE MANAGER W.RLY.RATLAM	Payable (unsecured)	-	-
	Receivable (unsecured)	1	-
Indian Oil Corporation Limited (IOCL)	Payable (unsecured)	8	-
	Receivable (unsecured)	-	-

(D) Other notes to related party transactions:

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

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

(b) Consultancy services provided to the Company by parent company are generally on nomination basis at the terms, conditions and principles applicable for consultancy services provided to other parties.

(c) Outstanding balances of parent Company as at 31.03.2022 are unsecured and settlement occurs through banking transaction. These balances other than loans are interest free. No impairment of receivables relating to amounts owed by related parties has been recognised. Assessment of impairment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Contributions to post-employment benefit plans are net of refunds from trusts.

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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 was in operation i.e. 01.04.2009. 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 Rs 24 Lakhs (FY 2020-21 Rs. 24 Lakhs).

(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 Rs. 680 Lakhs (FY 2020-21 Rs 786 Lakhs).

(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 X last drawn basic salary plus dearness allowance) for each completed year of service 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

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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 Rs. 0.10 Lakhs to employee on superannuation. The liability for the same is recognised on the basis of actuarial valuation.

(vi) **Employees Family Economic Rehabilitation Scheme:** The Company has a policy of providing monetary assistance and support to an employee in case of his Permanent Total Disablement and his family in case of his death, provided the Permanent Total Disablement / death as the case may be, takes place while the employee is in service of the Company. The liability for the same is recognised on the basis of actuarial valuation. The scheme was effective from 01.04.2021.

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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 2021-22 and 2020-21 are as follows:

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2021-22	
Opening Balance as at 01.04.2021	**14209**	**14195**	**14**
Difference in Opening	0	47	(47)
Current Service Cost	594	0	594
Past Service Cost	0	0	0
Interest Expenses/ (Income)	1165	1165	0
Total	**1759**	**1212**	**547**
Re-measurements			
Return on Plan Asset, excluding amount included in interest expenses /(Income)	0	124	(124)
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	(5)	0	(5)
Experience (gains)/Losses	17	0	17
Total	**12**	**124**	**(112)**
Contributions:-			0
-Employers	0	594	(594)
-Additional Contribution Employee for last year loss	0	0	0
-Plan participants	1204	1204	0
Benefit payments	(1023)	(1023)	0
Closing Balance as at 31.03.2022	**16161**	**16306**	**(145)**

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2020-21	
Opening Balance as at 01.04.2020	**11708**	**11554**	**154**
Difference in Opening	467	0	467
Current Service Cost	0	0	0
Past Service Cost	0	0	0
Interest Expenses/ (Income)	1029	0	1029
Total	**1496**	**0**	**1496**
Re-measurements	0	1217	(1217)
Return on Plan Asset, excluding amount included in interest expenses /(Income)	0	0	0
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	1	0	1
Experience (gains)/Losses	126		126
Total	**127**	**1217**	**(1090)**
Contributions:-			
-Employers	0	467	(467)
- Additional Contribution Employee for last year loss	0	79	(79)
-Plan participants	1140	1140	0
Benefit payments	(262)	(262)	0
Closing Balance as at 31.03.2021	**14209**	**14195**	**14**

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

(Amount Rs. in Lakhs)

Particulars	**31st March 2022**	**31st March 2021**
Present Value of funded obligations	16161	14209
Fair value of Plan Assets	16306	14195
Deficit/(Surplus) of funded plans	(145)	14
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	(145)	14

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 Deficit of Rs.145 Lakhs determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the actuarial loss in Other Comprehensive Income, as these pertain to the Provident Fund Trust and not to the company.

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

Particulars	Change in Assumptions		Impact on Defined Benefits Obligation					
				Increase in Assumption			Decrease in Assumptions	
	31st March 2022	31st March 2021		31st March 2022	31st March 2021		31st March 2022	31st March 2021
Discount Rate	0.5%	0.5%	Decrease by	0.02%	0.01%	Increase by	0.02%	0.01%

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(ii) **Gratuity:** The amount recognised in the Balance Sheet as at 31.03.2022 & 31.03.2021 along with the movements in the net defined benefit obligation during the years 2021-22 and 2020-21 are as follows:

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2021-22	
Opening Balance as at 01.04.2021	**2903**	**2978**	**(75)**
Adjustments	0		0
Current Service Cost	166		166
Past Service Cost	0	0	0
Interest Expenses/ (Income)	190	195	(5)
Total Amount recognised in Profit or Loss	**356**	**195**	**161**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	25	(25)
(Gain)/loss from change in demographic assumptions	16	0	16
(Gain)/loss from change in financial assumptions	(198)	0	(198)
Experience (gains)/Losses	17	0	17
Total Amount recognised in Other Comprehensive Income	**(165)**	**25**	**(190)**
Contributions:-			
-Employers	0	0	0
-Plan participants	0	0	0
Benefit payments	(28)	0	(28)
Closing Balance as at 31.03.2022	**3066**	**3198**	**(132)**

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NHDC LIMITED

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2020-21	
Opening Balance as at 01.04.2020	**2682**	**2453**	**229**
Adjustments	**0**		0
Current Service Cost	177		177
Past Service Cost	0	0	0
Interest Expenses/ (Income)	182	0	182
Total Amount recognised in Profit or Loss	**359**	**0**	**359**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	161	(161)
(Gain)/loss from change in demographic assumptions	1	0	1
(Gain)/loss from change in financial assumptions	76	0	76
Experience (gains)/Losses	(155)	0	(155)
Total Amount recognised in Other Comprehensive Income	**(78)**	**161**	**(239)**
Contributions:-			
-Employers	0	364	(364)
-Plan participants	0	0	0
Benefit payments	(60)	0	(60)
Closing Balance as at 31.03.2021	**2903**	**2978**	**(75)**

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of Rs. 29 Lakhs (previous year Rs. 23 Lakhs accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

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

(Amount Rs. in Lakhs)

Particulars	31st March 2022	31st March 2021
Present Value of funded obligations	3066	2903
Fair value of Plan Assets	3198	2978
Deficit/(Surplus) of funded plans	**(132)**	**(75)**
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	**(132)**	**(75)**

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

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
				Increase in assumptions			Decrease in assumptions	
	31.03.22	31.03.21		31.03.22	31.03.21		31.03.22	31.03.21
Discount Rate	0.50%	0.50%	Decrease by	5.03%	5.97%	Increase by	5.40%	6.44%
Salary growth rate	0.50%	0.50%	Increase by	2.10%	2.61%	Decrease by	2.21%	2.68%

(iii) **Retired Employees Health Scheme (REHS):** The amount recognised in the Balance Sheet as at 31.03.2022 & 31.03.2021 along with the movements in the net defined benefit obligation during the years 2021-22 and 2020-21 are as follows:

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2021-22	
Opening Balance as at 01.04.2021	1093	1037	56
Current Service Cost	84	0	84
Past Service Cost	0	0	0
Interest Expenses/ (Income)	71	67	4
Total Amount recognised in Profit or Loss	155	67	88
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	37	(37)
(Gain)/loss from change in demographic assumptions	8	0	8
(Gain)/loss from change in financial assumptions	(153)	0	(153)
Experience (gains)/Losses	576	0	576
Total Amount recognised in Other Comprehensive Income	431	37	394
Contributions:-			
-Employers	0	56	(56)
-Plan participants	0	0	0
Benefit payments	(24)	0	(24)
Closing Balance as at 31.03.2022	1655	1198	457

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NHDC LIMITED

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2020-21	
Opening Balance as at 01.04.2020	**931**	**907**	**24**
Current Service Cost	59	0	59
Past Service Cost	0	0	0
Interest Expenses/ (Income)	63	0	63
Total Amount recognised in Profit or Loss	**122**	**0**	**122**
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	0	66	(66)
(Gain)/loss from change in demographic assumptions	(2)	0	(2)
(Gain)/loss from change in financial assumptions	32	0	32
Experience (gains)/Losses	20	0	20
Total Amount recognised in Other Comprehensive Income	**50**	**66**	**(16)**
Contributions:-			
-Employers	0	64	(64)
-Plan participants	0	0	0
Benefit payments	(10)	0	(10)
Closing Balance as at 31.03.2021	**1093**	**1037**	**56**

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of Rs.26 Lakhs (previous year Rs. 26 Lakhs accounted as receivable/ (payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

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

(Amount Rs. in Lakhs)

Particulars	31st March 2022	31st March 2021
Present Value of funded obligations	1655	1093
Fair value of Plan Assets	1198	1037
Deficit/(Surplus) of funded plans	457	56
Unfunded Plans	-	-
Deficit/(Surplus) before asset ceiling	457	56

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

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
				Increase in assumptions			Decrease in assumptions	
	31.03. 2022	31.03. 2021		31.03.2022	31.03. 2021		31.03.2022	31.03.2021
Discount Rate	0.5%	0.5%	Decrease by	10.68%	10.12%	Increase by	11.06%	10.51%
Medical Cost Rate	0.5%	0.5%	Increase by	11.36%	12.60%	Decrease by	10.88%	12.16%

(iv) **Allowances on Retirement/Death**: The amount recognised in the Balance Sheet as at 31.03.2022 & 31.03.2021 along with the movements in the net defined benefit obligation during the years 2021-22 and 2020-21 are as follows:

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2021-22	
Opening Balance as at 01.04.2021	**123**	**-**	**123**
Current Service Cost	8	-	8
Past Service Cost	-	-	-
Interest Expenses/ (Income)	8	-	8
Total Amount recognised in Profit or Loss	**16**	**-**	**16**
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	(9)	-	(9)
Experience (gains)/Losses	(4)	-	(4)
Total Amount recognised in Other Comprehensive Income	(13)	-	(13)
Contributions:-	-	-	-
-Employers	-	-	-
-Plan participants	-		-
Benefit payments	-	-	-
Closing Balance as at 31.03.2022	**126**	**-**	**126**

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(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2020-21		
Opening Balance as at 01.04.2020	113	0	113
Current Service Cost	8	-	8
Past Service Cost	-	-	-
Interest Expenses/ (Income)	8	-	8
Total Amount recognised in Profit or Loss	16	-	16
Remeasurements			
Return on Plan Asset, excluding amount included in interest expenses/(Income)	-	-	-
(Gain)/loss from change in demographic assumptions	3	-	3
(Gain)/loss from change in financial assumptions	(1)	-	(1)
Experience (gains)/Losses	(8)	-	(8)
Total Amount recognised in Other Comprehensive Income	(6)	-	(6)
Contributions:-	-	-	-
-Employers	-	-	-
-Plan participants	-		-
Benefit payments	-	-	-
Closing Balance as at 31.03.2021	123	-	123

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of Rs.1 Lakhs (previous year Rs. NIL Lakhs accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to unfunded plans.

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

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
				Increase in assumptions			Decrease in assumptions	
	31.03.2022	31.03.2021		31.03.2022	31.03.2021		31.03.2022	31.03.2021
Discount Rate	0.5%	0.5%	Decrease by	6.24%	7.05%	Increase by	6.37%	7.09%
Cost Increase	0.5%	0.5%	Increase by	6.47%	6.59%	Decrease by	6.35%	6.54%

(v) **Memento to employees on attaining the age of superannuation:** The amount recognised in the Balance Sheet as at 31.03.2022 & 31.03.2021 along with the movements in the net defined benefit obligation during the years 2021-22 and 2020-21 are as follows:

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2021-22		
Opening Balance as at 01.04.2021	9	-	9
Current Service Cost	1	-	1
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1	-	1
Total Amount recognised in Profit or Loss	2	-	2
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	(1)	-	(1)
Experience (gains)/Losses	-	-	-
Total Amount recognised in Other Comprehensive Income	(1)	-	(1)
Contributions:-			
-Employers			
-Plan participants			
Benefit payments		-	
Closing Balance as at 31.03.2022	10	-	10

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NHDC LIMITED

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
	2020-21		
Opening Balance as at 01.04.2020	8	-	8
Current Service Cost	1	-	1
Past Service Cost	-	-	-
Interest Expenses/ (Income)	1	-	1
Total Amount recognised in Profit or Loss	2	-	2
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	(1)	-	(1)
Closing Balance as at 31.03.2021	9	-	9

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of Rs. NIL Lakhs (previous year Rs. NIL Lakhs accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to unfunded plans.

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

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
				Increase in assumptions			Decrease in assumptions	
	31.03.22	31.03.21		31.03.22	31.03.21		31.03.22	31.03.21
Discount Rate	0.50%	0.50%	Decrease by	5.48%	6.17%	Increase by	5.75%	6.63%

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(vi) **Employees Family Economic Rehabilitation Scheme:** The amount recognised in the Balance Sheet as at 31.03.2022 along with the movements in the net defined benefit obligation during the years 2021-22 are as follows:

(Amount Rs. in Lakhs)

Particulars	Present Value of Obligation	Fair value of Plan Assets	Net Amount
	(i)	(ii)	iii=(i)-(ii)
		2021-22	
Opening Balance as at 01.04.2021	-	-	-
Current Service Cost	29	-	29
Past Service Cost	435	-	435
Interest Expenses/ (Income)		-	
Total Amount recognised in Profit or Loss	464	-	464
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	40	-	40
Closing Balance as at 31.03.2022	504	-	504

(Amount Rs. in Lakhs)

Total amount recognised in the Statement of Profit and Loss/ Expenditure attributable to Constructions and total amount recognised under Other Comprehensive Income disclosed above are based on the actuarial valuation report. This includes an amount of Rs.NIL Lakhs(previous year Rs. NIL Lakhs accounted as receivable/(payable) from/to Parent in respect of employees of NHDC posted in the Parent of the Company.

The net liability disclosed above related to unfunded plans.

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

Particulars	Change in assumptions		Impact on Defined Benefits Obligation					
				Increase in assumptions			Decrease in assumptions	
	31.03.22	31.03.21		31.03.22	31.03.21		31.03.22	31.03.21
Discount Rate	0.50%	0.50%	Decrease by	3.33%	-	Increase by	3.92%	-

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

Particulars	31st March 2022	31st March 2021
Discount Rate	7.14%	6.55%
Salary growth rate	6.50%	6.50%

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

(i) **Provident Fund:**

(Amount Rs. in Lakhs)

Particulars	31st March 2022			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	9533	-	9533	59.47%
Corporate Bonds	5535	-	5535	34.53%
Investment Funds				
Mutual Funds	493	-	493	3.07%
Cash & Cash Equivalents	-	116	116	2.19%
Accrued Interest	351	-	351	0.74%
Total	**15912**	**116**	**16028**	**100.00%**

(Amount Rs. in Lakhs)

Particulars	31st March 2021			
	Quoted	Unquoted	Total	In %
Debt Instruments				
Government Bonds	7494	-	7494	54.73%
Corporate Bonds	5186	-	5186	37.87%
Investment Funds				
Mutual Funds	520	-	520	3.80%
Cash & Cash Equivalents	-	494	494	3.60%
Accrued Interest	-	-	-	-
Total	**13200**	**494**	**13694**	**100.00%**

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(ii) Gratuity:-

(Amount Rs. in Lakhs)

Particulars	31st March 2022			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme	-	3197	3197	99.99%
Cash & Cash Equivalents		1	1	0.01%
Total	-	3198	3198	100.00%

Particulars	31st March 2021			
	Quoted	Unquoted	Total	In %
Investment Funds				
LIC Scheme	-	2977	2977	100.00%
Cash & Cash Equivalents		-	-	-
Total	-	2977	2977	100.00%

(III) Retired Employees Health Scheme (REHS):

(Amount Rs. in Lakhs)

Particulars	31st March 2022			
	Quoted	Unquoted	Total	In %
Debt Instruments	-	-	-	-
Government Bonds	482	-	482	40.96%
Corporate Bonds	652	-	652	55.35%
Investment Funds				
Accrued Interest	-	35	35	3.01%
Cash & Cash Equivalents	-	8	8	0.68%
Total	1134	43	1177	100.00%

(Amount Rs. in Lakhs)

Particulars	31st March 2021			
	Quoted	Unquoted	Total	In %
Debt Instruments	-	-	-	-
Government Bonds	472	-	472	45.53%
Corporate Bonds	521	-	521	50.30%
Investment Funds				
Accrued Interest	-	38	38	3.62%
Cash & Cash Equivalents	-	6	6	0.55%
Total	993	44	1037	100.00%

(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 below -

(i) 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.

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(ii) 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.

(iii) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

(iv) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(v) 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.

Expected contributions to defined-benefit plans for the year ending March 31, 2023 are Rs 1040 Lakhs (March 31, 2022 Rs. 801 Lakhs).

The weighted average duration of the defined benefit obligations is 13.77 Years (2020 -21: 14.71 years).

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

The expected maturity analysis of Provident Fund (NHDC Ltd. Employees Provident Fund Trust).

(Amount Rs. in Lakhs)

Particulars	Less than a year	Between 1-5 years	Between 5-10 years	Over 10 years	Total
31.03.2022	981	760	1642	12778	16161
31.03.2021	569	857	1447	11336	14209

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 Employees Family Economic Rehabilitation Scheme.

(Amount Rs. in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31.03.2022					
Gratuity	154	120	237	2555	3066
Post-employment Medical Benefits (REHS)	20	23	92	1520	1655
Allowances on Retirement/Death	1	4	7	114	126

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Memento to employees on attaining the age of superannuation	0	1	1	8	10
Employees Family Economic Rehabilitation Scheme	14	14	45	431	504
TOTAL	189	162	382	4628	5361
31.03.2021					
Gratuity	63	101	254	2485	2903
Post-employment Medical Benefits (REHS)	12	15	66	1000	1093
Allowances on Retirement/Death	1	3	6	113	123
Memento to employees on attaining the age of superannuation	-	1	1	7	9
TOTAL	76	120	327	3605	4128

(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. Earned leave (EL) is encashable while in service. 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. The expenses recognised during the year on the basis of actuarial valuation are Rs. 292 Lakhs (previous year Rs 431 Lakhs)

11. Particulars of income and expenditure in foreign currency and consumption of spares are as under:-

(Amount Rs. in Lakhs)

	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
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	- 288	- 319
d)	Earnings in foreign currency i) Interest ii) Other Misc. Matters	- -	- -

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12. Earnings Per Share:

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

	For the year ended 31.03.2022	For the year ended 31.03.2021
Earnings per Share before movements in Regulatory Deferral Account Balances (Rs.) – Basic & Diluted	230.63	349.82
Earnings per Share after movements in Regulatory Deferral Account Balances (Rs.) – Basic & Diluted	261.37	341.74
Face value per share (Rs.)	1000	1000

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

(Amount Rs. in Lakhs)

	For the year ended 31.03.2022	For the year ended 31.03.2021
Net Profit after Tax but before movements in Regulatory Deferral Account Balances used as numerator	45263	68656
Net Profit after Tax and movements in Regulatory Deferral Account Balances used as numerator	51296	67070

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

	For the year ended 31.03.2022	For the year ended 31.03.2021
Weighted Average number of equity shares used as denominator (Nos.)	1,96,25,800	1,96,25,800

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

(a) Balances shown under material issued to contractors, claims recoverable including insurance claims, advances for Capital expenditure, Trade receivables, Advances to Contractors, Trade Payables, 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 management, unconfirmed balances will not require any adjustment having any material impact on the Financial Statements of the Company.

(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 have been sought for outstanding balances of Rs. 5 Lakhs or above in respect of each party as at 31st December, 2021. Status of confirmation of balances as at December 31, 2021 as well as amount outstanding as on 31.03.2022 is as under:

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(Amount Rs. in Lakhs)

Particulars	Outstanding amount as on 31.12.2021	Amount confirmed	Outstanding amount as on 31.03.2022
Trade receivable	88281	17121	56632
Deposits, Advances to contractors/ suppliers/service providers/ others including for capital expenditure and material issued to contractors	779	112	847
Trade/Other payables	2384	96	2335
Security Deposit/Retention Money payable	790	60	770

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

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

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

(Amount Rs. in Lakhs)

S.No	Heads of Expenses constituting CSR expenses	For the year ended on 31.03.2022	For the year ended on 31.03.2021
1	Health Care and Sanitation	890	952
2	Education & Skill Development	479	925
4	Environment	76	-
5	Art & Culture	-	4
6	Rural Development	49	-
7	Swachh Vidyalaya Abhiyan	-	-
8	Swachh Bharat Abhiyan	-	-
9	Expenditure on CSR Impact Assessment	12	-
10	Contribution to PM Cares Fund	391	-
11	Administrative overhead	94	94
	Total amount	**1991**	**1975**

(ii) Other disclosures:-

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

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(Amount Rs. in Lakhs)

	Particulars	For the year ended on 31.03.2022			For the year ended on 31.03.2021		
		Paid (a)	Yet to be paid (b)	Total (a+b)	Paid (a)	Yet to be paid (b)	Total (a+b)
(i)	Construction/ Acquisition of any asset	607	24	631	622	0	622
(ii)	On purpose other than (i) above	965	395	1360	1306	47	1353
	Total	**1572**	**419**	**1991**	**1928**	**47**	**1975**

(b) As stated above, a sum of Rs.419 Lakhs out of total expenditure of Rs.1991 Lakhs is yet to be paid to concerned parties which is 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 Rs. 1855 Lakhs for FY 2021-22 (based on 2% of average net profit of preceding three financial years). The Board of Directors approved Annual CSR Budget for CSR works of Rs. 1991 Lakhs for the F.Y. 2021-22.

(iv) Reconciliation of Unspent Amount to be transferred to specific fund under section 135 (5):

(Amount Rs. In Lakhs)

Sl. No.	Particulars	31.03.2022	31.03.2021
1	Opening Balance	-	-
2	Amount deposited Specific Fund of Schedule VII within 6 months	-	-
3	Amount required to be spent during the year	1991	-
4	Amount spent during the year	1600	-
5	Amount required to be deposited for ongoing projects Specific Fund of Schedule VII within 6 months*	391	-
6	Closing Balance (1-2+3-4-5)	-	-

* The unspent amount of Rs. 391 Lakhs has been transferred to specific fund under section 135 (5) on dated 29.04.2022.

15. 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 11th October,2018 to the extent information available with management (Refer Note no. 20.3 and 20.4 of the Balance Sheet) are as under:

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(Amount Rs. in Lakhs)

Sl. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(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	 732 - 594 -	 525 - 322 -
(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.	-	-

16. Disclosures regarding leases as per IND AS -116 "Leases":

A) Operating Lease - Company as Lessee

(i) Treatment of Leases as per Ind AS 116 :

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The Company has applied the following practical expedients on initial application of Ind AS 116:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

b. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

c. Excluded the initial direct costs, if any from the measurement of the right-of-use asset at the date of initial application.

d. Used hindsight when determining the lease term if the contract if the contract contains options to extend or terminate the lease.

The weighted average incremental borrowing rate applied to leases recognised during FY 2021-22 is 6.20%.

(ii) **Nature of lease:** The Company's significant leasing arrangements are in respect of the following assets:

(a) Premises under cancellable lease arrangements for residential use of employees ranging from 3-4 months to three years.

(b) Premises for offices, guest houses & transit camps on lease which are not non-cancellable and are usually renewable on mutually agreeable terms.

(c) Land obtained on lease for construction of projects and / or administrative offices.

(d) Vehicles on operating leases generally for a period of 1 to 2 years and such leases are not non-cancellable.

Amount recognised in the Statement of Profit and Loss / Expenditure Attributable to Construction in respect of short term, low value and variable lease are as under:

(Amount Rs. in Lakhs)

S. No	Description	For the year ended on 31.03.2022	For the year ended on 31.03.2021
1	Expenditure on short-term leases	31	34
2	Expenditure on lease of low-value assets	-	-
3	Variable lease payments not included in the measurement of lease liabilities	-	-

(iii) Commitment for Short Term Leases as on 31.03.2022 is Rs NIL (previous year Rs. NIL).

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(iv) Movement in lease liabilities during the year:

(Amount Rs. in Lakhs)

Particulars	For the year ended on 31.03.2022	For the period ended on 31.03.2022
Opening Balance	39	98
Additions in lease liabilities	-	-
Deductions in lease liabilities	-	59
Finance cost accrued during the year	3	3
Less: Payment of lease liabilities	3	3
Closing Balance	39	39

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 the substantial period of the stipulated life of these Power Stations. Under the agreements, the customer is obliged to purchase the entire output at prices determined by the Central Electricity Regulatory Commission (CERC). 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.

The Company has earned a finance income of Rs. 52055 Lakhs during the year (previous year Rs. 52746 Lakhs).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the end of the financial year as at 31.03.2022:

(Amount Rs. in Lakhs)

Particulars	31.03.2022	31.03.2021
Undiscounted lease payments receivable:		
Less than one year	57947	58490
One to two years	56891	57452
Two to three years	55836	56415
Three to four years	54780	55378
Four to five years	53725	54341
More than five years	961579	1010996
Total undiscounted lease payments receivable	1240759	1293072
Add: unguaranteed residual value	42427	42270

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Less: Unearned finance income	911525	960234
Net investment in the lease	**371661**	**375108**
Discounted unguaranteed residual value included in the net investment in lease	**1474**	**1265**

Significant changes in the carrying amount of the net investment in finance leases

(Amount Rs. in Lakhs)

Particulars	31.03.2022	31.03.2021
Opening Balances	**375108**	**379301**
Additions/(Deductions) during the year	3011	3798
Income from Finance Lease for the year (Refer Note No. 24.1)	52055	52746
Less: Amount received during the year (Principle +Interest)	58513	60737
Closing Balances	**371661**	**375108**

17. Capital Expenditure (CAPEX) means any expenditure incurred towards acquisition/ addition of any asset which on completion, would form part of Fixed Assets (Property, Plant and Equipment, Capital Work in Progress, Intangible Assets etc.). During the year capital expenditure incurred by the Company towards CAPEX are as under:

(Amount Rs. in Lakhs)

S. No.	Description	For the Period ended	
		31.03.2022	31.03.2021
1	Property, Plant & Equipment	-	-
2	Capital Work in Progress	(832)	856
3	Right of Use Assets (Land)	412	927
4	Intangible Assets	-	-
5	Intangible Assets under Development	34	17
6	Capital Advances	(21)	(18)
	Total	**(406)**	**1782**

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18. Disclosures under Ind AS-27 'Separate Financial Statements':
Interest of Parent

Name of Parent	Principle place of operation	Principal activities	Proportion of Ownership interest as at (In %)	
			31.03.2022	31.03.2021
NHPC LTD	India	Power Generation	51.08	51.08

19. Ind AS 36- Impairment of Assets requires an entity to assess on each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the entity is required to estimate the recoverable amount of the asset. If there is no indication of a potential impairment loss, the Standard does not require an enterprise to make a formal estimate of the recoverable amount.

Management has determined that each of the Project / Power Station of the Company is the smallest identifiable group of assets that generate cash inflows from continuing use that is largely independent of the cash inflows from other assets or groups of assets and accordingly qualifies to be designated as a Cash Generating Unit (CGU). Impairment indicators applicable to these CGUs have been assessed and based on such assessment, Management is of the opinion that no significant change with an adverse effect on the Company has taken place during the year, or is expected to take place in the near future, in the technological, economic or legal environment in which the Company . Based on the assessment, there exists no significant indicator that would suggest an impairment of the carrying amounts of the CGUs of during the FY 2021-22.

20. 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 2021-22 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.

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

Short term provision for wage revision of the employees of the company was recognised earlier as per notification provided by Department of Public Enterprises, Government of India and NHPC Ltd i.e. Holding Company.

(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 2019-24 by Central Electricity Regulatory Commission (CERC).

b) Provision for Committed Capital Expenditure:

Provision has been recognised as 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 restoration expenses of insured assets:

Provisions has been recognised in the accounts based on Management Estimates for restoration of damaged assets insured under Mega & Construction Plant and Machinery. Utilization of the provision is to be made against incurrence of actual expenditure towards restoration of the assets.

d) 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.

e) 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.

(iii) Provision for interest to beneficiaries on excess tariff recovered in terms of Tariff Regulations for the period 2019-24 where the capital cost considered for fixation of tariff by the CERC on the basis of projected capital cost as on Commercial Operation Date or the projected additional capital expenditure exceeds the actual capital cost incurred.

(iv) Upfront provision for rebate to customers for sale of power based on the historical trend of rebate allowed.

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21. Disclosure relating to creation of Regulatory Deferral Account Balances as per Ind AS 114:

The Company is principally engaged in the construction and 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 and conditions of tariff) Regulations. The said price (tariff) is based on allowable costs like interest costs, depreciation, operation and maintenance charges plus 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 results in 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 recognized 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.

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 recognized 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.

(A) Regulatory Deferral Account Balances in respect of expenditure recognized due to recommendations of 3rd Pay Revision of Central Public Sector Units (CPSUs):

Pay of employees of CPSUs have been revised from 1st January, 2017. As approved 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 enhanced from the existing Rs.10 Lakhs to Rs. 20 Lakhs w.e.f. 01.01.2017. Pay revision in respect of all employees have been implemented.

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 (with effect from 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. Tariff Regulations for the period 2019-2024 read with corrigendum dated 15th March 2019 notified by the CERC also provide for recoverability of pay revision from the beneficiaries in future through tariff.

Keeping in view the provisions of Ind AS 114- "Regulatory Deferral Accounts", additional expenditure on employee benefits due to revision of pay/gratuity ceiling, to the extent charged to the Statement of Profit and Loss and to Other Comprehensive Income till 31st March 2019, have been recognized as 'Regulatory Deferral Account balances'. These balances shall be recovered by way of billing to beneficiaries once the petition filed with CERC in this regard is approved.

As opposed to tariff period 2014-19 where RDA balances of pay revision had been created based on the expectation that CERC would be allow the same in tariff in line with that allowed earlier for pay revision during FY 2009, tariff regulation 2019-24 specifically allows for recovery of additional expenditure on account of pay revision.

Accordingly, additional expenditure due to 3rd PRC w.e.f. 01.04.2019 amounting to Rs. 4959 Lakhs (Previous year Rs 3306 Lakhs) has been recognized as "unbilled Revenue" expenditure till 31.03.2022, while Rs. 3903 Lakhs on account of additional expenditure till 31.03.2019 continues to be presented as RDA debit balances.

The total Regulatory Deferral Account Balances recognized till 31.03.2022 in the financial statement are as under:

(Amount Rs. in Lakhs)

Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2021	3903
B	Addition during the year (+)	-
C	Amount collected during the year (-)	-
D	Regulatory income recognized in the Statement of Profit & Loss (B+C)	-
E	Closing balance as on 31.03.2022 (A+D)	3903

Recoverability of the Regulatory Deferral Account balances on account of Pay Revision of Employees is however, subject to Regulatory Risk since such expenditures are generally allowed by the CERC after due prudence check. Any disallowance of expenditure after prudence check can affect the quantum of regulatory deferral account balances to be recovered from beneficiaries. The company expects to recover the carrying amount of Regulatory Deferral Account balances in respect of 3rd pay revision during the current CERC Regulation 2019-24 periods.

B) Regulatory Deferral Account balances due to reclassification of deferred tax recoverable/ deferred tax adjustment against deferred tax liabilities:

As per CERC Tariff Regulations, deferred tax arising out of generating income for the tariff period 2004-09 is recovered from beneficiaries in the year the same materializes as current tax. For the tariff period 2014-19/2019-24, deferred tax is recoverable by way of grossing up the Return on Equity by the effective tax rate based on the actual tax paid. As on 31 march 2019, the deferred tax recoverable from beneficiaries in future years was presented as an adjustment to deferred tax liabilities and was not recognised as RDA.

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The practice was reviewed based on an opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India (EAC of the ICAI) obtained during FY 2019-20. Such deferral account balance which as per EAC of ICAI is not a deductible temporary difference resulting into deferred tax asset under Ind AS 12 ,rather fulfils the definition of regulatory deferral account balance in terms of Ind AS 114.

Accordingly, the company had classified the deferred tax recoverable upto 2009 and deferred tax adjustment against deferred tax liabilities pertaining to tariff period 2014-19 earlier presented as an adjustment to deferred tax liability, as a Regulatory Deferral Account (Debit) balance.

As per Tariff Regulations 2019-24 notified by the CERC, there is no change in mode of recovery of current tax and deferred tax as provided in the earlier Tariff Regulations 2014-19.

As per IND AS 12, Deferred Tax Assets shall be recognised for the unused tax credit-to the extent that it is probable that the future taxable profit will be available against which unused tax losses and unused tax credits can be utilised.

During the year, the company has recognised Deferred Tax Assets on account of MAT Credit entitlement. Further, in lines with CERC guidelines, for Tariff period 2019-24, the ROE is to be grossed up by effective tax rate based on actual tax paid. Hence out of the MAT credit entitlement the share of MAT credit payable to beneficiaries towards ROE has been credited to Regulatory Deferral Account (Credit) balances.

The regulated assets (+)/ liability (-) recognised in the books to be recovered from or payable to beneficiaries in future periods are as follows:-

In respect of deferred tax recoverable for tariff period upto 2009:

(Amount Rs. in Lakhs)

S. No	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2021	26161
B	Addition during the year (assets (+)/liability (-))	-
C	Amount collected (-)/refunded (+)during the year	-
D	Regulatory income/ (expenses) recognised in the statement of Profit & Loss (B-C)	-
E	Closing balance as on 31.03.2022 (A+D)	26161

In respect of regulatory deferral account balances against deferred tax assets (Towards Mat Credit entitlement :

(Amount Rs. in Lakhs)

S. No	Particulars	Regulatory Deferral Account Credit Balances
A	Opening balance as on 01.04.2021	76379
B	Addition during the year (assets (+)/liability (-))	-
C	Amount collected (-)/refunded (+)during the year	-
D	Regulatory income/ (expenses) recognised in the statement of Profit & Loss (B-C)	6034
E	Closing balance as on 31.03.2022 (A-D)	70345

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Recoverability of Regulatory Deferral Account balance recognised on account of deferred tax recoverable upto tariff period 2004-2009 and regulatory deferral account balances against deferred tax liabilities/ assets pertaining to tariff period 2014-19 and onwards are dependent upon the future operating performance of the Company. Further, since these Regulatory Deferral Account balances relate to past tariff periods, recoverability is also subject to the regulatory risk of CERC allowing recovery of such balances in future tariff regulations.

22. "Borrowings from banks or financial institutions on the basis of security of current assets" as per requirement of Schedule-III of the Companies Act, 2013:

Quarter	Name of the Bank	Particulars of security provided	Amount as per books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
June 2021	NIL	NIL	NIL	NIL	NIL	NIL
Sept, 2021	NIL	NIL	NIL	NIL	NIL	NIL
Dec, 2021	NIL	NIL	NIL	NIL	NIL	NIL
Mar,2022	NIL	NIL	NIL	NIL	NIL	NIL

23. Relationship with Struck off Companies: Following is the disclosure regarding balances with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 as per requirement of Schedule-III of the Companies Act, 2013:

Name of the struck off company	Nature of transactions with struck off company	Balance Outstanding as at 31.03.2022	Relationship with the struck off company, if any, to be disclosed	Balance Outstanding as at 31.03.2021	Relationship with the struck off company, if any, to be disclosed
NIL	Investment in securities	NIL	NIL	NIL	NIL
NIL	Receivables	NIL	NIL	NIL	NIL
NIL	Payables	NIL	NIL	NIL	NIL
NIL	Shares held by struck off company	NIL	NIL	NIL	NIL
NIL	Other outstanding balances (to be specified)	NIL	NIL	NIL	NIL

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24. Registration of charges or satisfaction with Registrar of Companies (ROC): Following is the disclosure as per requirement of Schedule-III of the Companies Act, 2013, where any charges or satisfaction yet to be registered with ROC beyond the statutory period:

Brief description of the charges or satisfaction	Location of the Registrar	Period (in days or months) by which such charge had to be registered	Reason for delay in registration
NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL

25. Details of Benami Property held : As per the requirement of Schedule-III, where any proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, the company shall disclose certain information about the property.

Company is not holding any Benami Property as on date 31.03.2022.

26. Wilful Defaulter: : As per the requirement of Schedule-III, where a company is a declared wilful defaulter by any bank or financial Institution or other lender, certain disclosure regarding Date of declaration as wilful defaulter and details of defaults (amount and nature of defaults) has to be disclosed in the financial statements.

Company has never been declared wilful defaulter by any Bank or Financial Institutions.

27. Utilisation of Borrowed funds and share premium as per requirement of Schedule-III.

Company has not Borrowed funds during the current Financial Year nor has has issued shares on premium.

28. IMPACT OF COVID-19

The Company's primary source of revenue is from generation and sale of hydroelectricity. During the outbreak of COVID-19, Government of India and State Governments have declared lockdown, which have affected business in general. Power supply being an essential service and considering scheduling to the extent possible by SLDCs in case of Storage power stations, no material impact of COVID-19 on the financial performance of the Company including interalia the carrying value of various current and non-current assets or the ability to service the debt of the company, is expected to arise. Further impact of COVID-19, if any, is dependent upon future developments. The company will continue to monitor the impact of the pandemic and the same will be taken into consideration on crystallization.

29. In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31st March 2021 and 1st April 2020 along with Statement of Profit and Loss and Statement of Cash Flows for the year ended 31 March 2021 for the reasons as stated in the Note no. 35 of Financial Statements.

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

For and on the behalf of Board of Directors

For BHUTORIA GANESAN & CO. **Chartered Accountants** **(Firm Registration No.004465C)**	**VIJAY KUMAR SINHA** **Managing Director** **DIN 09132059**	**MADHUSMITA PANY** **Director** **DIN: 09319007**
CA UMASHANKAR. U **Partner** **M. No. 229774** **UDIN: 22229774AIQOOX7710**	**V.K. TRIPATHI** **Co. Secretary**	**SANJEEV MATHUR** **G.M. (Finance) &** **Chief Financial Officer**

BHUTORIA GANESAN & CO. CHARTERED ACCOUNTANTS FRN 4465C BHOPAL

Place: Bhopal
Date: 09.05.2022

Note No. 35 to Financial Statements

(A)

Restated Financial Statements for the year ended 31st March, 2021 and as at 1st April, 2020

RESTATED BALANCE SHEET AS AT 31st March, 2021 and as at 1st April, 2020

(Amount in ₹ Lakhs)

PARTICULARS	Note No. of Financial Statements	Notes	As at 31st March, 2021 (Reported Earlier)	Impact of Restatements/ Reclassifications	As at 31st March, 2021 (Restated)	As at 1st April, 2020 (Reported Earlier)	Impact of Restatements/ Reclassifications	As at 1st April, 2020 (Restated)
ASSETS								
(1) **NON-CURRENT ASSETS**								
a) Property, Plant and Equipment	2.1		15,020	-	15,020	15,759	-	15,759
b) Capital Work In Progress	2.2	35.4	1,528	80	1,608	752	-	752
c) Right Of Use Assets	2.3		87,345	-	87,345	92,114	-	92,114
d) Investment Property	2.4		-	-	-	-	-	-
e) Intangible Assets	2.5		-	-	-	-	-	-
f) Intangible Assets under development	2.6		17	-	17	-		-
g) **Financial Assets**								
i) Investments	3.1		-	-	-	-	-	-
ii) Loans	3.2	35.1(a)	2,602	(214)	2,388	2,216	(210)	2,006
iii) Others	3.3	35.1(a) & 35.3	4,25,904	214	4,26,118	4,13,136	900	4,14,036
h) Non Current Tax Assets (Net)	4		998	(15)	983	1,432	-	1,432
i) Deferred Tax Assets (Net)	18	35.2 & 35.6	27,550	612	28,162	29,643	-	29,643
j) Other Non Current Assets	5		1,351	42	1,393	1,328	-	1,328
TOTAL NON CURRENT ASSETS			5,62,315	719	5,63,034	5,56,380	690	5,57,070
(2) **CURRENT ASSETS**								
a) Inventories	6		927	-	927	837	-	837
b) **Financial Assets**								
i) Trade Receivables	7	35.1(b)	20,418	39,707	60,125	-	44,623	44,623
ii) Cash & Cash Equivalents	8		21,968	-	21,968	887	-	887
iii) Bank balances other than Cash & Cash Equivalents	9		1,03,108	-	1,03,108	1,27,015	-	1,27,015
iv) Loans	10		429	-	429	487	-	487
v) Others	11	35.1(b) & 35.3	55,932	(38,358)	17,574	61,206	(44,506)	16,700
c) Current Tax Assets (Net)	12		2,256	-	2,256	5,076	-	5,076
d) Other Current Assets	13		1,485	(42)	1,443	2,109	-	2,109
TOTAL CURRENT ASSETS			2,06,523	1,307	2,07,830	1,97,617	117	1,97,734
(3) Regulatory Deferral Account Debit Balances	14.1		30,064	-	30,064	30,064	-	30,064
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES			7,98,902	2,026	8,00,928	7,84,061	807	7,84,868
EQUITY AND LIABILITIES								
(1) **EQUITY**								
a) Equity Share Capital	15.1		1,96,258	-	1,96,258	1,96,258	-	1,96,258
b) Other Equity	15.2	35.5	3,72,995	1,414	3,74,409	3,62,040	807	3,62,847
TOTAL EQUITY			5,69,253	1,414	5,70,667	5,58,298	807	5,59,105
(2) **LIABILITIES**								
NON-CURRENT LIABILITIES								
a) **Financial Liabilities**								
i) Borrowings	16.1	35.1(c)	39	(39)	-	80	(80)	-
ia) Lease Liabilities		35.1(c)	-	39	39	-	80	80
ii) Other financial liabilities	16.2		87	-	87	105	-	105
b) Provisions	17		130	-	130	2,789	-	2,789
c) Deferred Tax Liabilities (Net)	18.1		-	-	-	-	-	-
d) Other non-current Liabilities	19		1,06,269	-	1,06,269	1,11,682	-	1,11,682
TOTAL NON CURRENT LIABILITIES			1,06,525	-	1,06,525	1,14,656	-	1,14,656
(3) **CURRENT LIABILITIES**								
a) **Financial Liabilities**								
i) Borrowings	20.1		-	-	-	-	-	-
ia) Lease Liabilities		35.1(d)	-	-	-	-	18	18
ii) Trade Payables								
Total outstanding dues of micro enterprises and small enterprises	20.2		519	-	519	411	-	411
Total outstanding dues of Creditors other than micro enterprises and small enterprises	20.3		485	(46)	439	711	-	711
iii) Other financial liabilities	20.4	35.1(d)	4,687	46	4,733	5,043	(18)	5,025
b) Other Current Liabilities	21		9,986	-	9,986	8,616	-	8,616
c) Provisions	22		31,680	-	31,680	21,255	-	21,255
d) Current Tax Liabilities (Net)	23		-	-	-	279	-	279
TOTAL CURRENT LIABILITIES			47,357	-	47,357	36,315	-	36,315
(4) Regulatory Defferal Credit Balances	14.2	35.6	75,767	612	76,379	74,792	-	74,792
TOTAL EQUITY, LIABILITIES AND REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES			7,98,902	2,026	8,00,928	7,84,061	807	7,84,868
			-	-	-	-	-	-

BHUTORIA GANESAN & CO.
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(B) RESTATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in ₹ Lakhs)

PARTICULARS	Note No. of Financial Statements		For the Year ended 31st March, 2021 (Reported Ealier)	Impact of Restatements/ Reclassifications	For the Year ended 31st March, 2021 (Restated)
INCOME					
i) Revenue from Continuing Operations	24.1		1,15,841	-	1,15,841
ii) Other Income	24.2	35.3	19,000	65	19,065
TOTAL INCOME			1,34,841	65	1,34,906
EXPENSES					
i) Generation Expenses	25		319	-	319
ii) Employee Benefits Expense	26	35.3	14,575	(477)	14,098
iii) Finance Costs	27	35.2	35	15	50
iv) Depreciation & Amortization Expense	28		6,380	-	6,380
v) Other Expenses	29	35.4	26,382	(80)	26,302
TOTAL EXPENSES			47,691	(542)	47,149
Profit before Exceptional items, Rate Regulated Activities and Tax			87,150	607	87,757
Exceptional items			-		-
PROFIT BEFORE TAX			87,150	607	87,757
Tax Expenses	30				
i) Current Tax		35.2	21,167	(612)	20,555
ii) Deferred Tax			(1,454)	-	(1,454)
Total Tax Expenses			19,713	(612)	19,101
PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES			67,437	1,219	68,656
Movement in Regulatory Deferral Account Balances (Net of Tax)	31	35.2	(974)	(612)	(1,586)
PROFIT FOR THE YEAR AFTER NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES.			66,463	607	67,070
Profit for the year from continuing operations (A)		35.5	66,463	607	67,070
OTHER COMPREHENSIVE INCOME (B)	30.2				
(i) Items that will not be reclassified to profit or loss (Net of Tax)					
(a) Remeasurement of the post employment defined benefit obligations			21	-	21
Less- Movement in Regulatory Deferral Account Balances in respect of defined benefit obligations			(12)	-	(12)
Sub total (a)			33	-	33
(b) Investment in Equity Instruments					
Sub total (b)			-	-	-
Total (i)=(a)+(b)			33	-	33
(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)			33	-	33
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)			66,496	607	67,103
Earning per share (Basic and Diluted) (Equity shares, face value of ₹ 1000/- each)					
Before movements in Regulatory Deferral Account Balances		35.7	343.61	6.21	349.82
After movements in Regulatory Deferral Account Balances		35.7	338.65	3.09	341.74

BHUTORIA GANESAN & CO. ✶ CHARTERED ACCOUNTANTS ✶ FRN 4465C BHOPAL

Notes :-

35.1 Ministry of Corporate Affairs, vide notification dated 24th March, 2021 has made certain amendments in Schedule-III of the Companies Act, 2013 which are applicable w.e.f 01.04.2021. Presentation changes in the nature of reclassification in previous period figures due to revised Schedule-III are as follows:-
(a) on account of Security Deposit amounting to Rs. 214 Lakhs in FY 2020-21 (Rs. 210 Lakhs in FY 2019-20).
(b) on account of Unbilled Trade Receivables amounting to Rs. 39707 Lakhs in FY 2020-21 (Rs. 44623 Lakhs in FY 2019-20).
(c) on account of Non-Current Lease Liabilities amounting to Rs. 39 Lakhs in FY 2020-21 (Rs. 80 Lakhs in FY 2019-20).
(d) on account of Current Lease Liabilities amounting to Rs. Nil in FY 2020-21 (Rs. 18 Lakhs in FY 2019-20).

35.2 Tax Computations has been restated as per actual tax computation for the Income Tax Return of FY 2020-21.

35.3 Consequent to recognition of PRP recoverable from employees for earlier periods shown under Financial Assets- Others (Claims Recoverable) at amortised cost, Other Equity increased by Rs. 807 Lakhs and Rs. 542 Lakhs in FY 2019-20 & FY 2020-21 respectively. Further corresponding effective interest on claim recoverable is booked in other income.

35.4 An amount of Rs. 80 Lakhs has been recognised in Capital Work in Progress as against charged to P&L in previous Financial Year.

35.5 The impact of above 35.1 to 35.4 has increased the previous year profit by Rs.607 Lakhs and increase in other equity by Rs. 1414 Lakhs

35.6 Impact of Restatement in Cash Flow Statement (extract) for the Year Ended 31st March ,2021

(Amount in ₹ Lakhs)

S.No.	PARTICULARS	Reported Amount For the Year ended 31st March, 2021	Restatements	Restated Amount For the Year ended 31st March, 2021
1	Cash Flow from Operating Activities	57,755	93	57,848
2	Cash Flow from Investing Activities	18,872	(62)	18,810
3	Cash Flow from Financing Activities	(55,546)	(31)	(55,577)
	Net Increase/(Decrease) in Cash and Cash Equivalents (1+2+3)	**21,081**	-	**21,081**

35.7 Basic and Diluted earning per share for the year 2020-21 have also been restated. The basic and diluted earnings per share has increased by Rs. 6.21 before movement in regulatory Deferral Account Balances and by Rs.3.09 per share after movement in regulatory Deferral Account Balances.

35.8 Figures for the previous periods have been re-grouped/ re-arranged /re-classified, wherever necessary.

As per our report of even date attached

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

CA UMASHANKAR. U
Partner
M.No. 229774
UDIN: 22229774AIQOOX7710

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) &
Chief Financial Officer

Plac Bhopal
Date 09/05/2022

(C) STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2021 (Extract)

A. EQUITY SHARE CAPITAL

(Amount in ₹ Lakhs)

Particulars	Refer Note No.	Amount
As at 1st April 2020	15.1	1,96,258
Change in Equity Share Capital	15.1	-
As at 31st March 2021	15.1	1,96,258

B. OTHER EQUITY

(Amount in ₹ Lakhs)

Particulars	Reserve & Surplus				Other Comprehensive Income		Total
	Corporate Social Responsibility Fund	Research & Development Fund	General Reserve	Surplus/ Retained Earnings	Equity Instruments through OCI	Debt instruments through OCI	
Balance as at 1st April, 2020 (As previously Reported)	361	-	3,56,350	5,329	-	-	3,62,040
Changes in accounting policy or prior period errors	-	-	-	807	-	-	807
Restated Balance as at 1st April, 2020	361	-	3,56,350	6,136	-	-	3,62,847
Profit for the period	-	-	-	67,070	-	-	67,070
Other Comprehensive Income	-	-	-	33	-	-	33
Total Comprehensive Income for the year	-	-	-	67,103	-	-	67,103
Share Application Money received during the year.							-
Transfer to Retained Earning							-
Amount transferred from Corporate Social Responsibility Fund	(361)	-		361			-
Tax on Dividend - Write back	-	-		-			-
Amount written back from Research & Development Fund		-		-			-
Amount Transferred from General Reserve							-
Transfer from Retained Earning							-
Dividend	-	-		(55,541)			(55,541)
Tax on Dividend	-	-		-			-
Transfer to Bond Redemption Reserve	-	-		-			-
Transfer to Research and Development Fund	-	-		-			-
Transfer to General Reserve			-	-			-
Balance as at 31st March 2021	-	-	3,56,350	18,059	-	-	3,74,409

For BHUTORIA GANESAN & CO.
Chartered Accountants
(Firm Regn.No.004465C)

BHUTORIA GANESAN & CO. FRN 4465C BHOPAL CHARTERED ACCOUNTANTS

CA UMASHANKAR. U
Partner
M.No. 229774
UDIN 22229774AIQOOX7710

Place: Bhopal
Date: 09/05/2022

For and on behalf of Board of Directors

VIJAY KUMAR SINHA
Managing Director
DIN: 09132059

MADHUSMITA PANY
Director
DIN: 09319007

V. K. TRIPATHI
Co. Secretary

SANJEEV MATHUR
General Manager (Fin) &
Chief Financial Officer

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NHDC LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of NHDC Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 09.05.2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NHDC Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to the statutory auditor's report under section 143(6)(b) of the Act.

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

(D.K. Sekar)
Director General of Audit (Energy),
Delhi

Place: New Delhi
Dated: 23 June 2022