

# CHENAB VALLEY POWER PROJECTS [P] LIMITED

[A joint venture among NHPC Ltd, and JKSPDC Ltd  
(CIN: U40105JK2011PTC003321)]

Financial Statement as on  
31<sup>st</sup> March, 2023  
(Rs. Integers)

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Corporate Office:  
Chenab Jal Shakti Bhawan,  
Opposite Saraswati Dham,  
Rail Head Complex,  
Jammu – 180012 (J&K)



**P. C. BINDAL & CO.**  
CHARTERED ACCOUNTANTS

Tele. : +91 191 2475199  
Email : pcbjmu@gmail.com

Off. : 114 - B2 South Block, Bahu Plaza,  
Rail Head Complex, Jammu-180004

## Independent Auditors' Report

To the Members of **CHENAB VALLEY POWER PROJECTS PRIVATE LIMITED**

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **Chenab Valley Power Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2023**, 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 then ended, and a summary of the Significant Accounting Policies and other explanatory information for the year ended on that date (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2023**, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

During our audit and discussions with management we did not find any key audit matter required to be communicated.



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of the auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information as stated above 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.

### **Responsibility of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 guaranteed 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is



sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

1. Subsequent to acquisition of 2% equity shares of PTC India Ltd by NHPC Ltd (NHPC), the Supplementary Promoters' Agreement of Chenab Valley Power Projects Pvt. Ltd. (CVPPPL) has been signed between NHPC and J&K State Power Development Corporation Limited (JKSPDC) with J&K Power Development Department (JKPDD) on 21.11.2022. As per the *ibid* agreement, w.e.f. 21.11.2022 NHPC has a majority representation on the Board of CVPPPL and has gained control over CVPPPL from that date. Accordingly, CVPPPL has become a subsidiary company of NHPC from *ibid* date.
2. As on 31<sup>st</sup> March 2023, the contribution of NHPC towards Equity Share Capital (including Share Application Money pending Allotment) is Rs.2172.08 crores (55.45%) and as per promoter's agreement JKSPDC's paid up share capital should reflect the agreed proportion of 49%. However, the paid-up Share



Capital of JKSPDC as on 31<sup>st</sup> March 2023 is Rs.1745.00 crore (44.55%) which is less than the agreed proportion of 49% as per Promoters Agreement. Hence, there is a shortfall in promoter's contribution by JKSPDC to the extent of Rs.341.90 crores.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in 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 sub-section (5) of section 143 of the Companies Act, 2013:

| Directions under section 143(5) of Companies Act 2013 |   |  |
|---|---|--|
| Sn.   | Directions  | Remarks  |
| 1   | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing 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, Company has its own IT system in place for processing all the accounting transactions. We have neither been informed nor have we come across during the course of our audit any accounting transactions having an impact on the integrity of the accounts along with the financial implications which have been processed outside the IT system.   |
| 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? | The Company has not drawn any loan from Banks/Financial Institutions/Body Corporate except subordinate debt amounting to Rs.1023.49 crore extended by Govt. of India for Pakal Dul HE Project. Further, according to the information and explanation given to us and based on our audit, there is no case of restructuring of an existing loan or cases of waiver/write off debts/loans/interest etc. made by lender to the Company. |
| 3   | Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.   | According to the information and explanation given to us and based on our audit, the Company has accounted for/utilized the funds received for specific schemes from Central/State agencies as per the terms and conditions of the schemes.  |

3. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) In terms of Notification no. G.S.R. 463 (E) dated 05<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Companies Act 2013 regarding disqualifications of the Directors are not applicable as it is a Government Company.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No.34 (Other explanatory Notes to Accounts)-Point No.1(a)(i) and Point No.2(a).
  - ii. The Company did not have any material foreseeable losses against long-term contracts and therefore the requirement for making provision in this respect is not applicable to the Company.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. As per notification number G.S.R. 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, section 197 of the Act as regards managerial remuneration is not applicable to the Company, since it is a Government Company.
  - v. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts 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, directly or indirectly lend or invest in other persons or entities 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.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, 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, 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.

- (c) Based on the 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 (v)(a) and (v) (b) of Rule 11(e) as provided above contain any material misstatement.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- vii. The company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.

Date: **10.05.2023**  
Place: **Jammu**

for **P C Bindal & Co.**  
Chartered Accountants.  
FRN:003824N.



(**CA. Virender K. Maini**)  
Partner  
MRN:088730  
UDIN: **23088730BGZIF7132**

**CHENAB VALLEY POWER PROJECTS PRIVATE LIMITED**

**Annexure "A" to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

With reference to **Annexure "A"** referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended **31 March 2023**, we report the following in terms of paragraph 3 of Companies (Auditor's Report) Order, 2020 ("the Order"):

| (i)       | (a)   | (A)  | According to the information and explanations given to us and based on our examination of the records of the Company, we report that the Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment. |   |   |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
|-----------|---|--|--|---|---|---|----------------------------------|-----------------|---|--|--|-----------|--------|--------------------|--------------------------|--------------------|---|-----------|------|--------------------|--------------------------|--------------------|--|-----------|--------|---|--------------------------|--------------------|---|
|           |   | (B)  | According to the information and explanations given to us and based on our examination of the records of the Company, we report that the Company has maintained proper records showing full particulars of intangible assets.  |   |   |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
|           | (b)   | The Company has a program of physical verification to cover the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant, and equipment of the company have been physically verified by the management through an outside Agency once during the year. According to the information and explanations given to us, no material discrepancies were noticed in such verification. |  |   |   |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
| (c)       | According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of all the immovable properties (other than the properties where the company is lessee, and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company except in the case of following immovable properties:  |  |  |   |   |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
|           | <table border="1"> <thead> <tr> <th>Description of Property/ Project</th> <th>Gross Carrying Value (In Crores)</th> <th>Held in name of</th> <th>Whether Promoter Director or their relative or employee</th> <th>Period held indicate range where appropriate</th> <th>Reason for not being held in name of company</th> </tr> </thead> <tbody> <tr> <td>Pakul Dul</td> <td>435.47</td> <td>Govt. of UT of J&amp;K</td> <td>Yes (Govt. of UT of J&amp;K)</td> <td>FY 2015-16 To date</td> <td><b>Right to Use</b> granted by from Forest Department Govt. of UT of J&amp;K.</td> </tr> <tr> <td>Pakul Dul</td> <td>8.19</td> <td>Govt. of UT of J&amp;K</td> <td>Yes (Govt. of UT of J&amp;K)</td> <td>FY 2018-19 To date</td> <td><b>Right to use</b> the land granted by Govt. of UT of J&amp;K vide order no.207-FST of 2018 dated 26.06.2018,</td> </tr> <tr> <td>Pakul Dul</td> <td>242.06</td> <td>GOVERNOR (J&amp;K) through CVPPPL (Pakul Dul)</td> <td>Yes (Govt. of UT of J&amp;K)</td> <td>FY 2015-16 To date</td> <td>Leasehold and mutation recorded in revenue records in the name of Governor(J&amp;K) through CVPPPL (Pakal Dul) considering special provisions of Land laws of J&amp;K due to article 370 of Constitution (Now</td> </tr> </tbody> </table> |  |  |   |   | Description of Property/ Project  | Gross Carrying Value (In Crores) | Held in 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 | Pakul Dul | 435.47 | Govt. of UT of J&K | Yes (Govt. of UT of J&K) | FY 2015-16 To date | <b>Right to Use</b> granted by from Forest Department Govt. of UT of J&K. | Pakul Dul | 8.19 | Govt. of UT of J&K | Yes (Govt. of UT of J&K) | FY 2018-19 To date | <b>Right to use</b> the land granted by Govt. of UT of J&K vide order no.207-FST of 2018 dated 26.06.2018, | Pakul Dul | 242.06 | GOVERNOR (J&K) through CVPPPL (Pakul Dul) | Yes (Govt. of UT of J&K) | FY 2015-16 To date | Leasehold and mutation recorded in revenue records in the name of Governor(J&K) through CVPPPL (Pakal Dul) considering special provisions of Land laws of J&K due to article 370 of Constitution (Now |
|           | Description of Property/ Project  | Gross Carrying Value (In Crores)   | Held in 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                              |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
|           | Pakul Dul   | 435.47   | Govt. of UT of J&K   | Yes (Govt. of UT of J&K)                                | FY 2015-16 To date  | <b>Right to Use</b> granted by from Forest Department Govt. of UT of J&K. |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
| Pakul Dul | 8.19  | Govt. of UT of J&K   | Yes (Govt. of UT of J&K)   | FY 2018-19 To date                                      | <b>Right to use</b> the land granted by Govt. of UT of J&K vide order no.207-FST of 2018 dated 26.06.2018,  |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
| Pakul Dul | 242.06  | GOVERNOR (J&K) through CVPPPL (Pakul Dul)  | Yes (Govt. of UT of J&K)   | FY 2015-16 To date                                      | Leasehold and mutation recorded in revenue records in the name of Governor(J&K) through CVPPPL (Pakal Dul) considering special provisions of Land laws of J&K due to article 370 of Constitution (Now |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
|           |   |  |  |   |   |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |
|           |   |  |  |   |   |   |                                  |                 |   |  |  |           |        |                    |                          |                    |   |           |      |                    |                          |                    |  |           |        |   |                          |                    |   |





|      |   |   |                                      |                          |                    |  |
|------|---|---|--------------------------------------|--------------------------|--------------------|--|
|      |   |   |                                      |                          |                    | abrogated in August 2019)  |
|      | Kiru  | 9.98  | Govt. of UT of J&K                   | Yes (Govt. of UT of J&K) | 19.05.2016 to date | <b>Right to use</b> the land granted by Govt. of J&K vide order no.143-FST of 2016 dated 19.05.2016  |
|      | Kiru  | 134.64  | GOVERNOR (J&K) through CVPPPL (Kiru) | Yes (Govt. of UT of J&K) | FY 2017-18 to date | Leasehold and mutation recorded in revenue records in the name of Governor(J&K) through CVPPPL (Kiru) considering special provisions of Land laws of J&K due to article 370 of Constitution (Now abrogated in August 2019) |
|      | Kwar  | 3.88  | Govt. of UT of J&K                   | Yes (Govt. of UT of J&K) | FY 2014-15 To date | <b>Right to use</b> the land granted by Govt. of J&K vide Govt. Order No. 268-FST of 2014 dated 08.08.2014   |
|      | Kwar  | 21.23   | Govt. of UT of J&K                   | Yes (Govt. of UT of J&K) | FY 2021-22 to date | Mutation of land recorded in revenue records in the name of Governor(J&K) through CVPPPL (Kwar) considering special provisions of Land laws of J&K due to article 370 of Constitution (Now abrogated in August 2019)       |
| (d)  | According to the information and explanations given to us and based on our examination of the records of the Company, and on overall examination of the financial statements of the company, we report that the company has not revalued any of the Property, Plant & Equipment (including Right to Use assets) or Intangible Assets or both during the year.   |   |                                      |                          |                    |  |
| (e)  | According to the information and explanations given to us and based on our examination of the records of the Company, and on overall examination of the financial statements of the company, we report that no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder. Accordingly reporting under clause 3 (i) (e) of the Order is not applicable to the Company. |   |                                      |                          |                    |  |
| (ii) | (a)   | The Company has not commenced commercial production and as such there are no inventories. Accordingly, reporting under clause 3 (ii)(a) of the Order is not applicable.   |                                      |                          |                    |  |
|      | (b)   | According to the information and explanations given to us and based on our examination of the records of the Company, and on overall examination of the financial statements of the company, we report that the Company has not been sanctioned any working capital 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)  | According to the information and explanations given to us and based on our examination of the records of the Company, and on overall examination of the financial statements of the company, we report that the company has not made 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 covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable.  |
| (iv)   | According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments, nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not provided any security as specified under Section 186 of the Act. Hence reporting under clause 3(iv) of the Order is not applicable.  |
| (v)    | According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, clause 3(v) of the Order is not applicable.   |
| (vi)   | According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.  |
| (vii)  | (a) According to the information and explanations given to us and based on our examination of the records of the Company, the undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess, and other statutory dues have been regularly deposited by the Company with the appropriate authorities.<br><br>According to the information and explanations given to us and based on our examination of the records of the Company, there are no undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess, and other statutory dues were in arrears as at March 31, 2023, for a period of more than six months from the date they became payable. |
|        | (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute.  |
| (viii) | According to the information and explanations given to us and based on our examination of the records of the Company, and on overall examination of the financial statements of the company, we report that 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.   |
| (ix)   | (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has received subordinate debts from Govt. of India and on overall examination of the financial statements of the company, we report that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  |
|        | (b) According to the information and explanations given to us and based on our audit procedures, we report that the company has not been declared a willful defaulter by any bank or financial institution or other lender.  |
|        | (c) According to the information and explanations given to us and based on our examination of the records of the Company, and on overall examination of the financial statements of the  |



|        |     |  |
|--------|-----|--|
|        |     | company, we report that Company has applied the subordinate debt received from Govt. as per the terms of the sanction.   |
|        | (d) | According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the company's financial statements, we report that the Company has not raised funds on a short-term basis. Hence reporting under clause 3(ix)(d) is not applicable.  |
|        | (e) | According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has no subsidiary and/or associate or joint venture during the year ended March 31, 2023. Hence, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.   |
|        | (f) | According to the information and explanations given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies (as defined under the Act) and hence reporting on clause 3(ix)(f) of the Order is not applicable.   |
| (x)    | (a) | According to the information and explanations given to us and procedures performed by us, we report that the company has not raised moneys by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the Order is not applicable.  |
|        | (b) | According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting on clause 3(x)(b) of the Order is not applicable.  |
| (xi)   | (a) | As represented to us by the management and based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.  |
|        | (b) | According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  |
|        | (c) | As represented to us by the management, there have been no whistleblower complaints received by the company during the year and up to the date of this report.   |
| (xii)  | (a) | According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clauses 3(xii)(b) and 3(xii)(c) of the Order are not applicable.   |
| (xiii) |     | According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the Company is in compliance with sections 177 and 188 of Companies Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards. |
| (xiv)  | (a) | In our opinion and based on our examination, the company has an 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, in determining the nature, timing and extent of our audit procedures.   |



| (xv)    | In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.  |   |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|---------|---|---|---|--|---|----------------------------------|----|--|----------------|---|--|---|----------------------------------|---------|-----------|--------|-----|------------|-----------------|----|
| (xvi)   | (a)   | In our opinion, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.  |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|         | (b)   | According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has not conducted any Non-Banking Financial or Housing Finance activities during the period. Accordingly, clause 3(xvi)(b) of the Order is not applicable.  |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|         | (c)   | The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.   |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|         | (d)   | According to the information and explanations provided to us during the course of audit, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.   |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
| (xvii)  | According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has not incurred cash losses in the financial year and in the immediately preceding financial year.   |   |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
| (xviii) | There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.  |   |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
| (xix)   | According to the information and explanations given to us and 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, 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 that the 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)    | As represented to us by the management,   |   |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|         | (a)   | There is an unspent amount of Rs.27,942/- for FY 2022-23 towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act.  |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|         |   | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">FY</th> <th style="width: 20%;">Amount Identified for Spending on CSR activities for "other than Ongoing Projects"</th> <th style="width: 10%;">Unspent amount</th> <th style="width: 15%;">Amount Trfd. to Fund Specified in Schedule VII to the Act</th> <th style="width: 10%;">Due date of transfer to the specified fund</th> <th style="width: 15%;">Actual date of transfer to the specified fund</th> <th style="width: 10%;">Number of days of delay, if any.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022-23</td> <td style="text-align: right;">22,95,994</td> <td style="text-align: right;">27,942</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">30.09.2023</td> <td style="text-align: center;">Yet to be Trfd.</td> <td style="text-align: center;">NA</td> </tr> </tbody> </table> |   |  |   |                                  | FY | Amount Identified for Spending on CSR activities for "other than Ongoing Projects" | Unspent amount | Amount Trfd. to Fund Specified in Schedule VII to the Act | Due date of transfer to the specified fund | Actual date of transfer to the specified fund | Number of days of delay, if any. | 2022-23 | 22,95,994 | 27,942 | Nil | 30.09.2023 | Yet to be Trfd. | NA |
| FY      | Amount Identified for Spending on CSR activities for "other than Ongoing Projects"  | Unspent amount  | Amount Trfd. to Fund Specified in Schedule VII to the Act | Due date of transfer to the specified fund | Actual date of transfer to the specified fund | Number of days of delay, if any. |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
| 2022-23 | 22,95,994   | 27,942  | Nil   | 30.09.2023                                 | Yet to be Trfd.                               | NA                               |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |
|         | (b)   | According to the information and explanations given to us there are no unspent amounts towards Corporate Social Responsibility ("CSR") during FY 2022-23 in respect of ongoing projects.  |   |  |   |                                  |    |  |                |   |  |   |                                  |         |           |        |     |            |                 |    |



|       |  |
|-------|--|
| (xxi) | In our opinion, and according to the information and explanation provided to us, reporting under this clause is not applicable to the company. |
|-------|--|

for P C Bindal & Co.  
Chartered Accountants.  
FRN:003824N.



  
(CA. Virender K. Maini)

Date: 10.05.2023  
Place: Jammu

Partner  
MRN:088730  
UDIN: 23088730BGZIF7132

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on Internal Financial Controls with reference to financial statements under Clause (i) of Sub Section 3 of Section 143 of the Act**

We have audited the internal financial controls with reference to Standalone Financial Statements of **Chenab Valley Power Projects Private Limited** ("the Company") as at **March 31, 2023**, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud 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 with reference to financial statements 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 control with reference to financial statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the Standalone 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 with reference to Standalone Financial Statements.

**Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide



reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts 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 Standalone Financial Statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at **March 31, 2023**, based on the internal control with reference to Standalone Financial Statements 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.

Date: **10.05.2023**  
Place: **Jammu**

for P C Bindal & Co.  
Chartered Accountants.  
FRN:003824N.



**CA. Virender K. Maini**  
Partner

MRN:088730

UDIN: **23088730BGZIF7132**



## CHENAB VALLEY POWER PROJECTS [P] LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2023

CIN: U40105JK2011PTC003321

(Amount in ₹)

| PARTICULARS  | Note No. | As at 31st March, 2023 | As at 31st March, 2022 |
|--|----------|------------------------|------------------------|
| <b>ASSETS</b>  |          |                        |                        |
| <b>(1) NON-CURRENT ASSETS</b>  |          |                        |                        |
| a) Property, Plant and Equipment   | 2.1      | 1,073,261,429          | 929,007,042            |
| b) Capital Work In Progress  | 2.2      | 29,767,382,237         | 18,938,593,150         |
| c) Right Of Use Assets   | 2.3      | 7,980,989,706          | 8,073,078,713          |
| d) Investment Property   | 2.4      | -                      | -                      |
| e) Intangible Assets   | 2.5      | 1,497,102              | 1,525,650              |
| f) Intangible Assets under development   | 2.6      | 10,641,843             | 10,641,843             |
| <b>g) Financial Assets</b>   |          |                        |                        |
| i) Investments   | 3.1      | -                      | -                      |
| ii) Trade Receivables  | 3.2      | -                      | -                      |
| iii) Loans   | 3.3      | 898,022                | 892,903                |
| iv) Others   | 3.4      | 13,772,040             | 23,468,920             |
| h) Non Current Tax Assets (Net)  | 4        | 633,450                | 8,343,104              |
| i) Other Non Current Assets  | 5        | 6,300,412,056          | 4,538,903,899          |
| <b>TOTAL NON CURRENT ASSETS</b>  |          | <b>45,149,487,885</b>  | <b>32,524,455,224</b>  |
| <b>(2) CURRENT ASSETS</b>  |          |                        |                        |
| a) Inventories   | 6        | -                      | -                      |
| <b>b) Financial Assets</b>   |          |                        |                        |
| i) Trade Receivables   | 7        | -                      | -                      |
| ii) Cash and Cash Equivalents  | 8        | 4,806,547,039          | 3,943,290,654          |
| iii) Bank balances other than Cash and Cash Equivalents                                | 9        | 2,356,500,001          | 6,561,155,104          |
| iv) Loans  | 10       | 3,784,682              | 2,856,231              |
| v) Others  | 11       | 1,278,865,416          | 812,983,221            |
| c) Current Tax Assets (Net)  | 12       | -                      | 5,174                  |
| d) Other Current Assets  | 13       | 244,363,187            | 18,305,564             |
| <b>TOTAL CURRENT ASSETS</b>  |          | <b>8,690,060,325</b>   | <b>11,338,595,948</b>  |
| <b>(3) Regulatory Deferral Account Debit Balances</b>                                  | 14       | 5,637,108              | 1,059,609              |
| <b>TOTAL ASSETS</b>  |          | <b>53,845,185,318</b>  | <b>43,864,110,781</b>  |
| <b>EQUITY AND LIABILITIES</b>  |          |                        |                        |
| <b>(1) EQUITY</b>  |          |                        |                        |
| (a) Equity Share Capital   | 15.1     | 36,923,912,860         | 33,364,512,860         |
| (b) Other Equity   | 15.2     | 3,038,427,881          | 1,540,073,245          |
| <b>TOTAL EQUITY</b>  |          | <b>39,962,340,741</b>  | <b>34,904,586,105</b>  |
| <b>(2) LIABILITIES</b>   |          |                        |                        |
| <b>NON-CURRENT LIABILITIES</b>   |          |                        |                        |
| <b>a) Financial Liabilities</b>  |          |                        |                        |
| i) Borrowings  | 16.1     | 3,845,467,174          | 2,081,334,005          |
| ia) Lease Liabilities  | 16.2     | 5,472,320              | 5,544,743              |
| ii) Other financial liabilities  | 16.3     | 11,745,807             | 32,225,109             |
| b) Provisions  | 17       | 119,211,315            | 95,267,518             |
| c) Deferred Tax Liabilities (Net)  | 18       | -                      | -                      |
| d) Other non-current Liabilities   | 19       | 6,672,647,720          | 3,956,533,287          |
| <b>TOTAL NON CURRENT LIABILITIES</b>   |          | <b>10,654,544,336</b>  | <b>6,170,904,662</b>   |
| <b>(3) CURRENT LIABILITIES</b>   |          |                        |                        |
| <b>a) Financial Liabilities</b>  |          |                        |                        |
| i) Borrowings  | 20.1     | -                      | -                      |
| ia) Lease Liabilities  | 20.2     | 9,466,999              | 7,360,727              |
| ii) Trade Payables   | 20.3     | -                      | -                      |
| Total outstanding dues of micro enterprises and small enterprises                      |          | 11,976,165             | 9,042,014              |
| Total outstanding dues of Creditors other than micro enterprises and small enterprises |          | 20,376,950             | 74,153,951             |
| iii) Other financial liabilities   | 20.4     | 1,919,132,720          | 1,303,171,478          |
| b) Other Current Liabilities   | 21       | 161,682,969            | 95,287,002             |
| c) Provisions  | 22       | 1,105,664,438          | 1,299,604,842          |
| d) Current Tax Liabilities (Net)   | 23       | -                      | -                      |
| <b>(4) FUND FROM C.O.</b>  | 15.3     | -                      | -                      |
| <b>TOTAL CURRENT LIABILITIES</b>   |          | <b>3,228,300,241</b>   | <b>2,788,620,014</b>   |
| <b>(5) Regulatory Deferral Account Credit Balances</b>                                 | 14.2     | -                      | -                      |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>  |          | <b>53,845,185,318</b>  | <b>43,864,110,781</b>  |

Accompanying notes to the Standalone Financial Statements

1-34

Signed as per separate report of even date

For P C Bindal & CO.  
Chartered Accountants  
(Firm Regn. No. 003824N)

(CA. Vinod K. Maini)  
Partner  
M.NO. 088730

Place: Jammu

Date: 10/05/2023



for and on behalf of the Board of Directors

(Suresh Kumar)  
Chairman  
DIN No. 06440021

(A K Jain)  
General Manager (Finance)

(Hasan Nadeem)  
Managing Director  
DIN No. 09653323


(Sudhir Anand)  
Company Secretary  
FCS 7080



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

CIN: U40105JK2011PTC003321

(Amount in ₹)

| PARTICULARS  | Note No.  | For the Year ended 31st March, 2023            | For the Year ended 31st March, 2022                     |
|--|---|--|---|
| <b>INCOME</b>  |   |  |   |
| i) Revenue from Operations   | 24.1  | -  | -   |
| ii) Other Income   | 24.2  | 534,669,071                                    | 313,881,017   |
| <b>TOTAL INCOME</b>  |   | <b>534,669,071</b>                             | <b>313,881,017</b>                                      |
| <b>EXPENSES</b>  |   |  |   |
| i) Purchase of Power - Trading   | 25.1  | -  | -   |
| ii) Generation Expenses  | 25.2  | -  | -   |
| iii) Employee Benefits Expense   | 26  | 111,421,609                                    | 133,979,358   |
| iv) Finance Costs  | 27  | 156,863  | 295,279   |
| v) Depreciation and Amortization Expense   | 28  | 6,012,511                                      | 10,546,183  |
| vi) Other Expenses   | 29  | 35,666,078                                     | 44,375,244  |
| <b>TOTAL EXPENSES</b>  |   | <b>153,257,061</b>                             | <b>189,196,064</b>                                      |
| <b>PROFIT BEFORE EXCEPTIONAL ITEMS, REGULATORY DEFERRAL ACCOUNT BALANCES AND TAX</b>                                 |   | <b>381,412,010</b>                             | <b>124,684,953</b>                                      |
| Exceptional items  |   | -  | -   |
| <b>PROFIT BEFORE REGULATORY DEFERRAL ACCOUNT BALANCES AND TAX</b>  |   | <b>381,412,010</b>                             | <b>124,684,953</b>                                      |
| <b>Tax Expenses</b>  | 30.1  |  |   |
| i) Current Tax   |   | 134,534,873                                    | 78,969,824  |
| ii) Deferred Tax   |   | -  | -   |
| <b>Total Tax Expenses</b>  |   | <b>134,534,873</b>                             | <b>78,969,824</b>                                       |
| <b>PROFIT FOR THE YEAR BEFORE NET MOVEMENTS IN REGULATORY DEFERRAL ACCOUNT BALANCES</b>                              |   | <b>246,877,137</b>                             | <b>45,715,129</b>                                       |
| Movement in Regulatory Deferral Account Balances (Net of Tax)  | 31  | 4,577,499                                      | 998,569   |
| <b>PROFIT FOR THE YEAR (A)</b>   |   | <b>251,454,636</b>                             | <b>46,713,698</b>                                       |
| <b>OTHER COMPREHENSIVE INCOME (B)</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   |   | -  | -   |
| Less:-Movement in Regulatory Deferral Account Balances in respect of tax on defined benefit obligations              |   | -  | -   |
| -Movement in Regulatory Deferral Account Balances-Remeasurement of post employment defined benefit obligations       |   | -  | -   |
| Less: Impact of Tax on Regulatory Deferral Accounts  |   | -  | -   |
| <b>Sub total (a)</b>   |   | -  | -   |
| (b) Investment in Equity Instruments   |   | -  | -   |
| <b>Sub total (b)</b>   |   | -  | -   |
| <b>Total (i)=(a)+(b)</b>   |   | -  | -   |
| (ii) Items that will be reclassified to profit or loss (Net of Tax)  |   |  |   |
| - Investment in Debt Instruments   |   | -  | -   |
| <b>Total (ii)</b>  |   | -  | -   |
| <b>Other Comprehensive Income (B)=(i+ii)</b>   |   | -  | -   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B) (COMPRISING PROFIT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR)</b> |   | <b>251,454,636</b>                             | <b>46,713,698</b>                                       |
| <b>Earning per share (Basic and Diluted)</b><br>(Equity shares, face value of ₹ 10/- each)                           | 34 (11)   |  |   |
| Before movements in Regulatory Deferral Account Balances   |   | 0.0681   | 0.0152  |
| After movements in Regulatory Deferral Account Balances  |   | 0.0694   | 0.0155  |
| <b>Accompanying notes to the Standalone Financial Statements</b>   | 1-34  |  |   |
| For P C Bindal & CO.<br>Chartered Accountants<br>(Firm Regn. No. 003824N)  |  | (Suresh Kumar)<br>Chairman<br>DIN No. 06440021 | (Hasan Nadeem)<br>Managing Director<br>DIN No. 09653321 |
| (CA. Virender K. Maini)<br>Partner<br>M.NO. 088730   |   | (A K Jain)<br>General Manager (Finance)        | (Sudhir Anand)<br>Company Secretary<br>FCS 7050         |
| Place: Jammu<br>Date: 10/05/2023   |   |  |   |



## CHENAB VALLEY POWER PROJECTS [P] LIMITED

### STATEMENT OF AUDITED CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

CIN: U40105JK2011PTC003321

(Figures in Rs)

|   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022** |
|---|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |  |  |
| Profit before tax for the year including movements in Regulatory Deferral Account Balance   | 385,989,509                            | 125,683,522                              |
| Less: Movement in Regulatory Deferral Account Balances  | 4,577,499                              | 998,569                                  |
| <b>Profit before Tax</b>  | <b>381,412,010</b>                     | <b>124,684,953</b>                       |
| <b>ADD :</b>  |  |  |
| Depreciation and Amortization   | 6,012,511                              | 10,546,183                               |
| Finance Cost (Net of EAC)   | 156,863                                | 295,279                                  |
| Provision for Diminution in value of investment   | -                                      | -  |
| Provisions Others (Net of EAC)  | -                                      | -  |
| Exchange rate variation (Loss)  | 3,701,337                              | 998,569                                  |
| Tariff Adjustment (loss)  | -                                      | -  |
| Sales adjustment on account of Exchange Rate Variation  | -                                      | -  |
| Loss/(Profit) on sale of assets/Claims written off  | 1,101,871                              | 70,405                                   |
|   | <u>10,972,582</u>                      | <u>11,910,436</u>                        |
|   | <b>392,384,592</b>                     | <b>136,595,389</b>                       |
| <b>LESS :</b>   |  |  |
| Advance against Depreciation written back   | -                                      | -  |
| Provisions (Net gain)   | 7,000                                  | 952,524                                  |
| Net Gain/Loss on sale of Investments  | -                                      | -  |
| Adjustment against Consultancy Charges from Subsidiary Companies  | -                                      | -  |
| Dividend Income   | -                                      | -  |
| Interest Income & Guarantee Fees (including Late Payment Surcharge)   | 534,669,071                            | 313,903,137                              |
| Exchange rate variation (Gain)  | -                                      | -  |
| Other Adjustments   | -                                      | -  |
| Fair value Adjustments  | (1,818)                                | (3,794)                                  |
| Amortisation of Government Grants   | -                                      | -  |
|   | <u>534,674,253</u>                     | <u>314,851,867</u>                       |
| <b>Cash flow from Operating Activities before Operating Assets &amp; Liabilities adjustments</b>  | <b>(142,289,661)</b>                   | <b>(178,256,478)</b>                     |
| <b>Changes in Operating Assets and Liabilities:</b>   |  |  |
| Inventories   | -                                      | -  |
| Trade Receivables   | -                                      | -  |
| Other Financial Assets, Loans and Advances  | (3,544,495)                            | (7,124,486)                              |
| Other Financial Liabilities and Provisions  | 9,206,136                              | 95,552,521                               |
| Regulatory Deferral Account Credit Balances   | -                                      | -  |
|   | <u>5,661,641</u>                       | <u>88,428,035</u>                        |
| <b>Cash flow from operating activities before taxes</b>   | <b>(136,628,020)</b>                   | <b>(89,828,443)</b>                      |
| Less : Taxes  | 126,820,045                            | 82,944,553                               |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>  | <b>(263,448,065)</b>                   | <b>(172,772,996)</b>                     |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |  |  |
| Purchase of Property, Plant and Equipment, Investment Property, Other Intangible Assets & Expenditure on construction projects (including expenditure attributable to construction forming part of Capital Work in Progress for the year)- Net of Grant | (13,536,413,902)                       | (8,626,406,097)                          |
| Sale of Assets  | -                                      | -  |
| Investment in Joint Venture (including Share Application Money pending allotment)   | -                                      | -  |
| Investment in Subsidiaries (including Share Application Money pending allotment)  | -                                      | -  |
| Net Investment in Term Deposits   | 4,204,655,103                          | (2,758,755,104)                          |
| Proceeds from Sale of Investment  | -                                      | -  |
| Dividend Income   | -                                      | -  |
| Interest Income & Guarantee Fees (including Late Payment Surcharge)   | 1,412,810,647                          | 424,008,137                              |
| <b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>  | <b>(7,918,948,152)</b>                 | <b>(10,961,153,064)</b>                  |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |  |  |
| Issue & Buyback of Equity Shares including Security Premium   | 4,806,300,000                          | 7,127,912,860                            |
| Dividend Paid   | -                                      | -  |
| Proceeds from Long Term Borrowings  | 4,249,200,000                          | 5,985,700,000                            |
| Proceeds from Short Term Borrowings   | -                                      | -  |
| Repayment of Borrowings   | -                                      | -  |
| Interest & Finance Charges  | (895)                                  | (933,952)                                |
| Principal Repayment of Lease Liability  | (9,004,695)                            | (10,006,245)                             |
| Interest paid on Lease Liability  | (841,808)                              | (933,293)                                |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>  | <b>9,045,652,602</b>                   | <b>13,101,739,370</b>                    |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH</b>   | <b>863,256,385</b>                     | <b>1,967,813,310</b>                     |
| <b>D. EQUIVALENTS (A+B+C)</b>   |  |  |
| Cash & Cash Equivalents (Opening Balance)   | 3,943,290,654                          | 1,975,477,344                            |
| Cash & Cash Equivalents (Closing Balance)   | 4,806,547,039                          | 3,943,290,654                            |

The above Statement of Cash Flows is prepared in accordance with the Indirect method prescribed in Ind AS 7 - "Statement of Cash Flows".

**EXPLANATORY NOTES TO STATEMENT OF CASH FLOWS**

1 Cash and Cash equivalents consists of Cash in hand, cheques/drafts in hands and Bank Balances including Short Term Deposits with original maturity of less than three months. The details of Cash and Cash equivalents is as under:

|   | <u>As at 31st March, 2023</u> | <u>As at 31st March, 2022</u> |
|---|-------------------------------|-------------------------------|
| <b>Balances with Banks</b>                                  |                               |                               |
| With scheduled Banks:                                       |                               |                               |
| - In Current Account  | 371,547,039                   | 49,490,654                    |
| - In Deposits Account                                       | 4,435,000,000                 | 3,893,800,000                 |
| (Deposits with original maturity of less than three months) |                               |                               |
| <b>Cash on Hand</b>   | -                             | -                             |
| <b>Cash and Cash equivalents</b>                            | <b>4,806,547,039</b>          | <b>3,943,290,654</b>          |

2 Interest and finance charges in Cash Flow from Financing Activities includes borrowing cost of Rs Nil (Previous year Rs. Nil) capitalised during the period on account of Expenditure attributable to construction (EAC).

3 Amount of undrawn loan as on 31.03.2023 : Rs. Nil (Previous Year Rs Nil).

4 Company has incurred Rs.20,65,195/- in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31.03.2023 (Previous Year Rs.3,11,627/-).

5 Reconciliation of liabilities arising from Financing Activities :

|                                    | (Amount in Rs.)   |                   |
|------------------------------------|-------------------|-------------------|
|                                    | <u>31/03/2023</u> | <u>31/03/2022</u> |
| Borrowings (Current & Non-Current) | 3845467174        | 2081334005        |
| Lease Liability                    | 14939319          | 12905470          |
| <b>Total</b>                       | <b>3860406493</b> | <b>2094239475</b> |

| Particulars                              | For the year ended 31st March,2023         |                   |                      | For the year ended 31st March,2022**       |                   |                      |
|--|--|-------------------|----------------------|--|-------------------|----------------------|
|  | *Borrowings<br>(Current & Non-<br>Current) | Lease Liability   | Total                | *Borrowings<br>(Current & Non-<br>Current) | Lease Liability   | Total                |
| Opening Net Debt as on 1st April         | 2,081,334,005                              | 12,905,470        | 2,094,239,475        | -  | 15,450,707        | 15,450,707           |
| Proceeds from Borrowings                 | 4,249,200,000                              | -                 | 4,249,200,000        | 5,985,700,000                              | (10,939,538)      | 5,974,760,462        |
| Repayment of Borrowings/Lease Liability  | -  | (9,004,695)       | (9,004,695)          | -  | 8,394,301         | 8,394,301            |
| Interest paid                            | (895)                                      | (841,808)         | (842,703)            | -  | (933,293)         | (933,293)            |
| <b>Other Non-Cash Movements :</b>        |  |                   |                      |  |                   |                      |
| -Increase in Lease Liability             | -  | 11,038,544        | 11,038,544           | -  | -                 | 0                    |
| -Foreign exchange adjustments            | -  | -                 | -                    | -  | -                 | 0                    |
| -Interest and Finance Charges            | 895  | 841,808           | 842,703              | -  | 933,293           | 933,293              |
| -Fair value adjustments                  | (2,485,066,831)                            | -                 | (2,485,066,831)      | (3,904,365,995)                            | -                 | (3,904,365,995)      |
| <b>Closing Net Debt as on 31st March</b> | <b>3,845,467,174</b>                       | <b>14,939,319</b> | <b>3,860,406,493</b> | <b>2,081,334,005</b>                       | <b>12,905,470</b> | <b>2,094,239,475</b> |

\*For Borrowings refer Note No.16.1, 20.1 and 20.4 (Item namely Interest Accrued on Borrowings - due & not due)

\*\*Previous year figures have been regrouped/reclassified wherever required.

For P C Bindal & CO.  
Chartered Accountants  
(Firm Regn. No. 007824N)

(CA. Vinod K. Maini)  
Partner  
M.NO. 088730



for and on behalf of the Board of Directors

(Suresh Kumar)  
Chairman  
DIN No.06440021

(A K Jain)  
General Manager (Finance)

(Hasan Nadeem)  
Managing Director  
DIN No. 09653321

(Sudhir Anand)  
Company Secretary  
FCS 7050

**STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2023**

**A. EQUITY SHARE CAPITAL**

| Particulars  | Note No. | Amount         |
|--|----------|----------------|
| As at 1st April 2022                                       | 15.1     | 33,364,512,860 |
| Changes in Equity Share Capital due to prior period errors |          |                |
| Restated balances as at 1st April 2022                     | 15.1     | 33,364,512,860 |
| Change in Equity Share Capital                             |          | 3,559,400,000  |
| As at 31st March 2023                                      | 15.1     | 36,923,912,860 |

**B. OTHER EQUITY**

| Particulars  | Capital Reserve | Share Application Money Pending Allotment | Capital Redemption Reserve | Reserve & Surplus       |                 |                              | Surplus/ Retained Earnings | Other Comprehensive Income     |               | Total |
|--|-----------------|---|----------------------------|-------------------------|-----------------|------------------------------|----------------------------|--------------------------------|---------------|-------|
|  |                 |   |                            | Bond Redemption Reserve | General Reserve | Debt Instruments through OCI |                            | Equity Instruments through OCI |               |       |
| Balance as at 1st April, 2022                            | -               | 1,000,000,000                             | -                          | -                       | -               | 540,073,245                  | -                          | -                              | 1,540,073,245 |       |
| Changes in accounting policy or prior period errors      |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Restated balances as at 1st April 2022                   |                 |   |                            |                         |                 | 540,073,245                  |                            |                                | 1,540,073,245 |       |
| Profit for the year                                      |                 |   |                            |                         |                 | 251,454,636                  |                            |                                | 251,454,636   |       |
| Other Comprehensive Income                               |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Total Comprehensive Income for the year                  |                 |   |                            |                         |                 | 251,454,636                  |                            |                                | 251,454,636   |       |
| Share Application Money received during the year.        |                 | 4,806,300,000                             |                            |                         |                 |                              |                            |                                | 4,806,300,000 |       |
| Shares issued during the Period                          |                 | 3,559,400,000                             |                            |                         |                 |                              |                            |                                | 3,559,400,000 |       |
| Utilization for Buy Back of Equity Shares                |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Utilization for expenditure on Buy Back of Equity Shares |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| 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   |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Tax on Dividend  |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Transfer to Bond Redemption Reserve                      |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Transfer to Research and Development Fund                |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Transfer to General Reserve                              |                 |   |                            |                         |                 |                              |                            |                                |               |       |
| Balance as at 31st March 2023                            | -               | 2,246,900,000                             | -                          | -                       | -               | 791,527,881                  | -                          | -                              | 3,038,427,881 |       |

For P C Bindal & Co.

Chartered Accountants

(Firm Regd. No. 003824N)

(CA Virender K. Maini)

Partner

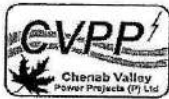
M.NO. 088730



Ajais123  
(A.K.Jain)

General Manager (Finance)

(Hasan Nadeem)  
Managing Director  
DIN No. 09653321



**NOTE NO. 1: COMPANY INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES**

**(I) Reporting entity**

Chenab Valley Power Projects (P) Limited (the "Company") is a Joint Venture of NHPC Limited (A GoI Enterprise), JKSPDC (A GoJK Enterprise) and a Company domiciled in India (CIN: U40105JK2011PTC003321). The address of the Company's registered office is Chenab Valley Power Projects (P) Limited, Chenab Jal Shakti Bhawan, Opposite Saraswati Dham, RailHead Complex, Jammu, UT of Jammu & Kashmir-180012. The Company is primarily involved in the generation and sale of bulk power to various Power Utilities. Subsequent to acquisition of 2% equity shares of PTC India Ltd by NHPC Ltd, the Supplementary Promoters' Agreement of Chenab Valley Power Projects Pvt. Ltd. (CVPPPL) has been signed between NHPC and JKSPDC with JKPDD on 21.11.2022 by virtue of which NHPC has majority representation on the Board of CVPPPL and accordingly control over CVPPPL from that date.

**(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 .....

**(B) 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.

**(C) Application of new and revised standards**

During the year, 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. 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.

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

**(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 these amendments have no material impact on the financial statements of the Company.

**(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.

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

**(D) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the Nearest Lacs (up to two decimals) for the Company. However, at Unit level, figures are presented in rupees (absolute number).

**(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 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 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:

- 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 judgement 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 generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**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 & machinery and computers & peripherals which are in accordance with 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. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, where tariff are 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 following unforeseeable developments.

**g) Recoverable Amount of Rate Regulated Assets**

The operating activities of the Company are subject to cost-of-service regulations whereby tariff charged for electricity generated is based on allowable costs like interest costs, depreciation, operation & maintenance including a stipulated return. Guidance Note on Rate Regulated Activities issued by the ICAI (previous GAAP) and Ind AS 114- 'Regulatory Deferral Accounts' permits an entity to include in the rate base, as part of the cost of self-constructed (tangible) 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.

**h) Impairment of Trade Receivables**

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

**i) Insurance Claim Recoverable**

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

**J) Cost of Carbon Credits / Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs)**

The cost of Carbon Credits / Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs) are measured as per Management estimate.

**(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 and Intangible Assets 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 and intangible assets 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 PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. PPE acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.
- d) After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- 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 relating 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 & Machinery or subsequently) which meet the recognition criteria are capitalized. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other spare parts are treated as "stores & spares" forming part of 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 or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

## **2.0 Capital work in Progress**

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.
- b) Costs including employee benefits, professional fees, expenditure on maintenance and up-gradation of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Expenditure Attributable to Construction

(EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. 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 & Equipment". Expenditure of such nature incurred after completion of the project, is charged to the Statement of Profit and Loss.

### **3.0 Intangible Assets and Intangible Assets under Development**

- a) Expenditure on research is charged to revenue 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 acquired separately 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 enterprise 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.

### **4.0 Foreign Currency Transactions**

- a) Transactions in foreign currency are initially recorded at the functional currency spot rate at the date the transaction first qualifies for recognition. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the functional currency exchange rates prevailing on that date.
- b) 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 construction period and adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- c) 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.

### **5.0 Regulatory Deferral Accounts**

- a) Where an item of expenditure incurred during the period of construction of a project is recognised as expense in the Statement of Profit and Loss i.e. not allowed to be capitalized as

part of cost of relevant PPE in accordance with Ind AS, but is nevertheless permitted by CERC to be recovered from the beneficiaries in future through tariff, the right to recover the same is recognized as "Regulatory Deferral Account balances."

- b) Expense/ income recognised in the Statement of Profit and Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognised as "Regulatory Deferral Account balances."
- c) These Regulatory Deferral Account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- d) Regulatory Deferral Account balances are evaluated at each Balance Sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the Regulatory Deferral Account balances are derecognised.
- e) Regulatory Deferral Account balances are tested for impairment at each Balance Sheet date.

## **6.0 Fair value measurement**

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

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

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

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

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

## **7.0 Financial assets other than investment in subsidiaries and joint ventures**

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

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

### **a) Classification**

The Company classifies its financial assets in the following categories:

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

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

#### **b) Initial recognition and measurement**

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

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

#### **c) Subsequent measurement**

##### **Debt instruments at amortised cost**

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

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

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

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

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

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

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

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

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, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. The amount of expected credit loss (or reversal) for the period is recognized as expense/income in the Statement of Profit and Loss.

### **8.0 Inventories**

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

Scrap is valued at net realisable value.

Carbon Credits / Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs) are valued at lower of cost and net realizable 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.

#### **9.0 Financial liabilities**

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

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

##### **a) Classification, initial recognition and measurement**

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

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

##### **b) Subsequent measurement**

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

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

##### **c) Derecognition**

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

##### **d) Offsetting of financial instruments**

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

#### **10.0 Government Grants**

- a) The benefits of a government loan at a below market rate of interest is treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities and government grant is recognized initially as deferred income and subsequently in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.
- b) Monetary grants from the government for creation of assets are initially recognised as deferred income when there is reasonable assurance that the grant will be received and the

company will comply with the conditions associated with the grant. The deferred income so recognised is subsequently amortised in the Statement of Profit and Loss over the useful life of the related assets.

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

#### **11.0 Provisions, Contingent Liabilities and Contingent Assets**

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

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 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.

#### **12.0 Revenue Recognition and Other Income**

Company's revenues arise from sale of energy and other income. Revenue from other income comprises interest from banks, employees, contractors etc., 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 for power stations considered as Finance/Operating Lease) is accounted for as per tariff notified by the Central Electricity Regulatory Commission (CERC) under the CERC (Terms & Conditions of Tariff) Regulations, 2014. 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 recognized on year to year basis based on regulatory norms.
- v) Adjustments arising out of finalization of Regional Energy Account (REA), though not material, are effected in the year of respective finalization.

**b) Other income**

- i) For all debt instruments measured either at amortized 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.
- ii) Interest/Surcharge recoverable from customers and liquidated damages /interest on advances to contractors is recognized when it is highly probable that a significant reversal in the amount of revenue recognized will not occur in the future.

**iii) Revenue from sale of carbon credits/ CERs/VERs**

Revenue is recognized on transfer/ sale of Carbon Credits/ Certified Emission Reductions (CERs)/ Verified Carbon Units (VCUs) to the extent it is highly probable that a significant reversal in the amount of revenue recognized will not occur in the future.

**13.0 Employee Benefits**

**i) Short-term employee benefits**

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

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

**ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to Employee Provident Fund Organisation (EPFO), India and CVPP Employees Social Security Scheme Trust and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to are recognised as an employee benefit expense in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the periods during which services are rendered by employees. 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.

Employee Provident Fund Scheme and Social Security Scheme are accounted for as defined contribution plans



### **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), Allowance on Retirement/Death and Memento on Superannuation to employees are in the nature of defined benefit plans.

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

The defined benefit obligation is calculated annually by 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 and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

### **iv) Other long-term employee benefits**

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

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

### **v) Termination benefits**

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

## **14.0 Borrowing costs**

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

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

Capitalizations 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.

#### **15.0 Depreciation and amortization**

- a) Depreciation on additions to /deductions from Property, Plant & Equipment (PPE) during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- b) (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. 15.0(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 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. 15.0(d) below.  
ii) Depreciation on old and used items of PPE of other than Operating Units is charged on straight-line method to the extent of 90% of the cost of the asset over estimated useful life determined on the basis of technical assessment.
- d) i) Depreciation in respect of following items of PPE is provided on straight line method based on the life and residual value (5%) given in the Schedule II of the Companies Act, 2013:
  - Construction Plant & Machinery
  - Computer & Peripheralsii) 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 technical assessment by management, depreciation on furniture & other equipment provided at residential office of employees is charged on straight line basis over a period of 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 revenue 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 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 & 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 life of the asset, wherever required.

#### **16.0 Impairment of non-financial assets other than inventories**

- a) The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

- c) In case of expenditure on survey & investigation of projects, if it is decided to abandon such a project under survey & investigation, expenditure incurred thereon is charged to the Statement of Profit and Loss in the year in which such decision is taken.
- d) In case a project under survey and Investigation remains in abeyance by the order of appropriate authority/ by injunction of court order, any expenditure incurred on such projects from the date of order/ injunction of court is provided in the books from the date of such order till the period project is kept in abeyance by such order/ injunction. Provision so made is however reversed on the revocation of aforesaid order/ injunction.
- e) Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 17.0 Income Taxes

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

### a) Current tax

- i) The current tax is the expected tax payable on the taxable income for the year on the basis of the tax laws applicable at the reporting date and any adjustments to tax payable in previous years. Taxable profit differs from profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years (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 which 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.

### **18.0 Compensation from third parties**

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

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

### **19.0 Segment Reporting**

- a) In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" or "CODM" within the meaning of Ind AS 108.
- b) Electricity generation is the principal business activity of the Company.
- c) The Company has a single geographical segment as all its Power Stations are located within the Country.

### **20.0 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.

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. 16.0 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 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.

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.

## **21.0 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.

## **22.0 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.

## **23.0 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.

#### **24.0 Statement of Cash Flows**

##### **a) Cash and Cash Equivalents:**

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

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

#### **25.0 Current versus non-current classification**

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

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

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

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

#### **26.0 Miscellaneous**

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

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

#### **(IV) Recent accounting pronouncements: Standards issued but not yet effective**

Vide notification dated March 31, 2023, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain Indian Accounting Standards, and are effective from April 1, 2023. The summary of the major amendments and its impact on the Company are given hereunder:

- i) **Ind AS 1 – Presentation of financial statements** -This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The effective date for adoption of this amendment is



annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment on the Company's financial statements is insignificant.

- ii) **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on the Company's financial statements.
- iii) **Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on the Company's financial statements.
- iv) Amendments/ revision in other standards (IND AS 101, IND AS 102, IND AS 103, IND AS 107, IND AS 109 and IND AS 115) are either not applicable or do not have any material impact on the Company's financial statements.

Signed as an annexure to Balance Sheet

for P C Bindal & Co.

Chartered Accountants  
(FRN: 003824N)

(CA. Virender K. Maini)

Partner  
MRN: 088730



for and on behalf of the Board of Directors

(Suresh Kumar)  
Chairman  
DIN No.06440021

(Hasan Nadeem)  
Managing Director  
DIN No.09653321

(A. K. Jain)  
General Manager (Finance)

(Sudhir Arand)  
Company Secretary  
FCS 7050

Place : Jammu

Date : 10-5-2023

**NOTE NO. 2.1 Property, Plant and Equipment as on 31.3.2023**

| Sl. No. | PARTICULARS  | GROSS BLOCK       |           |           |            |         |                   | DEPRECIATION           |                   |              |             | NET BLOCK              |                        |                        |
|---------|--|-------------------|-----------|-----------|------------|---------|-------------------|------------------------|-------------------|--------------|-------------|------------------------|------------------------|------------------------|
|         |  | As at 01-Apr-2022 | Additions |           | Deductions |         | Other Adjustments | As at 31st March, 2023 | As at 01-Apr-2022 | For the year | Adjustments | As at 31st March, 2023 | As at 31st March, 2023 | As at 31st March, 2022 |
|         |  |                   | IUT       | Others    | IUT        | Others  |                   |                        |                   |              |             |                        |                        |                        |
| i)      | Land - Freehold  | 24852201          |           |           |            |         |                   | 272334807              |                   |              |             | 272334807              | 24852201               |                        |
| ii)     | Roads and Bridges  | 441490227         | 23982606  |           |            |         |                   | 542209103              | 16488983          |              |             | 482183236              | 397863343              |                        |
| iii)    | Buildings  | 192452036         | 102077102 |           |            |         |                   | 274386394              | 62959991          | -238367      |             | 160843317              | 141650573              |                        |
| iv)     | Railway sidings  |                   | 82172725  |           | 238367     |         |                   | 0                      | 0                 | 0            | 0           | 0                      | 0                      |                        |
| v)      | Hydraulic Works/Dams, Water Conductor system, Hydro mechanical gates, tunnels) |                   |           |           |            |         |                   | 0                      | 0                 | 0            | 0           | 0                      | 0                      |                        |
| vi)     | Generating Plant and machinery   |                   |           |           |            |         |                   | 0                      | 0                 | 0            | 0           | 0                      | 0                      |                        |
| vii)    | Plant and machinery Sub station  | 7734865           | 1464900   |           |            |         |                   | 9199765                | 405362            |              | 2064633     | 7135132                | 6075594                |                        |
| viii)   | Plant and machinery Transmission lines   |                   |           |           |            |         |                   | 0                      | 0                 |              | 0           | 0                      | 0                      |                        |
| ix)     | Plant and machinery Others   | 17469031          | 5850710   |           |            |         |                   | 23319741               | 1232263           |              |             | 19586709               | 14968262               |                        |
| x)      | Construction Equipment   | 89350             | 19399     |           | 1          |         |                   | 108748                 | 442               |              | 3496        | 105252                 | 86296                  |                        |
| xi)     | Water Supply System/Drainage and Sewerage                                      | 3362791           | 587609    |           |            |         |                   | 3950400                | 462917            |              | 588408      | 3361992                | 2899874                |                        |
| xii)    | Electrical installations   |                   |           |           |            |         |                   | 0                      | 0                 |              | 0           | 0                      | 0                      |                        |
| xiii)   | Vehicles   | 18127676          |           |           |            |         |                   | 18127676               | 7809792           |              | 9089001     | 9038675                | 10317884               |                        |
| xiv)    | Aircraft/Boats   |                   |           |           |            |         |                   | 0                      | 1279209           |              | 0           | 0                      | 0                      |                        |
| xv)     | Furniture and fixture  | 42560141          | 534688    | 534688    | 119755     |         |                   | 49034813               | 3085957           | -42067       | 17027114    | 32007699               | 28576917               |                        |
| xvi)    | Computers  | 43346422          | 503954    | 503954    | 1218575    |         |                   | 49447216               | 7081808           | -979720      | 32278952    | 17168264               | 17169558               |                        |
| xvii)   | Communication Equipment  | 1335893           | 7730      |           |            |         |                   | 1343623                | 68779             | 20679        | 605545      | 738078                 | 819806                 |                        |
| xviii)  | Office Equipments  | 87963345          | 51789     | 15368689  | 51789      |         |                   | 101818349              | 6287354           | -943884      | 33060081    | 68758268               | 60148734               |                        |
|         | Total  | 1102183978        | 1090431   | 245428462 | 1090431    | 2873756 | 80000             | 1345280635             | 99025629          | -2183359     | 272019206   | 1073261429             | 929007042              |                        |
|         | Previous year  | 662849741         | 80000     | 444560025 | 80000      | 1788537 |                   | 1104183978             | 44875199          | -926837      | 175176936   | 929007042              | 531621167              |                        |

Note: -

2.1.1 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-1 to this Note.

Annexure-1 to NOTE NO. 2.1 Property, Plant and Equipment

| Sl. No. | PARTICULARS  | GROSS BLOCK       |         |           |         |            |            | DEPRECIATION           |              |             |                        | NET BLOCK              |                        |
|---------|--|-------------------|---------|-----------|---------|------------|------------|------------------------|--------------|-------------|------------------------|------------------------|------------------------|
|         |  | As at 01-Apr-2022 |         | Additions |         | Deductions |            | As at 31st March, 2023 | For the year | Adjustments | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2023 |
|         |  | IUT               | Others  | IUT       | Others  | IUT        | Others     |                        |              |             |                        |                        |                        |
| i)      | Land - Freehold  | 248352201         | 0       | 23982606  | 0       | 0          | 272334807  | 0                      | 0            | 0           | 0                      | 272334807              | 248352201              |
| ii)     | Roads and Bridges  | 440619940         | 0       | 10207102  | 0       | 0          | 541338816  | 16496983               | 0            | 0           | 0                      | 482783236              | 397963343              |
| iii)    | Buildings  | 201989291         | 0       | 82172725  | 0       | 238367     | 283923649  | 62959981               | -238367      | 0           | 0                      | 160843317              | 141640573              |
| iv)     | Railway sidings  | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| v)      | Hydraulic Works/Dams, Water Conductor system, Hydro mechanical gates, tunnels) | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| vi)     | Generating Plant and machinery   | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| vii)    | Plant and machinery  | 7606777           | 0       | 1464900   | 0       | 0          | 9071677    | 1531183                | 405362       | 0           | 0                      | 7135132                | 6075594                |
| viii)   | Sub station  | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| ix)     | Transmission lines   | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| x)      | Plant and machinery Others   | 17850299          | 0       | 5850710   | 0       | 0          | 23701009   | 2862037                | 1232263      | 0           | 0                      | 19586709               | 14968262               |
| xi)     | Construction Equipment   | 1735099           | 0       | 19399     | 0       | 9200       | 1745298    | 1648803                | 442          | -9199       | 1640046                | 105252                 | 86296                  |
| xii)    | Water Supply System/Drainage and Sewerage                                      | 3362791           | 0       | 587609    | 0       | 0          | 3950400    | 462917                 | 125491       | 0           | 588408                 | 3361992                | 2899874                |
| xiii)   | Electrical installations   | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| xiv)    | Vehicles   | 20147889          | 0       | 0         | 0       | 0          | 20147889   | 9830005                | 1279209      | 0           | 0                      | 9038675                | 10317884               |
| xv)     | Aircraft/ Boats  | 0                 | 0       | 0         | 0       | 0          | 0          | 0                      | 0            | 0           | 0                      | 0                      | 0                      |
| xvi)    | Furniture and fixture  | 45478073          | 0       | 6577623   | 534688  | 119755     | 51953645   | 16902056               | 3085957      | -42067      | 19945946               | 32007699               | 28576917               |
| xvii)   | Computers  | 47113273          | 503954  | 7319369   | 503954  | 1248240    | 53784402   | 30543715               | 7081808      | -1009385    | 36616138               | 17168264               | 17169558               |
| xviii)  | Communication Equipment  | 1314443           | 0       | 7730      | 0       | 0          | 1322173    | 494637                 | 68779        | 20679       | 584095                 | 738078                 | 8199006                |
|         | Office Equipments  | 94314375          | 51789   | 15368689  | 51789   | 1377431    | 108189006  | 34167641               | 6287354      | -1024257    | 39430738               | 68758268               | 60146734               |
|         | Total  | 1130485351        | 1090431 | 245428462 | 1090431 | 2992993    | 1371462771 | 201478309              | 99025629     | -2302596    | 296201342              | 1073261429             | 929007042              |
|         | Previous year  | 689482871         | 80000   | 444560025 | 80000   | 2120284    | 1130485351 | 157861704              | 44875199     | -1258594    | 201478309              | 929007042              | 531621167              |

(Amount in ₹)

Note no. 2.2 Capital Work In Progress

| S.No   | Particulars  | (Amount in ₹)      |                    |                   |                  | As at 31st March, 2023 |
|--------|--|--------------------|--------------------|-------------------|------------------|------------------------|
|        |  | As at 01-Apr-2022  | Addition           | Adjustment        | Capitalised      |                        |
| i)     | Roads and Bridges  | 325200815          | 334115764          | (98091785)        | 102077102        | 459147692              |
| ii)    | Buildings  | 3121359374         | 2322169948         | (527734)          | 82172525         | 5360829063             |
| iii)   | Building-Under Lease   | -                  | -                  | -                 | -                | -                      |
| iv)    | Railway sidings  | -                  | -                  | -                 | -                | -                      |
| v)     | Hydraulic Works(Dams, Water Conductor system, Hydro mechanical gates, tunnels) | 4679894367         | 5516659264         | -                 | -                | -                      |
| vi)    | Generating Plant and Machinery   | -                  | -                  | -                 | -                | 10196553631            |
| vii)   | Plant and Machinery - Sub station  | 1428771470         | 1529521602         | -                 | -                | 2958293072             |
| viii)  | Plant and Machinery - Transmission lines                                       | 40985308           | 15879103           | -                 | -                | 56864411               |
| ix)    | Plant and Machinery - Others   | 32114490           | 55618563           | -                 | -                | 87733053               |
| x)     | Construction Equipment   | -                  | -                  | -                 | -                | -                      |
| xi)    | Water Supply System/Drainage and Sewerage                                      | -                  | -                  | -                 | -                | -                      |
| xii)   | Computers  | 3721258            | -                  | (174544)          | 587609           | 2959105                |
| xiii)  | Communication Equipment  | -                  | -                  | -                 | -                | -                      |
| xiv)   | Office Equipments  | -                  | -                  | -                 | -                | -                      |
| xv)    | Assets awaiting installation   | -                  | -                  | -                 | -                | -                      |
| xvi)   | CWIP - Assets Under 5 KM Scheme Of the GOI                                     | -                  | -                  | -                 | -                | -                      |
| xvii)  | Survey, investigation, consultancy and supervision charges                     | -                  | -                  | -                 | -                | -                      |
| xviii) | Expenditure on compensatory Afforestation                                      | 301597517          | 44513226           | -                 | -                | 346110743              |
| xix)   | Expenditure attributable to construction (Refer Note-32)                       | -                  | -                  | -                 | -                | -                      |
|        | Less: Capital Work in Progress Provided  | 9004826528         | 1212965141         | 80977775          | -                | 10298769444            |
|        | <b>Sub total (a)</b>   | <b>18938471127</b> | <b>11031442611</b> | <b>(17816288)</b> | <b>184837236</b> | <b>29767260214</b>     |
|        | Construction Stores  | -                  | -                  | -                 | -                | -                      |
|        | Less : Provisions for construction stores                                      | 122023             | -                  | -                 | -                | 122023                 |
|        | <b>Sub total (b)</b>   | <b>122023</b>      | <b>-</b>           | <b>-</b>          | <b>-</b>         | <b>122023</b>          |
|        | <b>TOTAL</b>   | <b>18938593150</b> | <b>11031442611</b> | <b>(17816288)</b> | <b>184837236</b> | <b>29767382237</b>     |
|        | Previous year  | 13198900920        | 6289566129         | (308041790)       | 241832109        | 18938593150            |

2.2.1 (a) CWIP aging schedule as on 31st March 2023

| 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           | 10,873,874,187                 | 5,863,248,764        | 3,775,332,488        | 9,254,926,798        | 29,767,382,237        |
| Projects temporarily Suspended | -                              | -                    | -                    | -                    | -                     |
| <b>Total</b>                   | <b>10,873,874,187</b>          | <b>5,863,248,764</b> | <b>3,775,332,488</b> | <b>9,254,926,798</b> | <b>29,767,382,237</b> |

(b) CWIP Completion Schedule as on 31st March 2023 for delayed projects

| CWIP         | To be Completed in |           |           |                   | Total    |
|--------------|--------------------|-----------|-----------|-------------------|----------|
|              | Less than 1 Year   | 1-2 Years | 2-3 Years | More than 3 Years |          |
|              | -                  | -         | -         | -                 | -        |
| <b>Total</b> | <b>-</b>           | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>-</b> |

2.2.2 (a) CWIP aging 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           | 5,908,333,864                  | 3,775,332,488        | 2,483,762,436        | 6,771,164,362        | 18,938,593,150        |
| Projects temporarily Suspended | -                              | -                    | -                    | -                    | -                     |
| <b>Total</b>                   | <b>5,908,333,864</b>           | <b>3,775,332,488</b> | <b>2,483,762,436</b> | <b>6,771,164,362</b> | <b>18,938,593,150</b> |

(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 |          |
|              | -                  | -         | -         | -                 | -        |
| <b>Total</b> | <b>-</b>           | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>-</b> |

2.2.3 Expenditure attributable to Construction (EAC) includes ₹ 23,31,10,951/- (Previous year ₹ 5,47,29,775/-) towards borrowing cost capitalised during the year.

2.2.4 Underground Works amounting to Rs 163,34,94,942/- (Previous year Rs 120,71,15,004/-) created on "Land -Right to Use" classified under Right of Use Assets, are included under respective heads of Capital Work in Progress (CWIP).

## CUMMULATIVE EDC

Annexure to Note 2.2

(Amount in Rupees)

| Particulars   | 31.03.2023        | 31.03.2022        |
|---|-------------------|-------------------|
| <b>A. EMPLOYEES BENEFITS EXPENSES</b>   |                   |                   |
| Salaries, wages, allowances   | 4186838897        | 3692658051        |
| Gratuity and contribution to provident fund (including administration fees)               | 684263537         | 611628774         |
| Staff welfare expenses  | 281125629         | 252119362         |
| Leave Salary & Pension Contribution   | 1491260           | 1491260           |
| <b>Sub-total(a)</b>   | <b>5153719323</b> | <b>4557897447</b> |
| <i>Less: Capitalized During the year/Period</i>   | 0                 | 0                 |
| <b>Sub-total(A)</b>   | <b>5153719323</b> | <b>4557897447</b> |
| <b>B. OTHER EXPENSES</b>  |                   |                   |
| CONSUMPTION OF STORES AND SPARES AT PROJECTS GENERATING INFIRM POWER                      | 0                 | 0                 |
| REPAIR AND MAINTENANCE- DAM/WATER REGULATING SYSEM AT PROJECTS GENERATING INFIRM POWER    | 0                 | 0                 |
| REPAIR AND MAINTENANCE- GPM/ OTHER POWER PLANT SYSTEM AT PROJECTS GENERATING INFIRM POWER | 0                 | 0                 |
| Repairs-Building  | 207424941         | 153669012         |
| Repairs-Machinery   | 1301587           | 1301587           |
| Repairs-Others  | 38139205          | 27275800          |
| Rent  | 123419157         | 102005064         |
| Rates and taxes   | 5004879           | 3902615           |
| Insurance   | 2283959           | 2151883           |
| Security expenses   | 325171241         | 304991347         |
| Electricity Charges   | 21427599          | 16808380          |
| Travelling and Conveyance   | 64717680          | 53509411          |
| Expenses on vehicles  | 13898509          | 9636797           |
| Telephone, telex and Postage  | 20923905          | 14368684          |
| Advertisement and publicity   | 18198558          | 18114474          |
| Entertainment and hospitality expenses  | 472152            | 472152            |
| Printing and stationery   | 15071689          | 13288677          |
| Remuneration to Auditors  | 52959             | 52959             |
| <b>Design and Consultancy charges:</b>  |                   |                   |
| - Indigenous  |                   | 0                 |
| - Foreign   | 1555563763        | 1308304268        |
| Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses  | 50210730          | 50210730          |
| Expenditure on land not belonging to corporation  | 22100200          | 15656900          |
| Land acquisition and rehabilitation   | 290329628         | 181043116         |
| EXPENDITUR ON WORK OF DOWNSTREAM PROTECTION WORKS   | 0                 | 0                 |
| EAC - LEASE RENT  | 0                 | 0                 |
| Loss on assets/ materials written off   | 124185268         | 96647663          |
| Losses on sale of assets  | 166776            | 166776            |
| Other general expenses  | 1709500           | 879459            |
| <b>Sub-total (b)</b>  | <b>145361962</b>  | <b>67394483</b>   |
| <i>Less: Capitalized During the year/Period</i>   | 3047135847        | 2441852237        |
| <b>Sub-total(B)</b>   | 0                 | 0                 |
| <b>3047135847</b>   | <b>2441852237</b> |                   |
| <b>C. FINANCE COST</b>  |                   |                   |
| i) Interest on :  |                   |                   |
| a) Government of India loan   | 0                 | 0                 |
| b) Bonds  | 0                 | 0                 |
| c) Foreign loan   | 0                 | 0                 |
| d) Term loan  | 0                 | 0                 |
| e) Cash credit facilities /WCDL   | 0                 | 0                 |
| g) Exchange differences regarded as adjustment to interest cost                           | 0                 | 0                 |
| Loss on Hedging Transactions  | 0                 | 0                 |
| ii) Bond issue/ service expenses  | 0                 | 0                 |
| iii) Commitment fee   | 0                 | 0                 |
| iv) Guarantee fee on loan   | 0                 | 0                 |
| v) Other finance charges  | 0                 | 0                 |
|   | 718912            | 718017            |

|   |                    |                   |
|---|--------------------|-------------------|
| vi) EAC- INTEREST ON LOANS FROM CENTRAL GOVERNMENT-<br>ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST      | 283214894          | 52167292          |
| vii) EAC- INTEREST ON SECURITY DEPOSIT/ RETENTION MONEY-<br>ADJUSTMENT ON ACCOUNT OF EFFECTIVE INTEREST | 9181415            | 7477708           |
| viii) EAC- COMMITTED CAPITAL EXPENSES- ADJUSTMENT FOR TIME<br>VALUE                                     | 0                  | 0                 |
| ix) EAC- INTEREST ON FC LOANS - EFFECTIVE INTEREST ADJUSTMENT   | 0                  | 0                 |
| x) EAC- INTEREST EXPENSES - UNDER LEASE (IND AS)  | 2380574            | 2021827           |
| <b>Sub-total (c)</b>  | <b>295495795</b>   | <b>62384844</b>   |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>Sub-total (C)</b>  | <b>295495795</b>   | <b>62384844</b>   |
| <b>D. EXCHANGE RATE VARIATION (NET)</b>   |                    |                   |
| i) ERV (Debit balance)  | 0                  | 0                 |
| <i>Less: ii) ERV (Credit balance)</i>   | 0                  | 0                 |
| <b>Sub-total (d)</b>  | <b>0</b>           | <b>0</b>          |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>Sub-total(D)</b>   | <b>0</b>           | <b>0</b>          |
| <b>E. PROVISIONS</b>  |                    |                   |
| <b>Sub-total(e)</b>   | <b>627181</b>      | <b>627181</b>     |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>Sub-total(E)</b>   | <b>627181</b>      | <b>627181</b>     |
| <b>F. DEPRECIATION &amp; AMORTISATION</b>   |                    |                   |
| <b>Sub-total (f)</b>  | <b>587250245</b>   | <b>408721459</b>  |
| <i>Less: Capitalized During the year/Period</i>   | 28422964           | 23774313          |
| <b>Sub-total(F)</b>   | <b>615673209</b>   | <b>432495772</b>  |
|   | 0                  | 0                 |
| <b>Sub-total(F)</b>   | <b>615673209</b>   | <b>432495772</b>  |
| <b>G. PRIOR PERIOD EXPENSES (NET)</b>   |                    |                   |
| Prior period expenses   | 23763458           | 23763458          |
| <i>Less Prior period income</i>   | 72206              | 72206             |
| <b>Sub-total (g)</b>  | <b>23691252</b>    | <b>23691252</b>   |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>Sub-total (G)</b>  | <b>23691252</b>    | <b>23691252</b>   |
| <b>H. LESS : RECEIPTS AND RECOVERIES</b>  |                    |                   |
| i) Income from generation of electricity –<br>precommissioning  | 0                  | 0                 |
| ii) Interest on loans and advances  | 1261715871         | 696368432         |
| iii) Miscellaneous receipts   | 50956445           | 41747150          |
| iv) Profit on sale of assets  | 146287             | 146287            |
| v) Provision not required written back  | 67720580           | 67600597          |
| vi) Hire charges/ outturn on plant and machinery  | 13874715           | 8939204           |
| vii) EAC-FAIR VALUE GAIN - SECURITY DEPOSIT/ RETENTION MONEY  | 17202              | 17202             |
| viii) EAC-MTM Gain on derivatives   | 0                  | 0                 |
| ix) EAC- FAIR VALUE GAIN ON PROVISIONS FOR COMMITTED CAPITAL<br>EXPENDITURE                             | 0                  | 0                 |
| <b>Sub-total (h)</b>  | <b>1394431100</b>  | <b>814818872</b>  |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>Sub-total (H)</b>  | <b>1394431100</b>  | <b>814818872</b>  |
| <b>I. C.O./Regional Office Expenses (i)</b>   |                    |                   |
| <b>Sub-total(i)</b>   | <b>2556857937</b>  | <b>2300696667</b> |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>Sub-total(I)</b>   | <b>2556857937</b>  | <b>2300696667</b> |
| <b>GRAND TOTAL ( a+b+c+d+e+f+g-h+i)</b>   | <b>10298769444</b> | <b>9004826528</b> |
| <i>Less: Capitalized During the year/Period</i>   | 0                  | 0                 |
| <b>GRAND TOTAL ( A+B+C+D+E+F+G-H+I)</b>   | <b>10298769444</b> | <b>9004826528</b> |

NOTE NO. 2.3 RIGHT OF USE ASSETS

| Sl. No. | PARTICULARS            | GROSS BLOCK       |           |        |            |        |                   | DEPRECIATION           |                   |              |             | NET BLOCK              |                        |                        |
|---------|------------------------|-------------------|-----------|--------|------------|--------|-------------------|------------------------|-------------------|--------------|-------------|------------------------|------------------------|------------------------|
|         |                        | As at 01-Apr-2022 | Additions |        | Deductions |        | Other Adjustments | As at 31st March, 2023 | As at 01-Apr-2022 | For the Year | Adjustments | As at 31st March, 2023 | As at 31st March, 2023 | As at 31st March, 2022 |
|         |                        |                   | IUT       | Others | IUT        | Others |                   |                        |                   |              |             |                        |                        |                        |
| i)      | Land-Leasehold         | 376698267         |           |        |            |        |                   |                        | 94174957          | 0            | 375741143   | 3391257124             | 3485432081             |                        |
| ii)     | Building Under Lease   | 11555137          | 6621129   |        |            |        |                   | 4472422                | 4485875           | -2722613     | 6235664     | 9217831                | 7082715                |                        |
| iii)    | Construction Equipment | 0                 |           |        |            |        |                   | 0                      | 0                 | 0            | 0           | 0                      | 0                      |                        |
| iv)     | Vehicles               | 12202365          | 4417553   |        |            |        |                   | 6837707                | 4466719           | 0            | 11304426    | 5315492                | 5364658                |                        |
| v)      | Land-Right to Use      | 4575199259        |           |        |            |        |                   | 4575199259             | 0                 | 0            | 0           | 4575199259             | 4575199259             |                        |
|         | Total                  | 6365955028        | 11038682  | 0      | 0          | 0      | 0                 | 292876315              | 103127551         | -2722613     | 393281253   | 7980989706             | 8073078713             |                        |
|         | Previous Year          | 8206904709        | 175430256 | 0      | 19379937   | 0      | 0                 | 205329451              | 104232866         | -16688002    | 292876315   | 8073078713             | 8004575258             |                        |

Note:-

2.3.1 Additional disclosure of Right of use Assets as per gross block of assets and accumulated depreciation under previous GAAP has been provided as Annexure-1 to this Note.

Annexure-1 to NOTE NO. 2.3 RIGHT OF USE ASSETS

| Sl. No. | PARTICULARS            | GROSS BLOCK       |           |           |        |            |           | DEPRECIATION           |              |              |                        | NET BLOCK              |                        |                        |  |
|---------|------------------------|-------------------|-----------|-----------|--------|------------|-----------|------------------------|--------------|--------------|------------------------|------------------------|------------------------|------------------------|--|
|         |                        | As at 01-Apr-2022 |           | Additions |        | Deductions |           | As at 31st March, 2023 |              | For the year |                        | As at 31st March, 2023 |                        | As at 31st March, 2022 |  |
|         |                        | IUT               | Others    | IUT       | Others | IUT        | Others    | As at 01-Apr-2022      | For the year | Adjustments  | As at 31st March, 2023 | As at 31st March, 2023 | As at 31st March, 2022 |                        |  |
| (j)     | Land Leasehold         | 3766998267        | 0         | 0         | 0      | 0          | 281566186 | 94174957               | 0            | 375741143    | 3391257124             | 3485432081             |                        |                        |  |
| (k)     | Building Under Lease   | 11555137          | 6621129   | 0         | 0      | 0          | 4472422   | 4485875                | -2722613     | 6235684      | 9217831                | 7082715                |                        |                        |  |
| (l)     | Construction Equipment | 12202365          | 0         | 0         | 0      | 0          | 6837707   | 4466719                | 0            | 11304426     | 0                      | 0                      |                        |                        |  |
| (m)     | Vehicles               | 4575199259        | 4417553   | 0         | 0      | 0          | 16619918  | 0                      | 0            | 0            | 5315492                | 5364658                |                        |                        |  |
| (n)     | Land-Right to Use      | 3365955028        | 11038682  | 0         | 0      | 0          | 292876315 | 103127551              | -2722613     | 383281253    | 7980989705             | 8073078713             |                        |                        |  |
|         | Total                  | 8209904709        | 175430256 | 0         | 0      | 0          | 205329451 | 104232866              | -16686002    | 292876315    | 8073078713             | 8004575258             |                        |                        |  |
|         | Previous year          |                   |           |           |        | 19979937   |           |                        |              |              |                        |                        |                        |                        |  |

(Amount in ₹)



NOTE NO. 2.5 Intangible Assets

| Sl. No. | PARTICULARS       | GROSS BLOCK       |           |        |            |        |                        | AMORTISATION      |              |             |                        | NET BLOCK              |                        |
|---------|-------------------|-------------------|-----------|--------|------------|--------|------------------------|-------------------|--------------|-------------|------------------------|------------------------|------------------------|
|         |                   | As at 01-Apr-2022 | Additions |        | Deductions |        | As at 31st March, 2023 | As at 01-Apr-2022 | For the year | Adjustments | As at 31st March, 2023 | As at 31st March, 2023 | As at 31st March, 2022 |
|         |                   |                   | IUT       | Others | IUT        | Others |                        |                   |              |             |                        |                        |                        |
| ii)     | Computer Software | 10439090          | 1077344   | 0      | 0          | 0      | 11516434               | 8913440           | 1105892      | 0           | 10019332               | 1497102                | 1525650                |
|         | Total             | 10439090          | 1077344   | 0      | 0          | 0      | 11516434               | 8913440           | 1105892      | 0           | 10019332               | 1497102                | 1525650                |
|         | Previous year     | 10439090          | 1077344   | 0      | 0          | 0      | 10439090               | 7439259           | 1474181      | 0           | 8913440                | 1525650                | 2999831                |

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.

Annexure-I to NOTE NO. 2.5 Intangible Assets

| Sl. No. | PARTICULARS       | GROSS BLOCK       |           |         |            |          |                        | AMORTISATION      |              |             |                        | NET BLOCK              |                        |
|---------|-------------------|-------------------|-----------|---------|------------|----------|------------------------|-------------------|--------------|-------------|------------------------|------------------------|------------------------|
|         |                   | As at 01-Apr-2022 | Additions |         | Deductions |          | As at 31st March, 2023 | As at 01-Apr-2022 | For the year | Adjustments | As at 31st March, 2023 | As at 31st March, 2023 | As at 31st March, 2022 |
|         |                   |                   | IUT       | Others  | IUT        | Others   |                        |                   |              |             |                        |                        |                        |
| 1)      | Computer Software | 10437324          | 0         | 1077344 | 0          | 0        | 11514668               | 8911674           | 1105892      | 0           | 1007566                | 1497102                | 1525650                |
|         | Total             | 10437324          | 0         | 1077344 | 0          | 0        | 11514668               | 8911674           | 1105892      | 0           | 1007566                | 1497102                | 1525650                |
|         | Previous year     | 10437324          |           |         |            | 10437324 | 7437493                | 1474191           |              | 8911674     | 1525650                | 2999831                |                        |

(Amount in ₹)

Note no. 2.6 Intangible Assets Under Development

| S.No | Particulars                         | Linkage | As at 01-Apr-2022 | Addition | Adjustment | Capitalised | (Amount in ₹)<br>As at 31st March, 2023 |
|------|-------------------------------------|---------|-------------------|----------|------------|-------------|---|
| (i)  | Computer Software Under Development | 432201  | 10,641,843        |          |            |             | 10,641,843                              |
|      | <b>TOTAL</b>                        |         | <b>10,641,843</b> |          |            |             | <b>10,641,843</b>                       |
|      | Previous year                       |         |                   |          |            |             | 10,641,843                              |

2.6.1 Intangible Assets under Development aging schedule as on 31st March 2023

| Intangible Assets under Development | Amount in CWIP for a period of |                   |                   | Total             |
|-------------------------------------|--------------------------------|-------------------|-------------------|-------------------|
|                                     | Less than 1 Year               | 1-2 Years         | More than 3 Years |                   |
| Projects in Progress                |                                | 10,641,843        |                   | 10,641,843        |
| Projects temporarily Suspended      |                                |                   |                   | -                 |
| <b>Total</b>                        |                                | <b>10,641,843</b> |                   | <b>10,641,843</b> |

2.6.2 Intangible Assets under Development Completion Schedule as on 31st March 2023

| Intangible Assets under Development | To be Completed in |           |                   | Total |
|-------------------------------------|--------------------|-----------|-------------------|-------|
|                                     | Less than 1 Year   | 1-2 Years | More than 3 Years |       |
|                                     |                    |           |                   |       |
| <b>Total</b>                        |                    |           |                   |       |

2.6.3 Intangible Assets under Development aging 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 | More than 3 Years |                   |
| Projects in Progress                | 10641843                       |           |                   | 10,641,843        |
| Projects temporarily Suspended      |                                |           |                   | -                 |
| <b>Total</b>                        | <b>10,641,843</b>              |           |                   | <b>10,641,843</b> |

2.6.4 Intangible Assets under Development Completion Schedule as on 31st March 2022

| Intangible Assets under Development | To be Completed in |           |                   | Total |
|-------------------------------------|--------------------|-----------|-------------------|-------|
|                                     | Less than 1 Year   | 1-2 Years | More than 3 Years |       |
|                                     |                    |           |                   |       |
| <b>Total</b>                        |                    |           |                   |       |

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

(Amount in ₹)

| PARTICULARS | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------|------------------------|------------------------|
| Total       |                        |                        |

## NOTE NO. 3.2 NON-CURRENT - FINANCIAL ASSETS - TRADE RECEIVABLES

(Amount in ₹)

| PARTICULARS                                    | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Trade Receivables - Considered Good- Unsecured | -                      | -                      |
| Total  | -                      | -                      |

Refer Annexure-I to Note No-3.2 for Ageing schedule of Trade Receivables.

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

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>At Amortised Cost</b>  |                        |                        |
| <b>A Loan to Related Party (including interest thereon) - Considered good- Unsecured *(Refer Note 34(7), 3.3.1)</b> | -                      | -                      |
| Sub-total   | -                      | -                      |
| <b>B Loans to Employees (Refer Note 3.3.2)</b>  |                        |                        |
| - Considered good- Secured  | 780,882                | 752,821                |
| - Considered good- Unsecured  | 117,140                | 140,082                |
| - Credit Impaired- Unsecured  | -                      | -                      |
| Less : Loss Allowances for doubtful Employees loans (Refer Note 3.3.3)  | -                      | -                      |
| Sub-total   | 898,022                | 892,903                |
| <b>C Contractor / supplier</b>  |                        |                        |
| - Considered good- Secured  | -                      | -                      |
| - Considered good- Unsecured  | -                      | -                      |
| - Against bank guarantee  | -                      | -                      |
| - Others  | -                      | -                      |
| - Credit Impaired- Unsecured  | -                      | -                      |
| Less : Loss Allowances for doubtful advances to Contractor/ Supplier (Refer Note 3.3.4)                             | -                      | -                      |
| Sub-total   | -                      | -                      |
| <b>D State Government in settlement of dues from customer</b>   |                        |                        |
| - Considered good- Secured  | -                      | -                      |
| - Considered good- Unsecured  | -                      | -                      |
| - Credit Impaired- Unsecured  | -                      | -                      |
| Less : Loss Allowances for doubtful Loan to State Government (Refer Note 3.3.5)                                     | -                      | -                      |
| Sub-total   | -                      | -                      |
| <b>E Loan including Interest to Government (Refer Note 3.3.6)</b>   |                        |                        |
| - Considered good- Unsecured  | -                      | -                      |
| Sub-total   | -                      | -                      |
| <b>TOTAL</b>  | <b>898,022</b>         | <b>892,903</b>         |

3.3.1 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.

3.3.2 Due from directors or other officers of the company.

3.3.3 Loss Allowances for doubtful Employees loans

Addition during the year

Closing balance

3.3.4 Loss Allowances for doubtful advances to Contractor/ Supplier

Addition during the year

Closing balance

3.3.5 Loss Allowances for doubtful Loan to State Government

Addition during the year

Closing balance

3.3.6 Loan to Government granted for Business Purpose includes :

- Principal

- Interest

3.3.7 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.

3.3.8 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.

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

(Amount in ₹)

| PARTICULARS  |  | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------|--|------------------------|------------------------|
| <b>A</b>     | <b>Security Deposits</b>   |                        |                        |
|              | - Considered good- Unsecured   | 13,772,040             | 13,468,920             |
|              | - Credit Impaired- Unsecured   | -                      | -                      |
|              | Less : Loss Allowances for Doubtful Deposits (Refer Note 3.4.1)  | -                      | -                      |
|              | <b>Sub-total</b>   | <b>13,772,040</b>      | <b>13,468,920</b>      |
| <b>B</b>     | <b>Bank Deposits with more than 12 Months Maturity (Refer Note 3.4.2)</b>  | -                      | 10,000,000             |
| <b>C</b>     | <b>Lease Rent receivable</b>   | -                      | -                      |
| <b>D</b>     | <b>Amount Recoverable on account of Bonds Fully Serviced by Government of India</b>  | -                      | -                      |
| <b>E</b>     | <b>Interest receivable on lease</b>  | -                      | -                      |
| <b>F</b>     | <b>Interest accrued on:</b>  | -                      | -                      |
|              | - Bank Deposits with more than 12 Months Maturity  | -                      | -                      |
| <b>G</b>     | <b>Derivative Mark to Market Asset</b>   | -                      | -                      |
| <b>H</b>     | <b>Receivable on account of Late payment Surcharge</b>   | -                      | -                      |
| <b>I</b>     | <b>Amount Recoverable</b>  | -                      | -                      |
| <b>J</b>     | <b>Share Application Money Pending Allotment - Subsidiary /Joint Venture (Refer Note 3.4.4)</b>  | -                      | -                      |
| <b>TOTAL</b> |  | <b>13,772,040</b>      | <b>23,468,920</b>      |
| <b>3.4.1</b> | <b>Loss Allowances for Doubtful Deposits</b>   |                        |                        |
|              | Opening Balance  | -                      | -                      |
|              | Addition during the year   | -                      | -                      |
|              | Used during the year   | -                      | -                      |
|              | Reversed during the year   | -                      | -                      |
|              | <b>Closing balance</b>   | <b>-</b>               | <b>-</b>               |
| <b>3.4.2</b> | Bank Deposits of more than 12 months maturity includes FDR of Rs. Nil (Previous Year Rs. 1,00,00,000) which has been taken to provide 100% margin money for Bank Guarantee issued by the Company for obtaining electricity connection. |                        |                        |
| <b>3.4.3</b> | Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.  |                        |                        |

## NOTE NO. 4 NON CURRENT TAX ASSETS (NET)

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Advance Income Tax including Tax Deducted at Source | -                      | -                      |
| Less: Provision for Current Tax                     | -                      | -                      |
| Non Current Tax (Refer Note No-23)                  | 633,450                | 8,343,104              |
| <b>Total</b>  | <b>633,450</b>         | <b>8,343,104</b>       |

## NOTE NO. 5 OTHER NON-CURRENT ASSETS

(Amount in ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| <b>A. CAPITAL ADVANCES</b>   |                        |                        |
| - Considered good- Secured   | 367,034,917            | 122,639,442            |
| - Considered good- Unsecured   |                        |                        |
| - Against bank guarantee   | 5,095,456,789          | 3,421,431,727          |
| - Others   | 803,397,094            | 432,257,532            |
| Less : Expenditure booked pending utilisation certificate  | -                      | 196,727                |
| - Considered doubtful - Unsecured  | -                      | -                      |
| Less : Allowances for doubtful advances (Refer Note 5.1)   | -                      | -                      |
| Sub-total  | 6,265,888,800          | 3,976,131,974          |
| <b>B. ADVANCES OTHER THAN CAPITAL ADVANCES</b>   |                        |                        |
| <b>i) DEPOSITS</b>   |                        |                        |
| - 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  | -                      | -                      |
| <b>C Interest accrued</b>  |                        |                        |
| Others   |                        |                        |
| - Considered Good  | 34,402,685             | 562,534,868            |
| <b>D. Others</b>   |                        |                        |
| <b>Advance against arbitration awards towards capital works (Unsecured)</b>  |                        |                        |
| Released to Contractors - Against Bank Guarantee   | -                      | -                      |
| Released to Contractors - Others   | -                      | -                      |
| Deposited with Court   | -                      | -                      |
| Sub-total  | -                      | -                      |
| <b>ii) Prepaid Expenditure</b>   |                        |                        |
| <b>iii) Deferred Foreign Currency Fluctuation Assets/ Expenditure</b>  |                        |                        |
| Deferred Foreign Currency Fluctuation Assets   | -                      | -                      |
| Deferred Expenditure on Foreign Currency Fluctuation   | -                      | -                      |
| Sub-total  | -                      | -                      |
| <b>iv) Deferred Cost on Employees Advances</b>   |                        |                        |
|  | 120,571                | 237,057                |
| <b>TOTAL</b>   | <b>6,300,412,056</b>   | <b>4,538,903,899</b>   |
| <b>5.1 Provision for doubtful Advances</b>   |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year   | -                      | -                      |
| Used during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| Closing balance  | -                      | -                      |
| <b>5.2 Provision for doubtful Deposits</b>   |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year   | -                      | -                      |
| Used during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| Closing balance  | -                      | -                      |
| <b>5.3 Advances due from Directors or other officers at the end of the year</b>                                    | -                      | -                      |
| <b>5.4 Advances due by Firms or Private Companies in which any director of the Company is a director or member</b> | -                      | -                      |
| <b>5.5 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.</b>       |                        |                        |

## NOTE NO. 6 INVENTORIES

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| (Valued at lower of Cost or Net Realisable Value)   |                        |                        |
| Stores and spares   | -                      | -                      |
| Stores and spares-Stores in transit/ pending inspection   | -                      | -                      |
| Loose tools   | -                      | -                      |
| Scrap inventory   | -                      | -                      |
| Material at site  | -                      | -                      |
| Material issued to contractors/ fabricators   | -                      | -                      |
| Carbon Credits / Certified Emission Reductions (CERs) / Verified Carbon Units (VCUs)  | -                      | -                      |
| Less: Allowances for Obsolescence and Diminution in Value (Refer Note 6.1)  | -                      | -                      |
| <b>TOTAL</b>  | -                      | -                      |
| <b>6.1 Allowances for Obsolescence and Diminution in Value</b>  |                        |                        |
| Opening Balance   |                        |                        |
| Addition during the year (Refer Note 6.1.1)   | -                      | -                      |
| Used during the year  |                        |                        |
| Reversed during the year  |                        |                        |
| Closing balance   | -                      | -                      |
| 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. | -                      | -                      |
| 6.1.2 Allowances for Obsolescence 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 ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| - Trade Receivables- Considered Good- Unsecured (Refer Note 7.2,7.3,7.4 and 7.6)   | -                      | -                      |
| - Trade Receivables-Unbilled- Considered Good- Unsecured (Refer Note 7.4 )   | -                      | -                      |
| - Trade Receivables- Credit Impaired (Refer Note 7.2,7.3 and 7.4)  | -                      | -                      |
| Less: Loss allowances for Trade Receivables (Refer Note 7.1)   | -                      | -                      |
| <b>TOTAL</b>   | -                      | -                      |
| <b>7.1 Loss allowances for Trade Receivables</b>   |                        |                        |
| Opening Balance  |                        |                        |
| Addition during the year   | -                      | -                      |
| Used during the year   |                        |                        |
| Reversed during the year   |                        |                        |
| Closing balance  | -                      | -                      |
| 7.2 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. | -                      | -                      |
| 7.3 Debt due by subsidiaries/ joint Ventures and others related parties of the company at point 7.2 above .  | -                      | -                      |
| 7.4 Refer Annexure-I to Note No-7 for Ageing schedule of Trade Receivables.  |                        |                        |
| 7.5 Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.  |                        |                        |
| 7.6 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.  |                        |                        |

Annexure-I to Note No-7

As at 31st March 2023

| Particulars   | Trade Receivable due and outstanding for following period<br>from due date of payment |         |                       |                    |           |           | Total |
|---|---|---------|-----------------------|--------------------|-----------|-----------|-------|
|   | Unbilled  | Not Due | Less than 6<br>months | 6 months-1<br>year | 1-2 years | 2-3 years |       |
| (i) Undisputed Trade receivables-Considered Good                                    |   |         |                       |                    |           |           | -     |
| (ii) Undisputed Trade receivables-which have<br>significant increase in credit risk |   |         |                       |                    |           |           | -     |
| (iii) Undisputed Trade receivables-Credit Impaired                                  |   |         |                       |                    |           |           | -     |
| (iv) Disputed Trade receivables-Considered Good                                     |   |         |                       |                    |           |           | -     |
| (v) Disputed Trade receivables-which have<br>significant increase in credit risk    |   |         |                       |                    |           |           | -     |
| (vi) Disputed Trade receivables-Credit Impaired                                     |   |         |                       |                    |           |           | -     |
| <b>Total</b>  |   |         |                       |                    |           |           | -     |

As at 31st March 2022

| Particulars   | Trade Receivable due and outstanding for following period<br>from due date of payment |         |                       |                    |           |           | Total |
|---|---|---------|-----------------------|--------------------|-----------|-----------|-------|
|   | Unbilled  | Not Due | Less than 6<br>months | 6 months-1<br>year | 1-2 years | 2-3 years |       |
| (i) Undisputed Trade receivables-Considered Good                                    |   |         |                       |                    |           |           | -     |
| (ii) Undisputed Trade receivables-which have<br>significant increase in credit risk |   |         |                       |                    |           |           | -     |
| (iii) Undisputed Trade receivables-Credit Impaired                                  |   |         |                       |                    |           |           | -     |
| (iv) Disputed Trade receivables-Considered Good                                     |   |         |                       |                    |           |           | -     |
| (v) Disputed Trade receivables-which have<br>significant increase in credit risk    |   |         |                       |                    |           |           | -     |
| (vi) Disputed Trade receivables-Credit Impaired                                     |   |         |                       |                    |           |           | -     |
| <b>Total</b>  |   |         |                       |                    |           |           | -     |



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

(Amount in ₹)

| PARTICULARS                 |  | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------------|--|------------------------|------------------------|
| <b>A</b>                    | <b>Balances with banks</b>   |                        |                        |
|                             | <b>With scheduled banks</b>  |                        |                        |
|                             | i) - In Current Account  | 371,547,039            | 49,490,654             |
|                             | ii) - In deposits account<br>(Deposits with original maturity of less than three | 4,435,000,000          | 3,893,800,000          |
|                             | <b>With other banks</b>  |                        |                        |
|                             | - In current account   | -                      | -                      |
|                             | Bank   | -                      | -                      |
| <b>B</b>                    | <b>Cheques, drafts on hand</b>   | -                      | -                      |
| <b>C</b>                    | <b>Cash on hand (Refer Note 8.1)</b>   | -                      | -                      |
| <b>TOTAL</b>                |  | <b>4,806,547,039</b>   | <b>3,943,290,654</b>   |
| 8.1 Includes stamps on hand |  | -                      | -                      |

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

(Amount in ₹)

| PARTICULARS  |   | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------|---|------------------------|------------------------|
| <b>A</b>     | Bank Deposits for original maturity more than 3 months upto 12 months | 2,356,500,001          | 6,561,155,104          |
| <b>B</b>     | Deposit -Unpaid Dividend  | -                      | -                      |
| <b>C</b>     | Deposit -Unpaid Interest  | -                      | -                      |
| <b>D</b>     | Other Earmarked Balances with Banks                                   | -                      | -                      |
| <b>TOTAL</b> |   | <b>2,356,500,001</b>   | <b>6,561,155,104</b>   |

## NOTE NO. 10 FINANCIAL ASSETS - CURRENT - LOANS

(Amount in ₹)

| PARTICULARS |   | As at 31st March, 2023 | As at 31st March, 2022 |
|-------------|---|------------------------|------------------------|
| <b>A</b>    | <b>Loan (including interest thereon) to Related Party Unsecured (considered good) (Refer Note 34(8) and 10.2) *</b>                     |                        |                        |
|             | Loan Receivable - Unsecured (Considered Good)   | -                      | -                      |
|             | Loan Receivable-Credit Impaired - Unsecured   | -                      | -                      |
|             | Less : Loss Allowances for doubtful loan to Related Party (Refer Note 10.3)   | -                      | -                      |
|             | Sub-total   | -                      | -                      |
| <b>B</b>    | <b>Employees Loan (including accrued interest) (Refer Note 10.4)</b>  |                        |                        |
|             | - Loans Receivables- Considered good- Secured   | 170,498                | 201,271                |
|             | - Loans Receivables- Considered good- Unsecured   | 3,614,184              | 2,654,960              |
|             | - Credit Impaired- Unsecured  | -                      | -                      |
|             | Loss Allowances for doubtful Employees loans (Refer Note 10.4)  | -                      | -                      |
|             | Sub-total   | 3,784,682              | 2,856,231              |
| <b>C</b>    | <b>Loan to State Government in settlement of dues from customer</b>   |                        |                        |
|             | - Unsecured (considered good)   | -                      | -                      |
|             | Sub-total   | -                      | -                      |
| <b>D</b>    | <b>Advances to Subsidiaries / JV's</b>  |                        |                        |
|             |   | -                      | -                      |
|             | <b>TOTAL</b>  | <b>3,784,682</b>       | <b>2,856,231</b>       |
| <b>10.1</b> | <b>Loans and advances in the nature of loan that are repayable on demand.</b>   | -                      | -                      |
|             | 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.  |                        |                        |
| <b>10.2</b> | <b>Due from directors or other officers of the company.</b>   | -                      | -                      |
| <b>10.3</b> | <b>Loss Allowances for doubtful loan to Related Party</b>   |                        |                        |
|             | Opening Balance   | -                      | -                      |
|             | Addition during the year  | -                      | -                      |
|             | Used during the year  | -                      | -                      |
|             | Reversed during the year  | -                      | -                      |
|             | Closing balance   | -                      | -                      |
| <b>10.4</b> | <b>Loss Allowances for doubtful Employees loans</b>   |                        |                        |
|             | Opening Balance   | -                      | -                      |
|             | Addition during the year  | -                      | -                      |
|             | Used during the year  | -                      | -                      |
|             | Reversed during the year  | -                      | -                      |
|             | Closing balance   | -                      | -                      |
| <b>10.5</b> | <b>Advance due by firms or private companies in which any Director of the Company is a Director or member.</b>                          | -                      | -                      |
| <b>10.6</b> | <b>Particulars of Loans as required in terms of Section 186 (4) of the Companies Act, 2013 have been disclosed under Note 10 above.</b> |                        |                        |
| <b>10.7</b> | <b>Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.</b>                                |                        |                        |

## NOTE NO. 11 FINANCIAL ASSETS - CURRENT - OTHERS

(Amount in ₹)

| PARTICULARS  |   | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---|------------------------|------------------------|
| <b>A</b>   | <b>Security Deposits</b>  |                        |                        |
|  | - Considered good- Unsecured  | -                      | -                      |
|  | - Credit Impaired- Unsecured  | -                      | -                      |
|  | Less : Loss Allowances for Doubtful Deposits (Refer Note 11.1)  | -                      | -                      |
|  | Sub-total   | -                      | -                      |
| <b>B</b>   | <b>Amount recoverable</b>   |                        |                        |
|  | Less: Loss Allowances for Doubtful Recoverables (Refer Note 11.2)   | 1,224,087,907          | 754,543,179            |
|  | Sub-total   | 1,224,087,907          | 754,543,179            |
| <b>C</b>   | <b>Receivable from Subsidiaries / Joint Ventures</b>  |                        |                        |
| <b>D</b>   | <b>Receivable on account of Late Payment Surcharge</b>  |                        |                        |
|  | Less: Loss allowances for Receivable on account of Late Payment Surcharge   | -                      | -                      |
|  | Sub-total   | -                      | -                      |
| <b>E</b>   | <b>Lease Rent receivable (Finance Lease)</b>  |                        |                        |
| <b>F</b>   | <b>Interest Income accrued on Bank Deposits (Refer Note 11.3)</b>   | 54,777,509             | 58,440,042             |
| <b>G</b>   | <b>Interest receivable on Finance lease</b>   |                        |                        |
| <b>H</b>   | <b>Interest recoverable from beneficiary</b>  |                        |                        |
| <b>I</b>   | <b>Interest Accrued on Investment (Bonds)</b>   |                        |                        |
| <b>J</b>   | <b>Amount Recoverable on account of Bonds Fully Serviced by Government of India</b>   |                        |                        |
|  | -Principal  | -                      | -                      |
|  | - Interest accrued  | -                      | -                      |
| <b>K</b>   | <b>Interest accrued on Loan to State Government in settlement of dues from customers</b>  |                        |                        |
| <b>L</b>   | <b>Derivative MTM Asset</b>   |                        |                        |
| <b>M</b>   | <b>Claim recoverable from parent company - NHPC LTD.</b>  |                        |                        |
| <b>TOTAL</b>   |   | <b>1,278,865,416</b>   | <b>812,983,221</b>     |
| <b>11.1 Loss Allowances for Doubtful Deposits</b>  |   |                        |                        |
|  | Opening Balance   | -                      | -                      |
|  | Addition during the year  | -                      | -                      |
|  | Used during the year  | -                      | -                      |
|  | Reversed during the year  | -                      | -                      |
|  | Closing balance   | -                      | -                      |
| Amount recoverable – It includes amount of claim to be reimbursed by State Taxes Department, Government of J&K to the Company in terms of scheme "Reimbursement of State Goods and Services Taxes on Utilization of Goods and Service in the Power Projects in the Union Territory of Jammu and Kashmir (RSGTTP)" for development and construction of PakalDul HEP, Kiru HEP &Kwar HEP notified by Finance Department, Government of Jammu & Kashmir vide Notification SO. 281 dt. 17.08.2021 to the extent Suppliers' invoices are reflected in GSTR 2A of the Company including cash paid by it on Reverse Charge Mechanism (RCM) basis. Wherever the amount of claim to be reimbursed by State Taxes Department, Government of J&K was booked as cost of PPE/CWIP in earlier years, the same has also been included in the recoverable amount after Corresponding adjustment to PPE/CWIP. |   | 1,214,069,239          | 745,767,880            |
| <b>11.3 Loss Allowances for Doubtful Recoverables</b>  |   |                        |                        |
|  | Opening Balance   | -                      | -                      |
|  | Addition during the year  | -                      | -                      |
|  | Used during the year  | -                      | -                      |
|  | Reversed during the year  | -                      | -                      |
|  | Closing balance   | -                      | -                      |
| <b>11.4 Loss Allowances for Receivables on account of late payment surcharge</b>   |   |                        |                        |
|  | Opening Balance   | -                      | -                      |
|  | Addition during the year  | -                      | -                      |
|  | Used during the year  | -                      | -                      |
|  | Reversed during the year  | -                      | -                      |
|  | Closing balance   | -                      | -                      |
| <b>11.3</b>  |   |                        |                        |
|  | Includes Interest accrued on balances of held for works being executed by Company on behalf of other agencies and are not freely available for the business of the Company. | -                      | -                      |
| <b>11.4</b>  |   |                        |                        |
|  | Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.   | -                      | -                      |

## NOTE NO. 12 CURRENT TAX ASSETS (NET)

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>Current Tax Assets</b>                             |                        |                        |
| A Advance Income Tax including Tax Deducted at Source | -                      | 44,335,825             |
| B Less: Provision for Current Tax                     | -                      | 44,330,651             |
| <b>Net Current Tax Assets (A-B)</b>                   | -                      | 5,174                  |
| Income Tax Refundable                                 | -                      | -                      |
| <b>Total</b>  | -                      | 5,174                  |

## NOTE NO. 13 OTHER CURRENT ASSETS

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>A. Advances other than Capital Advances</b>  |                        |                        |
| a) Deposits   |                        |                        |
| - Considered good- Unsecured  | -                      | -                      |
| Less : Expenditure booked against demand raised by Government Departments                         | -                      | -                      |
| - Considered doubtful- Unsecured  | -                      | -                      |
| Less : Allowances for Doubtful Deposits (Refer Note 13.1)   | -                      | -                      |
| <b>Sub-total</b>  | -                      | -                      |
| b) Advance to contractors and suppliers (Refer Note 13.8)   |                        |                        |
| - Considered good- Secured  | -                      | -                      |
| - Considered good- Unsecured  | -                      | -                      |
| - Against bank guarantee  | -                      | -                      |
| - Others  | 16,956,536             | 8,124,995              |
| Less : Expenditure booked pending utilisation certificate   | -                      | -                      |
| - Considered doubtful- Unsecured  | -                      | -                      |
| Less : Allowances for doubtful advances (Refer Note 13.2)   | -                      | -                      |
| <b>Sub-total</b>  | 16,956,536             | 8,124,995              |
| c) Other advances - Employees   |                        |                        |
| - Considered good- Unsecured (Refer Note 13.7)  | 398,288                | 120,742                |
| <b>Sub-total</b>  | 398,288                | 120,742                |
| d) Interest accrued   |                        |                        |
| Others  |                        |                        |
| - Considered Good   | 218,958,405            | -                      |
| - Considered Doubtful   | -                      | -                      |
| Less: Allowances for Doubtful Interest (Refer Note 13.3)  | -                      | -                      |
| <b>Sub-total</b>  | 218,958,405            | -                      |
| <b>B. Others</b>  |                        |                        |
| a) Expenditure awaiting adjustment  |                        |                        |
| Less: Allowances for project expenses awaiting write off sanction (Refer Note 13.4)               | -                      | -                      |
| <b>Sub-total</b>  | -                      | -                      |
| b) Losses awaiting write off sanction/pending investigation                                       |                        |                        |
| Less: Allowances for losses pending investigation/awaiting write off / sanction (Refer Note 13.5) | -                      | 74,554                 |
| <b>Sub-total</b>  | -                      | 74,554                 |
| c) Work In Progress   |                        |                        |
| Construction work in progress(on behalf of client)  | -                      | -                      |
| Consultancy work in progress(on behalf of client)   | -                      | -                      |
| d) Prepaid Expenditure  |                        |                        |
| e) Deferred Cost on Employees Advances  | 7,447,303              | 8,971,166              |
| f) Deferred Foreign Currency Fluctuation  | 53,436                 | 13,330                 |
| Deferred Foreign Currency Fluctuation Assets  | -                      | -                      |
| Deferred Expenditure on Foreign Currency Fluctuation  | -                      | -                      |
| g) Surplus / Obsolete Assets (Refer Note 13.9)  | 332,633                | 889,281                |
| h) Goods and Services Tax Input Receivable  | 216,586                | 186,050                |
| Less: Allowances for Goods and Services Tax Input Receivable (Refer Note 13.6)                    | -                      | -                      |
| <b>Sub-total</b>  | 216,586                | 186,050                |
| i) Others (Mainly on account of Material Issued to Contractors)                                   |                        |                        |
|   | -                      | -                      |
| <b>TOTAL</b>  | 244,363,187            | 18,305,564             |

|  |        |        |
|--|--------|--------|
| 13.1 Allowances for Doubtful Deposits  |        |        |
| Opening Balance  |        |        |
| Addition during the year   | -      |        |
| Used during the year   |        |        |
| Reversed during the year   |        |        |
| <u>Closing balance</u>   |        | -      |
| 13.2 Allowances for doubtful advances (Contractors and Suppliers)  |        |        |
| Opening Balance  |        |        |
| Addition during the year   | -      |        |
| Used during the year   |        |        |
| Reversed during the year   |        |        |
| <u>Closing balance</u>   |        | -      |
| 13.3 Allowances for Doubtful Accrued Interest  |        |        |
| Opening Balance  |        |        |
| Addition during the year   | -      |        |
| Used during the year   |        |        |
| Reversed during the year   |        |        |
| <u>Closing balance</u>   |        | -      |
| 13.4 Allowances for project expenses awaiting write off sanction   |        |        |
| Opening Balance  |        |        |
| Addition during the year   | -      |        |
| Used during the year   |        |        |
| Reversed during the year   |        |        |
| <u>Closing balance</u>   |        | -      |
| 13.5 Allowances for losses pending investigation/ awaiting write off / sanction                                    |        |        |
| Opening Balance  |        |        |
| Addition during the year   | 74,554 | 74,554 |
| Used during the year   |        |        |
| Reversed during the year   |        |        |
| <u>Closing balance</u>   | 74,554 |        |
| 13.6 Allowances for Goods and Services Tax Input Receivable  |        | 74,554 |
| Opening Balance  |        |        |
| Addition during the year   | -      |        |
| Used during the year   |        |        |
| Reversed during the year   |        |        |
| <u>Closing balance</u>   |        | -      |
| 13.7 Loans and Advances due from Directors or other officers at the end of the year.                               |        |        |
| 13.8 Advance due by Firms or Private Companies in which any Director of the Company is a Director or member.       |        |        |
| 13.9 Surplus Assets / Obsolete Assets held for disposal are shown at lower of book value and net realizable value. |        |        |
| 13.10 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.            |        |        |

## NOTE NO. 14 REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES

(Amount in ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| <b>A Regulatory Deferral Account Balances</b>  |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year (Refer Note 31)   | -                      | -                      |
| Adjustment during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| Less: Provided for   | -                      | -                      |
| <b>Closing balance</b>   | -                      | -                      |
| <b>B Wage Revision as per 3rd Pay Revision Committee</b>                                     |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year (through Statement of Profit and Loss) (Refer Note 31)              | -                      | -                      |
| Addition during the year (through Other Comprehensive Income)                                | -                      | -                      |
| Adjustment during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| <b>Closing balance</b>   | -                      | -                      |
| <b>C Differential Depreciation due to Moderation of Tariff</b>                               |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year (Refer Note 31)   | -                      | -                      |
| Adjustment during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| <b>Closing balance</b>   | -                      | -                      |
| <b>D Exchange Differences on Monetary Items</b>  |                        |                        |
| Opening Balance  | 1,059,609              | 61,040                 |
| Addition during the year (Refer Note 31)   | 4,577,499              | 998,569                |
| Adjustment during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| <b>Closing balance</b>   | <b>5,637,108</b>       | <b>1,059,609</b>       |
| <b>E Adjustment against Deferred Tax Recoverable for tariff period upto 2009</b>             |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year (Refer Note 31)   | -                      | -                      |
| Used during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| <b>Closing balance</b>   | -                      | -                      |
| <b>F Adjustment against Deferred Tax Liabilities for tariff period 2014-2019 and onwards</b> |                        |                        |
| Opening Balance  | -                      | -                      |
| Addition during the year (Refer Note 31)   | -                      | -                      |
| Used during the year   | -                      | -                      |
| Reversed during the year   | -                      | -                      |
| <b>Closing balance</b>   | -                      | -                      |
| <b>Closing Balance (A+B+C+D+E+F)</b>   | <b>5,637,108</b>       | <b>1,059,609</b>       |
| Less: Deferred Tax on Regulatory Deferral Account Balances                                   | -                      | -                      |
| Add: Deferred Tax recoverable from Beneficiaries   | -                      | -                      |
| <b>Regulatory Deferral Account Balances net of Deferred Tax.</b>                             | <b>5,637,108</b>       | <b>1,059,609</b>       |

14.1 Refer Note-34 (17) and 34 (22) of Standalone Financial Statements.

## NOTE NO. 14.2 REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES

(Amount in ₹)

| PARTICULARS                              | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| <b>MAT CREDIT</b>                        |                        |                        |
| Opening Balance                          | -                      | -                      |
| Addition during the year (Refer Note 31) | -                      | -                      |
| Used during the year                     | -                      | -                      |
| Reversed during the year                 | -                      | -                      |
| <b>Closing balance</b>                   | -                      | -                      |

## NOTE : 15.1 EQUITY SHARE CAPITAL

| PARTICULARS  | As at 31st March, 2023 |                | As at 31st March, 2022 |                |
|--|------------------------|----------------|------------------------|----------------|
|  | Nos                    | Amount         | Nos                    | Amount         |
| Authorized Share Capital (Par value per share Rs. 10)                        | 5200000000             | 52,000,000,000 | 5200000000             | 52,000,000,000 |
| Equity shares issued, subscribed and fully paid (Par value per share Rs. 10) | 3692391286             | 36,923,912,860 | 3336451286             | 33,364,512,860 |

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

|  |            |                |            |                |
|--|------------|----------------|------------|----------------|
| Opening Balance  | 3336451286 | 33,364,512,860 | 2479780000 | 24,797,800,000 |
| Add: No. of shares/Share Capital issued/subscribed during the year | 355940000  | 3,559,400,000  | 856671286  | 8,566,712,860  |
| Less:-Buyback of shares during the period/year                     | -          | -              | -          | -              |
| Closing Balance  | 3692391286 | 36,923,912,860 | 3336451286 | 33,364,512,860 |

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

|                    | As at 31st March, 2023 |         | As at 31st March, 2022 |         |
|--------------------|------------------------|---------|------------------------|---------|
|                    | Number                 | In (%)  | Number                 | In (%)  |
| i) NHPC Limited    | 1947391286             | 52.74%  | 1839451286             | 55.13%  |
| ii) JKSPDC Limited | 1745000000             | 47.26%  | 1497000000             | 44.87%  |
| iii) PTC India Ltd | 0                      | 0.00%   | 0                      | 0.00%   |
|                    | 3692391286             | 100.00% | 3336451286             | 100.00% |

## 15.1.4 Shareholding of Promoters as at 31st March 2023

| S.No | Promoter Name  | No. of Shares | % of Total Shares | % Change during the Period |
|------|----------------|---------------|-------------------|----------------------------|
| 1    | NHPC Limited   | 1947391286    | 52.74%            | -2.39%                     |
| 2    | JKSPDC Limited | 1745000000    | 47.26%            | 2.39%                      |
| 3    | PTC India Ltd  | 0             | 0.00%             | 0.00%                      |

## 15.1.5 Shareholding of Promoters as at 31st March 2022

| S.No | Promoter Name  | No. of Shares | % of Total Shares | % Change during the Period |
|------|----------------|---------------|-------------------|----------------------------|
| 1    | NHPC Limited   | 1839451286    | 55.13%            | 3.20%                      |
| 2    | JKSPDC Limited | 1497000000    | 44.87%            | -3.03%                     |
| 3    | PTC India Ltd  | 0             | 0.00%             | -0.16%                     |

## NOTE NO. 15.2 OTHER EQUITY

| PARTICULARS   | As at 31st March,<br>2023 | As at 31st March,<br>2022 |
|---|---------------------------|---------------------------|
| (i) Share Application Money Pending Allotment                                   |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| Add: Received During The Year   | 1,000,000,000             | 2,438,800,000             |
| Less: Shares Issued during the Year   | 4,806,300,000             | 7,127,912,860             |
| As at Balance Sheet date  | 3,559,400,000             | 8,566,712,860             |
|   | 2,246,900,000             | 1,000,000,000             |
| (ii) Capital Redemption Reserve   |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| As at Balance Sheet date  | -                         | -                         |
| (iii) Bond Redemption Reserve   |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| Less: Transfer to Surplus/Retained Earnings                                     | -                         | -                         |
| As at Balance Sheet date  | -                         | -                         |
| (iv) General Reserve  |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| As at Balance Sheet date  | -                         | -                         |
| (v) Surplus/ Retained Earnings  |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| Add: Profit during the year   | 540,073,245               | 493,359,547               |
| Add: Other Comprehensive Income during the year                                 | 251,454,636               | 46,713,698                |
| Add: Transfer from Bond Redemption Reserve                                      |                           |                           |
| Less: Dividend (Final and Interim)  |                           |                           |
| As at Balance Sheet date  | 791,527,881               | 540,073,245               |
| (vi) Fair value through Other Comprehensive Income (FVTOCI)-Debt Instruments    |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| Add: Change in Fair value of FVTOCI (Net of Tax)                                | -                         | -                         |
| As at Balance Sheet date  | -                         | -                         |
| (vii) Fair value through Other Comprehensive Income (FVTOCI)-Equity Instruments |                           |                           |
| As per last Balance Sheet   |                           | -                         |
| Add: Change in Fair value of FVTOCI (Net of Tax)                                | -                         | -                         |
| As at Balance Sheet date  | -                         | -                         |
| <b>TOTAL</b>  | <b>3,038,427,881</b>      | <b>1,540,073,245</b>      |

## 15.2.1 Nature and Purpose of Reserves

- (i) **General Reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.
- (ii) **Surplus/ Retained Earnings**: Surplus/ Retained earnings generally represent the undistributed profit/ amount of accumulated earnings of the company and includes remeasurement gain/ losses on defined benefit obligations.



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

(Amount in ₹)

| PARTICULARS                 | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------------|------------------------|------------------------|
| FUNDS FROM CORPORATE OFFICE | 30,192,338,763         | 21,811,601,338         |
| C.O.(JAMMU)                 | 3,758,188,811          | 1,903,342,178          |
| DULHASTI                    | -                      | -                      |
| PAKAL DUL                   | (7,521,244,883)        | (5,417,408,803)        |
| KIRU                        | (2,638,403,979)        | (1,824,524,665)        |
| KWAR                        | (1,345,859,162)        | (618,040,498)          |
| CHEQUE PAID ACCOUNT         |                        |                        |
| C.O. (JAMMU)                | 9,276,399,153          | 6,693,150,000          |
| DULHASTI (STAGE - II)       | -                      | -                      |
| PAKAL DUL                   | (21,784,815,703)       | (16,730,816,550)       |
| KIRU                        | (7,483,972,000)        | (5,097,472,000)        |
| KWAR                        | (2,452,631,000)        | (719,831,000)          |
| Total                       | -                      | -                      |

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

(Amount in ₹)

| PARTICULARS              |   | As at 31st March, 2023        | As at 31st March, 2022        |
|--------------------------|---|-------------------------------|-------------------------------|
| <b>At Amortised Cost</b> |   |                               |                               |
| <b>A</b>                 | <b>- Secured Loans</b>  |                               |                               |
|                          | -Bonds  | -                             | -                             |
|                          | -Term Loan  | -                             | -                             |
|                          | - from Banks  | -                             | -                             |
|                          | - from Other (Financial Institutions)   | -                             | -                             |
| <b>B</b>                 | <b>- Unsecured Loans</b>  |                               |                               |
|                          | -Term Loan  |                               |                               |
|                          | - from Government of India (Subordinate Debts)<br>(Refer Note 16.1.3)   | 3,845,467,174                 | 2,081,334,005                 |
|                          | - from Bank   | -                             | -                             |
|                          | - from Other (in Foreign Currency)  | -                             | -                             |
| <b>C</b>                 | <b>Loan from Parent Company</b>   |                               |                               |
|                          | -Term Loan -Unsecured (Refer Note 16.1.4)   | -                             | -                             |
| <b>TOTAL</b>             |   | <b>3,845,467,174</b>          | <b>2,081,334,005</b>          |
| 16.1.1                   | Debt Covenants : Refer Note 33(3) with regard to capital Management.  |                               |                               |
| 16.1.2                   | Particulars of Redemption, Repayments and Securities:-<br>Subordinate Debt from Government of India for Pakal Dul HEP (Repayment to be started from 8th year of completion of project and continue till 19th year i.e. from July 2023 along with interest @ 1% p.a to be charged after completion of the project. |                               |                               |
| 16.1.3                   | Term Loan-From Government of India (Subordinate Debts) is net of fair valuation. Actual Subordinate Debts drawn is Rs.1023,49,00,000/-(Previous Year Rs. 598,57,00,000/-)   |                               |                               |
| 16.1.4                   | <b>Maturity Analysis of Borrowings</b><br>The table below summarises the maturity profile of the company's borrowings and lease liability based on contractual payments (Undiscounted Cash Flows) :   |                               |                               |
|                          |   |                               |                               |
|                          | <b>Particulars</b>  | <b>As at 31st March, 2023</b> | <b>As at 31st March, 2022</b> |
|                          | More than 1 Year & Less than 3 Years  | -                             | -                             |
|                          | More than 3 Year & Less than 5 Years  | -                             | -                             |
|                          | More than 5 Years   | 10,234,900,000                | 5,985,700,000                 |
|                          | <b>TOTAL</b>  | <b>10,234,900,000</b>         | <b>5,985,700,000</b>          |

## NOTE NO. 16.2 FINANCIAL LIABILITIES - NON CURRENT - LEASE LIABILITIES

(Amount in ₹)

| PARTICULARS              |  | As at 31st March, 2023        | As at 31st March, 2022        |
|--------------------------|--|-------------------------------|-------------------------------|
| <b>Lease Liabilities</b> |  |                               |                               |
| <b>TOTAL</b>             |  | <b>5,472,320</b>              | <b>5,544,743</b>              |
| 16.2.1                   | <b>Maturity Analysis of Lease Liability</b><br>The table below summarises the maturity profile of the company's borrowings and lease liability based on contractual payments (Undiscounted Cash Flows) : |                               |                               |
|                          |  |                               |                               |
|                          | <b>Particulars</b>   | <b>As at 31st March, 2023</b> | <b>As at 31st March, 2022</b> |
|                          | More than 1 Year & Less than 3 Years   | 5,671,356                     | 5,797,336                     |
|                          | More than 3 Year & Less than 5 Years   | -                             | -                             |
|                          | More than 5 Years  | -                             | -                             |
|                          | <b>TOTAL</b>   | <b>5,671,356</b>              | <b>5,797,336</b>              |
| 16.2.2                   | <b>Movement in Lease Liability</b>   |                               |                               |
|                          |  | <b>As at 31st March, 2023</b> | <b>As at 31st March, 2022</b> |
|                          | Opening Balance  | 12,905,470                    | 15,450,707                    |
|                          | Addition in lease liabilities  | 11,038,544                    | 8,394,301                     |
|                          | Finance Cost accrued during the year   | 841,808                       | 933,293                       |
|                          | Less: Payment of lease liabilities   | 9,846,503                     | 11,872,831                    |
|                          | <b>Closing Balance</b>   | <b>14,939,319</b>             | <b>12,905,470</b>             |
|                          | Current maturities of lease obligations (Refer Note 20.2)  | 9,466,999                     | 7,360,727                     |
|                          | Long term maturities of lease obligations  | 5,472,320                     | 5,544,743                     |

## NOTE NO. 16.3 FINANCIAL LIABILITIES - NON CURRENT - OTHERS

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Payable towards Bonds Fully Serviced by Government of India   |                        |                        |
| - Principal   | -                      | -                      |
| Retention Money   | 11,745,807             | 32,225,109             |
| Payable for Late Payment Surcharge  | -                      | -                      |
| Derivative Liability  | -                      | -                      |
| <b>TOTAL</b>  | <b>11,745,807</b>      | <b>32,225,109</b>      |
| <b>16.3.1 Maturity Analysis of Retention Money</b>  |                        |                        |
| The table below summarises the maturity profile of the deposits/retention money based on contractual payments (Undiscounted Cash Flows) : |                        |                        |
| Particulars   | As at 31st March, 2023 | As at 31st March, 2022 |
| More than 1 Year & Less than 3 Years  | 11,324,967             | 262,520                |
| More than 3 Year & Less than 5 Years  | 559,228                | 42,013,233             |
| More than 5 Years   | -                      | -                      |
| <b>TOTAL</b>  | <b>11,884,195</b>      | <b>42,275,753</b>      |

## NOTE NO. 17 PROVISIONS - NON CURRENT

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>A. PROVISION FOR EMPLOYEE BENEFITS</b>   |                        |                        |
| <b>i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)</b> |                        |                        |
| As per last Balance Sheet   | 95,267,518             | 64,671,505             |
| Additions during the year   | 23,943,797             | 30,596,013             |
| Amount used during the year   |                        |                        |
| Amount reversed during the year   |                        |                        |
| <b>Closing Balance</b>  | <b>119,211,315</b>     | <b>95,267,518</b>      |
| <b>B. OTHERS</b>  |                        |                        |
| <b>i) Provision For Committed Capital Expenditure</b>   |                        |                        |
| As per last Balance Sheet   | -                      | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| Unwinding of discount   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>ii) Provision For Livelihood Assistance</b>  |                        |                        |
| As per last Balance Sheet   | -                      | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| Unwinding of discount   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>iii) Provision-Others</b>  |                        |                        |
| As per last Balance Sheet   | -                      | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>TOTAL</b>  | <b>119,211,315</b>     | <b>95,267,518</b>      |

17.1 Information about Provisions is given in Note 34 (18) of Standalone Financial Statements.

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

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>Deferred Tax Liability</b>   |                        |                        |
| a) Property, Plant and Equipments, Right of Use, Investment Property and Intangible Assets. | -                      | -                      |
| b) Financial Assets at FVTOCI   | -                      | -                      |
| c) Other Items  | -                      | -                      |
| <b>Deferred Tax Liability</b>   | <b>-</b>               | <b>-</b>               |
| <b>Less:-Set off Deferred Tax Assets pursuant to set off provisions</b>                     |                        |                        |
| a) Provision for employee benefit scheme, doubtful debts, inventory and others              | -                      | -                      |
| b) Other Items  | -                      | -                      |
| c) MAT credit entitlement   | -                      | -                      |
| <b>Deferred Tax Assets</b>  | <b>-</b>               | <b>-</b>               |
| <b>Deferred Tax Liability (Net)</b>   | <b>-</b>               | <b>-</b>               |

## NOTE NO. 19 OTHER NON CURRENT LIABILITIES

(Amount in ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Income received in advance-Advance Against Depreciation  | -                      | -                      |
| Deferred Foreign Currency Fluctuation Liabilities  | -                      | -                      |
| Deferred Income from Foreign Currency Fluctuation Account  | -                      | -                      |
| Grants in aid-from Government-Deferred Income (Refer Note 19.1)  | 6,672,647,720          | 3,956,533,287          |
| <b>TOTAL</b>   | <b>6,672,647,720</b>   | <b>3,956,533,287</b>   |
| <b>19.1 GRANTS IN AID-FROM GOVERNMENT-DEFERRED INCOME</b>  |                        |                        |
| Opening Balance (Current and Non Current)  | 3,956,533,287          |                        |
| Add: Received during the year  | 2,716,114,433          | 3,956,533,287          |
| Less: Transferred to Statement of Profit and Loss (Refer Note 24.2)  |                        |                        |
| Closing Balance (Current and Non Current) (Refer Note 19.1.1)  | 6,672,647,720          | 3,956,533,287          |
| Grants in Aid-from Government-Deferred Income (Current)-(Refer Note No-21)   | -                      | -                      |
| Grants in Aid-from Government-Deferred Income (Non-Current)  | 6,672,647,720          | 3,956,533,287          |
| <b>19.1.1 Grant includes:-</b>   |                        |                        |
| (i) Fair Valuation of Subordinate Debts received from Government of India for Pakal Dul HEP accounted as Grant in Aid. | 6,672,647,720          | 3,956,533,287          |

## NOTE NO. 20.1 BORROWINGS - CURRENT

(Amount in ₹)

| PARTICULARS                                     | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>A</b> Loan Repayable on Demand               |                        |                        |
| From Banks-Secured                              | -                      | -                      |
| <b>B</b> Other Loans                            |                        |                        |
| From Bank-Secured                               | -                      | -                      |
| <b>C</b> Current maturities of long term debt   |                        |                        |
| - 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)                                   | -                      | -                      |
| <b>D</b> Loan from Parent Company               |                        |                        |
| - Term Loan -Unsecured                          | -                      | -                      |
| <b>TOTAL</b>                                    | <b>-</b>               | <b>-</b>               |

## NOTE NO. 20.2 LEASE LIABILITIES - CURRENT

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Current maturities of Lease Liabilities (Refer Note 16.2.2) | 9,466,999              | 7,360,727              |
| <b>TOTAL</b>  | <b>9,466,999</b>       | <b>7,360,727</b>       |

## NOTE NO. 20.3 TRADE PAYABLE - CURRENT

(Amount in ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Total outstanding dues of micro enterprise and small enterprise(s) (Refer Note 20.3.1)                     | 11,976,165             | 9,042,014              |
| Total outstanding dues of Creditors other than micro enterprises and small enterprises (Refer Note 20.3.3) | 20,376,950             | 74,153,951             |
| <b>TOTAL</b>   | <b>32,353,115</b>      | <b>83,195,965</b>      |

**20.3.1 Disclosure regarding Micro, Small and Medium Enterprise :-**

Outstanding Liabilities towards Micro, Small and Medium Enterprise 11,976,165 9,042,014

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.

20.3.3 Total outstanding dues of Creditors other than micro enterprises and small enterprises includes Rs. Nil (Previous

Year Rs. Nil) due to Parent Company.

20.3.4 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.

## NOTE NO. 20.4 OTHER FINANCIAL LIABILITIES - CURRENT

(Amount in ₹)

| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| Bond application money  | -                      | -                      |
| Liability against capital works/supplies other than Micro and Small Enterprises (Refer Note 20.4.3) | 1,679,491,310          | 620,469,470            |
| Deposits  | -                      | -                      |
| Liability against capital works/supplies-Micro and Small Enterprises (Refer Note 20.4.1)            | 320,909                | 4,099,842              |
| Liability against Corporate Social Responsibility   | 2,021,451              | 2,242,494              |
| Interest accrued but not due on borrowings  | -                      | -                      |
| Interest accrued and due on borrowings  | -                      | -                      |
| Payable towards Bonds Fully Serviced by Government of India   | -                      | -                      |
| - Principal   | -                      | -                      |
| - Interest  | -                      | -                      |
| Earnest Money Deposit/ Retention Money  | 216,540,916            | 121,750,295            |
| Due to Subsidiaries/ Parent   | 15,673,895             | 552,379,877            |
| Liability for share application money -to the extent refundable                                     | -                      | -                      |
| Unpaid dividend (Refer Note 20.4.2)   | -                      | -                      |
| Unpaid interest (Refer Note 20.4.2)   | -                      | -                      |
| Payable for Late Payment Surcharge  | -                      | -                      |
| Payable to Employees  | 4,627,703              | 1,880,324              |
| Payable to Others   | 456,536                | 349,176                |
| <b>TOTAL</b>  | <b>1,919,132,720</b>   | <b>1,303,171,478</b>   |

**20.4.1 Disclosure regarding Micro, Small and Medium Enterprise :-**

Outstanding Liabilities towards Micro, Small and Medium Enterprise 320,909 4,099,842

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).

20.4.2 "Unpaid Dividend" and "Unpaid Interest" includes the amounts which have not been claimed by the investors/holders of the equity shares/bonds. Out of the above, the amount required to be transferred to Investor Education and Protection Fund has been transferred. There is no amount due for payment to Investor Education and Protection Fund.

20.4.3 Liability against capital works/supplies other than Micro and Small Enterprises includes Rs 4,98,62,477/- Payable to Parent Company.

20.4.4 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.

**Annexure-I to Note No-20.3**

As at 31st March 2023

| Particulars               | Trade Payble due and outstanding for following period from due date of payment |               |                  |              |               |                   | Total           |
|---------------------------|--|---------------|------------------|--------------|---------------|-------------------|-----------------|
|                           | Unbilled   | Not Due       | Less than 1 year | 1-2 years    | 2-3 years     | More than 3 Years |                 |
| (i) MSME                  | 9837713  | 64177         | 2074275          |              |               |                   | 11976165        |
| (ii) Others               | 9185346  | 74060         | 10841910         | 35000        | 240634        |                   | 20376950        |
| (iii) Disputed dues-MSME  |  |               |                  |              |               |                   | 0               |
| (iv) Disputed dues-Others |  |               |                  |              |               |                   | 0               |
| <b>Total</b>              | <b>19023059</b>  | <b>138237</b> | <b>12916185</b>  | <b>35000</b> | <b>240634</b> | <b>0</b>          | <b>32353115</b> |

As at 31st March 2022

| Particulars               | Trade Payble due and outstanding for following period from due date of payment |                |                  |               |           |                   | Total           |
|---------------------------|--|----------------|------------------|---------------|-----------|-------------------|-----------------|
|                           | Unbilled   | Not Due        | Less than 1 year | 1-2 years     | 2-3 years | More than 3 Years |                 |
| (i) MSME                  |  | 9042014        |                  |               |           |                   | 9042014         |
| (ii) Others               | 6236583  |                | 67254653         | 340634        |           |                   | 74153951        |
| (iii) Disputed dues-MSME  |  |                |                  |               | 0         | 322081            | 0               |
| (iv) Disputed dues-Others |  |                |                  |               |           |                   | 0               |
| <b>Total</b>              | <b>6236583</b>   | <b>9042014</b> | <b>67254653</b>  | <b>340634</b> | <b>0</b>  | <b>322081</b>     | <b>83195965</b> |

## NOTE NO. 21 OTHER CURRENT LIABILITIES

(Amount in ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Income received in advance (Advance against depreciation)                              | -                      | -                      |
| Deferred Income from Foreign Currency Fluctuation Account                              | -                      | -                      |
| Deferred Foreign Currency Fluctuation Liabilities                                      | -                      | -                      |
| Unspent amount of deposit/agency basis works   | -                      | -                      |
| Water Usage Charges Payables   | -                      | -                      |
| Statutory dues payables  | -                      | -                      |
| Contract Liabilities-Deposit Works   | 161,682,969            | 95,287,002             |
| Contract Liabilities-Project Management/ Consultancy Work                              | -                      | -                      |
| Provision toward amount recoverable in respect of Project Management/ Consultancy Work | -                      | -                      |
| Advance from Customers and Others  | -                      | -                      |
| Grants in aid-from Government-Deferred Income (Refer Note No-19.1)                     | -                      | -                      |
| <b>TOTAL</b>   | <b>161,682,969</b>     | <b>95,287,002</b>      |

21.1 Refer Note 34(12) of the Standalone Financial Statements with regard to confirmation of balances.



| PARTICULARS   | As at 31st March, 2023 | As at 31st March, 2022 |
|---|------------------------|------------------------|
| <b>A. PROVISION FOR EMPLOYEE BENEFITS</b>   |                        |                        |
| <b>i) Provision for Long term Benefits (Provided for on the basis of actuarial valuation)</b> |                        |                        |
| As per last Balance Sheet   |                        | 3,074,905              |
| Additions during the year   | 2,643,724              |                        |
| Amount used/transferred during the year   | 3,242,664              | 2,643,724              |
| Amount reversed during the year   | 2,643,724              | 3,074,905              |
| <b>Closing Balance</b>  | <b>3,242,664</b>       | <b>2,643,724</b>       |
| <b>ii) Provision for Wage Revision</b>  |                        |                        |
| As per last Balance Sheet   | -                      | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>Less: Advance paid</b>   | <b>-</b>               | <b>-</b>               |
| <b>Closing Balance (Net of advance)</b>   | <b>-</b>               | <b>-</b>               |
| <b>ii) Provision for Performance Related Pay/Incentive</b>                                    |                        |                        |
| As per last Balance Sheet   |                        | 97,891,699             |
| Additions during the year   | 80,388,118             | 74,325,179             |
| Amount used during the year   | 96,569,257             | 89,036,937             |
| Amount reversed during the year   | 89,793,197             | 2,791,823              |
| <b>Closing Balance</b>  | <b>42,525</b>          | <b>80,388,118</b>      |
| <b>Less: Advance Paid</b>   | <b>87,121,653</b>      | <b>-</b>               |
| <b>Closing Balance Net of Advance</b>   | <b>1,272,879</b>       | <b>-</b>               |
| <b>iii) Provision for Superannuation / Pension Fund</b>                                       |                        |                        |
| As per last Balance Sheet   |                        | 80,388,118             |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>iv) Provision For Wage Revision - 3rd Pay Revision Committee</b>                           |                        |                        |
| As per last Balance Sheet   |                        | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>B. OTHERS</b>  |                        |                        |
| <b>i) Provision For Tariff Adjustment</b>   |                        |                        |
| As per last Balance Sheet   |                        | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>ii) Provision For Committed Capital Expenditure</b>  |                        |                        |
| As per last Balance Sheet   |                        | 1,517,174,703          |
| Additions during the year   | 1,216,573,000          | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | 200,000,000            | 300,601,703            |
| Unwinding of discount   | -                      | -                      |
| <b>Closing Balance</b>  | <b>1,016,573,000</b>   | <b>1,216,573,000</b>   |
| <b>iii) Provision for Restoration expenses of Insured Assets</b>                              |                        |                        |
| As per last Balance Sheet   |                        | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>iv) Provision For Livelihood Assistance</b>  |                        |                        |
| As per last Balance Sheet   |                        | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| Unwinding of discount   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>v) Provision in respect of arbitration award/ court cases</b>                              |                        |                        |
| As per last Balance Sheet   |                        | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>vi) Provision - Others</b>   |                        |                        |
| As per last Balance Sheet   |                        | -                      |
| Additions during the year   | -                      | -                      |
| Amount used during the year   | -                      | -                      |
| Amount reversed during the year   | -                      | -                      |
| <b>Closing Balance</b>  | <b>-</b>               | <b>-</b>               |
| <b>TOTAL</b>  | <b>1,105,664,438</b>   | <b>1,299,604,842</b>   |

22.1 Information about Provisions is given in Note 34 (18) of Standalone Financial Statements.

## NOTE NO. 23 CURRENT TAX LIABILITIES (NET)

(Amount in ₹)

| PARTICULARS  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| Current Tax Liability as per last Balance Sheet                | 78,969,812             | 210,022,984            |
| Additions during the year                                      | 134,534,873            | 78,969,812             |
| Amount adjusted during the year                                | 78,969,812             | 44,330,639             |
| Amount used during the year                                    |                        | 165,692,345            |
| Amount reversed during the year                                |                        |                        |
| Closing Balance of Current Tax Liability (A)                   | 134,534,873            | 78,969,812             |
| Less: Current Advance Tax including Tax Deducted at Source (B) | 135,168,323            | 87,312,916             |
| Net Current Tax Liabilities (A-B)                              | (633,450)              | (8,343,104)            |
| (Disclosed under Note No-4 above)                              | 633,450                | 8,343,104              |
| TOTAL  | -                      | -                      |

## NOTE NO. 24.1 REVENUE FROM OPERATIONS

(Amount in ₹)

| PARTICULARS |  | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|-------------|--|--|--|
|             | <b>Operating Revenue</b>   |  |  |
| <b>A</b>    | <b>SALES</b>   |  |  |
|             | Sale of Power  | -                                      | -                                      |
|             | Advance Against Depreciation -Written back during the year   | -                                      | -                                      |
|             | Performance based Incentive  | -                                      | -                                      |
|             | <b>Sub-total (i)</b>   | -                                      | -                                      |
|             | <b>Less :</b>  |  |  |
|             | Sales adjustment on account of Foreign Exchange Rate Variation   | -                                      | -                                      |
|             | Tariff Adjustments   | -                                      | -                                      |
|             | Regulated Power Adjustment   | -                                      | -                                      |
|             | Income from generation of electricity – precommissioning (Transferred to Expenditure Attributable to Construction) | -                                      | -                                      |
|             | Rebate to customers  | -                                      | -                                      |
|             | <b>Sub-total (ii)</b>  | -                                      | -                                      |
|             | <b>Sub - Total (A) = (i-ii)</b>  | -                                      | -                                      |
| <b>B</b>    | <b>Income from Finance Lease</b>   | -                                      | -                                      |
| <b>C</b>    | <b>Income from Operating Lease</b>   | -                                      | -                                      |
| <b>D</b>    | <b>Revenue From Contracts, Project Management and Consultancy Works</b>  |  |  |
|             | Contract Income  | -                                      | -                                      |
|             | Revenue from Project management/ Consultancy works   | -                                      | -                                      |
|             | <b>Sub - Total (D)</b>   | -                                      | -                                      |
| <b>E</b>    | <b>Revenue from Power Trading</b>  |  |  |
|             | Sale of Power  | -                                      | -                                      |
|             | Less:-Rebate to customers  | -                                      | -                                      |
|             | Trading Margin   | -                                      | -                                      |
|             | <b>Sub - Total (E)</b>   | -                                      | -                                      |
|             | <b>Sub-Total-I (A+B+C+D+E)</b>   | -                                      | -                                      |
| <b>F</b>    | <b>OTHER OPERATING REVENUE</b>   |  |  |
|             | Income From Sale of Self Generated VERs/REC  | -                                      | -                                      |
|             | Income on account of generation based incentive (GBI)  | -                                      | -                                      |
|             | Interest from Beneficiary States -Revision of Tariff   | -                                      | -                                      |
|             | <b>Sub-Total-II</b>  | -                                      | -                                      |
|             | <b>TOTAL (I+II)</b>  | -                                      | -                                      |

| PARTICULARS  | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|--|--|--|
| <b>A) Interest Income</b>  |  |  |
| - Investments carried at FVTOCI- Non Taxable   | -                                      | -                                      |
| - Investments carried at FVTOCI- Taxable   | -                                      | -                                      |
| - Interest - Government Securities (8.5% tax free bonds issued by                              | -                                      | -                                      |
| - Loan to Government of Arunachal Pradesh  | -                                      | -                                      |
| - Deposit Account  | -                                      | -                                      |
| - Employee's Loans and Advances (Net of Rebate)  | 534,213,410                            | 313,770,710                            |
| - Advance to contractors   | 163,903                                | 189,826                                |
| - Others   | 565,305,269                            | 393,309,054                            |
|  | 333,928                                | -                                      |
| <b>B) Dividend Income</b>  |  |  |
| - Dividend from subsidiaries (Refer Note 34.8)   | -                                      | -                                      |
| - Dividend - Others  | -                                      | -                                      |
| <b>C) Other Non Operating Income (Net of Expenses directly attributable to such income)</b>    |  |  |
| Late payment surcharge   | -                                      | -                                      |
| 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)   | 126,983                                | 952,784                                |
| <b>Material issued to contractor</b>   |  |  |
| (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 19.1)   | -                                      | -                                      |
| Exchange rate variation (Net)  | -                                      | -                                      |
| Mark to Market Gain on Derivative  | -                                      | -                                      |
| Others   | -                                      | -                                      |
| <b>Sub-total</b>   | 14,369,620                             | 19,177,183                             |
| Add/(Less): C.O. Income Allocation   | 1,114,513,113                          | 727,399,557                            |
| Add/(Less): Regional Office Income Allocation  | -                                      | -                                      |
| <b>Sub-total</b>   | 1,114,513,113                          | 727,399,557                            |
| Less: transferred to Expenditure Attributable to Construction                                  | 579,844,042                            | 413,518,540                            |
| Less: transferred to Advance/ Deposit from Client/Contractees and against Deposit Works        | -                                      | -                                      |
| Less: Transfer of other income to grant  | -                                      | -                                      |
| <b>Total</b>   | <b>534,669,071</b>                     | <b>313,881,017</b>                     |
| <b>24.2.1 Detail of Liabilities/Impairment Allowances/Provisions not required written back</b> |  |  |
| a) Allowances for Bad & Doubtful Employees Loans   |  |  |
| b) Allowances for Bad & Doubtful Advances to Contractor/                                       |  |  |
| c) Allowances for Bad & Doubtful Loan to State Government                                      |  |  |
| d) Allowances for Bad & Doubtful Capital Advances  |  |  |
| e) Allowances for Obsolescence & Diminution in Value of  |  |  |
| f) Allowances for trade receivables  |  |  |
| g) Allowances for Bad & Doubtful Deposits  |  |  |
| h) Allowances for loan which have significant increase in credit risk                          |  |  |
| i) Allowances for doubtful recoverables  |  |  |
| j) Allowances for Doubtful Accrued Interest  |  |  |
| k) Allowances for project expenses awaiting write off sanction                                 |  |  |
| l) Allowances for losses pending investigation/awaiting write off                              |  |  |
| m) Provision for Long Term Benefits (Provided for on the basis of actuarial valuation)         |  |  |
| n) Provision for PRP / Incentive /Productivity Linked Incentive                                |  |  |
| o) Provision for tariff adjustment   |  |  |
| p) Provision for Committed Capital Expenditure   |  |  |
| q) Provision for Livelihood Assistance   |  |  |
| r) Provision for Restoration expenses of Insured Assets  |  |  |
| s) Provision for 3rd PRC   |  |  |
| t) Others  |  |  |
| <b>TOTAL</b>   | 126,983                                | 952,784                                |
|  | 126,983                                | 952,784                                |

## NOTE NO. 25.1 Purchase of Power - Trading

(Amount in ₹)

| PARTICULARS                 | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|-----------------------------|--|--|
| Purchase of Power           | -                                      | -                                      |
| Less : Rebate from Supplier | -                                      | -                                      |
| <b>Total</b>                | <b>-</b>                               | <b>-</b>                               |

## NOTE NO. 25.2 GENERATION EXPENSES

(Amount in ₹)

| PARTICULARS   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|---|--|--|
| Water Usage Charges   | -                                      | -                                      |
| Consumption of stores and spare parts                         | -                                      | -                                      |
| <b>Sub-total</b>  | <b>-</b>                               | <b>-</b>                               |
| Less: transferred to Expenditure Attributable to Construction | -                                      | -                                      |
| <b>Total</b>  | <b>-</b>                               | <b>-</b>                               |

## NOTE NO. 26 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

| PARTICULARS   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|---|--|--|
| Salaries and Wages  | 742,922,189                            | 616,982,008                            |
| Contribution to provident and other funds                     | 105,483,299                            | 81,392,717                             |
| Staff welfare expenses  | 52,066,479                             | 55,506,775                             |
| Leave Salary & Pension Contribution                           | -                                      | -                                      |
| <b>Sub-total</b>  | <b>900,471,967</b>                     | <b>753,881,500</b>                     |
| Add/(Less): C.O. Expenses Allocation                          | -                                      | (32,832)                               |
| Add/(Less): Regional Office Expenses Allocation               | -                                      | -                                      |
| <b>Sub-total</b>  | <b>900,471,967</b>                     | <b>753,848,668</b>                     |
| Less: transferred to Expenditure Attributable to Construction | 789,050,358                            | 619,869,310                            |
| Less: Recoverable from Deposit Works                          | -                                      | -                                      |
| <b>Total</b>  | <b>111,421,609</b>                     | <b>133,979,358</b>                     |

26.1 Disclosure about leases towards residential accommodation for employees are given in Note 34 (15) (A).

## 26.2 Contribution to provident and other funds include contributions:

|  | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|--|--|--|
| i) towards Employees Provident Fund                              | 47,331,851                             | 39,389,831                             |
| ii) towards Employees Defined Contribution Superannuation Scheme | 46,963,439                             | 30,831,516                             |

26.3 Salary and wages includes expenditure on short term leases as per IND AS-116 " Leases".

26.4 Employee benefit expenditure includes an amount of Rs. Nil (Previous year Rs. Nil) in respect of employees engaged in R&D Activities of the Company.

## NOTE NO. 27 FINANCE COSTS

(Amount in ₹)

| PARTICULARS |   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|-------------|---|--|--|
| <b>A</b>    | <b>Interest on Financial Liabilities at Amortized Cost</b>                          |  |  |
|             | Bonds   | -                                      | -                                      |
|             | Term loan   | -                                      | -                                      |
|             | Foreign loan  | -                                      | -                                      |
|             | Government of India loan  | -                                      | -                                      |
|             | Short Term Loan   | -                                      | -                                      |
|             | Cash credit facilities /WCDL  | -                                      | -                                      |
|             | Other interest charges  | -                                      | -                                      |
|             | Lease Liabilities   | -                                      | -                                      |
|             | Unwinding of discount-Government of India Loan                                      | 841,808                                | 933,293                                |
|             |   | 231,047,602                            | 52,167,292                             |
|             | <b>Sub-total</b>  | <b>231,889,410</b>                     | <b>53,100,585</b>                      |
| <b>B</b>    | <b>Other Borrowing Cost</b>   |  |  |
|             | Call spread/ Coupon Swap  | -                                      | -                                      |
|             | Bond issue/ service expenses  | -                                      | -                                      |
|             | Commitment fee  | -                                      | -                                      |
|             | Guarantee fee on foreign loan   | -                                      | -                                      |
|             | Other finance charges   | 895                                    | 659                                    |
|             | Unwinding of discount-Provision & Financial Liabilities                             | 1,738,348                              | 2,219,088                              |
|             | <b>Sub-total</b>  | <b>1,739,243</b>                       | <b>2,219,747</b>                       |
| <b>C</b>    | <b>Applicable net (gain)/ loss on Foreign currency transactions and translation</b> |  |  |
|             | Exchange differences regarded as adjustment to interest cost                        | -                                      | -                                      |
|             | Less: Transferred to Deferred Foreign Currency Fluctuation                          | -                                      | -                                      |
|             | <b>Sub-total</b>  | <b>-</b>                               | <b>-</b>                               |
| <b>D</b>    | <b>Interest on Income Tax</b>   |  |  |
|             | <b>Total (A + B + C+D)</b>  | <b>-</b>                               | <b>-</b>                               |
|             | Add/(Less): C.O. Expenses Allocation  | 233,628,653                            | 55,320,332                             |
|             | Add/(Less): Regional Office Expenses Allocation                                     | -                                      | -                                      |
|             | <b>TOTAL</b>  | <b>233,628,653</b>                     | <b>55,320,332</b>                      |
|             | Less: transferred to Expenditure Attributable to Construction                       | 233,471,790                            | 55,025,053                             |
|             | Less: Recoverable from Deposit Works  | -                                      | -                                      |
|             | <b>Total</b>  | <b>156,863</b>                         | <b>295,279</b>                         |

## NOTE NO. 28 DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹)

| PARTICULARS |   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|-------------|---|--|--|
|             | Depreciation -Property, Plant and Equipment   | 99,025,629                             | 44,875,199                             |
|             | Depreciation-Right of use Assets  | 103,127,551                            | 104,232,866                            |
|             | Amortization -Intangible Assets   | 1,105,892                              | 1,474,181                              |
|             | Depreciation adjustment on account of Foreign Exchange Rate Variation (Refer Note 19 and 5(D)(iii)) | -                                      | -                                      |
|             | Add/(Less): C.O. Expenses Allocation  | -                                      | -                                      |
|             | Add/(Less): Regional Office Expenses Allocation   | -                                      | -                                      |
|             | Add/(Less): Depreciation allocated to/from other units  | -                                      | -                                      |
|             | <b>Sub-total</b>  | <b>203,259,072</b>                     | <b>150,582,246</b>                     |
|             | Less: transferred to Expenditure Attributable to Construction                                       | 197,246,561                            | 140,036,063                            |
|             | Less: Recoverable from Deposit Works  | -                                      | -                                      |
|             | <b>Total</b>  | <b>6,012,511</b>                       | <b>10,546,183</b>                      |

## NOTE NO. 29 OTHER EXPENSES

(Amount in ₹)

| PARTICULARS |  | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|-------------|--|--|--|
| A.          | Direct Expenditure on Contract, Project Management and Consultancy Works                 | -                                      | -                                      |
| B.          | <b>REPAIRS AND MAINTENANCE</b>   |  |  |
|             | - Building   | 87,040,083                             | 66,474,931                             |
|             | - Machinery  | -                                      | -                                      |
|             | - Others   | -                                      | -                                      |
| C.          | <b>OTHER EXPENSES</b>  | 13,598,736                             | 6,706,019                              |
|             | Rent   | 28,429,353                             | 56,796,234                             |
|             | Hire Charges   | 21,055,443                             | 5,803,123                              |
|             | Rates and taxes  | 5,497,646                              | 10,568,624                             |
|             | Insurance  | 734,034                                | 786,496                                |
|             | Security expenses  | 29,958,195                             | 34,741,482                             |
|             | Electricity Charges  | 9,187,965                              | 9,163,614                              |
|             | Travelling and Conveyance  | 17,785,830                             | 10,759,171                             |
|             | Expenses on vehicles   | 8,382,602                              | 5,773,429                              |
|             | Telephone, telex and Postage   | 8,642,154                              | 7,070,795                              |
|             | Advertisement and publicity  | 1,932,177                              | 3,781,417                              |
|             | Entertainment and hospitality expenses   | 710,931                                | 1,124,682                              |
|             | Printing and stationery  | 3,681,842                              | 2,886,807                              |
|             | Consultancy charges - Indigenous   | 248,424,292                            | 252,384,821                            |
|             | Consultancy charges - Foreign  | -                                      | -                                      |
|             | Audit expenses (Refer Note 29.3)   | 649,000                                | 236,000                                |
|             | Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses | 6,443,300                              | 1,125,000                              |
|             | Expenses on work of downstream protection works  | -                                      | -                                      |
|             | Expenditure on land not belonging to company   | -                                      | -                                      |
|             | Loss on Assets (Net)   | 27,400,932                             | 16,120,731                             |
|             | Losses out of insurance claims   | 1,101,871                              | 70,405                                 |
|             | Donation   | -                                      | -                                      |
|             | Corporate social responsibility (Refer Note 34(13))                                      | 25,000                                 | -                                      |
|             | Community Development Expenses   | 2,093,137                              | 2,554,121                              |
|             | Directors' Sitting Fees  | -                                      | -                                      |
|             | Interest on Arbitration/ Court Cases   | -                                      | -                                      |
|             | Interest to beneficiary  | -                                      | -                                      |
|             | Expenditure on Self Generated VER's/REC  | -                                      | -                                      |
|             | Expenses for Regulated Power   | -                                      | -                                      |
|             | Less: - Exp Recoverable on Regulated Power   | -                                      | -                                      |
|             | Exchange rate variation (Net)  | -                                      | -                                      |
|             | Training Expenses  | 3,701,337                              | 998,569                                |
|             | Petition Fee /Registration Fee /Other Fee - To CERC/RLDC/RPC/IEX/PXIL                    | 871,674                                | 315,508                                |
|             | Operational/Running Expenses of Kendriya Vidyalay  | -                                      | 4,825                                  |
|             | Operational/Running Expenses of Other Schools  | -                                      | -                                      |
|             | Operational/Running Expenses of Guest House/Transit Hostel                               | -                                      | -                                      |
|             | Operating Expenses of DG Set-Other than Residential                                      | -                                      | -                                      |
|             | Fair Value Loss on Financial Assets  | -                                      | -                                      |
|             | Change in Fair Value of Derivatives  | -                                      | -                                      |
|             | Other general expenses   | -                                      | -                                      |
|             | <b>Sub-total</b>   | 83,434,688                             | 13,018,776                             |
|             | Add/(Less): C.O. Expenses Allocation   | 610,790,222                            | 509,265,580                            |
|             | Add/(Less): Regional Office Expenses Allocation  | -                                      | (1,318,361)                            |
|             | <b>Sub-total</b>   | 610,790,222                            | 507,947,219                            |
|             | Less: transferred to Expenditure Attributable to Construction                            | 573,040,474                            | 463,571,975                            |
|             | Less: Recoverable from Deposit Works/ State Govt. Department                             | 2,083,670                              | -                                      |
|             | Less: Transfer to General Reserve for Expenses on Buyback                                | -                                      | -                                      |
|             | <b>Sub-total (i)</b>   | 35,666,078                             | 44,375,244                             |
| D.          | <b>PROVISIONS/ IMPAIRMENT ALLOWANCE</b>  |  |  |
|             | Loss allowance for trade receivables   | -                                      | -                                      |
|             | Loss Allowance for Expected Credit Loss -Trade Receivables                               | -                                      | -                                      |
|             | Allowance for Bad and doubtful advances / deposits                                       | -                                      | -                                      |
|             | Allowance for Bad and doubtful claims  | -                                      | -                                      |
|             | Allowance for Bad and Doubtful Loan  | -                                      | -                                      |
|             | Allowance for Doubtful Interest  | -                                      | -                                      |
|             | Allowance for stores and spares/ Construction stores                                     | -                                      | -                                      |
|             | 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                           | -                                      | -                                      |
|             | 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 29.2)  | -                                      | -                                      |
|             | Interest against court/arbitration award   | -                                      | -                                      |
|             | Others   | -                                      | -                                      |
|             | <b>Sub-total</b>   | -                                      | -                                      |
|             | Add/(Less): C.O. Expenses Allocation   | -                                      | -                                      |
|             | Add/(Less): Regional Office Expenses Allocation  | -                                      | -                                      |
|             | <b>Sub-total</b>   | -                                      | -                                      |
|             | Less: transferred to Expenditure Attributable to Construction                            | -                                      | -                                      |
|             | Less: Recoverable from Deposit Works   | -                                      | -                                      |
|             | <b>Sub-total (ii)</b>  | -                                      | -                                      |
|             | <b>Total (i+ii)</b>  | 35,666,078                             | 44,375,244                             |

29.1 Disclosure about leases are given in Note 34 (15) (A).

| (Amount in ₹)   |  |  |
|---|--|--|
| Particulars   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
| Pending notification of revision order by CERC in respect of truing up application filed by the company under CERC notification dated 21.02.2014, 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. | -                                      | -                                      |

| (Amount in ₹)                                    |  |  |
|--|--|--|
| Detail of audit expenses are as under: -         | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
| <b>i) Statutory auditors</b>                     |  |  |
| As Auditor                                       |  |  |
| Audit Fees                                       | 472,000                                | 236,000                                |
| Tax Audit Fees                                   | -                                      | -                                      |
| <b>In other Capacity</b>                         |  |  |
| Taxation Matters                                 | -                                      | -                                      |
| Company Law Matters                              | -                                      | -                                      |
| Management Services                              | -                                      | -                                      |
| Other Matters/services                           | -                                      | -                                      |
| Reimbursement of expenses                        | 177,000                                | -                                      |
| <b>ii) Cost Auditors</b>                         |  |  |
| Audit Fees                                       | -                                      | -                                      |
| Reimbursement of expenses                        | -                                      | -                                      |
| <b>iii) Goods and Service Tax (GST) Auditors</b> |  |  |
| Audit Fees                                       | -                                      | -                                      |
| Reimbursement of expenses                        | -                                      | -                                      |
| <b>Total Audit Expenses</b>                      | <b>649,000</b>                         | <b>236,000</b>                         |

29.4 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    | 24,072,846 | 43,716,338 |
| (ii) Expenditure on long term lease of low-value assets                            | -          | 7,193,095  |
| (iii) Variable lease payments not included in the measurement of lease liabilities | 4,356,507  | 5,886,801  |



## NOTE NO. 30.1 TAX EXPENSES

(Amount in ₹)

| PARTICULARS   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|---|--|--|
| <b>Current Tax</b>  |  |  |
| Provision for Current Tax                                       |  |  |
| Adjustment Relating To Earlier years                            | 134,534,873                            | 78,969,812                             |
| <b>Total current tax expenses</b>                               | <b>134,534,873</b>                     | <b>78,969,824</b>                      |
| <b>Deferred Tax</b>   |  |  |
| <b>Decrease (increase) in deferred tax assets</b>               |  |  |
| - Relating to origination and reversal of temporary differences | -                                      | -                                      |
| - Relating to change in tax rate                                | -                                      | -                                      |
| - Adjustments in respect of deferred tax of earlier years       | -                                      | -                                      |
| - Adjustments on account of MAT credit entitlement              | -                                      | -                                      |
| <b>Increase (decrease) in deferred tax liabilities</b>          |  |  |
| - Relating to origination and reversal of temporary differences | -                                      | -                                      |
| - Relating to change in tax rate                                | -                                      | -                                      |
| - Adjustments in respect of deferred tax of earlier years       | -                                      | -                                      |
| <b>Total deferred tax expenses (benefits)</b>                   | <b>-</b>                               | <b>-</b>                               |
| <b>Net Deferred Tax</b>   | <b>-</b>                               | <b>-</b>                               |
| <b>Total</b>  | <b>134,534,873</b>                     | <b>78,969,824</b>                      |

## NOTE NO. 30.2 OTHER COMPREHENSIVE INCOME

(Amount in ₹)

| PARTICULARS   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|---|--|--|
| <b>(i) Items that will not be reclassified to profit or loss</b>  |  |  |
| <b>(a) Remeasurement of the post employment defined benefit obligations</b>   |  |  |
| Less: Income Tax on remeasurement of the post employment defined benefit obligations  | -                                      | -                                      |
| <b>Remeasurement of the post employment defined benefit obligations (net of Tax)</b>  | <b>-</b>                               | <b>-</b>                               |
| Less:-Movement in Regulatory Deferral Account Balances in respect of tax on defined benefit obligations                           | -                                      | -                                      |
| -Movement in Regulatory Deferral Account Balances- Remeasurement of post employment defined benefit                               | -                                      | -                                      |
| Less: Impact of Tax on Regulatory Deferral Accounts   | -                                      | -                                      |
| <b>Remeasurement of the post employment defined benefit obligations (net of Tax) and Regulatory deferral account balances (a)</b> | <b>-</b>                               | <b>-</b>                               |
| <b>(b) Investment in Equity Instruments</b>   | <b>-</b>                               | <b>-</b>                               |
| Less: Income Tax on Equity Instruments  | -                                      | -                                      |
| <b>Sub total (b)</b>  | <b>-</b>                               | <b>-</b>                               |
| <b>Total (i)=(a)+(b)</b>  | <b>-</b>                               | <b>-</b>                               |
| <b>(ii) Items that will be reclassified to profit or loss</b>   |  |  |
| - Investment in Debt Instruments  | -                                      | -                                      |
| Less: Income Tax on investment in Debt Instruments  | -                                      | -                                      |
| <b>Total (ii)</b>   | <b>-</b>                               | <b>-</b>                               |
| <b>Total =(i+ii)</b>  | <b>-</b>                               | <b>-</b>                               |

## NOTE NO. 31 Movement in Regulatory Deferral Account Balances

(Amount in ₹)

| PARTICULARS   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
|---|--|--|
| (i) Wage Revision as per 3rd Pay Revision Committee                                     | -                                      | -                                      |
| (ii) Depreciation due to moderation of Tariff   | -                                      | -                                      |
| (iii) Exchange Differences on Monetary Items  | 4,577,499                              | 998,569                                |
| (iv) Adjustment against Deferred Tax Recoverable for tariff period upto 2009            | -                                      | -                                      |
| (v) Adjustment against Deferred Tax Liabilities for tariff period 2014-2019 and onwards | -                                      | -                                      |
| (vi) MAT Credit   | -                                      | -                                      |
| <b>TOTAL (i)+(ii)+(iii)+(iv)+(v)+(vi)</b>   | <b>4,577,499</b>                       | <b>998,569</b>                         |
| <b>Impact of Tax on Regulatory Deferral Accounts</b>                                    |  |  |
| Less: Deferred Tax on Regulatory Deferral Account Balances                              | -                                      | -                                      |
| Add: Deferred Tax recoverable from Beneficiaries  | -                                      | -                                      |
| <b>Total</b>  | <b>4,577,499</b>                       | <b>998,569</b>                         |

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

| PARTICULARS   | (Amount in ₹)                          |  |
|---|--|--|
|   | For the Year ended<br>31st March, 2023 | For the Year ended<br>31st March, 2022 |
| <b>A. GENERATION EXPENSE</b>  |  |  |
| Consumption of stores and spare parts   | -                                      | -                                      |
| <b>Sub-total</b>  | -                                      | -                                      |
| <b>B. EMPLOYEE BENEFITS EXPENSE</b>   |  |  |
| Salaries and Wages  | 494,180,846                            | 417,908,696                            |
| Contribution to provident and other funds   | 72,634,763                             | 56,128,291                             |
| Staff welfare expenses  | 29,016,769                             | 36,325,445                             |
| Leave Salary & Pension Contribution   | -                                      | -                                      |
| <b>Sub-total</b>  | <b>595,832,378</b>                     | <b>510,362,432</b>                     |
| <b>C. FINANCE COST</b>  |  |  |
| Interest on : (Refer Note 2.2.3)  |  |  |
| 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   | 895                                    | 659                                    |
| Transfer of expenses to EAC- Interest on loans from Central Government-adjustment on account of effective interest    | 231,047,602                            | 52,167,292                             |
| Transfer of expenses to EAC-Interest on security deposit/ retention money-adjustment on account of effective interest | 2,062,454                              | 2,561,824                              |
| Transfer of expenses to EAC- Interest on FC Loans - Effective Interest Adjustment                                     | -                                      | -                                      |
| Transfer of expenses to EAC-committed capital expenses-adjustment for time value                                      | -                                      | -                                      |
| <b>Sub-total</b>  | <b>233,110,951</b>                     | <b>54,729,775</b>                      |
| <b>D. DEPRECIATION AND AMORTISATION EXPENSES</b>  |  |  |
| <b>Sub-total</b>  | <b>183,415,804</b>                     | <b>129,489,884</b>                     |
| <b>E. OTHER EXPENSES</b>  |  |  |
| Repairs And Maintenance :   |  |  |
| -Building   | 54,338,145                             | 40,836,203                             |
| -Machinery  | -                                      | -                                      |
| -Others   | 10,870,184                             | 3,830,370                              |
| Rent & Hire Charges   | 49,075,435                             | 62,440,487                             |
| Rates and taxes   | 1,102,264                              | 1,485,971                              |
| Insurance   | 132,076                                | 133,664                                |
| Security expenses   | 20,179,894                             | 25,116,433                             |
| Electricity Charges   | 4,619,219                              | 4,937,229                              |
| Travelling and Conveyance   | 11,208,269                             | 7,721,118                              |
| Expenses on vehicles  | 4,261,712                              | 2,079,901                              |
| Telephone, telex and Postage  | 6,583,768                              | 5,191,145                              |
| Advertisement and publicity   | 84,084                                 | 1,180,000                              |
| Entertainment and hospitality expenses  | -                                      | -                                      |
| Printing and stationery   | 1,822,538                              | 1,707,389                              |
| Design and Consultancy charges:   |  |  |
| - Indigenous  | -                                      | -                                      |
| - Foreign   | 247,097,215                            | 250,580,348                            |
| Expenses on compensatory afforestation/ catchment area treatment/ environmental expenses                              | 6,443,300                              | 1,125,000                              |
| Expenses on works of downstream protection works  | -                                      | -                                      |
| Expenditure on land not belonging to company  | 27,408,932                             | 16,120,731                             |
| Assets/ Claims written off  | -                                      | 25,031                                 |
| Land Acquisition and Rehabilitation Expenditure   | -                                      | -                                      |
| Losses on sale of assets  | 830,041                                | 282,001                                |
| Other general expenses  | 77,966,658                             | 7,572,618                              |
| Exchange rate variation (Debit)   | -                                      | -                                      |
| <b>Sub-total</b>  | <b>524,023,734</b>                     | <b>432,365,639</b>                     |
| <b>F. PROVISIONS</b>  |  |  |
| <b>Sub-total</b>  | -                                      | -                                      |
| <b>G. CORPORATE OFFICE/REGIONAL OFFICE EXPENSES</b>   |  |  |
| Other Income  | (231,814)                              | (1,498,933)                            |
| Other Expenses  | 49,016,740                             | 31,206,336                             |
| Employee Benefits Expense   | 193,217,980                            | 109,506,878                            |
| Depreciation & Amortisation Expenses  | 13,830,757                             | 10,546,179                             |
| Finance Cost  | 360,839                                | 295,278                                |
| Provisions  | -                                      | -                                      |
| <b>Sub-total</b>  | <b>256,194,502</b>                     | <b>150,055,738</b>                     |
| <b>H. LESS: RECEIPTS AND RECOVERIES</b>   |  |  |
| Income from generation of electricity – precommissioning  | -                                      | -                                      |
| Interest on loans and advances  | 565,347,439                            | 393,366,453                            |
| Profit on sale of assets  | -                                      | -                                      |
| Exchange rate variation (Credit)  | -                                      | -                                      |
| Provision/Liability not required written back   | 119,983                                | 260                                    |
| Miscellaneous receipts  | 14,144,806                             | 18,638,042                             |
| Transfer of fair value gain to EAC- security deposit  | -                                      | 14,852                                 |
| Transfer of Income to EAC - MTM Gain on Derivatives   | -                                      | -                                      |
| Transfer of fair value gain to EAC - on provisions for committed capital expenditure                                  | -                                      | -                                      |
| <b>Sub-total</b>  | <b>579,612,228</b>                     | <b>412,019,607</b>                     |
| <b>TOTAL (A+B+C+D+E+F+G-H) (Refer Note 2.2)</b>   | <b>1,212,965,141</b>                   | <b>864,983,861</b>                     |

Note-33: Disclosure on Financial Instruments and Risk Management  
(1) Fair Value Measurement

A) Financial Instruments by category

| Financial assets  | Notes | As at 31st March, 2023            |   |                | As at 31st March, 2022            |   |                |
|---|-------|-----------------------------------|---|----------------|-----------------------------------|---|----------------|
|   |       | Fair value through Profit or Loss | Fair value through Other Comprehensive Income | Amortised Cost | Fair value through Profit or Loss | Fair value through Other Comprehensive Income | Amortised Cost |
| <b>Non-current Financial assets</b>   |       |                                   |   |                |                                   |   |                |
| (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) Trade Receivables  | 3.2   |                                   |   |                |                                   |   |                |
| (iii) Loans   |       |                                   |   |                |                                   |   |                |
| a) Loans to Related Party   | 3.3   |                                   |   |                |                                   |   |                |
| b) Employees  | 3.3   |                                   |   |                |                                   |   |                |
| c) Loan to Government (Including Interest accrued)  | 3.3   |                                   | 896,022                                       |                |                                   | 892,903                                       |                |
| d) Others   | 3.3   |                                   |   |                |                                   |   |                |
| (iv) Others   |       |                                   |   |                |                                   |   |                |
| ) Deposits  | 3.4   |                                   |   |                |                                   |   |                |
| - Lease Receivables including interest  | 3.4   |                                   |   | 13,772,040     |                                   | 13,468,920                                    |                |
| - Recoverable on account of Bonds fully Serviced by Government of India                                   | 3.4   |                                   |   |                |                                   |   |                |
| - Receivable on account of Late payment Surcharge   | 3.4   |                                   |   |                |                                   |   |                |
| - Amount Recoverable  | 3.4   |                                   |   |                |                                   |   |                |
| - Derivative Mark to Market Asset   | 3.4   |                                   |   |                |                                   |   |                |
| - Bank Deposits with more than 12 Months Maturity (Including interest accrued)                            | 3.4   |                                   |   |                |                                   |   |                |
| <b>Total Non-current Financial assets</b>   |       |                                   |   |                |                                   |   | 10,000,000     |
| <b>Current Financial assets</b>   |       |                                   |   | 14,670,062     |                                   |   | 24,361,823     |
| (i) Trade Receivables   | 7     |                                   |   |                |                                   |   |                |
| (ii) Cash and cash equivalents  | 8     |                                   |   |                |                                   |   |                |
| (iii) Bank balances other than Cash and Cash Equivalents  | 9     |                                   |   | 4,806,547,039  |                                   |   | 3,943,290,654  |
| (iv) Loans  | 10    |                                   |   | 2,356,500,001  |                                   |   | 6,561,155,104  |
| - Employee Loans  |       |                                   |   |                |                                   |   |                |
| - Loans to Related Party  |       |                                   |   | 3,784,682      |                                   |   | 2,856,231      |
| - Others  |       |                                   |   |                |                                   |   |                |
| (v) others (Excluding Lease Receivables)  | 11    |                                   |   |                |                                   |   |                |
| (vi) others (Lease Receivables including Interest)  | 11    |                                   |   | 1,278,865,416  |                                   |   | 812,983,221    |
| <b>Total Current Financial Assets</b>   |       |                                   |   |                |                                   |   |                |
| <b>Total Financial Assets</b>   |       |                                   |   | 8,445,697,138  |                                   |   | 11,320,285,210 |
|   |       |                                   |   | 8,460,367,200  |                                   |   | 11,344,647,033 |
| <b>Financial Liabilities</b>  |       |                                   |   |                |                                   |   |                |
| (i) Long-term borrowings  |       |                                   |   |                |                                   |   |                |
| (ii) Long term maturities of lease liabilities  | 16.1  |                                   |   | 3,845,467,174  |                                   |   | 2,081,334,005  |
| (iii) Other Financial Liabilities (including Payable towards Bonds Fully Serviced by Government of India) | 16.2  |                                   |   | 5,472,320      |                                   |   | 5,544,743      |
| (iv) Borrowing -Short Term including current maturities of long term borrowings                           | 16.3  |                                   |   | 11,745,807     |                                   |   | 32,225,109     |
| (v) Current maturities of lease obligations   | 20.1  |                                   |   |                |                                   |   |                |
| (vi) Trade Payables including Micro, Small and Medium Enterprises   | 20.2  |                                   |   | 9,466,999      |                                   |   | 7,360,727      |
| (vii) Other Current financial liabilities   | 20.3  |                                   |   | 32,353,115     |                                   |   | 83,195,965     |
| a) Interest Accrued but not due on borrowings   | 20.4  |                                   |   |                |                                   |   |                |
| b) Other Current Liabilities  | 20.4  |                                   |   | 1,919,132,720  |                                   |   | 1,303,171,478  |
| <b>Total Financial Liabilities</b>  |       |                                   |   | 5,823,638,135  |                                   |   | 3,512,832,027  |

## B) FAIR VALUATION MEASUREMENT

(Amount in ₹)

### (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 security deposits/retention money and loans at below market rates of interest.

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

| Note No.   | As at 31st March, 2023 |         |         | As at 31st March, 2022 |         |         |
|--|------------------------|---------|---------|------------------------|---------|---------|
|  | Level 1                | Level 2 | Level 3 | Level 1                | Level 2 | Level 3 |
| Financial Assets at FVTOCI   |                        |         |         |                        |         |         |
| (i) Investments:-  |                        |         |         |                        |         |         |
| - In Equity Instrument (Quoted)  |                        |         |         |                        |         |         |
| - In Debt Instruments (Government/<br>Public Sector Undertaking)- Quoted * |                        |         |         |                        |         |         |
| Financial Assets at FVTPL:   |                        |         |         |                        |         |         |
| (i) Derivative MTM Asset (Call spread option<br>and Coupon only swap)      |                        |         |         |                        |         | 0       |
| 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:

| Particulars  | Note No.            | As at 31st March, 2023 |            |           | As at 31st March, 2022 |            |          |
|--|---------------------|------------------------|------------|-----------|------------------------|------------|----------|
|  |                     | Level 1                | Level 2    | Level 3   | Level 1                | Level 2    | Level 3  |
| Financial assets   |                     |                        |            |           |                        |            |          |
| (i) Trade Receivables  | 3.2                 |                        |            |           |                        |            |          |
| (ii) Loans   |                     |                        |            |           |                        |            |          |
| a) Employees   | 3.3                 |                        |            |           |                        |            |          |
| b) Loans to Related Party  | 3.3                 |                        | 1150699    |           |                        | 1192427    |          |
| c) Loan to Government of Arunachal Pradesh (including interest accrued)  | 3.3                 |                        |            |           |                        |            |          |
| d) Others  | 3.3                 |                        | 0          |           |                        | 0          |          |
| (iii) Others   |                     |                        |            |           |                        |            |          |
| Security Deposits  | 3.4                 |                        |            |           |                        |            |          |
| -Bank Deposits with more than 12 Months Maturity (including interest accrued)                                      | 3.4                 |                        | 13,772,040 |           |                        | 13,468,920 |          |
| -Recoverable on account of Bonds fully Serviced by Government of India   | 3.4                 |                        |            |           |                        | 10,000,000 |          |
| Total Financial Assets   |                     | 0                      | 14922739   | 0         | 0                      | 24661347   | 0        |
| Financial Liabilities  |                     |                        |            |           |                        |            |          |
| (i) Long Term Borrowings including Current maturities and accrued interest   | 16.1, 20.1 and 20.4 |                        |            |           |                        |            |          |
| (ii) Other Long Term Financial Liabilities (including Payable towards Bonds Fully Serviced by Government of India) | 16.3                |                        |            | 9,427,148 | 0                      |            | 34262251 |
| Total Financial Liabilities  |                     | 0                      | 0          | 9,427,148 | 0                      | 0          | 34262251 |

(Amount in ₹)

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

| Particulars  | Note No.            | As at 31st March, 2023 |                      | As at 31st March, 2022 |                      |
|--|---------------------|------------------------|----------------------|------------------------|----------------------|
|  |                     | Carrying Amount        | Fair Value           | Carrying Amount        | Fair Value           |
| <b>Financial assets</b>  |                     |                        |                      |                        |                      |
| (i) Trade Receivables  | 3.2                 | -                      | -                    | -                      | -                    |
| (ii) Loans   |                     |                        |                      |                        |                      |
| a) Employees   | 3.3                 | 898,022                | 1,150,699            | 892,903                | 1,192,427            |
| b) Loans to Related Party  | 3.3                 | -                      | -                    | -                      | -                    |
| c) Loan to Government (including Interest Accrued)   | 3.3                 | -                      | -                    | -                      | -                    |
| d) Others  |                     | -                      | -                    | -                      | -                    |
| (iii) Others   |                     |                        |                      |                        |                      |
| Security Deposits  | 3.4                 | 13,772,040             | 13,772,040           | 13,468,920             | 13,468,920           |
| -Bank Deposits with more than 12 Months Maturity (including Interest accrued)                                      | 3.4                 | -                      | -                    | 10,000,000             | 10,000,000           |
| -Recoverable-Others  | 3.4                 | -                      | -                    | -                      | -                    |
| -Recoverable on account of Bonds fully Serviced by Government of India   | 3.4                 | -                      | -                    | -                      | -                    |
| <b>Total Financial Assets</b>  |                     | <b>14,670,062</b>      | <b>14,922,739</b>    | <b>24,361,823</b>      | <b>24,661,347</b>    |
| <b>Financial Liabilities</b>   |                     |                        |                      |                        |                      |
| (i) Long Term Borrowings including Current maturities and accrued Interest   | 16.1, 20.1 and 20.4 | 3,845,467,174          | 3,845,467,174        | 2,081,334,005          | 2,081,334,005        |
| (ii) Other Long Term Financial Liabilities (including Payable towards Bonds Fully Serviced by Government of India) | 16.3                | 11,745,807             | 9,427,148            | 32,225,109             | 34,262,251           |
| <b>Total Financial Liabilities</b>   |                     | <b>3,857,212,981</b>   | <b>3,854,894,322</b> | <b>2,113,559,114</b>   | <b>2,115,596,256</b> |

Note:-

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

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

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

- (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 NHPC.
- (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.

**(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<br>2. Refinancing<br>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.<br>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 institutions.

**ii) Liquidity risk.**

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

**iii) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity and debt price 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.

**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:

| Particulars  | As at 31st March, 2023 | As at 31st March, 2022 |
|--|------------------------|------------------------|
| <b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>    |                        |                        |
| Non-current investments (Other than Subsidiaries and Joint Ventures)   | -                      | -                      |
| Loans - Non Current (including interest)   | 898,022                | 892,903                |
| Other Non Current Financial Assets (Excluding Lease Receivables & Share Application Money Pending Allotment) | 13,772,040             | 23,468,920             |
| Current investments  |                        |                        |
| Cash and cash equivalents  | -                      | -                      |
| Bank balances other than Cash and Cash Equivalents   | 4,806,547,039          | 3,943,290,654          |
| Loans - Current  | 2,356,500,001          | 6,561,155,104          |
| Other Financial Assets (Excluding Lease Receivables)   | 3,784,682              | 2,856,231              |
| <b>Total (A)</b>   | <b>1,278,865,416</b>   | <b>812,983,221</b>     |
| <b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b>    |                        |                        |
| Trade Receivables  | 8,460,367,200          | 11,344,647,033         |
| Lease Receivables (including Interest)   | -                      | -                      |
| <b>Total (B)</b>   | <b>-</b>               | <b>-</b>               |
| <b>TOTAL (A+B)</b>   | <b>8,460,367,200</b>   | <b>11,344,647,033</b>  |

**(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**

A default in recovery of financial assets occurs when in view of the management there is no significant possibility of recovery of receivables after considering all available options for recovery.

As the power stations and beneficiaries of the company are spread over various states of India, geographically there is no concentration of credit risk.



(iii) Reconciliation of impairment loss provisions

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

|                            | Trade Receivables | Investments | Claim Recoverable | Loans | Total |
|----------------------------|-------------------|-------------|-------------------|-------|-------|
| Balance as at 1.4.2021     | -                 | -           | -                 | -     | -     |
| Changes in Loss Allowances | -                 | -           | -                 | -     | -     |
| Balance as at 1.4.2022     | -                 | -           | -                 | -     | -     |
| Changes in Loss Allowances | -                 | -           | -                 | -     | -     |
| Balance as at 31.3.2023    | -                 | -           | -                 | -     | -     |

(Amount in ₹)

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 year:

| Particulars      | As at 31st March, 2023 | As at 31st March, 2022 |
|------------------|------------------------|------------------------|
| At Floating Rate | Nil                    | Nil                    |
| Fixed rate       | Nil                    | Nil                    |
| Total            | Nil                    | Nil                    |

(Amount in ₹)

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, 2023

| Contractual maturities of financial liabilities | Note No.      | Outstanding Debt as on 31.3.2023 | 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 | 10,234,900,000                   | -             | -                                    | -                                    | 10,234,900,000   |
| Lease Liabilities                               | 16.2 & 20.2   | 14,939,319                       | 9,466,999     | 5,671,356                            | -                                    | -                |
| Other financial Liabilities                     | 16.3 & 20.4   | 1,931,132,235                    | 1,919,248,040 | 11,324,967                           | 559,228                              | -                |
| Trade Payables                                  | 20.3          | 32,353,115                       | 32,353,115    | -                                    | -                                    | -                |
| Total Financial Liabilities                     |               | 12,213,324,669                   | 1,961,068,154 | 16,996,323                           | 559,228                              | 10,234,900,000   |

(Amount in ₹)

As at 31st March, 2022

(Amount in ₹)

| Contractual maturities of financial liabilities | Note No.      | Outstanding Debt as on 31.03.2022 | 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 | 5,985,700,000                     | -                    | -                                    | -                                    | 5,985,700,000        |
| Lease Liabilities                               | 16.2 & 20.2   | 12,905,470                        | 7,360,727            | 5,797,336                            | -                                    | -                    |
| Other financial Liabilities                     | 16.3 & 20.4   | 1,345,592,599                     | 1,303,316,846        | 262,520                              | 42,013,233                           | -                    |
| Trade Payables                                  | 20.3          | 83,195,965                        | 83,195,965           | -                                    | -                                    | -                    |
| <b>Total Financial Liabilities</b>              |               | <b>7,427,394,034</b>              | <b>1,393,873,538</b> | <b>6,059,856</b>                     | <b>42,013,233</b>                    | <b>5,985,700,000</b> |

**(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 year are as follows:

| Particulars                    | (Amount in ₹)                  |                        |
|--------------------------------|--------------------------------|------------------------|
|                                | As at 31st March, 2023         | As at 31st March, 2022 |
| As at 31st March, 2023         | As at 31st March, 2022         | As at 31st March, 2022 |
| weighted average interest rate | weighted average interest rate |                        |
| Floating Rate Borrowings (INR) |                                |                        |
| Floating Rate Borrowings (FC)  |                                |                        |
| Fixed Rate Borrowings (INR)    | 3,845,467,174                  | 2,081,334,005          |
| Fixed Rate Borrowings (FC)     |                                |                        |
| <b>Total</b>                   | <b>3,845,467,174</b>           | <b>2,081,334,005</b>   |

**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/decrease in interest rates, as the same is recoverable from beneficiaries through tariff.

**(ii) Price Risk:**

**(a) Exposure**

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

At a reporting date, the exposure to equity and debt instruments are as under:-

| Particulars        | (Amount in ₹)     |                        |
|--------------------|-------------------|------------------------|
|                    | As at March, 2023 | As at 31st March, 2022 |
| Equity Instruments | -                 | -                      |
| Debt Instruments   | -                 | -                      |

**(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 year expressed in INR are as follows :

| Particulars                                    | (Amount in ₹)          |                        |
|--|------------------------|------------------------|
|  | As at 31st March, 2023 | As at 31st March, 2022 |
| Financial Liabilities:                         |                        |                        |
| Foreign Currency Loans                         |                        |                        |
| Other Financial Liabilities                    |                        |                        |
| Net Exposure to foreign currency (liabilities) | 229,209,560            | 50,766,074             |

Exposure gain/(loss) on account of exchange variation is recoverable from beneficiaries as per Tariff Regulation 2019-24. Therefore, currency risk in respect of such exposure would not be very significant.

**(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 2019-24.

### **(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 total debt divided by total capital. The Debt : Equity ratio are as follows:

| Statement of Gearing Ratio |                        |                        |
|----------------------------|------------------------|------------------------|
| (Amount in ₹)              |                        |                        |
| Particulars                | As at 31st March, 2023 | As at 31st March, 2022 |
| (a) Total Debt             | 3,860,406,493          | 2,094,239,475          |
| (b) Total Capital          | 39,962,340,741         | 34,904,586,105         |
| Gearing Ratio (a/b)        | 0.10                   | 0.06                   |

Note: For the purpose of the Company's capital management, capital includes issued capital and reserves. Total debt includes Long term debts and Lease Liabilities including current maturities thereof, Short term Borrowings and Payable towards Bonds fully serviced by Government of India.

**Note No-33(4) :-Financial Ratios**

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022.

| S.No | Particulars                       | Numerator                          | Denominator   | 31st March 2023 | 31st March 2022 | % Variance | Reason for variance   |
|------|-----------------------------------|------------------------------------|---|-----------------|-----------------|------------|---|
| (a)  | Current Ratio                     | Current Assets                     | Current Liabilities                                 | 2.69            | 4.07            | -33.80     | The reason for Decrease in the Current ratio is due to decrease in Current Asset During the Current FY on Account of less infusion of Equity in comparison to F.Y. 2021-22.                                       |
| (b)  | Debt-Equity Ratio                 | Total Debts                        | Shareholder's Equity                                | 0.10            | 0.06            | 61.00      | The reason for Increase in this ratio is due to addition of Borrowing as a result of release of Sub- Debt by GOI During the Current FY.   |
| (c)  | Debt Service Coverage Ratio       | Earning Available for debt service | Debt Service  | NA              | NA              | NA         |   |
| (d)  | Return on Equity Ratio (In %)     | Profit After Tax                   | Average Shareholder's Equity                        | 0.67            | 0.15            | 350.34     | The reason for Increase in this ratio is due to increase in profit as compared to last year on Account of increase in other income (Interest Income from Short term Surplus fund invested in FDRs with the bank). |
| (e)  | Inventory turnover Ratio          | Revenue From Operatio              | Average Inventory                                   | NA              | NA              | NA         |   |
| (f)  | Trade Receivable turnover ratio   | Revenue From Operatio              | Average Debtors                                     | NA              | NA              | NA         |   |
| (g)  | Trade Payables turnover ratio     | Purchases                          | Average Trade Payables                              | 9.55            | 1.43            | 567.83     | The reason for Increase in this ratio is due to regrouping of trade Payable to other financial Liabilities.   |
| (h)  | Net Capital turnover ratio        | Revenue From Operatio              | Working Capital                                     | NA              | NA              | NA         |   |
| (i)  | Net Profit ratio (In %)           | Net Profit                         | Revenue from operations                             | NA              | NA              | NA         |   |
| (j)  | Return on Capital Employed (In %) | Earning Before Interest and Taxes  | Capital Employed (Total Assets-Current Liabilities) | 0.76            | 0.31            | 148.74     | The reason for Increase in this ratio is due to increase in profit as compared to last year on Account of increase in other income (Interest Income from Short term Surplus fund invested in FDRs with the bank). |
| (k)  | Return on investment (In %)       | Income generated from investments  | Time weighted average investments                   | NA              | NA              | NA         |   |

Note 1:- Company is required to give explanation for any change in the ratio by more than 25% as compared to the preceding year.

**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. 240,21,02,010/-** (Previous year **Rs. 143,26,66,095/-**) against the Company on account of rate and quantity deviation, cost relating to extension of time, idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are lying at arbitration tribunal/other forums/under examination with the Company. These include **Rs. 2,64,41,555/-** (Previous year **Rs. 1,77,97,740/-**) 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. 8,41,07,851/-** (Previous year **Rs. Nil**) based on probability of outflow of resources embodying economic benefits and estimated **Rs. 231,79,94,159/-** (Previous year **Rs. 143,26,66,095/-**) 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 the 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 erstwhile land owners have filed claims for higher compensation amounting to **Rs. Nil** (Previous year **Rs. Nil**) Before various authorities/courts. 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 estimated **Rs. Nil** (Previous year **Rs. Nil**) as the amount of contingent liability as outflow of resources is considered as not probable.

**(iii) Disputed Tax Demands**

Disputed Income Tax/Sales Tax/Service Tax/ Water Cess/ Green Energy Cess/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 **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.

**(iv) Others**

Claims on account of other miscellaneous matters amount to **Rs. 3,07,125/-** (Previous year **Rs. 5,32,788/-**). These claims are pending before various forums. 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 estimated **Rs. 3,07,125/-** (Previous year **Rs. 5,32,788/-**) 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 below:

(Amount in Rs)

| Sl. No. | Particulars             | Claims as on 31.03.2023 | up to date Provision against the claims | Contingent liability as on 31.03.2023 | Contingent liability as on 31.03.2022 | Addition/ (deduction) from contingent liability during the year | Decrease of contingent liability from Opening Balance as on 01.04.2022 |
|---------|-------------------------|-------------------------|---|---------------------------------------|---------------------------------------|---|--|
| (i)     | (ii)                    | (iii)                   | (iv)                                    | (v)                                   | (vi)                                  | (vii)=(v)-(vi)  | (viii)   |
| 1.      | Capital Works           | 240,21,02,010           | 8,41,07,851                             | 231,79,94,159                         | 143,26,66,095                         | 88,53,28,064  | 8,41,07,851  |
| 2.      | Land Compensation cases | -                       | -                                       | -                                     | -                                     | -   | -  |
| 3.      | Disputed tax matters    | -                       | -                                       | -                                     | -                                     | -   | -  |
| 4.      | Others                  | 3,07,125                | -                                       | 3,07,125                              | 5,32,788                              | (2,25,663)  | (2,25,663)   |
|         | <b>Total</b>            | <b>240,24,09,135</b>    | <b>8,41,07,851</b>                      | <b>231,83,01,284</b>                  | <b>143,31,98,883</b>                  | <b>88,51,02,401</b>   | <b>8,38,82,188</b>   |

- (b) The above do not include contingent liabilities on account of pending cases in respect of service matters and 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) (i) An amount of **Rs. Nil** (Previous year **Rs. Nil**) stands paid towards above Contingent Liabilities in respect of Capital Works, pursuant to Niti Aayog directions issued vide OM No. 14070/14/2016-PPPAU dated 5th September 2016, in cases where Arbitral Tribunals have passed orders in favour of contractors and such awards/orders have been further challenged/being challenged by the Company in a Court of Law. The amount so paid has been shown under Other Non-Current Assets (Also refer Note No. 5).
- (ii) An amount of **Rs. 79,38,932/-** (Previous year **Rs. 79,38,932/-**) stands paid /deposited with courts/paid as per Court Order towards above contingent liabilities to contest the cases and has been shown under Other Non-Current/ Current Assets/adjusted against other liabilities of the claimants. (Also refer Note no. 5 and 13)
- (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.

(g) Category of agency wise details of contingent liabilities as at 31.03.2023 are as under:

(Amount in Rs)

| Sl. No. | Particulars                                  | Claims as on 31.03.2023 | up to date Provision against the claims | Contingent liability as on 31.03.2023 | Contingent liability as on 31.03.2022 | Addition/ (deduction) from contingent liability during the year | Decrease of contingent liability from Opening Balance as on 01.04.2022 |
|---------|--|-------------------------|---|---------------------------------------|---------------------------------------|---|--|
| (i)     | (ii)   | (iii)                   | (iv)                                    | (v)                                   | (vi)                                  | (vii)=(v)-(vi)  | (viii)   |
| 1       | Central Government departments               | -                       | -                                       | -                                     | -                                     | -   | -  |
| 2       | State Government departments or Local Bodies | -                       | -                                       | -                                     | -                                     | -   | -  |
| 3       | Central Public Sector Enterprises (CPSEs)    | -                       | -                                       | -                                     | -                                     | -   | -  |
| 4       | Others                                       | 240,24,09,135           | 8,41,07,851                             | 231,83,01,284                         | 143,31,98,883                         | 88,51,02,401  | 8,38,82,188  |
|         | <b>TOTAL</b>                                 | <b>240,24,09,135</b>    | <b>8,41,07,851</b>                      | <b>231,83,01,284</b>                  | <b>143,31,98,883</b>                  | <b>88,51,02,401</b>   | <b>8,38,82,188</b>   |

2. **Contingent Assets:** Contingent assets in respect of the Company are on account of the following:

a) **Counter Claims lodged by the company on other entities:**

The company has lodged counter claims aggregating to **Rs. 3,51,81,330/-** (Previous year **Rs. 3,51,81,330/-**) against claims of other entities. These claims have been lodged on the basis of contractual provisions and are being contested at arbitration tribunal/other forums/under examination with the counterparty. It includes counter claims of **Rs. Nil** (Previous year **Rs. Nil**) towards arbitration awards including updated interest thereon.

Based on Management assessment, a favourable outcome is probable in respect of the claims aggregating **Rs. Nil** (Previous year **Rs. Nil**) and for rest of the claims, the possibility of any inflow is remote. Accordingly, these claims have not been recognised.

b) **Other Cases**

Claims on account of other miscellaneous matters estimated by Management to be **Rs. Nil** (Previous year **Rs. Nil**) has not been recognised.



**3. Commitments (to the extent not provided for):**

Estimated amount of contracts remaining to be executed on capital account are as under:

(Amount in Rs)

| Sl. No. | Particulars   | As at 31.03.2023        | As at 31.03.2022       |
|---------|---|-------------------------|------------------------|
| (i)     | (ii)  | (iii)                   | (iv)                   |
| 1.      | Property Plant and Equipment (including Capital Work in Progress) | 115,52,53,07,584        | 92,46,65,15,009        |
| 2.      | Intangible Assets   | 1,41,43,102             | 1,41,43,102            |
|         | <b>Total</b>  | <b>115,53,94,50,686</b> | <b>92,48,06,58,111</b> |

4. Other Commitments (if any): Nil

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

(Amount in Rs)

| Sl. No. | Particulars   | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|---------|---|---------------------------------|---------------------------------|
| (i)     | Amount charged to Statement of Profit and Loss as FERV            | -                               | -                               |
| (ii)    | Amount charged to Statement of Profit and Loss as Borrowing Cost* | -                               | -                               |
| (iii)   | Amount adjusted in the carrying amount of PPE                     | -                               | -                               |
| (iv)    | Amount recognised in Regulatory Deferral Account Balances         | 45,77,499                       | 9,98,569                        |

\*There is however no impact on profitability of the Company, as the impact of change in foreign exchange rates is recoverable from beneficiaries in terms of prevailing CERC (Terms and Conditions of Tariff) Regulations 2019-24. The exchange rate variation included under borrowing cost for the year is transferred to deferred foreign currency fluctuation assets (recoverable from beneficiaries) as per Significant Accounting Policy of the Company.

**6. Operating Segment:**

a) Electricity generation (including income from embedded Finance/ Operating leases) is the principal business activity of the Company.

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

**7. Disclosures under Ind AS-24 "Related Party Disclosures":**

(A) List of Related parties:

(i) Parent Company:

| Name of Company | Principle place of operation |
|-----------------|------------------------------|
| NHPC Limited    | India                        |
| JKSPDC          | India                        |

(ii) Key Managerial Personnel:

| Sl. No. | Name                          | Position Held  |
|---------|-------------------------------|--|
| 1       | Shri Suresh Kumar, IAS (Retd) | Chairman -Nominee of JKSPDC                              |
| 2       | Shri Atal Dulloo              | Director -Nominee of JKSPDC (Ceased on 04.05.2022)       |
| 3       | Shri Nitishwar Kumar, IAS     | Director -Nominee of JKSPDC (Ceased on 22.09.2022)       |
| 4       | Shri Vivek Bharadwaj, IAS     | Director - Nominee of JKSPDC (Ceased on 30.09.2022)      |
| 5       | Shri H.Rajesh Prasad , IAS    | Director -Nominee of JKSPDC (w.e.f. 20.10.2022)          |
| 6       | Shri Y.K. Chaubey             | Director -Nominee of NHPC (Ceased on 02.03.2023)         |
| 7       | Shri R.P. Goyal               | Director -Nominee of NHPC                                |
| 8       | Shri Biswajit Basu            | Director -Nominee of NHPC (w.e.f. 02.03.2023)            |
| 9       | Shri Rajat Gupta              | Managing Director-Nominee of NHPC (Ceased on 09.06.2022) |
| 10      | Shri Hasan Nadeem             | Managing Director-Nominee of NHPC (w.e.f. 27.06.2022)    |
| 11      | Shri Madhusmita Pany          | Director-Nominee of NHPC (w.e.f. 21.12.2022)             |
| 12      | Shri Sudhir Anand             | Company Secretary, CVPPPL                                |

(iii) Post-Employment Benefit Plans of CVPPPL:

| Name of Related Parties  | Principal place of operation |
|--|------------------------------|
| CVPPPL Employees Social Security Scheme Trust                        | India                        |
| NHPC Ltd. Employees Provident Fund                                   | India                        |
| NHPC Employees Social Security Scheme Trust                          | India                        |
| NHPC Ltd. Employees Defined Contribution Superannuation Scheme Trust | India                        |

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

The Company is a Joint Venture of NHPC Limited (A Govt. of India Enterprise) & JKSPDC (A Govt. of J&K Enterprise) controlled by Central Government and J&K Government respectively. 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, details of material/significant transaction carried out with the Central Govt and J&K Govt. only have been disclosed. Transactions with these related parties are carried out in the ordinary course of business at normal commercial terms.

| Sl. No. | Name of the Government | Nature of Relationship with NHPC                     |
|---------|------------------------|--|
| 1       | Government of India    | Shareholder having control over Parent Company(NHPC) |
| 2       | NHPC                   | Holding Company                                      |

|   |                               |   |
|---|-------------------------------|---|
| 3 | JKSPDC                        | Shareholder having significant influence over the Company |
| 4 | Government of Jammu & Kashmir | Shareholder having control over Parent Company(JKSPDC)    |

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

**(i) Transactions and Balances with NHPC :-**

(Amount in Rs)

| Transactions with Parent  | For the Period ended<br>31.03.2023 | For the period ended<br>31.03.2022 |
|---|------------------------------------|------------------------------------|
| (i)   | (ii)                               | (iii)                              |
| <b>Services received by the Company from</b>  |                                    |                                    |
| ▪ NHPC  | 28,53,28,090                       | 37,57,06,519                       |
| <b>Dividend paid by the company to</b>  |                                    |                                    |
| ▪ NHPC  | -                                  | -                                  |
| <b>Equity contributions (including share application money) received by the company from:</b> |                                    |                                    |
| ▪ NHPC  | 332,63,00,000                      | 447,37,12,860                      |
| <b>Reimbursement of Cost of employee on deputation/Posted by</b>                              |                                    |                                    |
| ▪ NHPC  | -                                  | -                                  |
| <b>Loans &amp; Advances given by the Company to:</b>  |                                    |                                    |
| ▪ NHPC  | -                                  | -                                  |
| <b>Loans &amp; Advances received by the Company from:</b>                                     |                                    |                                    |
| ▪ NHPC  | -                                  | -                                  |

(Amount in Rs)

| Balances with Parent                         | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (i)  | (ii)             | (iii)            |
| <b>Receivable (unsecured) from</b>           |                  |                  |
| ▪ NHPC                                       | -                | -                |
| <b>Payable (unsecured) to</b>                |                  |                  |
| ▪ NHPC                                       | 6,55,36,372      | 61,89,83,167     |
| <b>Investment in Equity by</b>               |                  |                  |
| ▪ NHPC                                       | 1947,39,12,860   | 1839,45,12,860   |
| <b>Loans &amp; Advances Receivable from:</b> |                  |                  |
| ▪ NHPC                                       | -                | -                |
| <b>Loans &amp; Advances Payable to:</b>      |                  |                  |
| ▪ NHPC                                       | -                | -                |

## (ii) Transactions and Balances with JKSPDC:-

(Amount in Rs)

| Transactions with JKSPDC   | For the period ended<br>31.03.2023 | For the period ended<br>31.03.2022 |
|--|------------------------------------|------------------------------------|
| (i)  | (ii)                               | (iii)                              |
| Services Provided by the Company   | -                                  | -                                  |
| Services Received by the Company   | -                                  | -                                  |
| Equity contributions (including share application money) received by the company | 148,00,00,000                      | 265,42,00,000                      |
| Loan given by the company  | -                                  | -                                  |
| Loan received by the company   | -                                  | -                                  |
| Interest on Loan Paid by the company   | -                                  | -                                  |
| Interest on Loan received from the company                                       | -                                  | -                                  |
| Grant received during the year   | -                                  | -                                  |

| Balances with JKSPDC        | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| (i)                         | (ii)             | (iii)            |
| Receivable (unsecured)      | -                | -                |
| Payable (unsecured)         | -                | -                |
| Investment in Equity        | 1745,00,00,000   | 1597,00,00,000   |
| Loans & Advances Receivable | -                | -                |
| Loans & Advances Payable    | -                | -                |

## (iii) Transactions and Balances with Key Management Personnel:

(Amount in Rs)

| Particulars                        | Transactions for the period ended 31.03.2023 and Balances as at 31.03.2023 |                          |                          |                      |  |             |                              |
|------------------------------------|--|--------------------------|--------------------------|----------------------|--|-------------|------------------------------|
|                                    | 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 |
| <b>1. Chairman</b>                 |  |                          |                          |                      |  |             |                              |
| Suresh Kumar<br>PAN-<br>AJUPK7760L | 21,94,362  | -                        | -                        | -                    | -                                      | -           | -                            |

| 2. Managing Director |           |   |   |   |   |   |   |
|----------------------|-----------|---|---|---|---|---|---|
| Hasan Nadeem         | 50,01,312 |   |   | - | - | - | - |
| PAN:-<br>ABGPH4911G  |           | - | - |   |   |   |   |
| Rajat Gupta          | 9,56,355  |   |   | - | - | - | - |
| PAN-<br>ACBPG4686M   |           | - | - |   |   |   |   |
| 3. Company Secretary |           |   |   |   |   |   |   |
| Sudhir Anand         | 25,79,445 |   |   | - | - | - | - |
| PAN-<br>AFIPA4889E   |           | - | - |   |   |   |   |

(Amount in Rs)

| 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. Chairman                    |  |                          |                          |                      |  |             |                              |
| Suresh Kumar                   | 20,31,082  |                          |                          | -                    | -                                      | -           | -                            |
| PAN-<br>AJUPK7760L             |  | -                        | -                        |                      |  |             |                              |
| 2. Managing Director           |  |                          |                          |                      |  |             |                              |
| Rajat Gupta                    | 44,42,998  |                          |                          | -                    | -                                      | -           | -                            |
| PAN-<br>ACBPG4686M             |  | -                        | -                        |                      |  |             |                              |
| A K Choudhary                  | 66,92,636  |                          |                          | -                    | -                                      | -           | -                            |
| PAN:-<br>AADPC5489N            |  | -                        | -                        |                      |  |             |                              |
| 3. Company Secretary           |  |                          |                          |                      |  |             |                              |
| Sudhir Anand                   | 24,27,428  |                          |                          | -                    | -                                      | -           | -                            |
| PAN-<br>AFIPA4889E             |  | -                        | -                        |                      |  |             |                              |

(iv) Transactions & Balances with Post -Employment Benefit Plans

(Amount in Rs)

| Post -Employment Benefit Plans                | Contribution by the company (Net of Refund from Post -Employment Benefit Plans) |                                 | Balances with Post - Employment Benefit Plans |                  |
|---|---|---------------------------------|---|------------------|
|   | for the period ended 31.03.2023   | for the period ended 31.03.2022 | As at 31.03.2023                              | As at 31.03.2022 |
| CVPPPL Employees Social Security Scheme Trust | 8,95,650  | 9,27,100                        | -   | -                |
| NHPC Ltd. Employees Provident Fund            | 2,96,86,264   | 2,42,28,404                     | -   | -                |
| NHPC Employees Social Security Scheme Trust   | 7,77,225  | 6,60,875                        | -   | -                |
| NHPC Ltd. Employees Defined Contribution      | 2,87,26,130   | 2,81,61,005                     | -   | -                |

(v) Significant Transactions with Government that has control over the Parent Company ( i.e Central Government)

(Amount in Rs)

| Particulars  | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|--|---------------------------------|---------------------------------|
| (i)  | (ii)                            | (iii)                           |
| Services Received by the Company   | -                               | -                               |
| Services Provided by the Company   | -                               | -                               |
| Sale of goods ( Electricity) by the Company                                | -                               | -                               |
| Dividend Paid during the year  | -                               | -                               |
| Subordinate Debts received by the company                                  | 424,92,00,000                   | 598,57,00,000                   |
| Interest on Subordinate debts paid by company (including interest accrued) | -                               | -                               |

(vi) Outstanding balances and guarantees with Central Government:

(Amount in Rs)

| Particulars   | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| (i)   | (ii)             | (iii)            |
| <b>Balances with Central Government (that has control over the Company)</b> |                  |                  |
| ▪ Loan Payable to Government (Subordinate debts)                            | 1023,49,00,000   | 598,57,00,000    |
| ▪ Payables (unsecured)  | -                | -                |
| ▪ Receivables (Unsecured)   | -                | -                |

(vii) Significant Transactions with Government that has control over the Parent Company ( i.e J&K Government)

(Amount in Rs)

| Particulars   | For the period ended<br>31.03.2023 | For the period<br>ended 31.03.2022 |
|---|------------------------------------|------------------------------------|
| (i)   | (ii)                               | (iii)                              |
| Services Received by the Company  | 1,95,02,258                        | 6,09,47,737                        |
| Services Provided by the Company  | -                                  | -                                  |
| Sale of goods ( Electricity) by the Company                                   | -                                  | -                                  |
| Dividend Paid during the year   | -                                  | -                                  |
| Subordinate Debts received by the company                                     | -                                  | -                                  |
| Interest on Subordinate debts paid by company<br>(including interest accrued) | -                                  | -                                  |

(viii) Outstanding balances and guarantees with J&K Government:

(Amount in Rs)

| Particulars   | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| (i)   | (ii)             | (iii)            |
| <b>Balances with Central Government (that has control over the Company)</b> |                  |                  |
| ▪ Loan Payable to Government (Subordinate debts)                            | -                | -                |
| ▪ Payables (unsecured)  | -                | -                |
| ▪ Receivables   | 1,21,40,90,451   | 74,57,67,880     |

C) 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 Government of India are carried out at market terms on arms- length basis (except subordinate debts received from Central Government 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 received by the Company from 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 31.03.2023 are unsecured and settlement occurs through banking transactions. 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) The Supplementary Promoter's Agreement between the promoters (NHPC Limited and JKSPDC) has been signed on 21.11.2022 due to which NHPC has obtained majority representation on the Board of the Company.

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

(Amount in Rs)

| Sl. No | Particulars                  | As at 31.03.2023 | As at 31.03.2022 |
|--------|------------------------------|------------------|------------------|
|        | <b>First Charge</b>          |                  |                  |
| 1      | Property Plant and Equipment | -                | -                |
| 2      | Capital Work In Progress     | -                | -                |
|        | <b>Total</b>                 | -                | -                |

9. **Disclosures Under Ind AS-19 " Employee Benefits":**

**(A) Defined Contribution Plans-**

- (i) **Social Security Scheme:** The Company has a Social Security Scheme in lieu of the erstwhile scheme of compassionate appointment. The Company also makes a matching contribution per month per employee and such contribution has to be made for 8 years to build up corpus from the date the scheme in operation i.e. 05.06.2018,. The scheme has been created to take care of and helping bereaved families in the event of death or permanent total disability of its employee. The expenses recognised during the year towards social security scheme are **Rs. 8,95,650/-**-(Previous period **Rs. 9,27,100/-**).
- (ii) **Provident Fund:** The Company pays fixed contribution to Provident Fund at predetermined rates to Employees Provident Fund Organization. The contribution to the fund for the period is recognized as expense and charges to the Statement of Profit & Loss/expenditure attributable to construction. The obligation of the Company is to make fixed contribution

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

**(a) Description of Plans:**

- (i) **Gratuity:** The Company has a defined benefit gratuity plan. The ceiling limit of gratuity is fixed as per the Payment of Gratuity Act, 1972, whereby every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs 0.20 Crores on superannuation, resignation, termination, disablement or on death. The obligation of the company for the same is recognised on the basis of actuarial valuation.
- (ii) **Retired Employees Health Scheme (REHS):** The Company has a Retired Employee Health Scheme, under which retired employee and/or spouse of retiree and eligible dependent children of deceased/retired employees are provided medical facilities in the empanelled hospitals under Group Medical Claim Policy. 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.
- (iii) **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.

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

- (i) **Gratuity:** The amount recognised in the Balance Sheet as at 31.03.2023 and 31.03.2022 along with the movements in the net defined benefit obligation during the years 2022-23 and 2021-22 are as follows:

(Amount in Rs)

| Particulars   | Present Value of Obligation | Fair value of Plan Assets | Net Amount Obligation/ (Asset) |
|---|-----------------------------|---------------------------|--------------------------------|
|   | (i)                         | (ii)                      | iii=(i)-(ii)                   |
| <b>2022-23</b>  |                             |                           |                                |
| <b>Opening Balance as at 01.04.2022</b>   | <b>3,33,40,954</b>          | -                         | <b>3,33,40,954</b>             |
| Current Service Cost  | 47,42,078                   | -                         | 47,42,078                      |
| Interest Expenses/ (Income)   | 24,20,553                   | -                         | 24,20,553                      |
| <b>Total Amount recognised in Statement of Profit and Loss/ Expenditure During Construction</b> | <b>71,62,631</b>            | -                         | <b>71,62,631</b>               |
| <b>Remeasurements</b>   |                             |                           |                                |
| 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   | -                           | -                         | -                              |
| <b>Total Amount recognised in Other Comprehensive Income</b>                                    | -                           | -                         | -                              |
| <b>Contributions:-</b>  |                             |                           |                                |
| -Employers  | -                           | -                         | -                              |
| -Plan participants  | -                           | -                         | -                              |
| Benefit payments  | -                           | -                         | -                              |
| <b>Closing Balance as at 31.03.2023</b>   | <b>4,05,03,585</b>          | -                         | <b>4,05,03,585</b>             |

(Amount in Rs)

| Particulars                             | Present Value of Obligation | Fair value of Plan Assets | Net Amount Obligation/ (Asset) |
|---|-----------------------------|---------------------------|--------------------------------|
|   | (i)                         | (ii)                      | iii=(i)-(ii)                   |
| <b>2021-22</b>                          |                             |                           |                                |
| <b>Opening Balance as at 01.04.2021</b> | <b>2,79,97,840</b>          | -                         | <b>2,79,97,840</b>             |
| Current Service Cost                    | 45,00,751                   | -                         | 45,00,751                      |
| Interest Expenses/ (Income)             | 18,92,654                   | -                         | 18,92,654                      |
| Benefits Paid                           | (10,50,291)                 | -                         | (10,50,291)                    |

|   |                    |          |                    |
|---|--------------------|----------|--------------------|
| <b>Total Amount recognised in Statement of Profit and Loss/ Expenditure During Construction</b> | <b>53,43,114</b>   | <b>-</b> | <b>53,43,114</b>   |
| <b>Remeasurements</b>   |                    |          |                    |
| 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   | -                  | -        | -                  |
| <b>Total Amount recognised In Other Comprehensive Income</b>                                    | <b>-</b>           | <b>-</b> | <b>-</b>           |
| <b>Contributions:-</b>  |                    |          |                    |
| -Employers  | -                  | -        | -                  |
| -Plan participants  | -                  | -        | -                  |
| Benefit payments  | -                  | -        | -                  |
| <b>Closing Balance as at 31.03.2022</b>   | <b>3,33,40,954</b> | <b>-</b> | <b>3,33,40,954</b> |

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** (previous year **Rs Nil** accounted as receivable/ (payable) from/to Parent in respect of employees of employees of NHPC posted in CVPPPL.

The net liabilities disclosed above related to unfunded plans are as follows:

(Amount in Rs)

| Particulars                                   | 31st March 2023    | 31st March 2022    |
|---|--------------------|--------------------|
| Present Value of Unfunded obligations         | 4,05,03,585        | 3,33,40,954        |
| Fair value of Plan Assets                     |                    |                    |
| <b>Deficit/(Surplus) of unfunded plans</b>    | <b>4,05,03,585</b> | <b>3,33,40,954</b> |
| Unfunded Plans                                |                    |                    |
| <b>Deficit/(Surplus) before asset ceiling</b> | <b>4,05,03,585</b> | <b>3,33,40,954</b> |

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

| Particulars        | Change in assumptions |       | Impact on Defined Benefit Obligation |                 |       |                         |                 |       |
|--------------------|-----------------------|-------|--------------------------------------|-----------------|-------|-------------------------|-----------------|-------|
|                    |                       |       | Increase in assumptions              |                 |       | Decrease in assumptions |                 |       |
|                    |                       |       | 31st March 2023                      | 31st March 2022 |       | 31st March 2023         | 31st March 2022 |       |
| Discount Rate      | 0.50%                 | 0.50% | Decrease by                          | 7.92%           | 8.31% | Increase by             | 8.82%           | 9.29% |
| Salary growth rate | 0.50%                 | 0.50% | Increase by                          | 5.37%           | 6.47% | Decrease by             | 5.36%           | 7.06% |

- (ii) **Retired Employees Health Scheme (REHS):** The amount recognised in the Balance Sheet as at 31.03.2023 and 31.03.2022 along with the movements in the net defined benefit obligation during the years 2022-23 and 2021-22 are as follows:

(Amount in Rs)

| Particulars   | Present Value of<br>Obligation | Fair value of<br>Plan Assets | Net Amount<br>Obligation/<br>(Asset) |
|---|--------------------------------|------------------------------|--------------------------------------|
|   | (i)                            | (ii)                         | iii = (i) - (ii)                     |
| <b>2022-23</b>  |                                |                              |                                      |
| <b>Opening Balance as at 01.04.2022</b>   | <b>1,73,77,977</b>             | -                            | <b>1,73,77,977</b>                   |
| Current Service Cost  | 57,03,308                      | -                            | 57,03,308                            |
| Interest Expenses/ (Income)   | 12,61,641                      | -                            | 12,61,641                            |
| <b>Total Amount recognised in Statement of Profit and Loss/ Expenditure During Construction</b> | <b>69,64,949</b>               | -                            | <b>69,64,949</b>                     |
| <b>Remeasurements</b>   |                                |                              |                                      |
| 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   | -                              | -                            | -                                    |
| <b>Total Amount recognised in Other Comprehensive Income</b>                                    | -                              | -                            | -                                    |
| <b>Contributions:-</b>  |                                |                              |                                      |
| -Employers  | -                              | -                            | -                                    |
| -Plan participants  | -                              | -                            | -                                    |
| Benefit payments  | -                              | -                            | -                                    |
| <b>Closing Balance as at 31.03.2023</b>   | <b>2,43,42,926</b>             | -                            | <b>2,43,42,926</b>                   |

(Amount in Rs)

| Particulars  | Present Value of<br>Obligation | Fair value of<br>Plan Assets | Net Amount<br>Obligation/<br>(Asset) |
|--|--------------------------------|------------------------------|--------------------------------------|
|  | (i)                            | (ii)                         | iii = (i) - (ii)                     |
| <b>2021-22</b>   |                                |                              |                                      |
| <b>Opening Balance as at 01.04.2021</b>  | -                              | -                            | -                                    |
| Current Service Cost   | 29,54,231                      | -                            | 29,54,231                            |
| Interest Expenses/ (Income)  | -                              | -                            | -                                    |
| Past Service Cost including Curtailment Gain/Losses                                | 1,44,23,746                    | -                            | 1,44,23,746                          |
| <b>Total Amount recognised in Statement of Profit and Loss/ Expenditure During</b> | <b>1,73,77,977</b>             | -                            | <b>1,73,77,977</b>                   |

|   |                    |   |                    |
|---|--------------------|---|--------------------|
| <b>Construction</b>   |                    |   |                    |
| <b>Re-measurements</b>  | -                  | - | -                  |
| 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   | -                  | - | -                  |
| <b>Total Amount recognised in Other Comprehensive Income</b>                  | -                  | - | -                  |
| Contributions:-   |                    |   |                    |
| -Employers  | -                  | - | -                  |
| -Plan participants  | -                  | - | -                  |
| Benefit payments  | -                  | - | -                  |
| <b>Closing Balance as at 31.03.2022</b>                                       | <b>1,73,77,977</b> | - | <b>1,73,77,977</b> |

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

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

(Amount in Rs)

| Particulars                                   | 31st March 2023    | 31st March 2022    |
|---|--------------------|--------------------|
| Present Value of unfunded obligations         | 2,43,42,926        | 1,73,77,977        |
| Fair value of Plan Assets                     | -                  | -                  |
| <b>Deficit/(Surplus) of unfunded plans</b>    | <b>2,43,42,926</b> | <b>1,73,77,977</b> |
| Unfunded Plans                                | -                  | -                  |
| <b>Deficit/(Surplus) before asset ceiling</b> | <b>2,43,42,926</b> | <b>1,73,77,977</b> |

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

| Particulars   | Change in assumptions |                 | Impact on Defined Benefit Obligation |                 |                 |                         |                 |                 |
|---------------|-----------------------|-----------------|--------------------------------------|-----------------|-----------------|-------------------------|-----------------|-----------------|
|               |                       |                 | Increase in assumptions              |                 |                 | Decrease in assumptions |                 |                 |
|               | 31st March 2023       | 31st March 2022 |                                      | 31st March 2023 | 31st March 2022 |                         | 31st March 2023 | 31st March 2022 |
| Discount Rate | 0.50%                 | 0.50%           | Decrease by                          | 3.44%           | NA              | Increase by             | 5.04%           | NA              |

- (iii) **Allowances on Retirement/Death:** The amount recognised in the Balance Sheet as at 31.03.2023 and 31.03.2022 along with the movements in the net defined benefit obligation during the years 2022-23 and 2021-22 are as follows:

(Amount in Rs)

| Particulars   | Present Value of<br>Obligation | Fair value of<br>Plan Assets | Net Amount<br>Obligation/<br>(Asset) |
|---|--------------------------------|------------------------------|--------------------------------------|
|   | (i)                            | (ii)                         | iii=(i)-(ii)                         |
| <b>2022-23</b>  |                                |                              |                                      |
| <b>Opening Balance as at 01.04.2022</b>   | <b>1,91,810</b>                | -                            | <b>1,91,810</b>                      |
| Current Service Cost  | 27,237                         | -                            | 27,237                               |
| Interest Expenses/ (Income)   | 13,925                         | -                            | 13,925                               |
| <b>Total Amount recognised in Statement of Profit and Loss/ Expenditure During Construction</b> | <b>41,162</b>                  | -                            | <b>41,162</b>                        |
| <b>Remeasurements</b>   | -                              | -                            | -                                    |
| 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   | -                              | -                            | -                                    |
| <b>Total Amount recognised in Other Comprehensive Income</b>                                    |                                |                              |                                      |
| Contributions:-   |                                |                              |                                      |
| -Employers  | -                              | -                            | -                                    |
| -Plan participants  | -                              | -                            | -                                    |
| Benefit payments  | -                              | -                            | -                                    |
| <b>Closing Balance as at 31.03.2023</b>   | <b>2,32,972</b>                | -                            | <b>2,32,972</b>                      |

(Amount in Rs)

| Particulars  | Present Value of<br>Obligation | Fair value of<br>Plan Assets | Net Amount<br>Obligation/<br>(Asset) |
|--|--------------------------------|------------------------------|--------------------------------------|
|  | (i)                            | (ii)                         | iii=(i)-(ii)                         |
| <b>2021-22</b>   |                                |                              |                                      |
| <b>Opening Balance as at 01.04.2021</b>  | <b>1,70,803</b>                | -                            | <b>1,70,803</b>                      |
| Current Service Cost   | 9,461                          | -                            | 9,461                                |
| Interest Expenses/ (Income)  | 11,546                         | -                            | 11,546                               |
| <b>Total Amount recognised in Statement of Profit and Loss/ Expenditure During</b> | <b>21,007</b>                  | -                            | <b>21,007</b>                        |

|   |                 |   |                 |
|---|-----------------|---|-----------------|
| <b>Construction</b>   |                 |   |                 |
| <b>Remeasurements</b>   |                 |   |                 |
| 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   | -               | - | -               |
| <b>Total Amount recognised in Other Comprehensive Income</b>                  | -               | - | -               |
| Contributions:-   |                 |   |                 |
| -Employers  | -               | - | -               |
| -Plan participants  | -               | - | -               |
| Benefit payments  | -               | - | -               |
| <b>Closing Balance as at 31.03.2022</b>                                       | <b>1,91,810</b> | - | <b>1,91,810</b> |

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 (previous year Rs Nil) accounted as receivable/ (payable) from/to Parent in respect of employees of NHPC posted in CVPPPL.

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 Benefit Obligation |                 |                 |                         |                 |                 |
|---------------|-----------------------|-----------------|--------------------------------------|-----------------|-----------------|-------------------------|-----------------|-----------------|
|               |                       |                 | Increase in assumptions              |                 |                 | Decrease in assumptions |                 |                 |
|               | 31st March 2023       | 31st March 2022 |                                      | 31st March 2023 | 31st March 2022 |                         | 31st March 2023 | 31st March 2022 |
| Discount Rate | 0.50%                 | 0.50%           | Decrease by                          | 9.95%           | 8.04%           | Increase by             | 11.18%          | 9.04%           |

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

| Particulars        | 31st March 2023 | 31st March 2022 |
|--------------------|-----------------|-----------------|
| Discount Rate      | 7.39%           | 7.26%           |
| Salary growth rate | 6.50%           | 6.50%           |

(d) **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, the company is exposed to various risks as follows:

- A) Salary Increase- Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets-liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
- (f) The expected maturity analysis of undiscounted defined benefit plans is as follows:

**The expected maturity analysis of Gratuity, Post employment Medical Benefits, Allowances on Retirement/ Death.**

(Amount in Rs)

| Particulars                             | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years       | Total              |
|---|------------------|-------------------|-------------------|--------------------|--------------------|
| <b>31.03.2023</b>                       |                  |                   |                   |                    |                    |
| Gratuity                                | 8,81,570         | 8,26,386          | 23,40,922         | 3,64,54,707        | 4,05,03,585        |
| Post-employment Medical Benefits (REHS) | 1,304            | 5,925             | 1,91,759          | 2,41,43,938        | 2,43,42,926        |
| Allowances on Retirement/Death          | 657              | 5,006             | 14,105            | 2,13,204           | 2,32,972           |
| <b>TOTAL</b>                            | <b>8,83,531</b>  | <b>8,37,317</b>   | <b>25,46,786</b>  | <b>6,08,11,849</b> | <b>6,50,79,483</b> |
| <b>31.03.2022</b>                       |                  |                   |                   |                    |                    |
| Gratuity                                | 6,27,007         | 6,85,419          | 19,58,384         | 3,00,70,144        | 3,33,40,954        |
| Post-employment Medical Benefits (REHS) | NA               | NA                | NA                | NA                 | NA                 |
| Allowances on Retirement/Death          | 535              | 2,230             | 12,106            | 1,76,939           | 1,91,810           |
| <b>TOTAL</b>                            | <b>6,27,542</b>  | <b>6,87,649</b>   | <b>19,70,490</b>  | <b>3,02,47,083</b> | <b>3,35,32,764</b> |

- (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 also 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 3,26,30,879/- (Previous year Rs 2,80,87,446/-).

(D) The corresponding expenditure of actuarial valuation in respect of employees of NHPC who are presently on the rolls of Chenab Valley Power Projects [P] Limited has been transferred to CVPPPL in the respective year through a debit/credit advice. The effect of the same has been acknowledged in IUT certificate during the year

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

(Amount in Rs)

| Sl. No. | Particulars  | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|---------|--|---------------------------------|---------------------------------|
| a)      | Expenditure in Foreign Currency                                  |                                 |                                 |
|         | i) Interest  | -                               | -                               |
|         | ii) Other Misc. Matters  | 48,25,38,912                    | 37,26,26,792                    |
| b)      | Value of spare parts and Components consumed in operating units. |                                 |                                 |
|         | i) Imported  | -                               | -                               |
|         | ii) Indigenous   | -                               | -                               |
| c)      | Earning in foreign currency (Specify Nature)                     | -                               | -                               |

11. Earnings Per Share:

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

| Particulars   | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|---|---------------------------------|---------------------------------|
| Earnings per Share before Regulatory Income Rs. – Basic and Diluted | 0.0681                          | 0.0152                          |
| Earnings per Share after Regulatory Income Rs. – Basic and Diluted  | 0.0694                          | 0.0155                          |
| Par value per share Rs.   | 10                              | 10                              |

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

| Particulars  | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|--|---------------------------------|---------------------------------|
| Net Profit after Tax but before Regulatory Income used as numerator (Amount in Crores) | 24.69                           | 4.57                            |
| Net Profit after Tax and Regulatory Income used as numerator (Amount in Crores)        | 25.15                           | 4.67                            |

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

| Particulars  | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|--|---------------------------------|---------------------------------|
| Weighted Average number of equity shares used as denominator | 3623405400                      | 3011577100                      |



**12. Disclosure related to Confirmation of Balances is as under :**

- (a) Balances shown under material issued to contractors, claims recoverable including insurance claims, loans (other than employees), advances for Capital expenditure, Trade Receivable, Advances to Contractors, Trade Payable and Deposits/Earnest money from contractors other than as given at (b) below are subject to reconciliation/ confirmation and respective consequential adjustments. Claims recoverable also include claims in respect of projects handed over or decided to be handed over to other agencies in terms of Government of India directives.
- (b) The confirmation in respect of Trade Receivables, Trade Payables, Deposits, loans (other than employees), Advances to Contractors/Suppliers/Service Providers/Others including for capital expenditure and material issued to contractors have been sought for outstanding balances of Rs. 5,00,000 or above in respect of each party as at 31st December, 2022. Status of confirmation of balances as at December 31, 2022 as well as amount outstanding as on 31.03.2023 is as under:

(Amount in Rs)

| Particulars   | Outstanding amount as on 31.12.2022 | Amount confirmed | Outstanding amount as on 31.03.2023 |
|---|-------------------------------------|------------------|-------------------------------------|
| Trade receivable (including interest receivable from Beneficiaries)   | -                                   | -                | -                                   |
| Deposits, Loans, Advances to contractors/ suppliers/ service providers/ others including for capital expenditure and material issued to contractors | 5,71,27,96,497                      | 4,85,97,59,920   | 6,39,68,24,135                      |
| Trade/Other payables  | 29,58,66,515                        | 9,51,81,891      | 1,71,01,53,032                      |
| Security Deposit/Retention Money payable  | 23,87,38,101                        | 21,41,65,104     | 22,57,05,986                        |

- (c) In the opinion of the management, unconfirmed balances will not require any adjustment having any material impact on the Financial Statements of the Company.

**13. Disclosure related to Corporate Social Responsibility (CSR) (Refer Note 29)**

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

(Amount in Rs)

| Sl. No. | Heads of Expenses constituting CSR expenses | For the period ended 31.03.2023 | For the period ended 31.03.2022 |
|---------|---|---------------------------------|---------------------------------|
| 1       | Health Care and Sanitation                  | 20,65,195                       | 3,11,627                        |
| 2       | Education and Skill Development             | -                               | -                               |
| 3       | Women Empowerment /Senior Citizen           | -                               | -                               |
| 4       | Environment                                 | -                               | -                               |
| 5       | Art and Culture                             | -                               | -                               |

|    |                                     |                  |                  |
|----|-------------------------------------|------------------|------------------|
| 6  | Ex-Armed Forces                     | -                | -                |
| 7  | Sports                              | -                | -                |
| 8  | National Welfare Fund               | -                | -                |
| 9  | Rural Development                   | -                | -                |
| 10 | Capacity Building                   | -                | -                |
| 11 | Swachh Vidyalaya Abhiyan            | -                | -                |
| 12 | Swachh Bharat Abhiyan               | -                | -                |
| 13 | Disaster Management                 | -                | -                |
| 14 | Contribution to Central Govt. Funds | -                | -                |
| 15 | Impact Assessment                   | -                | -                |
| 16 | Administrative overhead             | -                | -                |
| 17 | Ongoing Activity                    | -                | 22,42,494        |
|    | <b>Total amount</b>                 | <b>20,65,195</b> | <b>25,54,121</b> |

(ii) Other disclosures:-

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

(Amount in Rs)

|      | Purpose                               | For the period ended 31.03.2023 |                            |                  | For the period ended 31.03.2022 |                            |                  |
|------|---------------------------------------|---------------------------------|----------------------------|------------------|---------------------------------|----------------------------|------------------|
|      |                                       | Paid in cash (a)                | Yet to be paid in cash (b) | Total (a+b)      | Paid in cash (a)                | Yet to be paid in cash (b) | Total (a+b)      |
| (i)  | Construction/Acquisition of any asset | -                               | -                          | -                | -                               | -                          | -                |
| (ii) | For purpose other than (i) above      | 20,65,195                       | -                          | 20,65,195        | 3,11,627                        | 22,42,494                  | 25,54,121        |
|      | <b>Total</b>                          | <b>20,65,195</b>                | <b>-</b>                   | <b>20,65,195</b> | <b>3,11,627</b>                 | <b>22,42,494</b>           | <b>25,54,121</b> |

(b) As stated above, a sum of Rs. NIL out of total expenditure of Rs. 20,65,195 is yet to be paid to concerned parties which are included in the relevant head of accounts pertaining to liabilities.

(iii) As per Section 135 read with Section 198 of Companies Act 2013, the amount required to be spent towards CSR works out to Rs. 22,13,210 for financial year 2022-23 (based on 2% of average net profit of preceding three financial years).

(iv) The Board of Directors had allocated a total budget of Rs.22,95,994 towards implementation of CSR activities for financial year 2022-23.

- (v) Board has approved setting off Rs. 1,20,073 out of the excess CSR expenditure of Rs. 3,60,220 incurred in the Financial year 2020-21 against the requirement to spend Rs. 22,13,210 for the F.Y. 2022-23 under Section 135 read with Section 198 of Companies Act 2013. As such there is unspent amount Rs 27,942 (22,13,210-1,20,073-20,65,195) for the F.Y. 2022-23 towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring transfer to a fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.
14. Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 read with notification of Ministry of Corporate Affairs dated 11<sup>th</sup> October, 2018 to the extent information available with management are as under:

(Amount in Rs)

| Sl. No. | Particulars   | As at 31.03.2023                  | As at 31.03.2022                 |
|---------|---|-----------------------------------|----------------------------------|
| (i)     | The principal amount and the interest due thereon remaining unpaid to any supplier on Balance Sheet date:<br>a) Trade Payables:<br>-Principal (Refer Note 20.3)<br>-Interest<br>b) Others:<br>-Principal(Refer Note 20.4)<br>-Interest  | 1,19,76,165<br>-<br>3,20,909<br>- | 90,42,014<br>-<br>40,99,842<br>- |
| (ii)    | The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.   | -                                 | -                                |
| (iii)   | The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;   | -                                 | -                                |
| (iv)    | The amount of interest accrued and remaining unpaid as on Balance Sheet date.   | -                                 | -                                |
| (v)     | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | -                                 | -                                |

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

A) Company as Lessee:

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

The Company assesses whether a contract is or contains a lease, at the 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 recognition of right-of-use asset.
- d. Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The weighted average incremental borrowing rate applied to leases recognised during FY 2022-23 is 6.58%.

(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 and 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 in Rs)

| S. No | Description  | 31.03.2023  | 31.03.2022  |
|-------|--|-------------|-------------|
| 1     | Expenditure on short-term leases   | 2,40,72,846 | 4,37,16,338 |
| 2     | Expenditure on lease of low-value assets                                     | -           | 71,93,095   |
| 3     | Variable lease payments not included in the measurement of lease liabilities | 43,56,507   | 58,86,801   |

(iii) Commitment for Short Term Leases as on 31.03.2023 is Rs **1,29,44,493** (Previous Year Rs **88,37,848**).

- (iv) Movement in lease liabilities during the year:

(Amount in Rs)

| Particulars                          | 31.03.2023  | 31.03.2022  |
|--------------------------------------|-------------|-------------|
| Opening Balance                      | 1,29,05,470 | 1,54,50,707 |
| Additions in lease liabilities       | 1,10,38,544 | 83,94,301   |
| Finance cost accrued during the year | 8,41,808    | 9,33,293    |
| Less: Payment of lease liabilities   | 98,46,503   | 1,18,72,831 |
| Closing Balance                      | 1,49,39,319 | 1,29,05,470 |

16. Disclosures under Ind AS-27 'Separate Financial Statements':

Interest of Parent:

| Name of Companies | Principal place of operation | Principal activities | Proportion of Ownership interest as at |            |
|-------------------|------------------------------|----------------------|--|------------|
|                   |                              |                      | 31.03.2023                             | 31.03.2022 |
| NHPC Limited      | India                        | Power Generation     | 52.74%                                 | 55.13%     |
| JKSPDC            | India                        | Power Generation     | 47.26%                                 | 44.87%     |

17. 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 the project entrusted to the Company are under tendering/award/construction stage and no cash generating unit (CGU) exist as on date and there exist no indication that would indicate for impairment of any of the CGUs during FY 2022-23.

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

(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 on the basis of Management estimates as per company's rules in this

regard which are based on the guidelines of the Department of Public Enterprises, Government of India.

**b) Provision For Wage Revision as per 3<sup>rd</sup> Pay Revision Committee (PRC):**

Short term provision for wage revision of the employees of the company was recognised earlier as per notification of the Department of Public Enterprises, Government of India.

**(iii) Other Provisions:**

**a) Provision for Committed Capital Expenditure:**

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

**b) 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.

**c) 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 towards probable outflow. Utilization/outflow of the provision is to be made on the outcome of the case.

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

**19. Regulatory Deferral Account balances in respect of exchange differences on Foreign Currency Monetary items:**

As per Ind AS 23- "Borrowing Costs", borrowing cost on foreign currency loans to the extent treated as an adjustment to interest costs is allowed to be capitalised during construction period. Further, Ind AS 21-"The Effects of Changes in Foreign Exchange Rates" provides that exchange differences arising on settlement or translation of monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in the Profit and Loss in the period in which they arise.

Para D13AA of Ind AS 101- "First Time Adoption of Ind AS" provides that a first-time adopter may continue the existing accounting policy adopted for accounting of exchange differences arising from translation of long-term foreign currency monetary items. Accordingly, for periods beginning on or after 01.04.2016, all exchange differences arising on translation/ settlement of monetary items other than exchange difference on borrowings to the extent treated as an adjustment to interest cost during construction period are to be charged to the Statement of Profit and Loss.

As per the CERC Tariff Regulations 2014-19, any gain or loss on account of exchange risk variation shall be recoverable as part of capital cost for calculation of tariff on Commercial Operation Date (COD) of a project and on actual payment basis during Operation and Maintenance (O&M) period. Further, CERC in previous tariff orders has allowed exchange differences incurred during the construction period as a part of capital cost.

Keeping in view the provisions of Ind AS 114- "Regulatory Deferral Accounts" as regards recognition and CERC Tariff Regulations 2014-19 as regards recoverability, exchange differences arising on translation/ settlement of foreign currency monetary items to the extent charged to the Statement of Profit and Loss are being recognized as 'Regulatory Deferral Account balances' with

effect from (with effect from.) 01.04.2016. These balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries after Commercial Operation Date (COD) of the Project.

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

|         |  | (Amount in Rs)                       |
|---------|--|--------------------------------------|
| Sl. No. | Particulars  | Regulatory Deferral Account Balances |
| A       | Opening balance as on 01.04.2022   | 10,59,609                            |
| B       | Addition during the year (assets (+)/ liability (-))                             | 45,77,499                            |
| C       | Amount collected (-)/refunded (+) during the year                                | -                                    |
| D       | Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C) | 45,77,499                            |
| E       | Closing balance as on 31.03.2023 (A+D)   | 56,37,108                            |

Tariff Regulations for the period 2019-2024 have been notified by the CERC. Regulations regarding recoverability of Foreign Exchange rate Variation (FERV) as part of capital cost for calculation of tariff on Commercial Operation Date (COD) of a project and on actual payment basis during O&M period of a Power Station as per Tariff Regulations 2014-19 have been continued for the tariff period 2019-24 also. Accordingly, Management considers that adverse changes in Tariff Regulations are not likely to be a significant area of risk for the future recovery of RDA balances recognized in respect of exchange differences on Foreign Currency Monetary items.

Recoverability of the Regulatory Deferral account balances is however, subject to **Demand Risk** since recovery/payment of the regulatory deferral debit/credit balance shall be by way of billing to the beneficiaries. Accordingly, the same is affected by the normal risks and uncertainties impacting sale of electricity in India like difficulty in signing of long term PPAs, etc.

20. Following is the disclosure regarding "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 2022  | Nil              | Nil                              | Nil                             | Nil   | Nil                  | Nil                               |
| Sept, 2022 | Nil              | Nil                              | Nil                             | Nil   | Nil                  | Nil                               |
| Dec, 2022  | Nil              | Nil                              | Nil                             | Nil   | Nil                  | Nil                               |
| Mar, 2023  | Nil              | Nil                              | Nil                             | Nil   | Nil                  | Nil                               |

**21. Disclosure regarding 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 31.03.2023 | Relationship with the struck off company, if any, to be disclosed | Balance Outstanding as at 31.03.2022 | Relationship with the struck off company, if any, to be disclosed |
|--------------------------------|--|--------------------------------------|---|--------------------------------------|---|
| NA                             | Investment in securities                       | Nil                                  | NA  | Nil                                  | NA  |
| NA                             | Receivables                                    | Nil                                  | NA  | Nil                                  | NA  |
| NA                             | Payables                                       | Nil                                  | NA  | Nil                                  | NA  |
| NA                             | Shares held by struck off company              | Nil                                  | NA  | Nil                                  | NA  |
| NA                             | Other outstanding balances (to be specified)   | Nil                                  | NA  | Nil                                  | NA  |

**22. Disclosure regarding 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                              |

**23. Impact of change in the accounting policies:**

| Description of change  | Impact on the Statement of Profit/Loss for FY 2022-23 - Increase in Profit/ (Decrease in Profit) | Impact on the Line Item of Balance Sheet as at 31.03.2023 |
|--|--|---|
| Accounting Policy on Recognition of Carbon Credits/ CERs/VERs  | NA   | NA  |
| Change in the useful life of the assets provided to employees at Residential Office for charging of depreciation | There is no material impact due to change in Accounting Policy.                                  |   |

**24. Disclosure regarding details of Benami Property held :** There has been no proceeding initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.



25. No funds 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
26. The Company has not been declared wilful defaulter by any bank or financial institutions or other lenders.
27. **Reimbursement of State Goods and Services Taxes from State Taxes Department, UT of J&K**

In terms of scheme "Reimbursement of State Goods and Services Taxes on Utilization of Goods and Service in the Power Projects in the Union Territory of Jammu and Kashmir (RSGTTP)" notified by Finance Department, Government of Jammu & Kashmir vide Notification SO. 281 dt. 17.08.2021, State Taxes Department, Government of J&K reimburses State Goods and Services Taxes (SGST) on utilization of Goods and Service for development and construction of Pakal Dul HEP, Kiru HEP & Kwar HEP of the Company. Accordingly, claims for SGST reimbursement are being filed for invoices that have been paid by the Company to Suppliers of goods and services.

As per ibid notification and subsequent guidelines, the reimbursement of SGST shall be made for SGST on invoices which are reflected in GSTR 2A of the Company and cash paid by it on Reverse Charge Mechanism (RCM) basis. Consequently, SGST on supplier invoices which are reflected in GSTR-2A of the Company and cash paid by it on Reverse Charge Mechanism (RCM) basis have been recognized in the books of accounts as recoverable from State Taxes Department, Government of J&K (refer Note 11). Further, SGST on invoices amounting to Rs. 1,43,76,631/- (Previous Year Rs.1,42,83,679/-) which are not appearing in GSTR 2A are already included in PPE/CWIP and shall be recognised as recoverable from State Taxes Department, Government of J&K when they get reflected in GSTR 2A after reconciliation (ongoing process)with corresponding adjustment to PPE/CWIP. The process of Reimbursement of SGST has been started and an amount of Rs.24, 54, 00,847/- reimbursed during FY 2022-23 (Previous Year Rs. Nil).

28. Subsequent to acquisition of 2% equity shares of PTC India Ltd by NHPC Ltd, the Supplementary Promoters' Agreement of Chenab Valley Power Projects Pvt. Ltd. (CVPPPL) has been signed between NHPC and JKSPDC with JKPDD on 21.11.2022. As per ibid agreement, NHPC has majority representation on the Board of CVPPPL and accordingly has gained control over CVPPPL from that date.

**Signed as an annexure to Balance Sheet**

**for P C Bindal & Co.**

Chartered Accountants  
(FRN: 003824N)

(CA. Virender K. Maini)

Partner

MRN: 088730



**for and on behalf of the Board of Directors**

(Suresh Kumar)

Chairman

DIN No.06440021

(A. K. Jain)

General Manager (Finance)

(Hasan Nadeem)

Managing Director

DIN No.09653321

(Sudhir Anand)

Company Secretary

FCS 7050

Place : Jammu

Date : 10-5-2023