

FOURTH ANNUAL REPORT 1979-80

National Hydroelectric Power Corporation Ltd.

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Cover Picture :
An Artist's View of
Baira Siul Complex

BOARD OF DIRECTORS

Chairman & Managing Director	Maj. Gen. T.V. Jeganathan (Upto 12.6.80) Shri P.M. Belliappa (From 13.6.1980)
Directors	Shri V. Subramanian Shri K.S. Subrahmanyam (Upto 6.1.1980) Shri S. N. Roy (Upto 19.5.1980) Shri A. N. Singh Shri S. B. Majumdar (Upto 10.9.1979) Shri D. Rajagopalan
Secretary	Shri N. V. Raman
Auditors	M/s. R.K. Khanna & Co. B 7/3 Asaf Ali Road, New Delhi-110002.
Bankers	State Bank of India
Registered Office	'Manjusha' 57, Nehru Place, New Delhi-110019



NOTICE :

Notice is hereby given that the Fourth Annual General Meeting of National Hydroelectric Power Corporation Ltd. will be held on Monday, the 29th September, 1980 at 12 Noon in the registered office of the Corporation at 'Manjusha' 57, Nehru Place, New Delhi-110019 to transact the following business :-

Ordinary Business :

To receive and adopt the audited Accounts of the Corporation for the year ended March 31, 1980 along with the Auditors' Report and the Directors' Report thereon.

By Order of the Board of Directors
National Hydroelectric Power Corporation Ltd.

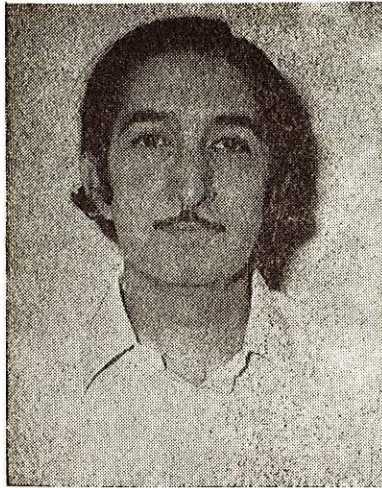
(N. V. RAMAN)
Company Secretary

New Delhi.

DATED ; the 26th August, 1980.

Note : A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote instead of himself. The proxy need not be a member of the Corporation.

CHAIRMAN'S SPEECH



Gentlemen,

It gives me great pleasure to welcome you to the Fourth Annual General Meeting of the National Hydroelectric Power Corporation Ltd. The audited accounts of the Corporation for 1979-80 and Directors' Report along with Auditor's Report are before you for consideration and adoption.

2. Before I proceed to give you an account of the progress of projects that are under execution, it would be useful to remind ourselves that the new Govt. which assumed office earlier in the year, has rightly recognized the need for greater emphasis on the hydro sector, with a view to harnessing the country's great potential available in this field. By 1984-85 approximately 20262 MW is proposed to be added to the system, of which only 5114 MW would be attributable to the Hydro Sector. Realising the seriousness of the imbalance between thermal and hydro capacity, the Prime Minister has directed that steps should be taken to rectify this situation. But any change or improvement in the future has to

be planned for straightway and a beginning made immediately. It is in this larger context that the NHPC looks forward to playing an increasing role to supplement the efforts of the States in tapping the vast hydel resources of the country. 3. I am happy to say that Units I and II of the Baira Siul Project have been put on trial run and have generated approximately 180.35 lakhs units with the available waters of Siul River. This project as you all know, has had to face a series of natural calamities, which had dislocated the schedules considerably. I would like to avail of this opportunity to congratulate the officers, staff and workers for having brought the project to the present stage, when completion is a matter of reality rather than speculation. With the timely supply of critical inputs like the radial gates and steady flow of cement etc., I am confident that by mid 1981, we would see completion of Baira Siul Project in all respects.

4. In Loktak the progress had been steady and as you all know about 1400 M of Head

Race Tunnel is yet to be done. During the period under review an average rate of 64.25 M of tunnel boring per month has been achieved from Face IV and V which is a critical item. The General Manager is confident of stepping this up to 100 M per month and given reasonable conditions within the tunnel, I am confident by end of Nov., 1981, this job of tunnel boring will be completed.

5. You will be anxious to know about the state of affairs in Salal. It would be recollected that work on the concrete dam has been held up for want of a satisfactory solution to the geological problems that have been encountered. The matter has been under serious and active discussion between the officers in the project, the Corporate Office and the Central Water Commission. I feel optimistic that a solution is round the corner, and that very shortly the project will again be humming with activity. While on the subject of Salal, I would like to touch on a very vital point which in my view is one of the reasons that is impeding the growth of the hydro



sector. The time and cost overruns that have occurred in Salal to an extent appear as an inhibiting factor. It will be realised that the Salal Project is the first project of its kind in the young Himalayas, and any problems that have been encountered have gone to enrich the experience of our engineers in the geology of the region and in providing engineering solutions to these problems. A much bigger programme, involving the exploitation of a larger potential is awaiting to be tackled. We cannot afford to be inhibited by the Salal experience, but should regard it as a valuable experience from which lessons have been learnt which will stand us in good stead for the execution of many more such projects in the future.

6. The Devighat Project in Nepal is proceeding very satisfactorily, after an initial delay in securing land.

7. The fortunes of NHPC have recently shown a spurt with the Govts. of J & K, Bihar and Himachal Pradesh agreeing to hand over for execution in the Central Sector through NHPC, the Dul Hasti (390 MW), Koel Karo (710 MW) and Kol Dam (600 MW) Projects respectively in their States. I would like to

thank the Hon'ble Chief Ministers for the confidence they have reposed in NHPC. The Chief Minister of Himachal Pradesh has also agreed that NHPC can take up for investigation and execution of the Parvati (1900 MW) and Chamara (640 MW) Projects.

8. Investigation being a very critical activity in the execution of hydro projects, I am happy to inform you that steps are being taken to strengthen and build up the investigative capability of NHPC. These two projects in Himachal Pradesh will serve as a sufficient basis to enter the activity in an organised manner. The World Bank has shown interest in assisting NHPC in this area of work and we are looking forward to having a more serious dialogue with them. In the long run it is possible that the services of NHPC in the field of investigation will be utilized as a national facility.

9. Before I conclude I would like to assure my colleagues that there need be no apprehension about NHPC's capability to handle this increasing volume of work. I have introduced a system of effective monitoring of the progress of projects. An independent Project Monitoring and Services unit, in the Corporate

Office has been set up and in each Project, there will be similar units under the General Managers, so that the communication between the projects and the Corporate Office is continuous and direct. There is a constant emphasis on commitment to schedules.

10. I would like to thank our Hon'ble Minister Sh. A. B. A. Ghani Khan Choudhury and Hon'ble Sh. Vikram Mahajan Minister of State for their unstinted support which has been a great source of encouragement. We are fortunate in having as our Secretary, Shri D.V. Kapur who brings to his job a wide and rich experience. We look forward to his guidance. To all my colleagues in the Corporate Office and in the field I send my good wishes and appeal to them to maintain the good work that is being done. The success of the hydro sector depends on timely execution of projects and towards that end no effort will be spared.

P. M. Belliappa

P. M. Belliappa
Chairman & Managing
Director

New Delhi
29.9.1980



DIRECTOR'S REPORT TO SHARE HOLDERS

Gentlemen,

I have great pleasure in presenting to you, on behalf of the Board of Directors, the Fourth Annual Report on the working of the Corporation, incorporating the audited accounts for the year ended 31st March, 1980.

2. OPERATIONS :

Hydroelectric Projects :

(a) During the year, your Corporation continued the work on construction of the Loktak, Baira Siul, Salal and Devighat Hydroelectric Projects. The formalities for the transfer of the Salal Project to the Corporation on ownership basis were yet to be finalised and as a result, the Corporation continued to carry on the work of the Project on 'Agency basis' on behalf of the Government of India.

(b) Transmission Lines:

The Corporation continued its work in respect of the various Transmission Lines on behalf of State Governments/National Thermal Power

Corporation. In addition, work was also going on, on some of the associated transmission lines of the Projects handled by the Corporation.

3. HIGHLIGHTS OF PERFORMANCE :

I am happy to report that the year 1979-80 was one of continued growth in the activities of the Corporation. During the year certain landmarks were reached in regard to the Hydroelectric Projects/Transmission Lines handled by the Corporation which are mentioned in brief hereunder :-

(i) Baira Siul Project :

The mechanical run of Units I and II of the Baira Siul Hydroelectric Project was completed. River Diversion works were completed and the River Baira at the dam site was diverted through the Diversion Tunnel.

(ii) Salal Project :

The Diversion Tunnel was commissioned during the year, and par-

tial Diversion of the River Chenab through the tunnel was effected.

(iii) Loktak Project :

Record boring was achieved in the critical Faces IV and V of the Head Race Tunnel.

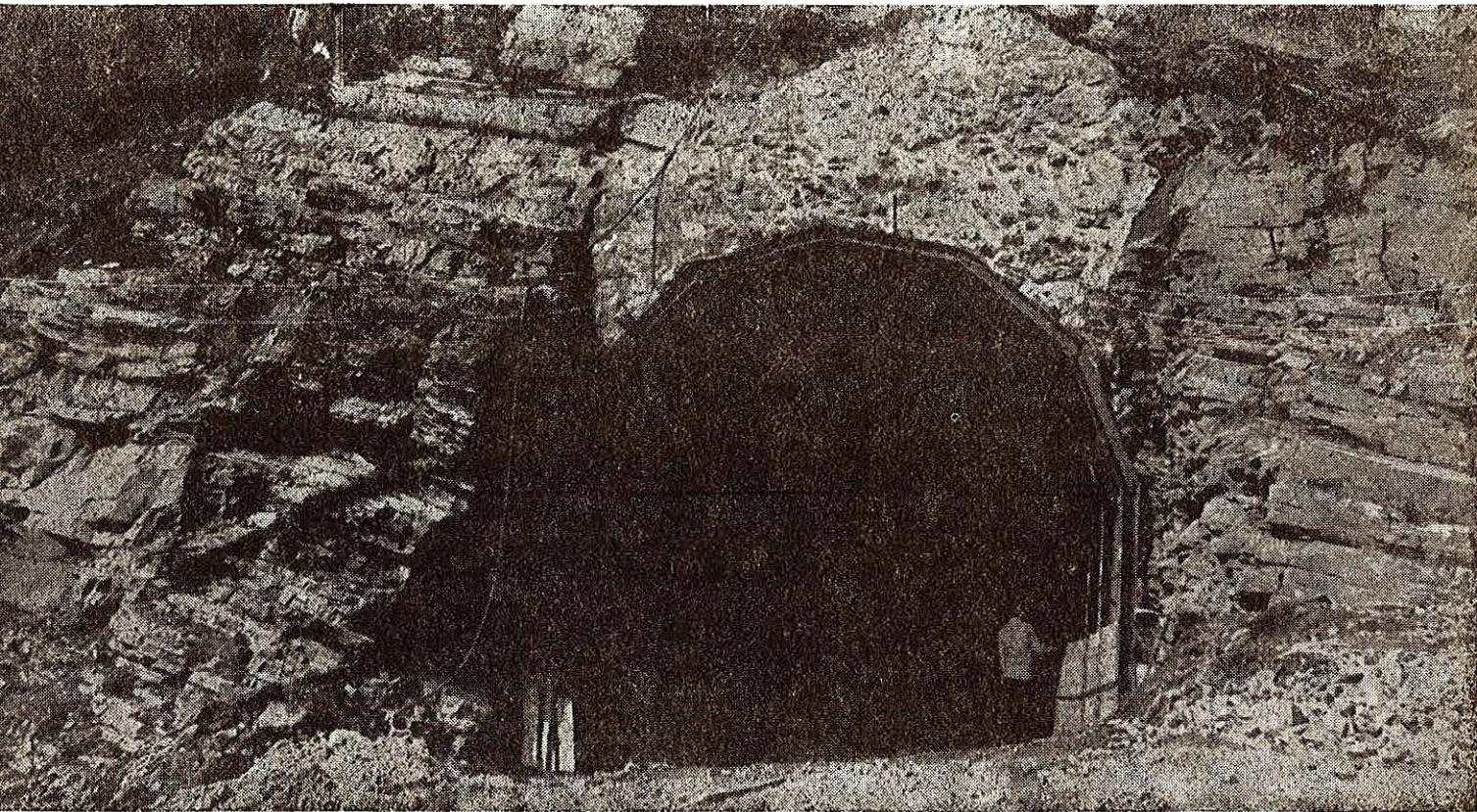
(iv) Devighat Project :

The handing over of land by HMG Nepal on the right bank of the River Trisuli, where the main complexes of the Project are to be located, commenced in February, 1980

(v) Transmission Lines :

a) The 66/11 KV sub-station at Gangtok was completed in June, 1979 and this sub-station is now receiving power from the Lower Lag-yap Hydroelectric Project.

b) 66 KV Single Circuit transmission line from Gangtok to Dikchu was completed in Dec. 1979.



Face 3 of Tunnel 2 Under Construction (Devighat)

4. PROGRESS ACHIEVED DURING THE YEAR ;

4(a) Loktak Hydro-electric Project:(3x35 MW)

(1) Ithai Barrage :

All works including hydromechanical works had been completed.

(2) Open Channel :

The total length of 2270 M was complete except for some rectification work,

(3) Cut and Cover Section :

A length of 1017 M of Cut and

Cover Section had been completed out of a total length of 1073 M. The work was scheduled for completion in March, 1980 but suffered set-back due to shortage of light diesel oil, high speed diesel oil and cement and agitation in Manipur and Assam.

(4) Head Race Tunnel :

Head Race Tunnel is a critical item for

completion of the Project. During the year all efforts were made for achieving maximum progress on the work. 72% of total boring had been achieved upto the end of the year.

i) Power Channel Face of Head Race Tunnel :

The Power Channel Face was taken up departmentally in August, 1978 and upto

end of March, 1980 the complete reach involving a length of 167.40 M had been bored through.

ii) Reach 0-1 :

This reach of the tunnel was also taken up departmentally. Difficulty was experienced in this face due to bad geology with flowing ground conditions. However, the boring of the complete reach involving a length of 665 M has since been completed.

iii) Works relating to Reach 2-3 and 6-7 :

These were being executed by M/s Patel Engg. Co. The excavation of these faces was completed in August, 1978 and lining work also was more or less complete.

iv) Reach 4-5 :

This is the most critical reach of the tunnel. A length of 1986 M has been bored out of a total length of 3825 M. During the year a record boring rate of 122 M/month was achieved in January, 1980 on this reach. A total of 771.04 M boring was done during the year on this reach. The lining in this reach is planned to be done by using latest continuous pour techniques for which orders for equipment to be imported have already been placed. The Corporation will be pioneering this technique in India.

(5) Penstocks :

The progress on Penstocks erection was about 89.30% upto March, 1980.

(6) Power House.

Civil works of all the three units had been completed.

(7) ELECTRICAL WORKS :

Erection :

- a) Unit-I } already boxed up.
- Unit-II }
- c) Unit-III The erection was complete.

Auxiliaries :

The erection of fire fighting equipment was in progress.

132 KV Switchyard:

The jumper connection to the equipment from main/transformer bus bar was in progress.

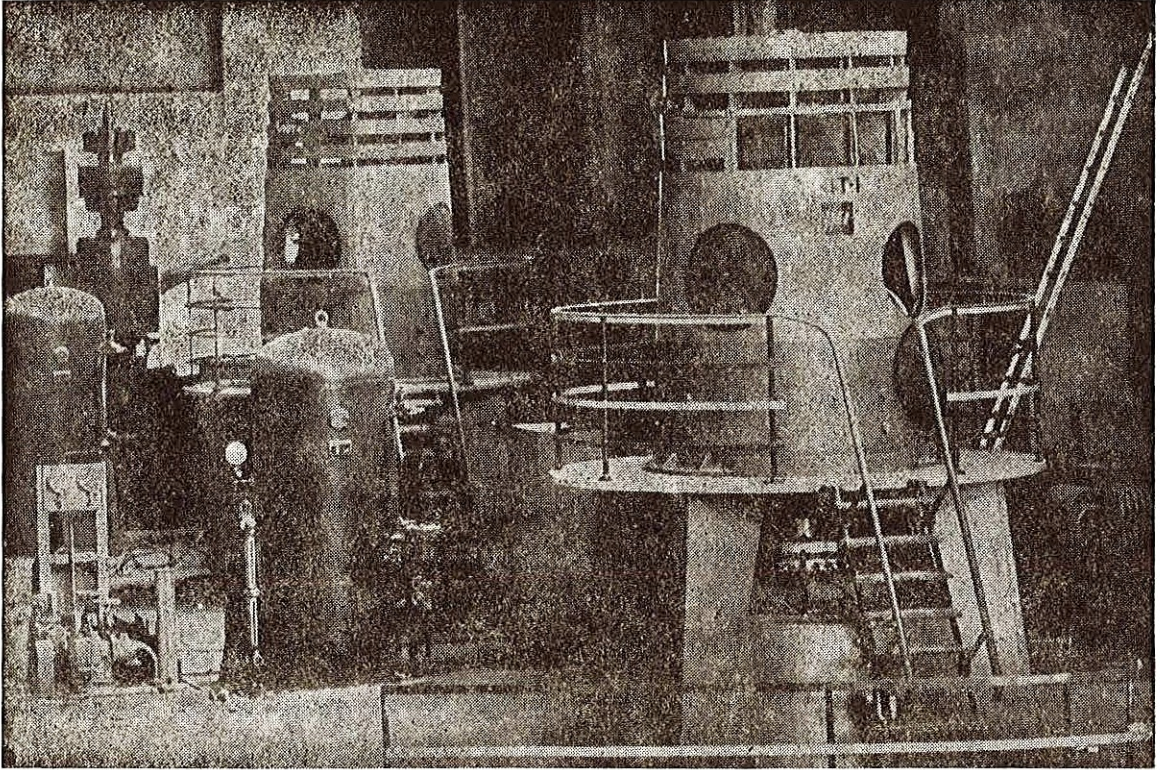
(8) COMMISSIONING SCHEDULE :

The Project is scheduled for commissioning in Dec. 1982.

4(b) Baira Siul Hydroelectric Project (3x60 MW):

(1) Stage-I :

Construction of Power House, Switchyard, Valve House, Penstocks Nos. 1 and 2, Surge Shaft, Siul Weir



An interior view of the Power House (Baira Siul)

Complex, and Head Race Tunnel from Siul to Surge Shaft and other allied works were completed by the end of February, 1980, and testing of water conductor system, generating units and other Power House equipment was commenced. One circuit of 220 KV double circuit transmission line was

also successfully charged at 220 KV. The mechanical run of Units I and II was completed on 29.3.1980.

(2) **Stage-II :**

Construction of Stage-II works namely Baira Rockfill Dam, Concrete Spillway, Head Race Tunnel from Inlet to Siul, Intake Structure, Bhaledh Diversion Weir and Bhaledh Tunnel

continued to make progress. Highlights of achievement made on these works upto the end of 1979-80 were as under :

i) **Baira Dam :**

In the last annual report, the setback caused to the works of Baira Complex, as a result of unprecedented winter rains and snowfall, was

reported and it was mentioned that every effort would be made to catch up with the back-log during the year 1979-80. It is a matter of great satisfaction that with the concerted efforts by the staff of Baira Siul Project, who worked day and night, the river diversion system comprising Diversion Tunnel No. I and Diversion Tunnel No. II was successfully completed and the Baira river was diverted through the diversion system on the 20th March, 1980. On diverting the river flow through the diversion system, the foundation treatment of the

Baira Rockfill Dam comprising drilling and grouting has been taken up.

ii) **Spillway :**

Construction of concrete Spillway was in an advanced stage of completion.

iii) **Construction of Intake Structure and Head Race Tunnel from Inlet to Siul** were also in progress.

iv) **Bhaledh Diversion Tunnel :**

Construction of this structure had been completed upto 75%.

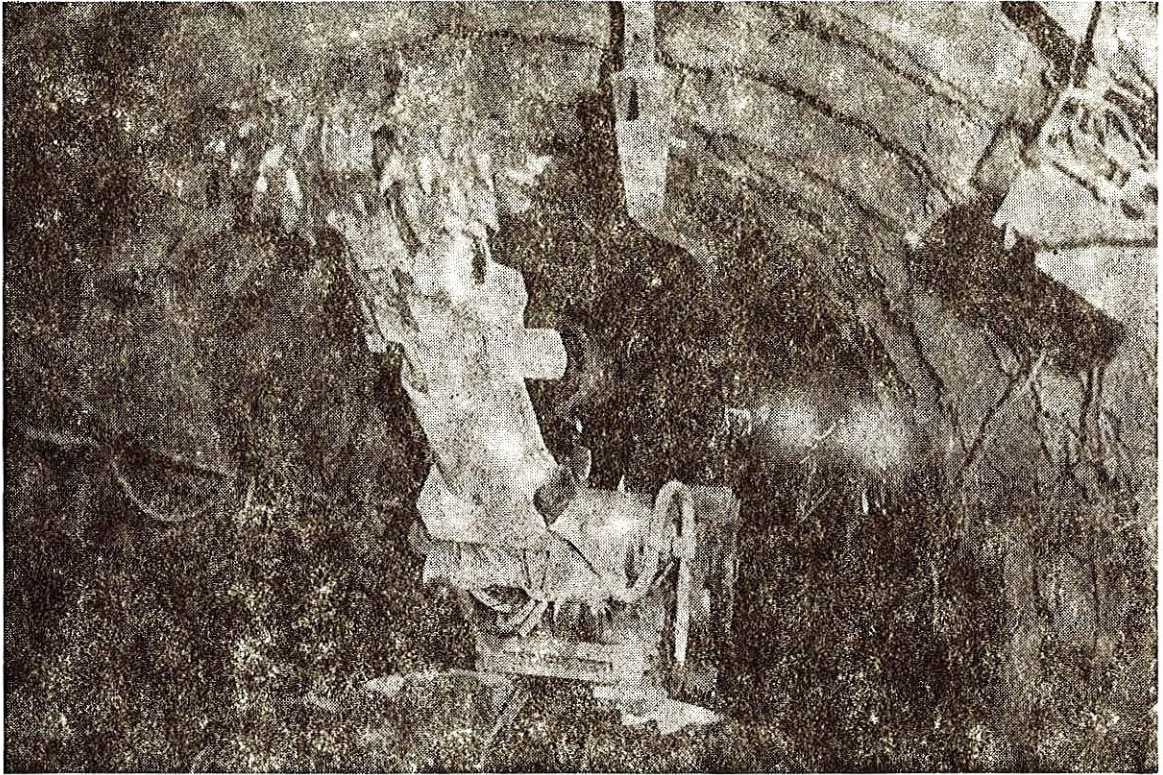
v) **Bhaledh Feeder Tunnel:**

About 90% of tunnel boring and 25% of concrete lining had been completed. Every effort was being made

to speed up the construction of this structure which is under execution by M/s National Projects Construction Corporation Ltd. and is critical for completion of Stage-II of the Project.

(3) **Electrical Works :
Unit-III :**

Assembly of spiral casing, runner, guide apparatus and assembly of generator stator pieces were complete. The work on stator bars was in progress. Erection of Automatic Voltage Regulated System and unit control board was completed. Work on A.C./D.C. Auxiliary supply system, Drainage and dewatering had also been completed. Assembly and erection of spherical valves and its associated equipment and installation of stators of main and pilot exciters were in progress.



Alpine Miner at work (Loktak)

(4) Commissioning Schedule :

Two units of the Project were put on trial run in May, 1980. The Project is scheduled for completion in June, 1981, though on present indications this schedule appears to be very tight.

4(c) Salal Hydroelectric Project (3x115 MW) ;

(1) Diversion Tunnel :

The construction of diversion tunnel was completed by end

of February, 1980. After carrying out dry tests on a set of 2 up stream gates, the water from river Chenab was allowed to flow through the tunnel on the 6th March, 1980. The 2nd set of downstream gates had also been erected. For operation of these gates, a 100 tonne hoist had been received

and was under erection.

(2) Rockfill Dam:
About 60% work of excavation and stripping of the Dam foundation, in the flanks, had been completed. The work was being extended to more area by constructing an earthen bund and restricting the river flow to a small width. Foundation treatment comprising shear

zone excavation, concreting, drilling and grouting was also in progress and upto end of March, 1980, 90% and 50% respectively of the quantities of these works to be done in the prediversion stage, had been completed. Simultaneously fill placement to the extent of 50% of prediversion quantity, was executed and stock-

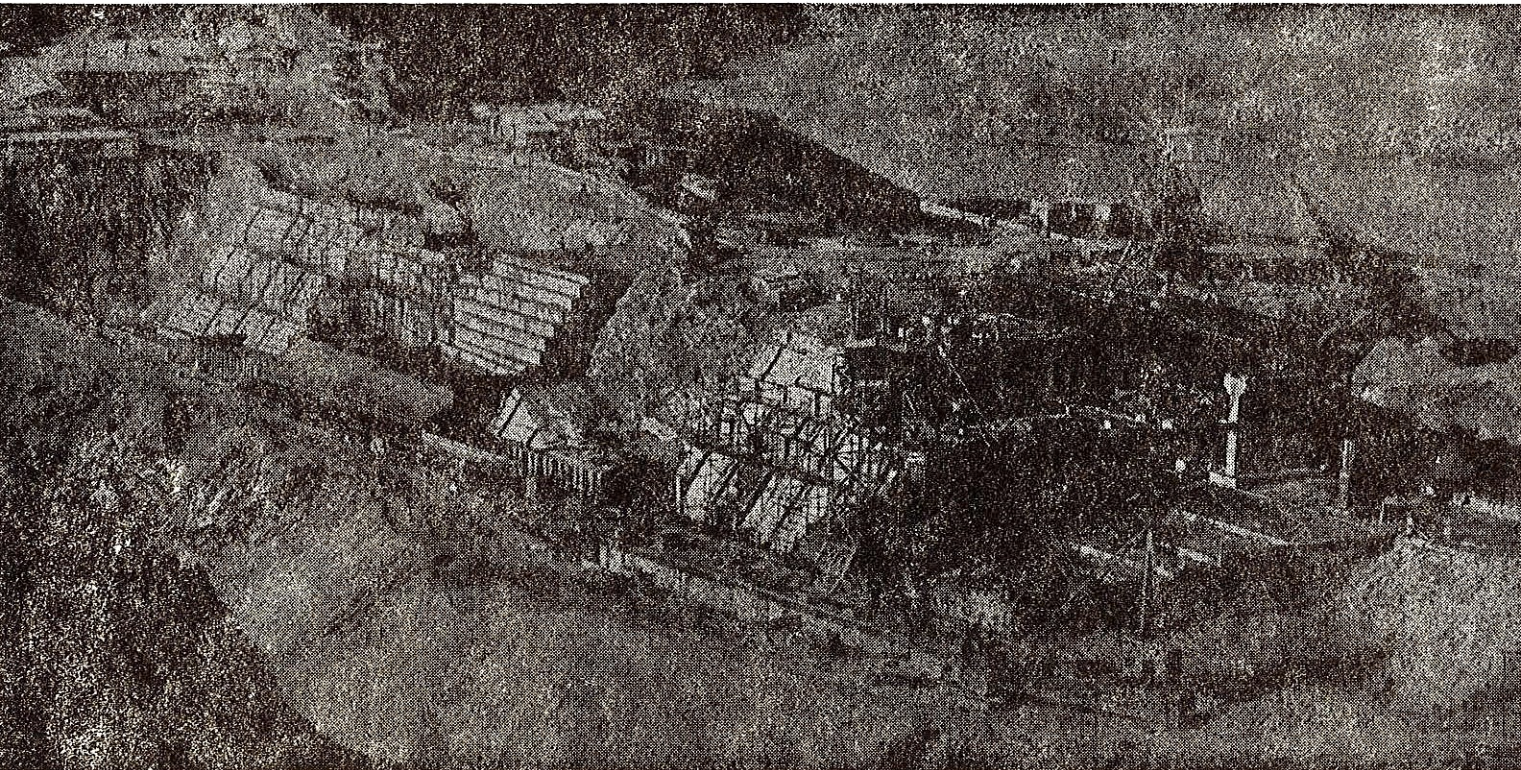
piling of additional quantities of filter, impervious and pervious materials was being done as an advance action so that fill placement could be undertaken in a big way as soon as the treatment of core base is completed.

(3) Concrete Dam:

i) Concrete Spillway :

The concre-

ting of Spillway blocks was continued and 53400 cum. concrete was placed during the year. Erection of steel liners along with embedded parts for six numbers under-sluices was in progress and about 70% erection work was completed during the year.



Concrete Dam under Construction (Salal)

ii) Power Dam:

The design of foundation treatment of Power Dam blocks has been presenting serious problems and both the designers, namely the Central Water Commission and the Technical Advisory Committee of Salal were engaged in finding appropriate solution to these problems. In the meanwhile, excavation of blocks 16 to 18 has been taken up in hand.

(4) Power House :

i) Construction of Protection Wall Stage-I :

Except for a small portion which has been left for approach to Power House, the construc-

tion of protection Wall Stage-I had been completed.

ii) Construction sub-structure Stage-I:

Excavation of foundation for Units I, II and III was complete and after erection of reinforcement, concreting of raft was started.

(5) Tail Race Tunnel :

Construction of Tail Race Tunnel was being tackled from 3 places viz :-

i) Tunnel excavation from exit portal :

After carrying out excavation at the exit portal, excavation in the main Tail Race Tunnel for a header section had been completed upto a length of 90 mts. and the tunnel

supported by R. S. Joists and lagging.

ii) Construction Shaft No. I :

Construction of Shaft No. I has been completed upto springing level of the Tail Race Tunnel and excavation of the tunnel from the inlet end was to be taken up shortly.

iii) Construction Shaft No. II :

Excavation of Shaft No. II which is required for constructing a part length of Tail Race Tunnel No. II was also in progress and completed for a depth of about 16 mts. during the year.

(6) In addition to the above, the work of cutting benches and

treatment of hill slopes was also in progress.

(7) ELECTRICAL WORKS :

Procurement of material and equipment for Units I, II and III and Switchyard was in progress. About 90% of the equipment had been received. Work of laying of earth mat in the Power House was proceeding and about 60% of the earth mat had been laid. Other electrical works would be started after completion of the necessary civil works. The Power system studies comprising the long duration transient as well as dynamic stability studies and dynamic over voltage studies were completed. In addition to existing 8 Nos. D.G. Sets of 310 KVA and

two sets of 875 KVA capacity, four additional D.G. Sets of 825 KVA capacity were imported from Czechoslovakia. These machines would be installed and commissioned at the Project very soon.

(8) COMMISSIONING SCHEDULE :

The Project is scheduled for commissioning in 1986-87.

4(d) Devighat Hydroelectric Project (3x4.7 MW):

i) Progress up-to March, 1980 :

The handing over of the land for the major complexes over the right bank of the river Trisuli commenced in a progressive manner in Feb. 1980. 80% of in-

frastructure facilities like approach roads, residential colony, stores, work shops, water treatment plant etc. had been completed at the end of the year.

Topographical surveys, drilling of bore holes, specification drawings of all structures were completed.

Tenders for award of contracts for major works such as Power House Complex, Head Regulator, Cut & Cover Conduits and cross drainage works were being finalised.

(2) Electrical Works :

Construction power arrangements were in an advanced stage of completion. The erec-

tion work of 11 KV and LT lines was going on. The erection and commissioning of 2 x 450 KVA Diesel Generating Sets was also nearing completion.

The contract for supply of 3 x 4.8 MW generating units, auxiliaries and spares was signed with BHEL.

The supply order for one number 25/5 Tonne EOT Crane was placed.

(3) Commissioning Schedule :

The Project is scheduled for commissioning in December, 1984.

5. General constraints/Bottlenecks faced by the Corporation During 1979-80 :

In Loktak Project tunnel boring work was affected on account of heavy rains. Further, due

to widespread disturbances in the area, the supply of POL to the Project and consequently the availability of construction power to the project was affected and the progress of work suffered a set back. The work schedule of Salal was affected due to shortage of diesel and that of Baira Siul Project due to shortage of cement. However, all efforts were being made to secure adequate supplies of cement and diesel oil in order that the work does not suffer in the coming year.

6. Future Projects :

At the end of the year, your Corporation was awaiting the award of Koel Karo and Dul Hasti H.E. Projects.

7. Investigations :

Recognising the need to have a strong and well equipped agency to take up investigation of hydro projects, the Govt. of India have decided in principle that NHPC's capability in this field be augmented. The World Bank has shown an indication to assist NHPC in this field, and I hope that by the time we meet next year, I will be in a position to give you further details.

8. Transmission Construction Works :

- (a) The progress achieved upto the end of March, 1980 on various Transmission Construction Lines was as given overleaf :

Particulars of Transmission Works.	Target date of completion	Overall percentage of work completed upto 31st March, 1980
(1)	(2)	(3)
1. Transmission system in Sikkim Area :		
i) 66 KV double circuit transmission line from Gangtok to Kalimpong.	October, 1980	65%
ii) 66/11 KV substation at Gangtok (10 MVA)	June, 1979 (Commissioned)	100%
iii) 66/11 KV substation at Melli (10 MVA)	October, 1980	60%
iv) 66 KV single transmission line from Gangtok to Dikchu.	December, 1979	100%
2. 66 KV Transmission system associated with Devighat H. E. Project.	To match with the commissioning of Devighat Project.	Not yet Started.
3. 132 KV S/C transmission lines from Ramnagar to Gandak.	June, 1980	95%
4. 132 KV S/C Transmission Lines from Liematak to Jiribam	June, 1981	54%
5. 400 KV S/C Transmission Lines for the Singrauli Super Thermal Power Station.	Singrauli to Obra—Feb. 1981 Singrauli to Kanpur—June, 1981	63%
6. 220 KV lines for Salal Hydroelectric Project :		
i) S/C transmission line from Jammu to Sarna.	June, 1981	34%
ii) S/C transmission line on D/C towers from Sarna to Dasuya.	June, 1980	81%
7. 220 KV transmission works associated with Chukha H.E. Project.	To match with the commissioning of Chukha H. E. Project.	P. I. B. authorisation awaited.



(b) **New Trans-
mission
Works :**

Associated Tra-
nsmission unit
for **Chukha Hy-
droelectric
Project
(Bhutan) :**

The construc-
tion and opera-
tion work for
the 220 KV
transmission
system (in
India) associa-
ted with Chukha
H. E. Project
was entrusted
to NHPC in
January, 1980
on ownership
basis. The
Ministry of
Energy authori-
sed an expendi-
ture of Rs. 5
lakhs from the
Corporation Bu-
dget for the
reconnaissance
and preliminary
survey work of
transmission li-
nes and accord-
ingly further
action for in-
viting tenders
was taken up.
Project report

was under pre-
paration, for
submission to
Govt. for sanc-
tion.

(c) **Difficulties :**

1. **Transmis-
sion System
in Sikkim
area :**

The West
Bengal Au-
thorities had
not yet given
the right of
way for the
66 KV double
circuit trans-
mission line
from Melli to
Kalimpong.

The matter
had been
taken up with
the West
Bengal Autho-
rities.

The works
otherwise pi-
cked up and
subject to
the availability
of right of
way for Melli
Kalimpong se-
ction, the
work was ex-
pected to be
completed in
October, 1980

2. **132KV Ram-
nagar-Gan -
dak Trans-
mission
Line :**

The progress
on this line
was gene-
rally satisfac-
tory except
the difficulty
of transporta-
tion of line
material which
was very
much affected
due to non-
availability of
Railway Wa-
gons. Alterna-
tive arrange-
ments for
road transpor-
tation of line
material were
made. The
line was in ad-
vanced stage
of commissi-
oning.

3. **132 KV Lie-
matak - Jiri-
bam Trans-
mission Line:**

On account
of lack of ade-
quate appro-
ach roads,
shortage of
diesel and
prevailing law
and order

situation in Assam, the progress of work suffered a set back.

4. 400KV Transmission Lines for the Singrauli Super Thermal Power Project :

The progress of the lines was lagging behind the schedule mainly due to scarcity of aluminium and diesel oil. Progress of foundations and tower erection in the Singrauli Project area was also delayed due to delay in finalisation of routing through the Project area.

Commissioning of these transmission lines has been re-scheduled matching with the commissioning of the power station. Special allocation has also been obtained for diesel oil. Other difficulties have also been

sorted out, and it is anticipated that there will be no further slippage in commissioning of these transmission lines.

9. PERSONNEL & INDUSTRIAL RELATIONS :

(1) Corporation Permanent Cadre :

The Corporation's Absorption Policy in respect of deputationists (both Executives and Non-Executives) was finalised and a beginning was made during the year for absorption of suitable deputationists in the Corporation's cadre.

(2) Rules And Policies :

As in the past, emphasis continued to be laid on the formulation of Corporation's own rules and policies with a view to evolving Corporation's own philosophy and culture. In addition to the rules/policies already finalised during the preced-

ing years, the following rules were finalised during the year :-

- (1) Leave Rules.
- (2) Medical Attendance Rules
- (3) Grant of Advance for building/purchase of houses.
- (4) Appraisal System
- (5) Promotion Policy/Rules for regular employees

With the finalisation of the above rules, the Corporation has completed its task of formulating most of the rules in the personnel field. These rules and policies have been brought out in the shape of NHPC Personnel Manual published in December 1979. The Manual has been commended by the Director General of Bureau of Public Enterprises and was received well by the public sector undertakings to whom it was circulated.

(3) Use Of Hindi :

In pursuance of Official Language Policy, all efforts were being made to increase the use of Hindi. In order to train em-



ployees in noting and drafting in Hindi, workshops were organised at various Divisions of the Baira Siul Project. Office Orders, advertisements, tender-notices etc. were issued bilingually. 'Hindi Week' was celebrated at Corporate Office and Projects. A number of meetings of the Official Language Implementation Committee were held at the Corporate Office and projects.

(4) Training And Management Development :

The Corporation launched an ambitious training programme in January, 1980 for employees in the Executive and Supervisory levels. The programmes were being run with the assistance of an institution of an All India character but simultaneously efforts were

being made to build up a team of Internal Faculty who could take care of the training needs of the Corporation in the near future. By the end of March, 1980, 12 programmes were conducted covering various areas and involving 240 participants. In addition special programmes for Executive Trainees (Engg.) were also conducted.

A number of employees were sponsored for attending conferences / symposia / seminar etc. organised by other Organisations.

was entirely subscribed by Central Government. The total amount of loan entirely received from Central Government stood at Rs. 83,17,43,600 as on 31.3.1980 and interest of Rs. 12,56,55,370 had accrued and due as on that date.

(2) Expenditure :

During the year under review, the actual expenditure incurred on the Projects was as given overleaf :—

10. FINANCIAL RESULTS :

(1) Capital & Loan :

The authorised capital and paid-up capital of the Corporation stood at Rs. 200 crores and Rs. 83.3763 crores respectively. The paid-up share capital as on 31.3.1980

(Rs. in lakhs)

	<i>Works</i>	<i>Interest during construction</i>	<i>Total</i>
i) Loktak	1103.06	244.34	1347.40
ii) Baira Siul	1540.40	473.30	2013.70
The expenditure on other Projects / TL Works being handled by the Corporation during the year was as under :--			
A. Projects			
Salal		2511.44	
Devighat		493.61	
B. Transmission Lines :			
Gangtok-Melli-Kalim- pong Gangtok- Dikchu		101.89	
Liematak-Jiribam ;		164.63	
Ramnagar-Gandak		66.03	
Singrauli-Kanpur		833.55	
(3) Entertainment			
Expenditure on entertainment during the year totalled Rs. 43,607.71. The break up of the expenditure unitwise is as under :-			
Corporate Office	Rs.	35,930.68	
Baira Siul	Rs.	3,937.98	
Loktak	Rs.	3,739.05	

<p>In addition, the following expenditure was incurred on entertainment by the Salal & Devghat Projects and Transmission Construction Units :-</p>		<p>(5) Guest House :</p> <p>Expenditure on maintenance of Guest Houses, at Baira Siul and Loktak Projects is Rs. 1,51,689 and Rs. 39,699 respectively. This includes expenditure on field hostels also.</p>
<p>i) Salal Project</p>	<p>Rs. 9,857.68</p>	
<p>ii) Devghat Project</p>	<p>Rs. 12,043.54</p>	
<p>iii) T.C. Units</p>	<p>Rs. 439.94</p>	<p>(6) Rent, Maintenance and other miscellaneous expenditure on corporate office :</p>
<p>(4) Advertisement and Publicity :</p> <p>The total expenditure under this head amounts to Rs. 4,41,253 out of which the Corporate Office share is Rs. 2,09,569. The break up of this expenditure is as under :-</p>		<p>Following is the expenditure on maintenance, furniture and fixture etc., in Head Office of the Corporation during the year :-</p>
<p>i) On propaganda & publicity</p>	<p>Rs. 13,945.00</p>	<p>i) Rent of office building Rs. 11,83,979</p>
<p>ii) Advertisement through DAVP</p>	<p>—</p>	<p>ii) Furniture (capital cost) Rs. 3,75,801</p>
<p>iii) Advertisement through other sources.</p>	<p>Rs. 4,27,308.00</p>	<p>iii) Office equipment (capital cost) Rs. 8,14,446</p>
<p>The ratio between expenditure on advertisement & publicity to income is not worked out as the Corporation has not yet started revenue operations.</p>		<p>iv) Communication Equipment (capital cost) Rs. 99,418</p> <p>v) Maintenance cost of (i) to (iv) Rs. 52,470</p> <p>vi) Electricity & water charges Rs. 35,985</p>



vii) Other expenditure, on printing stationery, postage, telegrams, telephones & telex and other misc. expenditure.

Rs. 16,93,448

(7) Foreign Tours :

Brief particulars of foreign tours undertaken by employees of the Corporation during 1979-80 are given in Annexure-I.

(8) Social Overheads :

The expenditure of revenue nature on township, education and health facility is as under :-

(Rs. in Lakhs)

	Township	Education	Health facilities.
Baira Siul	10.15	2.55	3.96
Loktak	4.92	0.36	0.65
Corporate office	—	—	—

Note

The residential buildings in township at Projects are mostly of temporary nature to last for the period of construction of Projects.

11. Auditors :

M/s. R.K. Khanna & Co. were appointed Auditors of your Corporation for the audit of accounts for the year 1979-80.

12. Observations of the Auditors :

The comments of the Directors on the observations made by the auditors in their reports are given in

Annexure-II to this Reports.

13. Directors :

During the year, Shri S. B. Majumdar & Shri K. S. Subrahmanyam ceased to be Directors of your Corporation w.e.f. 11-9-79 & 7-1-1980 respectively. The Board place on record their appreciation of the valuable services

rendered by them as Directors of the Corporation. Shri V. Subramanian, Shri D. Rajagopalan, Shri S. N. Roy, Shri A. N. Singh and Shri P.M. Belliappa continued to be Directors. Maj. Genl. T. V. Jeganathan continued as the Chairman and Managing Director.

14. Particulars of Employees :

Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, is given in Annexure III forming part of this Report

15. Acknowledgement :

The Board acknowledge with grateful thanks the guidance and help extended by the various Departments of the Government of India, particularly the Ministry of Energy, Ministry of External Affairs, I.C.M. Nepal, HMG, Nepal the Central Water Commission and the Central Electricity Authority. Thanks are also due to the State Government of Manipur, State Government of Sikkim

State Governments of Jammu & Kashmir, Himachal Pradesh and other State Governments, State Electricity Boards of Bihar and Uttar Pradesh who have been cooperating with us in our works in their States. But for the help and assistance extended by these and other agencies it would not have been possible for the Corporation to achieve the progress registered so far.

The Board of Directors are also grateful to the Comptroller & Auditor-General of India, the statutory Auditors and the bankers for their valued Cooperation.

The Board also take this opportunity to place on record their recognition and appreciation of the sincere and hard work done by the Officers and Employees of the Corporation and have no doubt that they will attain still better levels of performance in the years to come.

New Delhi :

Date : Sept. 26, 1980

for and on behalf of
the Board of Directors.

(P.M. BELLIAPPA)

Chairman
and Managing Director



Annexure-I

DETAILS OF FOREIGN TOURS DURING 1979-80

Sl. No.	Name and Designation	Name of country/place visited	Purpose of visit	Duration of visit	Total expenses
					Rs. P.
1.	Shri V. Subramanian, Director (Finance)	Saudi Arabia	To negotiate the terms of SFD assistance for Koel Karo Project.	29.8.79 to 6.9.79	16,648.00
2.	Shri V. K. Joshi, Senior Manager.	—do—	—do—	30.8.79 to 6.9.79	11,621.45
					<u>28,269.45</u>

Annexure—II

Comments on the qualifications contained in the Auditors' Report for the year 1979-80.

Para No. of the Audit Report.	Management's Comments	Para No. of the Audit Report.	Management's Comments
2(4)-Reg. Note 9 (b)	In pursuance of the Policy to segregate the fixed assets comprising construction plant machinery and buildings and roads which are in use during the period of construction of the project, they were segregated on the basis of actual cost wherever available and on provisional basis where cost is not readily available and depreciation provision made for past periods.	2(4)-Reg. Note 19	After ascertaining the details, final adjustment will be carried out.
„ Note 13	Collection of details of cost etc. of miscellaneous equipment relating to pre-transfer period at Loktak has been taken up and necessary adjustments will be carried out in the subsequent year's accounts.	„ Note 20 (a)(b)	Action has already been taken to reconcile the figures and necessary adjustments will be carried out.
„ Note 15(a)	With the overcoming of the administrative problems, the stock verification at Baira Siul will be completed.	„ „ (c)	The Banks in question in Nepal only furnish us the bank scroll and do not confirm the balance. However, attempts are being made to obtain written confirmation.
„ Note 15(b)	With the reconciliation of pre-transfer stock suspense heads now taken up, the compiled actuals will be reconciled with the stock record balances.	„ Note 24	Major parties have been advised to confirm the balance.
„ Note 16	The adjustment will be carried out during the current year.	2(4)-Reg. Note 26	Known liabilities of material nature revealed even after cut off date will be provided for in future.
„ Note 17	Since the losses in question due to heavy rains and avalanche at Baira Siul Project are still under investigation, provision will be made on ascertaining the actual value of the losses.	„ Note 27	Accounting treatment in respect of supervision charges will be formulated and implemented.
		Annexure to the Audit Report referred to in	para 1 of the Audit Report.
		1. Nomenclature, and situational details will be recorded suitably.	8. Pending investigation unserviceable and damaged stores at Baira Siul Project have not been adjusted in the books of accounts. Suitable provision will be made after the investigation is completed.
		3. As indicated in para 15(a) and (b) of the Notes on Accounts, the stock-verification has been resumed in Baira Siul Project and proper documentation will be done.	

**Information Required Under Section 217(2A) Read With
Companies (Particulars of Employees) Rules, 1975**

<i>Name & Designation</i>	<i>Remuneration</i>	<i>Nature of employment (Contractual or other- wise)</i>
1	2	3
(A) (Particulars of Employees employed throughout the financial year who were in receipt of Remuneration not less than Rs. 36,000/p.a.)		
CORPORATE OFFICE		
1. Sh. V. Subramanian, Director (Finance)	Rs. 69,036.14	On deputation from the Office of the C.A.G. of India upto 25-01-80. Absorbed w.e.f. 26/1/80.
2. Sh. R. C. Gupta General Manager (P&A)	Rs. 54,558.40	Regular
3. Sh. R. Rajagopalan General Manager (F&A)	Rs. 50,724.30	On deputation from the office of the C.A.G. of India.
4. Sh. A.V. Motwani Senior Manager	Rs. 36,624.45	On deputation from CWC and absorbed w.e.f. 9/2/79.
5. Sh. K. Subramanian Manager (Accounts)	Rs. 42,404.55	On deputation from Rural Electrification Corpn. Ltd.
6. Maj. S. Verma Dy. Manager	Rs. 43,577.20	On deputation from Army.
Loktak H.E. Project		
7. Sh. K. Madhavan General Manager	Rs. 38,283.00	On deputation from the office of the Central Water Commission.
Baira Siul H. E. Project		
8. Sh. A.S. Chatrath General Manager	Rs. 39,226.00	On deputation from Punjab P.W.D. Irrigation Branch.
Salal H.E. Project		
9. Sh. B.P. Mittal General Manager	Rs. 39,449.00	On deputation from Haryana Public Works Department.
Devighat H.E. Project		
10. Sh. R. Ramaswamy General Manager	Rs. 59,025.25	On deputation from Cen- tral Water Commission.
11. Sh. P.L. Popli Manager (F&A)	Rs. 52,289.50	On deputation from the Ministry of Railways and absorbed w.e.f. 28/09/1979.
12. Sh. D.N. Bhandari Accounts Officer	Rs. 36,271.65	On deputation from Ministry of Railways.
13. Sh. M.K. Rajagopal Engineer (C)	Rs. 36,219.45	On deputation from Cen- tral Water Commission.
14. Sh. R.V. Godbole Asstt. Manager (C)	Rs. 38,349.75	On deputation from Cen- tral Water Commission.

Annexure—III

*Qualification (Experience) Date of commencement Age Last employment held
of employment in NHPC (Years)*

4	5	6	7
B. Sc (Hons) LL.B., (27 years)	27-01-1978	51	Accounts Member, Kerala State Electricity Board.
Professional Manager (36 years)	04-04-1977	55	Deputy General Manager (Personnel) BHEL.
B. Sc. B.L. (25 years)	19-11-1978	51	Accountant - General, Jammu & Kashmir.
B.E. (Civil) (31 years)	16-07-1978	55	Secretary, Central H. E. Projects control Board.
B.A., B.L., I.C.W A. (27 years)	01-03-1978	54	Asstt. Chief Accounts Officer, R.E.C. Ltd.
B.E. (Civil) (16 years)	06-03-1979	38	FD COY Comdt, 235 Engineer Regt.
B.E. (Civil) (28 years)	22-09-1978	50	Director (S.G.) Central Water Commission.
B. Sc. (Engg.) (Civil) (29 years)	17-02-1978	51	Superintending Engineer Beas Satluj Link Project.
B.E. (Civil) (29 years)	15-05-1978	51	Addl. Chief Engineer, Ministry of Energy.
B.E. (Civil) (31 years)	19-12-1978	54	S.E./Director(SG) Central Water Commission.
B.A., A.I.C.W.A. (22 years)	28-09-1976	49	Section Officer, Ministry of Railways.
S.A.S. (36 years)	20-06-1977	54	Section Officer, Northern Railway
L.C.E. (25 years)	04-02-1979	46	Asstt. Director, Central Water Commission.
B.E. (Civil) M. Tech. (20 years)	05-01-1979	42	Deputy Director, Central Water Commission.

1	2	3
(B) (Particulars of Employees Employed for part of the financial year who were in receipt of not less than Rs. 3,000/ p.m.)		
CORPORATE OFFICE :		
1. Sh. I.C. Gupta General Manager (Civil)	Rs. 42,042.85	On deputation from Haryana Irrigation & Power Deptt.
2. Sh. K.B. Mathur General Manager (Transmission)	Rs. 29,372.88	On deputation from U. P. S. E. B.
3. Sh. M.P. Tyagi, General Manager (Civil)	Rs. 17,406.30	On deputation from U. P. Irrigation Deptt.
4. Sh. O.P. Mehta, General Manager (M&C)	Rs. 13,208.45	On deputation from Punjab Irrigation Works Department.
5. Sh. V.K. Sharma General Manager (E)	Rs. 16,831.77	On deputation from Bihar State Electricity Board.
6. Sh. M.L. Swamy, General Manager (C)	Rs. 39,491.60	On deputation from Govt. of Andhra Pradesh.
7. Sh. V.M. Bajaj, Senior Manager Devghat H. E. Project.	Rs. 42,241.65	On deputation from H.P. State Electricity Board.
8. Sh. M.P. Parasuraman Manager (Civil)	Rs. 4,049.35	On deputation from Central Water Commission.
9. Sh. B.K. Chawla, Asstt. Manager (F&A)	Rs. 3,276.55	Regular (Lien holder from A.G. H.P. & Chandigarh)
10. Sh. G.K. Pharlia Asstt. Manager (E)	Rs. 3,289.80	On deputation from C. E. A.

Notes : (1) None of the above employees is related to any of the Directors of the Corporation within the meaning of Sec. 6 of Companies Act, 1956.

(2) The terms and conditions of appointment are as determined by Govt./ Rules & Regulations of the Corporation in force from time to time, as the case may be.

Annexure—III (Contd.)

4	5	6	7
B. Sc. (Engg.) (28 years)	15-06-1979	58	Chief Engineer, Beas Construction Board.
B. Sc. (Engg.) (28 years)	01-11-1976	48	Jt. Secretary, UPSEB Lucknow.
B. E. (Hons) (30 years)	17-05-1977	53	Director, Central Designs Directorate, U. P. State Irrigation Deptt.
B. Sc. (Engg.) (Civil) (30 years)	01-01-1880	52	Chief Engineer, Chukha Project Authority, Bhutan.
B. Sc. (Engg.) (Elect.) (31 years)	06-12-1979	51	General Manager-cum-C. E. Bihar State Electricity Board.
B. E. (Civil) C. E. (33 years)	26-06-1979	55	Chief Engineer, Govt. of Andhra Pradesh.
B. E. (Civil) (24 years)	10-05-1979	47	Director (U T). Central Water Commission.
B. E. ((Civil) (30 years)	03-09-1979	51	Deputy Director, Central Water Commission.
B. A. (Hons.) (27 years)	01-12-1979	54	Accounts Officer, Office of A.G.H.P.
B. E.(Elect.) M.E. Control & Measurement (11 years)	18-04-1979	36	Executive Engineer, C. E. A.

(3) Designations indicated in the list denote the nature of duties performed by employees.

(4) The 'Remuneration' includes, cost of hiring Corporation-leased accommodation, wherever applicable, employer's Contribution to PF, etc.

(5) The Gratuity amount has not been taken into account as the same has been provided on actuarial basis.

BALANCE SHEET AS AT 31ST MARCH, 1980

Schedule
No.

Sources of Funds

1. Shareholders' Fund

a) Capital	'A'	83,37,63
b) Reserves & Surplus	'B'	<u>2,38,52</u>

2. Loan Funds

Unsecured Loans	'C'	
-----------------	-----	--

TOTAL :

Application of Funds

1. Fixed Assets

a) Gross Block	'D'	19,46,87
b) Less Depreciation		<u>4,12,92</u>
c) Net Block		

2. Capital work-in-progress

'E'

3. Current Assets, Loans and Advances

'F'

a) Inventories		5,33,98
b) Cash & Bank Balances		6,37,74
c) Other Current Assets		11,93
d) Loans and Advances		9,92,32
		<u>21,75,97</u>

4. Less : Current Liabilities and Provisions

'G'

a) Liabilities		12,51,39
b) Provisions		4,73
		<u>12,56,12</u>



(Rs. in thousands)

As at
31.3.1980

As at
31.3.1979

	83,37,63	
85,76,15	<u>2,01,28</u>	85,38,91
95,73,99		66,87,61
<u>1,81,50,14</u>		<u>1,52,26,52</u>
	8,84,70	
	<u>1,04,62</u>	
15,33,95		7,80,08
1,56,64,20		1,33,32,07
	4,65,40	
	4,50,58	
	41,48	
	7,37,44	
	<u>16,94,90</u>	
	5,94,64	
	15,93	
	<u>6,10,57</u>	

BALANCE SHEET AS AT 31ST MARCH, 1980

	<i>Schedule No.</i>
Net Current Assets	
5. Miscellaneous Expenditure to the extent not written off or adjusted.	'H'
TOTAL :	
Notes to the accounts and contingent liabilities	'I'

Schedule 'A' to 'J' and accounting policies form an integral part of accounts.

N. V. Raman
Secretary

New Delhi :
September 20, 1980



(Rs. in thousands)

<i>As at 31.3.1980</i>	<i>As at 31-3-1979</i>
9,19,85	10,84,33
32,14	30,04
<u>1,81,50,14</u>	<u>1,52,26,52</u>

V. Subramanian
Director (Finance)

P. M. Belliappa
Chairman and Managing Director

As per our separate report attached.
For R. K. Khanna & Co.
Chartered Accountants

Anil K. Khanna
Partner



**STATEMENT OF INCIDENTAL EXPENDITURE DURING CONSTRUCTION
FOR THE YEAR ENDED 31ST, MARCH, 1980.**

(Rs. in thousands)

	<i>For the year ended 31.3.80</i>		<i>For the year ended 31.3.79</i>	
Employees' remuneration and benefits :				
Salaries, wages, allowances & benefits.	1,54,13		1,12,71	
Foreign service contribution.	4,01		3,69	
Contribution to Provident Fund.	3,46		9,36	
Contribution to Gratuity Fund.	73		4,00	
Staff Welfare Expenses.	12,13	1,74,46	6,56	1,36,32
Repairs & Maintenance :				
Buildings	15,65		11,28	
Machinery & Construction Equipments.	91,65		15,32	
Others	46,51	1,53,81	27,18	53,78
Travelling & Conveyance Expenses (including Rs. 28,269/- for foreign travel)		17,88		13,93
Expenses on Staff Car		6,22		8,40
Diesel Power House Expenditure		20,04		5,62
Transport Expenses.		44,74		37,62
Directors' fees and meeting Expenses.		11		4
Rent		11,84		8,63
Rent for residential accommodation		2,56		2,33
Rates & Taxes		1,39		6
Insurance		1,14		2,01
Electricity and Water Charges		2,49		3,46
Telephone, telex, postage and telegram expenses		8,41		10,17
Advertisements		4,41		2,88
Design and consultation		90		3,25
Entertainment Expenses		44		23
Printing and Stationery		8,66		3,50
Training Expenses		1,27		19
Payment to Auditors				
As audit fee (including Rs. 10,000/- for 1978-79)		30		15
As Auditors' Expenses		16		9

	<i>For the year ended 31.3.80</i>	<i>For the year ended 31.3.79</i>
Interest on Government loans	7,16,84	5,03,44
Bank charges & interest	51	1,13
Depreciation	3,09,14	1,03,61
Other Expenses	20,40	20,76
	<u>15,08,12</u>	<u>9,21,60</u>
Less : Receipts & Recoveries		
Electricity charges	3,46	6,41
Cost of tender forms	68	58
Hire charges of plant & machinery	4,87	1,89
Water charges	10	16
Rent	1,01	62
Interest : On Term Deposits and Savings		
Bank Account	18,75	8,55
On Loans & Advances	15	2,43
Miscellaneous receipts and recoveries	11,81	13,34
Design charges for Koel Karo Project transferred to deferred revenue expenditure	2,10	—
	<u>42,93</u>	<u>33,98</u>
Net Expenditure	14,65,19	8,87,62
Less : Expenditure on repairs and maintenance allocated to capital works in progress	1,46,77	—
	<u>13,18,42</u>	<u>8,87,62</u>

Note : 1. Expenditure on entertainment and foreign travel is as certified by management.

2. The above expenditure includes the following amounts paid to Directors :

- i) Salaries & allowances = Rs. 36,450/-.
- ii) Foreign service contribution = Rs. 5,187/-.
- iii) Rent for residential accommodation = Rs. 9,285/-.
- iv) Medical reimbursement = Rs. 17,412/-.
- v) Leave Travel Concession = Rs. 702/-.
- vi) Travelling expenses of Directors & C.M.D. = Rs. 55,775/- (including Rs. 8,145/- in foreign currency).



3. In addition to above, the whole time Director was also allowed the use of Company's Car for official journeys and private journeys upto 500 kms on payment of Rs. 100/- per month.

N. V. Raman
Secretary

V. Subramanian
Director (Finance)

P. M. Belliappa
Chairman and
Managing Director

As per our separate report attached.

For R. K. Khanna & Co.
Chartered Accountants

Anil K. Khanna
Partner

New Delhi
September 20, 1980.

**STATEMENT OF ALLOCATION OF INCIDENTAL
EXPENDITURE DURING CONSTRUCTION**

(Rs. in thousands)

<i>Particulars</i>	<i>For the year ended 31.3.80</i>		<i>For the year ended 31.3.79</i>	
Net expenditure as per statement of incidental expenditure during the year.		<u>13,18,42</u>		<u>8,87,62</u>
ALLOCATED TO :				
A. Transmission Construction Units (Deposit works)				
1. Gangtok—Melli—Kalimpong	1,09		2,44	
2. Gangtok—Dikchu	91			
3. Leimatak—Jiribam	3,23		69	
4. Ramnagar—Gandak	1,29		1,35	
5. Singrauli—Kanpur	<u>16,34</u>	<u>22,86</u>	<u>12,72</u>	<u>17,20</u>
B. Projects on agency basis				
1. Salal Project	21,26		15,81	
2. Devighat Project	<u>9,12</u>	<u>30,38</u>	<u>72</u>	<u>16,53</u>
C. Own Projects				
1. Baira Siul Project				
a) Direct Expenditure	8,26,13		4,73,75	
b) Corporate Office Share	<u>10,35</u>		<u>11,55</u>	
	8,36,48		4,85,30	
c) Design charges	<u>1,32</u>	<u>8,37,80</u>	<u>—</u>	<u>4,85,30</u>
2. Loktak Project				
a) Direct Expenditure	4,18,78		3,58,93	
b) Corporate Office Share	<u>8,60</u>	<u>4,27,38</u>	<u>9,66</u>	<u>3,68,59</u>
		<u>13,18,42</u>		<u>8,87,62</u>

SCHEDULE 'A'

(Rupees in thousands)

SHARE CAPITAL

	<i>As at 31.3.80</i>	<i>As at 31.3.1979</i>
Authorised Capital		
20,00,000 Equity Shares of Rs. 1000/- each	<u>200,00,00</u>	<u>200,00,00</u>
Issued, Subscribed & paid up Capital		
8,33,762 Equity Shares of Rs. 1000/- each fully paid (out of this 6,29,529 shares have been allotted for consideration other than cash)	83,37,62	83,37,62
Share Capital Deposit		
Amount received in Cash from Government of India Rs. 400/- and Rs. 600/- being the value of part purchase consideration for Loktak Project, awaiting allotment	1	1
	<u>83,37,63</u>	<u>83,37,63</u>



RESERVES AND SURPLUS

SCHEDULE 'B'

(Rs. in thousands)

	<i>As at 31.3.1980</i>	<i>As at 31.3.1979</i>
Capital Reserve		
1. Contribution from Manipur Government for share of lift irrigation component.	2,38,52	<u>2,01,28</u>

UNSECURED LOANS

SCHEDULE 'C'

(Rupees in thousands)

	<i>As at 31.3.1980</i>	<i>As at 31.3.1979</i>
1. Loans from Government of India	83,17,44	60,67,43
2. Interest accrued and due on loans from Government of India	12,56,55	6,20,18
	<u>95,73,99</u>	<u>66,87,61</u>

FIXED ASSETS

<i>PARTICULARS</i>	<i>Gross block as at 1.4.79</i>	<i>Additions/ Adjustments</i>	<i>Deductions Sales/ Transfers</i>
1	2	3	4
Land	15,84	13,64	—
Residential Buildings	68,17	4,10,34	3,38
Non-residential Buildings	21,48	1,50,63	48
Roads & Bridges	—	3,53	—
Plant & Machinery	7,20,73	2,30,91	82
Vehicles & other transport	37,87	77,37	—
Office furniture & fixtures	8,79	8,53	—
Office equipments & other appliances	6,69	10,83	—
Transmission Lines	—	91,60	—
Street Light fittings	—	3,53	—
Communication equipment	2,00	8,95	—
Miscellaneous equipment	—	56,13	—
Other Assets	3,13	86	—
	8,84,70	10,66,85	4,68

(Rs. in thousands)

<i>Gross Block as at 31.3.80</i>	<i>Total Depreciation as at 31.3.80</i>	<i>Net Block as at 31.3.80</i>	<i>As at 31.3.1979</i>
5	6	7	8
29,48	—	29,48	15,84
4,75,13	51,20	4,23,93	
1,71,63	18,09	1,53,54	81,80
3,53	3	3,50	—
9,50,82	2,81,14	6,69,68	6,35,62
1,15,24	20,64	94,60	29,00
17,32	1,42	15,90	17,82
17,52	1,80	15,72	—
91,60	13,20	78,40	—
3,53	21	3,32	—
10,95	18	10,77	—
56,13	24,69	31,44	—
3,99	32	3,67	—
19,46,87	4,12,92	15,33,95	7,80,08

CAPITAL WORKS IN PROGRESS

Particulars

Survey, investigation, consultancy & other preliminary expenses

Buildings & Civil Engineering Works

Communications

Hydraulic works including dams, barrages, tunnels & power channels

Penstocks

Plant & Machinery in Generating Station

Electrical Installations

Ancillary Works

Trunk Transmission Lines

Incidental expenditure during construction : Balance brought forward from last year

Add : Amount transferred for the year



SCHEDULE 'E'

(Rs. in thousands)

	<i>As at 31.3.1980</i>	<i>As at 31.3.1979</i>
	34,60	25,55
	8,33,69	12,19,25
	87,07	70,13
	85,35,04	71,11,99
	1,38,74	84,97
	25,68,46	26,24,25
	23,86	17,94
	5,61,72	5,39,07
	3,66,97	3,88,73
12,50,19		
12,63,86	25,14,05	12,50,19
	156,64,20	133,32,07

CURRENT ASSETS, LOANS AND ADVANCES

1. Inventories (As taken, valued and certified by Management) :

Stores & spare parts (at cost)

2. Cash & Bank Balances :

- i) Cash, imprest, postal orders & postal stamps
- ii) Remittances in transit
- iii) **Balances with Scheduled Banks**
 - Savings Bank Accounts
 - Deposit Account (Short term deposits)
- iv) Balances with Non-Scheduled Banks Current Accounts

Nepal Rastra Bank, Kathmandu

Nepal Bank Ltd., Trisuli

3. Other Current Assets :

- i) Interest accrued on deposits
- ii) Workshop and general suspense

4. Loans and Advances :

Advances recoverable in cash or kind or for value to be received

- Secured
- Unsecured (considered good)

Loans :

- To employees (Secured)

NOTE : Advances amounting to Rs. 628.31 lakhs are for capital works.



SCHEDULE 'F'
(Rs. in thousands)

		<i>As at 31.3.1980</i>	<i>As at 31.3.1979</i>
		5,33,98	4,65,40
		1,19	5,06
			5,00
		2,08,16	4,39,21
		4,00,00	—
<i>Maximum during the year</i>			
<u>1979-80</u>	<u>1978-79</u>	16,30	1,08
65,09	29,26		
14,67	3,52	12,09	23
		6.60	3,99
		5,33	37,49
		24	—
		9,91,27	7,37,34
		81	10
		<u>21,75,97</u>	<u>16,94,90</u>



SCHEDULE 'G'

CURRENT LIABILITIES & PROVISION

(Rupees in thousands)

Particulars	As at 31.3.1980	As at 31.3.1979
LIABILITIES		
1. Sundry Creditors	3,35,89	66,53
2. Unspent amount of deposit works		
i) Gangtok TCU	1,05,63	35,71
ii) Leimatak-Jiribam TCU	30,50	89,79
iii) Gandak-Ramnagar TCU	26,63	30,85
iv) Singrauli-Kanpur TCU	33,63	42,96
3. Unspent Balance of deposits received from Government of India for execution of Projects on agency basis		
i) Salal Hydroelectric Project	85,14	95,68
ii) Devighat Hydroelectric Project	2,21,60	75,11
4. Deposits, retention money from Contractors & others	52,06	10,04
5. Other Liabilities	1,36,81	5,73
6. Interest accrued on loans from Government of India but not due	2,23,50	1,42,24
	<u>12,51,39</u>	<u>5,94,64</u>
PROVISIONS :		
1. Provision for Gratuity	4,73	4.00
2. Provision for CPF/EPF	—	11,93
	<u>12,56 12</u>	<u>6,10,57</u>

ANNEXURE TO SCHEDULE 'G'—DETAILS OF DEPOSIT WORKS & PROJECTS ON AGENCY BASIS

(Rs. in thousands)

<i>Sl. No.</i>	<i>Particulars</i>	<i>Amount Deposit</i>	<i>Expenditure upto 31.3.79</i>	<i>Expenditure during the year</i>	<i>Share of Corporate Office expenditure for the year</i>	<i>Total expenditure upto 31.3.80</i>	<i>Unspent Amount</i>
1	2	3	4	5	6	7	8
A. DEPOSIT WORKS :							
Transmission Construction Units							
1.	Gangtok to Melli-Kalimpong	3,16,62	1,66,78	54,56	1,09	2,22,43	94,19
2.	Gangtok to Dikchu	57,68	—	45,34	90	46,24	11,44
3.	Liematak-Jiribam	2,50,30	55,15	1,61,42	3,23	2,19,80	30,50
4.	Ramnagar-Gandak	1,66,99	74,33	64,74	1,29	1,40,36	26,63
5.	Singrauli-Kanpur	16,35,74	7,68,56	8,17,21	16,34	16,02,11	33,63
		24,27,33	10,64,82	11,43,27	22,85	22,30,94	1,96,39
B. PROJECTS ON AGENCY BASIS :							
1.	Salal Project (including Transmission Construction Unit, Jammu)	47,34,78	21,38,20	24,90,68	20,76	46,49,64	85,14
2.	Devighat Project	8,15,10	99,89	4,89,32	4,29	5,93,50	2,21,60
		55,49,88	22,38,09	29,80,00	25,05	52,43,14	3,06,74

NOTE : Expenditure on Transmission Construction Units and Projects on Agency basis represents cash expenditure only and does not include accrued expenditure. However, expenditure includes advances to staff, advances to suppliers/contractors, deposits and unconsumed stock etc.



MISCELLANEOUS EXPENDITURE

SCHEDULE 'H'

(Rs. in thousands)

	<i>As at 31.3.1980</i>	<i>As at 31.3.1979</i>
Miscellaneous expenditure to the extent not written off or adjusted.		
1. Preliminary expenses	30,04	30,04
2. Deferred Revenue Expenditure	2,10	—
	<u>32,14</u>	<u>30,04</u>

SCHEDULE 'I'

EXPLANATORY NOTES :

1. As the Corporation's own projects are at construction stage and in respect of other Hydroelectric Projects and Transmission construction Units, it is merely recovering the overheads, no Profit and Loss Account has been prepared. The information required under Part-II of Schedule-VI of the Companies Act, 1956, has been disclosed in the Statement of Incidental Expenditure during construction.
2. The cost of land represents provisional/final payments towards compensation and other expenses for which final accounts are yet to be received from the concerned authorities. The title of the land has not yet passed to the Corporation as the legal formalities are yet to be completed.
3. Contingent liabilities to the extent of Rs. 1,46.89 lakhs (previous year Rs. 20.42 lakhs) exist in respect of claims against the Company not acknowledged as debts.

4. Estimated amount of contracts remaining to be executed on capital accounts and not provided for is Rs 2,32.05 lakhs (previous year not ascertained).
5. a) The construction of Transmission Lines has been undertaken as deposit works on behalf of State Governments, State Electricity Boards and Public Sector Undertakings. The estimated value of works remaining to be executed is of the order of Rs. 11,99.42 lakhs (previous year Rs. 23,70.18 lakhs).
- b) Construction of Hydroelectric Power Projects at Salal and Devighat have also been undertaken on behalf of Government of India. The estimated value of work remaining to be executed is of the order of Rs 124,26.41 lakhs (previous year Rs. 153,50.00 lakhs).
6. a) Expenditure of Corporate Office for the year has been apportioned to Transmission Construction Units at the

predetermined rate of 2% of the direct expenditure incurred at each Unit. The balance amount has been apportioned on pro-rata basis to the Corporation's own Projects as well as other Hydroelectric Projects being executed as deposit works.

- b) For purposes of calculating the rate of apportionment of Corporate Office expenses to the Corporation's own projects and other Hydroelectric Projects, interest payable on loan to Government of India had been included in the net expenditure till last year. However, this year, interest has been excluded from net expenditure for the purpose of calculating the rate of apportionment.

7. The transfer value of assets and liabilities in respect of projects taken over from the Government of India, were taken in the books of the Corporation as determined by the Government of India. Detailed veri-

fication of the cost of various components comprising the assets as on the date of transfer was taken up in respect of both Baira Siul and Loktak Projects. When the review is completed, changes, if any, in the transfer value of the assets will be taken up with the Government of India.

8. Transactions booked by Divisional Officers under debt, deposit and remittances under the C.P.W.D. system of accounting are being analysed to arrive at the balance recoverable from/payable to the Central Government as on the date of transfer of projects to the Corporation.

9. a) A review is being conducted in the Projects of the Corporation to ascertain the assets in use. To the extent review has been completed, assets have been transferred from capital work-in-progress to fixed assets.

b) At Baira Siul Project in absence of information of actual cost being readily available, assets have been transferred from capital works-in - progress

to fixed assets at provisional cost pending adjustment.

10. Depreciation upto 31st March, 1980 has been provided as per revised depreciation policy. Excess/short depreciation provided in earlier years has been adjusted except to the extent of Plant and Machinery of Loktak Project pertaining to pretransfer period as indicated in Note No. 13, and in respect of machinery transferred from Loktak to Baira Siul in 1979-80. In respect of assets transferred from capital works in progress, depreciation has been provided from the year next following that in which the assets were put in use. The cumulative depreciation up to 31-3-80 would have been Rs. 565.30 lakhs under old policy as against Rs. 412.92 lakhs charged under revised policy.

11. Due to disturbed conditions in Manipur, the Statutory Auditors could not visit the site for audit. Essential records were made available to the Auditors at Corporate Office. However, as the supporting books of accounts and documents were volumi-

nous, these could not be made available to the Auditors for audit.

12. a) The Government of Manipur has agreed to contribute part of the construction cost of Ithai Barrage and power channel in Loktak Project representing the irrigation component of the Project. The share of contribution of Government of Manipur for work done upto 31st March, 1980 works out to Rs. 299.62 lakhs. The Government of India had received Rs. 61.10 lakhs from the Government of Manipur before the transfer of the Project to the Corporation and has included this amount in the transfer value of the Project against which share capital to the extent of Rs. 16,85.30 lakhs and loan capital to the extent of Rs. 15,47.32 lakhs have been shown in the accounts. The Corporation has taken up with the Government of India the question of reducing the loan capital by Rs. 61.10 lakhs.

b) The amount of Rs. 238.52 lakhs (previous year Rs.201.29



- lakhs) representing the contribution from the Government of Manipur excluding Rs. 61.10 lakhs has been shown as capital reserve.
13. The item of plant and Machinery includes machines valuing Rs. 299.48 lakhs in Loktak project (Previous year Rs. 307.90 lakhs stated as Miscellaneous Equipment) relates to pre-transfer period for which details are being collected. Pending collection of details, depreciation at an ad-hoc rate of 10% has been charged.
 14. The review of pre-transfer assets and liabilities at Baira Siul Project has yet to be completed and as such details of pre-transfer liabilities and assets could not be worked out. As a consequence of this, reconciliation between subsidiary ledgers and the control accounts could not be completed.
 - 15.a) Physical verification of stocks and fixed assets in Baira Siul Project for the year could not be completed due to administrative problems which have since been overcome. The work of verification has now been resumed.
 - b) In Baira Siul Project, pending reconciliation of pre-transfer stock account which was operated under three heads, namely Stock Suspense, Miscellaneous Public Works Advance and Purchase the book balance has been taken as stock in hand. The reconciliation of Contractors Ledger and other subsidiary records is also under process.
 16. The credit balance of Rs. 36.69 lakhs in electricity suspense head in respect of Baira Siul Project is being reviewed and will be adjusted next year.
 17. Loss on account of damages due to heavy rains and avalanche in Baira Siul Project during 1978-79 is estimated at Rs. 64 lakhs. Other losses on account of accidents defects and shortages etc. are estimated Rs. 49.42 lakhs. However, the cases are still under investigation and final adjustments will be made after the investigations are completed.
 18. Baira Siul Project has made an estimated provision of Rs. 7.65 lakhs as hire charges for equipment taken on loan from Salal Hydroelectric Project.
 19. In Baira Siul Project, an amount of Rs. 146.00 lakhs relating to running and maintenance of construction plant and machinery has been debited to works-in-progress on usage rates against the actual expenditure of Rs. 92.00 lakhs. The difference of Rs. 54.00 lakhs is under investigation.
 - 20.a) The Bank at Baira Siul Project has debited the Corporation's account by Rs. 8.69 lakhs for which corresponding entries have not been passed in the Corporation's books as the nature of the debits is not known.
 - b) The difference of Rs. 1.31 lakhs in the Withdrawal Account and Rs. 0.13 lakh in the Collection Account in respect of Baira Siul Project is under investigation.

- c) The following bank balances are subject to confirmation :
- i) Nepal Rastra Bank, Kathmandu
Rs. 16.30 lakhs.
 - ii) Nepal Bank Ltd., Trisuli
Rs. 12.09 lakhs.
- 21.a) Government of India has allowed the capitalisation of interest during construction. It has also further been decided by the Government that the amount of interest capitalised would be released to the Corporation as equity capital and loan in the ratio 1:1 and the books of the Corporation would exhibit discharge of the interest liability out of the capital notionally obtained from the Government. The interest capitalised is to be worked out from year to year, Project-wise and budget provision made in the annual plan outlay as equity capital and loan in the ratio 1:1.
- b) The Incidental Expenditure during Construction including interest amounting to Rs. 1480.06 lakhs (previous year Rs. 762.42 lakhs) on loans from the Government of India.
22. The Corporation has not started revenue operations. Moreover, under Section 16 (i) of Payment of Bonus Act, bonus is not payable and, therefore no provision has been made for bonus.
23. Auditors' expenses of Rs. 15,680 relate to previous years. Provision for the current year's expenses estimated at Rs. 20,000/- has not been made.
24. Amounts standing to the debit and credit of parties are subject to confirmation / reconciliation.
25. Previous year's figures have been suitably rearranged wherever practicable to correspond to the current year figures.
26. Liabilities for the year 1979-80 known up to the cut off date viz. 20th April 1980 were provided for. In the case of Baira Siul Project certain liabilities amounting to Rs. 32.81 lakh approx. which came to notice after the cut off date, when project accounts were at final stage could not be provided.
27. Pending formulation of accounting treatment, the amounts recovered by Baira Siul Project from other Projects/Government departments on issue of materials at rates higher than the prevalent issue rates and the supervision charges have been credited to stock Account. In one case, however, the cost of material amounting to Rs. 40,000/- which should have been credited to stock has been credited to Receipt and Recoveries on Capital A/c.
28. The Balance Sheet and Incidental Expenditure during construction A/c adopted by the Board of Directors on August 6, 1980 and reported by the Auditors on the same day have been revised in the light of observations made by the Comptroller and Auditor General of India during the course of audit under Section 619(4) of the Companies Act, 1956. The changes have been incorporated by modifying or revising notes attached to the Balance Sheet.

SCHEDULE 'J'

**ADDITIONAL INFORMATION REQUIRED UNDER PART II
OF SCHEDULE VI OF THE COMPANIES ACT, 1956.**

1979-80 1978-79

**1. Expenditure on
Employees**

Expenditure on employees who are in receipt of remuneration not less than Rs. 36,000/- per annum if employed through out the year or Rs. 3000/- per month if employed for part of the year.	a) Employed through out the year			
	i) Number of employees		7	4
	ii) Salary & Wages (Rs.)		2,80,164	1,32,481
	iii) Value of perquisites (Rs.)		6,883	38,246
	b) Employed for part of the year			
	i) Number of employees		7	1
	ii) Salary & Wages (Rs.)		1,57,543	11,150
	iii) Value of perquisites (Rs.)		—	3,150

(This does not include employees at Salal & Devighat Projects which are being executed on Agency basis and remuneration of such employees is debited to deposits from Government of India and are not debited to Corporation incidental expenditure during construction).

However, information for Salal & Devighat Projects is as under :-

		Salal	Devighat
a) Employed through out the year			
i) Number of employees		1	5
ii) Salary & Wages (Rs.)		36,413	2,22, 156
iii) Value of perquisites (Rs.)		3,036	-
b) Employed for part of the year			
i) Number of employees		-	3
ii) Salary & Wages (Rs.)		-	10,616
iii) Value of perquisites		-	-

NOTE :- 1 The gratuity amount has not been taken into account as the same has been provided on actuarial basis.

2. Emoluments of Devighat employees include foreign allowance.



		1979-80	1978-79
		(Rs.)	(Rs.)
2. Expenditure incurred in Foreign Currency	i) Know-how	20,63,727	—
	ii) Other matters		
	a) Purchase of tenders	2,323	754
	b) Books, Periodicals & Journals	6,509	—
	c) Foreign Tours	16,290	9,287
3. Value of spare parts and components (Both indigenous and imported) consumed		NOT ASCERTAINED	
4. Value of imported Plant & Machinery & Spares		1,20,08,469	17,33,077
5. Licensed/Installed Capacity and Actual Production		<u>Loktak</u>	<u>Baira Siul</u>
	i) Licensed capacity	Not Applicable	Not Applicable
	ii) Installed capacity	3 X 35 M.W.	3 X 60 M.W.
	iii) Actual Production	—	—

N.V. Raman
Secretary

V. Subramanian
Director (Finance)

P.M. Belliappa
Chairman and
Managing Director

For R.K. Khanna & Co.
Chartered Accountants

Anil K. Khanna
Partner

New Delhi
September 20, 1980.

ACCOUNTING POLICIES

1. Depreciation :

Depreciation on fixed assets is provided on Straight line method keeping the residual value of the assets at 10% of the original cost. For purpose of depreciation, the life of various assets has been adopted from :

- i) Ministry of Energy (Deptt. of Power) Gazette Notification No. G.S.R. 272(E) dated 27.3.1979 and
- ii) Table appended to the guide book issued by the Government of India, Central Water Commission:

In respect of certain new equipment such as Alpine Miners, Continuous Concreting Machines, Telescopic Shutters, etc., the life is taken on the basis of assessment made by the Corporation. As regards the 2nd class and 3rd class buildings etc., the life is taken on the basis of rates indicated in the guidelines issued by the Bureau of public Enterprises (Notification No. BPE (15)-Adv. Fin/69 dated 8.8.1969).

As provided in the Gazette Notification dated 27.3.1979, full year's depreciation is charged

from the year of account next following that in which the particular asset was put in to use.

2. Valuation:

- a) Inter - Project/Unit transfers of stores for capital works are valued at cost.
- b) Construction plant and machinery transferred from one unit to another is valued at cost indicating the original cost less provision made for depreciation earlier by the Project from which the plant and machinery has been transferred.

3. Gratuity:

Provision for contribution to Gratuity Fund has been made based on actuarial valuation.

4. Rate of Exchange:

Liability for payment for imported equipment/services is worked out with reference to the rate of exchange ruling on the date of payment.

5. Classification:

Classification is generally made according to the natural heads of accounts.

6. Transfer of Capital Woks in Progress to Fixed Assets Account :

Transfer of completed assets from capital works in progress to fixed assets is made at cost.

7. Allocation of Design Expenses:

Design expenses incurred in the Corporate Office in respect of the projects are allocated on the basis of the quantum of services rendered to the respective projects.



AUDITORS' REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of National Hydroelectric Power Corporation Ltd. as at 31st March, 1980 and the statement of Incidental Expenditure During Construction of the Corporation for the year ended on that date.

Reference is invited to Note No. 28 of Schedule I regarding the revision in the Accounts, we report on the Revised Balance Sheet and the Statement of incidental Expenditure During Construction of the Corporation as under :

1. As required by the Manufacturing and other Companies (Auditors' Report) order, 1975 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on matters specified in paragraphs 4 and 5 of the said order.

2. Further to our comments referred to in paragraph 1 above, we report as under :—

Reference is invited to Note No. 11 and Note No. 14 of the Explanatory Notes to the Accounts. In view of the facts mentioned

in these notes detailed verification of assets, liabilities and recoveries at Loktak and Baira Siul Projects could not be conducted by us, Subject to our above comment, we report that :

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) in our opinion proper books of accounts as required by law have been kept by the Corporation so far as appears from our examination of these books :

c) the Corporation's Balance Sheet and statement of Incidental Expenditure During Construction dealt with by this report are in agreement with the books of accounts;

d) in our opinion and to the best of our information and according to the explanations given to us, the said accounts together

with the accounting policies and explanatory notes forming part thereof and subject to :

Note regarding capitalisation of fixed assets at Baira Siul Project at provisional cost;

Note regarding unidentified miscellaneous equipment in Loktak Project;

Note regarding physical verification of stock at Baira Siul and its valuation;

Note regarding non-provision against loss at Baira Siul Project ;

Note regarding adjustment of expenditure on running and maintenance of construction plant and machinery at Baira Siul Project;

Note regarding difference in bank accounts and non - confirmation of bank balances; and

Note regarding confirmation/reconciliation of debit and credit balances;



Note regarding non
No. 26 provision of liabilities
aftercut off
date; and

Note regarding the
No. 27 treatment of
material at higher
rates.

give the information re-
quired by the Companies
Act, 1956 in the manner
so required and give a
true and fair view;

i) in the case of the
Balance Sheet, of the
state of affairs of the
Corporation as at 31st
March, 1980; and

ii) in the case of State-
ment of Incidental Ex-
penditure during Con-
struction, of the expen-
diture and its appor-
tionment for the year
ended on that date.

For R. K. Khanna & Co.
Chartered Accountants

ASAF ALI ROAD,
NEW DELHI :
DATED: Sept. 20, 1980

(PARTNER)



ANNEXURE TO THE AUDITORS REPORT

Referred to in Paragraph 1 of our report of even date.

1. The Corporation has maintained proper records showing full particulars except the situational details of assets. The management has certified that physical verification of assets in use at Loktak Project and Corporate Office was conducted at the year end and no serious discrepancies were noticed on such verification. However, details in respect of Loktak Project could not be verified in view of facts explained in Note No. 11 to the Accounts. Physical verification of fixed assets in use as explained in Note No. 15 (a) to the Accounts at Baira Siul Project was not conducted.
2. No fixed assets in use has been re-valued during the year.
3. The Management has certified that stock of stores and spare parts has been physically verified on perpetual inventory system and capital stores have been physically verified at the year end at Loktak Project and the discrepancies noticed on such verification were not significant. However, physical verification statements could not be verified in view of facts explained in Note 11 to the Accounts. Physical verification of stores and spare parts as explained in Note No. 15(a) to the Accounts has not been carried out by Baira Siul Project. Moreover, the priced stores ledgers of spare parts and stores were incomplete at Baira Siul Project.

It has been certified by the Management that valuation of stock has been done at cost. However, in respect of Baira Siul Project, due to incomplete Priced Stores Ledgers and on account of the fact that no physical verification was done, the book figures of stock have been taken for the purpose of accounts. The basis of valuation of stock at cost is in accordance with normally accepted accounting principles and is on the same basis as earlier years.
4. The Corporation has not taken any loans secured or unsecured from Companies, firms or other parties listed in the register maintained under section 301 and 370 (1-C) of the Companies Act, 1956.
5. The Corporation has given advances by way of loans only to employees. The employees are repaying the principal amounts as stipulated and are also generally regular in payment of interest.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, components, plant and machinery, equipment and other assets.
7. The Corporation has not purchased any stores and spare parts in excess of Rs. 10000/- in value for each type from firms, companies or other parties in which Directors are interested.



- | | | |
|--|---|--|
| <p>8. The Management has certified that unserviceable and damaged stores have been identified at Loktak Project and adequate provision has been made for such losses. Unserviceable and damaged stores have not been determined by the Baira Siul Project and as such no comments can be offered in respect of provision required.</p> | <p>9. The Corporation has not accepted deposits from the public.</p> <p>10. No by-product or scrap is being generated and therefore maintenance of records in this regard is not required.</p> <p>11. The Corporation has an Internal Audit system which in our opinion is commensurate with the size</p> | <p>and nature of its business.</p> <p>12. Maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.</p> <p>13. The Company has generally been regular in depositing provident fund dues with the appropriate authorities.</p> |
|--|---|--|

For R.K. Khanna & Co.,
Chartered Accountants

ASAF ALI ROAD,
NEW DELHI :
DATED Sept. 20, 1980

Anil K. Khanna
PARTNER

Comments of the Comptroller and Auditor General of India under section 619 (4) of the Companies Act, 1956.

I am to state that there are no Comments upon the Auditors' Report under Section 619(4) of the Companies Act, 1956 on the accounts of National Hydroelectric Power Corporation Limited, New Delhi, for the year ended 31st March, 1980.

HARBANS LAL
*Member, Audit, Board and Ex-Officio
Director of Commercial Audit*



The Dhayanghar Loop (Salal Project)