



एसजेवीएन लिमिटेड

(भारत सरकार एवम् हिमाचल प्रदेश सरकार का संयुक्त उपक्रम)

मिनी रत्न एवं अनुसूची 'ए' पी. एस. यू.

SJVN LIMITED

(A joint Venture of Govt. of India & Govt. of Himachal Pradesh)

A Mini Ratna & Schedule 'A' P.S.U.

CIN NO : L40101HP1988GOI008409

Telephone : 0177-2670362

Fax : 0177-2670737

Website : www.sjvn.nic.in

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1. Name of the Company:	SJVN Ltd. CIN:L40101HP1988GOI008409
2. Annual financial statements for the year ended	31st March 2015
3. Type of Audit observation	Emphasis of Matter "Attention to Note No. 2.21 to the financial statements in respect of accounting of sales on provisionally approved tariff for 2009-14 period, arrear billing being contested by HP Govt. and Note no. 2.29 regarding contingent liability which describes the uncertainty related to the outcome of the claims/arbitration proceedings and cases filed in courts by/ against the Company on/by contractors and others". Pending approval of tariff by CERC in respect of Nathpa Jhakri Hydro Power Station, Sales have been booked in accordance with the tariff approved & applicable as on 31.03.2014 as provided in Tariff Regulations,2014. GoHP has contested the arrear billing of NJHPS for the period 2009-14 on the basis that the tariff is provisional & not finally determined. However, it is expected that the final tariff will not be less than the provisional tariff. The contingent liability, will be dealt in accordance with the outcome of the cases , if required.
4. Frequency of observation	From financial year 2014-15

(Amarjit Singh Bindra)
Director(Finance)
DIN:03358160

(Ramesh Narain Misra)
Chairman & Managing Director
DIN:03109225

(Suresh Chand Soni)
Partner
M.No. 083106
M/S Soni Gulati & Co.
Chartered Accountants

(Arun Kumar Verma)
Audit Committee Chairman
DIN:02190047

निगम मुख्यालय : हिमफैड बिल्डिंग, न्यू शिमला/Corp. H. Q. : Himfed Building, New Shimla-171009, (H.P.)

समन्वय कार्या. : इरकॉन भवन, सी-4 डिस्ट्रिक्ट सेन्टर, साकेत, नई दिल्ली/Exp. Off. : Ircon Building, C-4, District Centre, Saket, New Delhi-110017

आप अपने तथा राष्ट्र के हित में ऊर्जा की बचत करें।

SAVE ENERGY FOR BENEFIT OF SELF AND NATION

Annual Report

2014-15



SJVN

Setting New Benchmarks of
Growth & Sustainability



BOARD OF DIRECTORS



Ramesh Narain Misra
Chairman & Managing Director

Functional Directors



Amarjit Singh Bindra
Director (Finance)



Nand Lal Sharma
Director (Personnel)



Rakesh Kumar Bansal
Director (Electrical)

Govt. Nominee Directors



Arun Kumar Verma
Nominee Director, GOI



S.K.B.S. Negi
Nominee Director, GOHP



THE BOARD OF DIRECTORS - BRIEF PROFILES

CHAIRMAN & MANAGING DIRECTOR

Shri Ramesh Narain Misra is associated with SJVN Limited since 21st May 2010 when he joined as the Director (Civil). He holds M. Tech. degree in Water Resources Engineering from IIT, Delhi and a Masters in Business Administration from IGNOU, in addition to dual Bachelor Degrees in Civil Engineering and Science. He has more than 36 years of experience in Power Sector. Prior to joining the Company, he was Executive Director in NHPC Limited. His areas of specialization include Project planning & appraisal, environmental issues, project management, project monitoring, contract management and execution of large hydropower projects including commercial aspects and policy issues related to Power Sector.

As Chairman & Managing Director, he is overall in-charge of the affairs of the Company. He is holding additional charge of Director (Civil) and as Director (Civil), he is responsible for Projects under Investigation and Construction, Civil Design, DRB and Civil Contracts, Geology and Environment wings of the Company. His most significant achievement as Director (Civil) was the successful completion, commissioning and commercial operation of 412 MW Rampur HEP. He brought perceptible and innovative improvements in systems, contract management and progress of all activities of Rampur HEP which resulted in upgradation of rating of the Rampur HEP by World Bank twice during his tenure as Director (Civil). He ensured implementation of highest standards for environment management and measures for mitigation of likely adverse effects. Under his guidance and directions, a system of standardized Schedule of Rates and bidding document for Infrastructural Works and Model Technical Specifications for Major Civil Works were evolved and adopted; resulting in major systematic improvements. As an avid and keen Board member, he was instrumental in shaping and guiding Company's future strategies and policies. He has actively contributed in diversification of SJVN into Thermal, Wind and Solar energy and also in bagging of various cross border projects in Bhutan and Nepal.

Shri Misra has contributed more than 35 papers on wide range of subjects like technology, environment, social issues, contracts, project management and hydropower policy in various Journal and National / International Conferences and Seminars.

FUNCTIONAL DIRECTORS

Shri Amarjit Singh Bindra, is on our Board as Director (Finance) since 9th December 2010. Prior to joining the company, he was General Manager (Finance) in Delhi Metro Rail Corporation Limited. He has about 32 years of experience in NHPC, THDC and DMRC. Shri Bindra has wide experience in Financial planning, appraisal, getting clearances, Budgetary monitoring, contract management including commercial aspects and policy issues.

Shri Nand Lal Sharma, is on our Board as Director (Personnel) with effect from 22nd March 2011. Prior to the Board level appointment, Shri Sharma was working on deputation with the Company as the Executive Director (Human Resources) since July 2008. Shri Sharma holds a Masters degree in Agriculture from HP Agriculture University, Palampur, Himachal Pradesh and Masters in Business Administration (MBA) from the University of Ljubljana, Slovenia. Prior to joining our Company, he was holding the position of Special Secretary (General Administration Department and Health) and Director Ayurveda with GoHP. As Director (Personnel), Shri Sharma is incharge of Human Resources functions including Personnel and Administration, Rehabilitation & Resettlement, Legal, Procurement, Corporate Communications etc.

Shri Rakesh Kumar Bansal, has been appointed as Director (Electrical) with effect from 31st Oct, 2012. Shri Bansal, is a graduate from the National Institute of Technology, Allahabad in Mechanical Engineering Degree and a Postgraduate Degree Holder in Marketing, Production and Development Studies from Indian Institute of Management, Kolkata. Earlier Shri Bansal had been holding the charge of Executive Director of the country's largest 1500 MW Nathpa Jhakri Hydro Power Station owned and operated by SJVN Limited, since Oct. 2011. Sh. Bansal was also posted in Quality Assurances and Inspection Department, Corporate Planning & Monitoring Deptt. and Commercial & System Operation Deptt in SJVN Corporate Office at Shimla. He has also served in Uttarakhand Power Corporation for 7 months as Executive Director and involved in Commercial set up in Uttarakhand Power Corporation. Before joining SJVN, he has rendered his 13 years services in various posts in BHEL Haridwar.

GOVERNMENT NOMINEE DIRECTORS

Shri Arun Kumar Verma, Joint Secretary (Hydro) in the Ministry of Power has been appointed as Nominee Director of Government of India on our Board w.e.f. 2nd December, 2014. Sh. Arun Kumar Verma, is a 1986 batch, Gujrat cadre, Indian Forest Services Officer. He holds a Doctorate in Tribal Development, Dual Masters of Science Degree in Physics & Forestry and a Post Graduate Diploma in Public Policy & Management from IIM Bangalore. In addition, he has been well trained from renowned national and international Institutions in diverse areas of Public Administration, Natural Resource Management, Computer applications, Energy Management, Remote sensing, Project Management, Financial Management etc. Shri Verma has a vast experience of over 28 years. His areas of distinguished works and specialization include Power Sector, Tribal Development and Environment & Forests, In recognition of his distinguished services he has been ordained with the Rashtriya Gaurav Award.

Shri S.K.B.S. Negi, has been an Non-Executive Director on our Board since January 24, 2013 as Nominee Director of Government of Himachal Pradesh. Shri Negi is a 1985 batch Indian Administrative Services Officer. He holds a Masters Degree in Business Administration in addition to a LLB Degree. He has more than 29 years of experience and has served on various key State Government administrative positions in various Departments including Transport, Administration, Social Welfare, Revenue etc. He has served as Principal Secretary, Rural Development and Panchayati Raj to Govt. of Himachal Pradesh and also as Deputy Commissioner of Bilaspur, Kangra, and Shimla Districts. In addition, he has been on Boards of various State Corporations and Co-operatives including term as Director (Finance & Administration) in HPSEB Ltd. for 2 years.



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REFERENCE INFORMATION

Company Secretary	: Soumendra Das
Statutory Auditors	: M/s Soni Gulati & Co., Chartered Accountants
Cost Auditors	: M/s Balwinder & Associates, Cost Accountants
Secretarial Auditors	: M/s SGS Associates, Company Secretaries
Registered & Corporate Office	: Himfed Building New Shimla SHIMLA - 171009. Himachal Pradesh
Shares Listed at	: National Stock Exchange Limited Bombay Stock Exchange Limited
Depositories	: National Securities Depository Limited Central Depository Services (India)
Limited	
Bankers	: State Bank of India Yes Bank Vijaya Bank IDBI Bank Oriental Bank of Commerce AXIS Bank Punjab National Bank



SELECTED FINANCIAL INFORMATION*

(₹crore)

	2014-15	2013-14	2012-13	2011-12	2010-11#
A. Revenue					
Revenue from operations(net)	2817.53	1873.58	1682.10	1927.50	1829.74
Other Income	443.57	237.14	234.52	209.29	149.42
Total Revenue	3261.10	2110.72	1916.62	2136.79	1979.16
B. Expenses					
Employees Benefits Expense	199.57	123.75	109.54	111.15	84.72
Other Expenses	176.44	145.38	121.77	137.37	154.87
Profit before depreciation, finance cost and tax	2885.09	1841.59	1685.31	1888.27	1739.57
Depreciation and Amortization Expense	641.00	474.52	446.67	446.00	450.56
Profit before finance cost and tax	2244.09	1367.07	1238.64	1442.27	1289.01
Finance Costs	64.56	28.88	54.06	83.65	132.82
Profit before exceptional items and tax	2179.53	1338.19	1184.58	1358.62	1156.19
Exceptional Items Income/(Loss)	(132.28)	-	-	(12.73)	-
Profit before tax	2047.25	1338.19	1184.58	1345.89	1156.19
Tax (Net)	370.50	223.56	132.24	277.21	244.06
Profit after tax	1676.75	1114.63	1052.34	1068.68	912.13
Dividend	434.35	405.39	397.12	388.84	330.93
Dividend Tax	89.71	68.90	67.49	63.08	53.69
Retained profit	1152.69	640.34	587.73	616.76	527.51
C. Assets					
Fixed assets (net block)					
Tangible assets	9052.16	5668.25	5819.12	6228.89	6619.55
Intangible assets	0.22	0.41	0.71	0.93	1.04
Capital Work-in-progress	252.58	3925.79	2981.54	2022.96	1239.66
Total Fixed Assets (Net block)	9304.96	9594.45	8801.37	8252.78	7860.25
Investments (Non-current)	11.38	4.95	4.94	-	-
Deferred Tax Assets (Net)	285.37	226.76	169.82	121.77	69.70
Long-term loans and advances	188.84	158.74	147.93	179.94	183.92
Other non-current assets	0.98	11.03	0.67	0.93	1.09
Current assets	4802.92	3561.62	3364.61	3561.31	3013.90
Total Assets	14594.45	13557.55	12489.34	12116.73	11128.86
D. Liabilities					
Long-term borrowings	2453.42	2213.51	1876.27	1501.34	1358.85
Other Long-term liabilities and provisions	945.31	935.31	1005.12	990.54	965.04
Current liabilities	992.68	1358.38	1197.94	1802.57	1599.45
E. Net-worth					
Share Capital	4136.63	4136.63	4136.63	4136.63	4136.63
Reserves & surplus	6066.41	4913.72	4273.38	3685.65	3068.89
Net-worth	10203.04	9050.35	8410.01	7822.28	7205.52
Total Liabilities	14594.45	13557.55	12489.34	12116.73	11128.86
F. Number of employees	1819	1869	1792	1822	1880
G. Ratios					
Return on net worth (%)	16.43%	12.32%	12.51%	13.66%	12.66%
Book Value per Share (₹)	24.67	21.88	20.33	18.91	17.42
Earnings per share (₹)	4.05	2.69	2.54	2.58	2.21
Current ratio	4.84	2.62	2.81	1.98	1.88
Debt to equity	0.24	0.24	0.22	0.19	0.19

* Standalone

Figures regrouped as per revised Schedule VI of Companies Act,1956.



SJVN LIMITED

CIN: L40101HP1988GOI008409

Registered Office: Himfed Building, New Shimla-171009

Telephone: 0177- 2672324, Fax: 0177-2670737,

Email: inverstor.relations@sjvn.nic.in, Website: www.sjvn.nic.in

NOTICE

NOTICE is hereby given that the **27th Annual General Meeting** of the Members of SJVN Limited will be held on **22nd September 2015, Tuesday, at 15:00 hrs. at Hotel Peterhoff, Chaura Maidan, Shimla – 171004, Himachal Pradesh** to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2015 including the Balance Sheet and Statement of Profit and Loss for the financial year ended as on that date together with Reports of the Board of Directors and Auditors thereon.
2. To confirm interim dividend of ₹ 0.63 per Share and declare Final Dividend for the financial year 2014-15.
3. To appoint a Director in place of **Shri Amarjit Singh Bindra [DIN 03358160]**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of **Shri Nand Lal Sharma [DIN 03495554]**, who retires by rotation and being eligible, offers himself for re-appointment.
5. To fix remuneration of Statutory Auditors for the financial year 2014-15 and onwards and to consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, approval of the Members be and is hereby accorded to fix the remuneration of Statutory Auditors appointed by the Comptroller & Auditor General of India at ₹ 9,00,000/- per annum plus Service Tax plus Reimbursement of Expenses for the financial year 2014-15 and onwards, as recommended by the Audit Committee and Board.”

SPECIAL BUSINESS:

6. Ratification of remuneration of Cost Auditor for financial year 2015-16

To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:-

“RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration of ₹1,50,000/- plus Service Tax as applicable plus Out of pocket expenses incurred in connection with the cost audit to be paid to M/s Chandra Wadhwa & Co., Cost Accountants, New Delhi, Cost Auditors of the Company for the financial year 2015-16, as approved by the Board of Directors of the Company, be and is hereby ratified.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board of Directors

(Soumendra Das)
Company Secretary
FCS-4833

Date: 30th July, 2015

Regd. Office : Himfed Building, New Shimla-171009

NOTES:-

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective must be lodged with the Company not less than 48 hours before the commencement of the Annual General Meeting, i.e. latest by **(03:00 PM)** on, the **20th September 2015**. Blank proxy form is enclosed.
3. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. With effect from April 01, 2014, inter-alia, provisions of section 149 of Companies Act, 2013, has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors. Therefore, the directors to retire by rotation have been re-ascertained on the date of this notice.



5. As required by Clause 49 of the Listing Agreement(s), the relevant details of **Shri Amarjit Singh Bindra [DIN 03358160] and Shri Nand Lal Sharma [DIN 03495554]** retiring by rotation and seeking re-appointment under items no. 3, & 4 of the Notice respectively. In exercise of powers vested under Articles of Association of the Company, the above Directors were appointed by President of India (acting through Ministry of Power) for a period of 5 years from the date of taking over the charge or till date of superannuation or till further orders whichever is earlier.
6. None of the Directors of the Company are anywhere related with each other.
7. Members are requested to:
 - (i) Note that copies of Annual Report will not be distributed at the Annual General Meeting.
 - (ii) Bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
 - (iii) Deliver duly completed and signed Attendance Slip and hand them over at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counter at the venue to be exchanged with the attendance slip. Photocopies of Attendance Slip will not be entertained for issuing entry slip for attending Annual General Meeting.
 - (iv) Polling Slips/ Ballot Forms, if required, shall be provided at the venue of the Meeting.
 - (v) Quote their Folio No. or Client ID & DP ID Nos. in all correspondence.
 - (vi) Note that due to strict security reasons, mobile phones, eatables and other belongings are not allowed inside the Auditorium.
 - (vi) Note that no gifts / coupons will be distributed at the Annual General Meeting.
8. Corporate Members are requested to send a duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed **from 16th September 2015 (Wednesday) to 22nd September 2015 (Tuesday)** (both days inclusive).
10. **The Board has recommended a Final Dividend @ ₹ 0.42 per share at its 239th meeting held on 27th May 2015. The dividend, if declared, at the Annual General Meeting will be paid to those Members, whose names appear on the Register of Members of the Company at the closure of business hours of 15th September 2015 (Tuesday).**
11. Subject to the provisions of Section 126 of the Companies Act, 2013, the Final Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or after **27th September 2015**.
12. Pursuant to Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid / unclaimed for a period of seven years, are required to be transferred to the Investor Education & Protection Fund of the Central Government. Therefore, Members are advised to encash their Dividend warrants immediately on receipt.
13. Members are advised to submit their Electronic Clearing System (ECS) mandates to enable the company to make remittance by means of ECS. Those holding shares in Electronic Form may obtain and send the ECS Mandate Form directly to their Depository Participant (DP). Those holding shares in physical form may obtain and send the ECS mandate form to **MCS Limited F-65, First Floor, Okhla Industrial Area, Phase I, New Delhi – 110020**, (the Registrar & Transfer Agent of the company), if not done earlier.
14. The shareholders who do not wish to opt for ECS facility may please mail their bankers' name, branch address and account number to MCS Limited, Registrar & Share Transfer Agent of the Company to enable them to print these details on the dividend warrants.
15. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its Registrar & Transfer Agent along with relevant Share Certificates.
16. All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (barring Saturday and Sunday), between 11.00 AM to 5.00 PM up to one day prior to the date of Annual General Meeting.
17. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit to the Registrar & Transfer Agents of the Company the prescribed Form (Form SH-13 in duplicate) of the Companies Share Capital and Debentures Rules, 2014. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
18. Annual Listing fee for the year 2015-16 has been paid to the Stock Exchanges wherein shares of the Company are listed.
19. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter and bank account to the Company's Registrar at the address given in Note No.13 above.
20. Members are requested to notify immediately any change of address:
 - (i) to their Depository Participants (DP) in respect of shares held in dematerialized form, and
 - (ii) to the Company at its Registered Office or its Registrar & Transfer Agent, MCS Limited in respect of their physical shares, if any, quoting their folio number.
21. **Members desirous of getting any information on any item of business of this meeting are requested to address their queries to the Company Secretary at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.**



22. The annual report for 2014-15 along with the notice of Annual General Meeting, Attendance Slip and Proxy Form is being sent by electronic mode to all the shareholders who have registered their Email IDs with the depository participants/ registrar and share transfer agent unless where any member has requested for the physical copy.
23. Members who have not registered their Email IDs, physical copies of the annual report 2014-15 along with the notice of Annual General Meeting, Attendance Slip and Proxy Form are being sent by the permitted mode. Members may further note that the said documents will also be available on the Company's website www.sjvn.nic.in and at www.cdslindia.com for download. Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Company's investor Email ID viz. investor.relations@sjvn.nic.in.
24. Members who do not wish to vote through electronic means can cast their vote in person or through proxy via Ballot facility provided at the venue of the Annual General Meeting.

VOTING THROUGH ELECTRONIC MEANS

1. Pursuant to Section 108 and corresponding Rules of Companies Act, 2013 as well as Clause 35B of Listing Agreement, the Company will provide remote e-voting facility to the members. All business to be transacted at the Annual General Meeting can be transacted through the remote e-voting system.
2. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on **21st August 2015**.
3. The shareholders shall have one vote per equity share held by them. The facility of remote e-voting would be provided once for every folio/ client ID, irrespective of the number of joint holders.
4. The Company has appointed **Mr. Santosh Kumar Pradhan**, Practicing Company Secretary, as the scrutinizer for conducting the remote e-voting and ballot process in the fair and transparent manner.
5. The scrutinizer will submit his final report on votes casted through Ballot & remote e-voting to Chairman of the Company within three working days after the conclusion of remote e-voting period.
6. The results of Annual General Meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company on/ or after Annual General Meeting within the prescribed time limits.
7. The result of the remote e-voting will also be placed at the website of the Company viz. www.sjvn.nic.in and also on www.cdslindia.com.
8. The scrutinizer's decision on the validity of remote e-voting and ballot will be final.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins **9.00 a.m on 19th September 2015 and ends on 5.00 p.m., 21st September 2015**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **15th September 2015**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the remote e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on a separate slip attached to this notice. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.



Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for SJVN Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **15th September, 2015** may follow the same instructions as mentioned above for remote e-Voting.
- (xxi) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**.
- (xxii) In case of any grievances connected with facility for voting by electronic means, please contact Mr. Wenceslaus Furtado, Deputy Manager, Central Depository Services (India) Limited, 16th Floor, PJ Towers, Dalal Street, Fort, Mumbai- 400001. Email: **helpdesk.evoting@cdslindia.com**, Tel: 18002005533.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No. 6

The Board, on the recommendation of the Audit Committee, vide its 236th meeting dated 05-02-2015 has approved the appointment and remuneration of M/s. Chandra Wadhwa & Co, Cost Accountants, Registration No. 000239, New Delhi as the Cost Auditors to conduct the audit of the cost accounts and records maintained by the Company for the financial year ending 31st March 2016.

In accordance with Section 148 read with Companies (Audit and Auditors) Rules 2014, the remuneration payable to Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2016.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 6 of the Notice for approval by the shareholders.

BRIEF RESUME OF THE DIRECTORS SEEKING RE- ELECTION AT THE 27TH ANNUAL GENERAL MEETING

Name	Shri Amarjit Singh Bindra	Shri Nand Lal Sharma
DIN	03358160	03495554
Date of Birth	14th December ,1959	12th February ,1964
Date of Appointment	9th December, 2010	22nd March , 2011
Qualification	Honours Graduate in Commerce and a Member of the Institute of Chartered Accountants of India.	Degree in Agriculture from Palampur Agriculture University in Himachal Pradesh and Masters in Business Administration from the University of Ljubljana, Slovenia.
Expertise in Specific Functional Area	Shri Amarjit Singh Bindra, 55 years, is on our Board as Director (Finance) since 9th December 2010. Prior to joining the company, he was General Manager (Finance) in Delhi Metro Rail Corporation Limited. He has about 32 years of experience in NHPC, THDC and DMRC. Mr. Bindra has wide experience in Financial planning, appraisal, getting clearances, Budgetary monitoring, contract management including commercial aspects and policy issues.	Shri Nand Lal Sharma, 51 years, is on our Board as Director (Personnel) with effect from 22nd March 2011. Prior to the Board level appointment, Shri Sharma was working on deputation with the Company as the Executive Director (Human Resource) since July 2008. Shri Sharma holds a Masters degree in Agriculture from HP Agriculture University, Palampur, Himachal Pradesh and Masters in Business Administration (MBA) from the University of Ljubljana, Slovenia. Prior to joining our Company, he was holding the position of Special Secretary (General Administration Department and Health) and Director Ayurveda with GoHP. As Director (Personnel), Shri Sharma is incharge of Human Resources functions including Personnel and Administration, Rehabilitation & Resettlement, Legal, Procurement, Corporate Communications etc.
Directorship held in other Companies	SJVN Thermal Private Limited SJVN Arun-3 Power Development Company Private Limited, Nepal	SJVN Thermal Private Limited SJVN Arun-3 Power Development Company Private Limited, Nepal
Membership/ Chairmanship of Committees across all the public companies (as per clause 49 C of the listing agreement)		
Number of Shares Held	NIL	2518



CHAIRMAN'S LETTER TO THE SHAREHOLDERS



Dear Shareholders,

As Chairman & Managing Director of SJVN, this happens to be my first dialogue with our members. First and foremost I would like to assure you of my sincere efforts towards progress of our organization for the benefit of all stakeholders in fulfillment of our common objectives of making SJVN a major player in power sector in India as well as globally. I take this opportunity to share the achievements of our company with our Shareholders.

The Audited Financial Statements of the Company along with the Reports of the Auditors and Directors for the year 2014-15 are presented for your approval.

HIGHLIGHTS OF THE YEAR 2014-15

The year 2014-15 has been a very eventful year for SJVN. In this year, the organization succeeded in accomplishing augmentation in the generation capacity with commissioning of all the six generating units of 412 MW Rampur Hydro-electric Project and all the 56 units of 47.6 MW Khirvire Wind Power Project. Commissioning of 3 units of RHEP before 31st March, 2014 and the remaining 3 units by 4th December, 2014 was a major feat, considering the numerous last minutes hurdles which were overcome with courage, ingenuity, unflinching resolve and absolute commitment of our officers and staff. This achievement has been widely recognized and applauded. Unit-5 & Unit-2 of Rampur HEP have been respectively awarded the **"Gold Shield"** & **"Silver Shield"** by the Ministry of Power, Government of India in the category of "Early completion of Hydro Projects" for the year 2013-14, which is a matter of pride for our company.

Flawless commissioning and subsequent functioning of complex civil structures and electro-mechanical/ hydro-mechanical equipment is a testimony of competence and the high level of skills that organisation's professionals have acquired.

Hon'ble Prime Minister of India, Shri Narendra Modi laid the foundation stone of 600 MW Kholongchu HE Project in Bhutan on June 16, 2014, which is to be constructed by SJVN in joint venture with Druk Green Power Corporation Ltd. of Bhutan. Subsequently on September 30, 2014 SJVN signed Share Holders Agreement with DGPC. DPR for 570 MW Wangchu has been cleared by CEA and has also received approval of Royal Government of Bhutan.

Continuing with organizations rapid strides in taking up hydro projects in the neighboring countries, SJVN signed a Project Development Agreement for implementation of 900MW Arun-3 Hydro Electric Project, with Government of Nepal at Kathmandu in the presence of Hon'ble Prime Minister of India, Shri Narendra Modi and Hon'ble Prime Minister of Nepal, Shri Shushil Kumar Koirala on November 25, 2014. SJVN is committed to present exemplary demonstration of project implementation capabilities in these countries, possessing vast hydro potential, to open up new vistas for the organization in future.

Strengthening our foothold in the state of Arunachal Pradesh, having immense opportunities in the area of Hydro Power Development, an MOU has been signed with the Government of Arunachal Pradesh on August 13, 2014 for implementation of 80 MW Doimukh Hydro-electric Project. SJVN has continued efforts to bring other hydro projects in Himachal Pradesh, Uttarakhand as well as Thermal Project in the state of Bihar to take offstage.

The Central Government has announced ambitious plans for setting up 100 GW of Solar Power capacity by 2022. Your company is well poised to take advantage of any opportunity in this area. On December 29, 2014 SJVN has signed an MOU with Hindustan Salt Ltd. for development of Ultra Mega Hybrid Renewable Energy (Solar & Wind) Park.



During the year, the Company also signed a memorandum of association with six other state run Government Power Generating Companies on 7th January 2015 for the formation of a JV Company for mining of Deocha-Pachami Coal Block.

I am indeed delighted to inform our Shareholders that, all three operational projects of the company continued their excellent performance during the year. NJHPS, RHPS and KWPP together generated 8136.13MU of Power against combined MoU target of 7920 MU. For its exceptional operational, financial and organizational performance your company has received **"Excellent"** MoU performance rating for the third year in a row.

The physical progress made by the organization is also manifested in the financial health of the company. Total revenue has zoomed by 54.50% to all time high of ₹ 3261.10 crore. Similarly, an increase of 50.43% was recorded in the Profit After Tax during the year to ₹1676.75 crore which is the highest since inception of the company. The company's EPS during the year has increased to ₹ 4.05 against ₹ 2.69 during the previous year.

During the year an interim dividend of ₹0.63 per share was paid. In addition your Board has recommended a final dividend of ₹0.42 per share. Thus, a total dividend of ₹1.05 per share (₹434.35 crore) is proposed to be paid for FY 2014-15 against ₹0.98 per share (₹405.39 crore) paid during the previous year. The dividend yield on the Company's shares is one of the best amongst all peer group Power Sector Companies.

HIGHLIGHTS OF THE YEAR 2015-16

During the first quarter of the Financial Year 2015-16, ended 30th June 2015, 3340 MUs of power has been generated out of which NJHPS generated 2605 MU, RHEP 718 MU and Khirvire Wind Power Project 17 MU.

As per MoU for 2015-16, signed with MoP, SJVN targets to generate 8520 MUs of power under "Excellent" parameters with target revenue realization from sale of energy at ₹2224 crore from NJHPS, RHEP and Khirvire Wind Power Project collectively.

FUTURE BUSINESS STRATEGY

Infrastructural development, especially Power Sector development and reforms are expected to remain top priority of present Government. The new Govt. has already given the first signals of positive change in form of unification of Power, Coal & MNRE Ministries which may prove to be a huge boost to Power Sector in the long run. The Power Sector is still in nascent stage of growth. The annual per capita power consumption in India is still quite low compared to developed countries. This growth scenario ensures ample room for both the public and private players to grow, both complementing each other in the endeavour of economic development and nation building.

Your company's management is strategically building up its human and technological competencies across geographies, across sectors and across technologies, to enable it to seize any such opportunities. The Company is firmly on course to a brighter future and thereby enhance its contribution to the growth of the power sector and the Indian economy.

In the era of global environmental awareness and climate change, clean and green renewable energy sources like solar and wind shall continue to remain favorite world over, in the times to come. According to a 2011 projection by the International Energy Agency, solar power generators may produce most of the world's electricity within 50 years. With this foresight, renewable energy will remain one of the major thrust areas of the Company in the times to come.

The Status of ongoing Projects has been amply covered in the Directors' Report 2015 and hence, I would only like to mention that the other projects, namely, Luhri & Dhaulasidh projects in Himachal Pradesh; Devsari, Naitwar Mori & Jakhol Sankri projects in Uttarakhand; Arun-III in Nepal; Kholongchu and Wangchu projects in Bhutan; Buxar Thermal Power Plant in the state of Bihar; aggregating more than 4400MW capacity are in different stages of development.

CORPORATE GOVERNANCE

As a listed company, your company has been complying with the requirements of Corporate Governance under the listing agreement and also Guidelines issued by Department of Public Enterprises, Government of India in this regard.

Your company has achieved **"Excellent"** rating for compliance with DPE Guidelines on Corporate Governance during F.Y. 2014-15 under Corporate Governance grading system prescribed by DPE for the fourth year in a row.

ACKNOWLEDGMENT

I take this opportunity to express my sincere gratitude for the immense support and co-operation received from the Government of India, State Governments of Himachal Pradesh, Uttarakhand, Bihar, Arunachal Pradesh, Maharashtra, Gujarat and Rajasthan, the Governments of Nepal and Bhutan, other Governmental and Non-Governmental agencies, Statutory, Cost, Secretarial and Internal Auditors, our Customers, Business associates who have supported the Company, various Financial Institutions & Bankers, Regulatory authorities for their continued support and above all the Shareholders, Investors and Partners in the growth of the Company for their continued confidence and trust in the Management.

I also convey my thanks and appreciation to my esteemed colleagues on the Board for their valuable support and guidance, to my team of dedicated and hardworking employees which enabled us to achieve all milestones with distinction; and one and all for reposing trust in me and granting me opportunity to steer this wonderful organization.

Thanking you,

Yours Sincerely

(Ramesh Narain Misra)

Chairman & Managing Director

DIN: 03109225

Date: 30th July, 2015

Place: New Delhi



DIRECTORS' REPORT 2015

Dear Members,

Your Directors are pleased to present the Twenty Seventh Annual Report of the Company for the year ended March 31, 2015 along with the Audited Statement of Accounts, Report of Auditors and Comments of the Comptroller and Auditor General of India.

The following financial highlights for the year ending 31st March, 2015 briefly encapsulate the performance of your company:-

1. FINANCIAL HIGHLIGHTS

(₹ In crore)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2014-15	2013-14	2014-15	2013-14
REVENUE				
Revenue from Operations	2817.53	1873.58	2817.44	1873.52
Other Income	443.57	237.14	443.59	237.18
Total Revenue	3261.10	2110.72	3261.03	2110.70
EXPENSES				
Employees' Benefits Expense	199.57	123.75	199.57	123.75
Finance Costs	64.56	28.88	64.56	28.88
Depreciation and Amortization Expenses	641.00	474.52	641.00	474.52
Other Expenses	176.44	145.38	176.46	145.49
Total Expenses	1081.57	772.53	1081.59	772.64
Profit before exceptional items and Tax	2179.53	1338.19	2179.44	1338.06
Exceptional Items	132.28	-	132.28	-
Profit Before Tax	2047.25	1338.19	2047.16	1338.06
Tax Expenses:				
- Current Tax	429.11	280.50	429.12	280.51
- Deferred Tax	(58.61)	(56.94)	(58.61)	(56.94)
Profit for the Year	1676.75	1114.63	1676.65	1114.49

2. GENERATION

Gross Energy Generation of NJHPS during the year was 6838.125 MUs achieved as against MoU target of 6900 MUs for excellent rating and 7192.553 MUs during the previous year. The Plant Availability Factor (PAF) during the year was 105.504% against the MoU target of 92.5% and 105.75% during the previous year.

Gross Energy Generation of RHPS during the year was 1257.520 MUs as against MoU target of 950 MUs for excellent rating.

Gross Energy Generation of Wind Power Project at Khirvire during the year was 40.488 MUs as against target of 70 MUs for excellent Rating.

3. REVENUE AND PROFITS

The standalone revenue from operation increased by ₹943.95 crore to ₹2817.53 crore during the financial year 2014-15 compared to ₹1873.58 crore during the previous year. Similarly standalone Profit After Tax (PAT) increased by ₹562.12 crore to ₹1676.75 crore against ₹1114.63 crore for the previous year. The increase in revenues and profits was mainly on account of sale of energy generated by newly commenced Rampur Hydro Power Station and Khirvire Wind Power Project, and arrear billing for previous years, after tariff approval by CERC.

Consolidated accounts with the subsidiary & joint venture companies showed a decrease in profit of consolidated group by ₹0.10 crore as compared to standalone results of SJVN Limited on account of loss/ elimination of intra-group transactions in CPTC.

4. TRANSFER TO RESERVES

During the year, no amount was transferred to Reserves of the Company.

5. DIVIDEND

During the year an interim dividend of ₹0.63 per share has been paid in the month of February 2015. In addition your Board has recommended a final dividend of ₹0.42 per share. Thus, subject to your approval, a total dividend of ₹1.05 per share (₹434.35 crore) is proposed to be paid for FY 2014-15 against ₹0.98 per share (₹405.39 crore) paid during the previous year.

6. PROJECTS UNDER EXECUTION

6.1 RAMPUR HYDRO ELECTRIC PROJECT (412 MW)

The Rampur project with a generation potential of 412 MW has been built on river Satluj, situated in Shimla and Kullu districts of Himachal Pradesh in North India. The project is designed and operated as cascade tandem operating plant to Nathpa Jhakri Power Plant. Project is designed to generate 1878 million units of electricity each year.

Major works of project began in February, 2007. After completion of HRT, Surge Shaft, Valve House, Power House, TRT and other associated works, water filling of Water Conductor System was successfully completed in March, 2014 without any leakage. The synchronization/commissioning of first three units of project i.e. unit no. 1, 2 and 5 was achieved in FY 2013-14 with commercial operation beginning on 13.05.2014 and the remaining three units i.e. Unit no. 4, 3 and 6 were synchronized / commissioned in FY 2014-15 and are under commercial operation since 18.06.2014, 08.08.2014 and 16.12.2014 respectively.

Power generated from Rampur HPS is distributed to Northern Regional States i.e. Himachal Pradesh, Haryana, J&K, Punjab, Rajasthan, UP, Uttarakhand as per their percentage allocation by Ministry of Power.

7. PROJECTS UNDER SURVEY AND INVESTIGATION

7.1 ARUN-3 PROJECT (900 MW)

SJVN Arun-3 Power Development Company Pvt. Ltd (SAPDC) was incorporated & registered on 25.04.2013 as a single shareholder Private Limited company under the Nepalese Companies Act 2063, with SJVN Limited as its sole shareholder and principal objective to plan, promote, organize & execute the Arun-3 Hydro-electric Project. The Corporate office of the SAPDC is located at Biratnagar, Nepal and the project office is located at Khandbari, District Sankhuwasabha, Nepal. The project is a run-of-river scheme located on Arun river in Sankhuwasabha District of Nepal, which is 657 km from Kathmandu via Biratnagar. Letter of intent was issued on 23.05.2010 by GoN to SJVN to carry out infrastructure work at Dam & Power House site.

The survey & investigation works were completed in January, 2011. The Project has been techno-economically appraised by CEA on 30.04.2014. Project Development Agreement (PDA) was signed



with IBN, GoN on 25.11.2014. EIA report was submitted to the Investment Board of Nepal on 20.03.2015 and Ministry of Science, Technology & Environment, GoN on 27.03.2015 which is under approval. Detailed Project Report for "300 Km long 400 kV D/C Didin (in Nepal)- Dhalkebar (in Nepal)- Muzaffarpur (in India) Transmission Line" has been appraised by CEA. Investment decision for a total cost of ₹7096.76 Crore at Sept, 2014 Price Level that includes Generation (₹5947.95 Crore) & Transmission line (₹1148.81 Crore) projects is under the consideration of Ministry of Power, Government of India.

SAPDC is geared up to take up the Infrastructure works of the Project as soon as the statutory clearances and investment decision to incur expenditure are available.

7.2 LUHRI PROJECT (601 MW)

Luhri Hydro Electric Project is located on river Satluj in Shimla/ Kullu/ Mandi districts of Himachal Pradesh. The project envisaged an HRT of 38 km length and 86 m high Dam to generate 2203 MUs of energy with installed capacity of 577 MW along with a Toe Power House with an installed capacity of 24 MW, generating 132 MUs of energy.

The Environment Clearance and Stage-I Forest Clearance had been accorded to the project by Ministry of Environment & Forests (MoEF) while acquisition of private land was under process.

The Detailed Project Report of the proposed scheme was under appraisal by CEA. During detailed scrutiny/examination, after the results of model studies to assess feasibility of surge tunnels, it was found that it would be difficult to construct 45m diameter dome over Surge Shaft in fractured/jointed rock mass and therefore layout of entire power house complex needed review. Also based on public apprehensions regarding reduction of flow in the river Satluj significantly in its respective reach because of 38 km long Head Race Tunnel envisaged for the scheme causing damage to the riverine ecology, GoHP during March, 2015 considering social and environmental/ecological reasons, advised SJVN to review the scheme and instead consider a multi stage development of the project. Accordingly a 3 stage development with a total installed capacity of 701 MW and taking up Stage-I initially is under consideration of SJVN.

7.3 DHAULASIDH PROJECT (66 MW)

The Dhaulasidh Hydro-electric Project with installed capacity of 66 MW is located on River Beas, in Hamirpur and Kangra Districts of Himachal Pradesh. The Project is designed as run-of-river project with a small live storage that would be utilized for peaking power during the lean season. The Project holds potential of generating 247.25 million units of electric energy in a 90% dependable year. The estimated cost of Project is Rs 1002.10 crore at Dec, 2014 Price level.

TEC of the Project was accorded on 25.06.2011 by Directorate of Energy, Govt of Himachal Pradesh. The Environment Clearance & Stage-1 Forest Clearance has been accorded by MoEF, Govt. of India. The Proposal for investment decision is under consideration of the Ministry of Power, Government of India. The process of acquisition of the private land measuring 252.23 Hectare shall be initiated in accordance with the provisions of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013.

The possibility of generating solar power through floating panels in the reservoir area is also being taken up with the help of M/s BHEL for establishing its feasibility.

7.4 DEVSARI HEP (252 MW)

A run-of-river (RoR) scheme with installed capacity of 252 MW is located on River Pinder, in Chamoli District of Uttarakhand State. The project will generate 936.9 MU of energy in a 90% dependable year. The scheme was cleared by Govt. of Uttarakhand in October, 2007 and by Standing Technical Committee in April, 2012. DPR of the project was concurred by CEA in August, 2012. The estimated cost of the Project is ₹2299.85 crore at December, 2014 price level.

The project was recommended for Environment Clearance by the Expert Advisory Committee (EAC) of MoEF in its meeting held in December, 2012. However, Environment clearance was subject to Stage-I Forest Clearance which is pending. Forest Advisory Committee (FAC) meeting was held on 28.01.2015, wherein some observations were raised by FAC, and is being replied.

For acquisition of private land, Central Govt. as well as State Govt. are yet to notify the rules for carrying out provisions of New Land Acquisition Act, 2013. The CAT Plan of the project has been approved by Government of Uttarakhand (GoU). Other activities required for start of construction of project like mining and explosive clearance etc. are in process. Finalization of bidding documents for award of major civil works are in process. Subsequent to floods in 2013, the Hon'ble Supreme Court imposed stay on environment and forest clearance and final verdict of Hon'ble Supreme Court is still awaited.

7.5 NAITWAR MORI HEP (60 MW)

The Naitwar Mori HEP having proposed installed capacity of 60 MW is located on River Tons, a major tributary of River Yamuna in Uttarkashi District of Uttarakhand. The project is designed as run-of-river project and has the potential to generate 265.5 MU of energy in a 90% dependable year. The estimated cost of the Project is ₹696.80 crore at December, 2014 price level.

The DPR of the project was approved by Govt. of Uttarakhand in March, 2010. The project was recommended for Environment Clearance by the Expert Advisory Committee of MoEF in its meeting held in December, 2012. However, Environment clearance was subject to Stage-I Forest Clearance which is pending. The CAT Plan of the project has been approved by Government of Uttarakhand (GoU). Regarding Forest Clearance, R.O, Dehradun forwarded the case to MoEF, GoI, New Delhi on 22.12.2014 for further necessary action.

Possession of private land has been taken and mutation of land also done. Subsequent to floods in 2013, the Hon'ble Supreme Court imposed stay on environment and forest clearance and final verdict of Hon'ble Supreme Court is still awaited.

7.6 JAKHOL SANKRI HEP (51 MW)

The Jakhol Sankri HEP with proposed installed capacity of 51 MW is located on River Supin, a tributary of River Tons in Uttarkashi District of Uttarakhand. The project is designed as run-of-river project and has the potential to generate 216.26 MU of energy in a 90% dependable year. The estimated cost of the Project is ₹411.85 crore at March, 2012 price level.

DPR is under approval by Govt of Uttarakhand. Submission of revised Application of TOR for EIA/EMP report is in process. NBWL



meeting was held on August 12/13, 2014. The committee deferred the proposal stating that this matter was pending before Hon'ble Supreme Court. Ministry of Environment, Forest and Climate change, Government of India has issued new guideline of accepting proposals of Diversion of Forest land online only. Accordingly, formalities are being carried out for submission of case online as per the check list provided by Government of Uttarakhand (GoU). Subsequent to floods in 2013, the Hon'ble Supreme Court imposed stay on environment and forest clearance and final verdict of Hon'ble Supreme Court is still awaited.

7.7 DOIMUKH HYDRO ELECTRIC PROJECT (80 MW)

The Doimukh HEP with installed capacity of 80 MW is located on River Dikrang in Papum Pare District of Arunachal Pradesh. MOA between SJVN and Govt. of Arunachal Pradesh was signed on 12.08.2014 in the presence of Hon'ble CM of Arunachal Pradesh. The project is designed to generate 294.54 MU of energy in a 90% dependable year. The estimated cost of the Project is ₹739.58 crore at May, 2012 price level.

The survey and investigation works of the project including topographic survey, drilling, drifting, construction material survey etc. are in the process of tendering and award while the process of clearances from various departments of the State Govt. have been initiated. The terms of reference for taking up Environment Impact Assessment and Environmental Mitigation Plan are in the process of approval by MoEF.

7.8 PROJECTS IN BHUTAN

7.8.1 KHOLONGCHHU H.E. PROJECT (600MW)

Kholongchhu HEP with the installed capacity of 600MW on the river Kholongchhu in Bhutan will annually generate 2568.88MU of energy. The DPR of the project has already been appraised by CEA as well as Royal Government of Bhutan(RGoB).The estimated cost of the Project is ₹3859.77 crore at June,2013 Price Level. The tariff of the project is ₹3.47 (1st Year).

The project is to be implemented by the Joint Venture Company of SJVN Limited and Druk Green Power Corporation (DGPC) Bhutan. Inter-Governmental Agreement between Royal Government of Bhutan (RGoB) and Government of India (GoI) was signed on 22.04.2014 in Thimpu. The foundation stone was laid by Hon'ble Prime Minister of India on 16.06.2014. Environment clearance was accorded by National Environment Commission (NEC) of RGoB on 21.07.2014. The Shareholders Agreement for development of 600MW KHEP between DGPC and SJVN was signed on 30.09.2014 at Thimpu.

7.8.2 WANGCHHU H.E. PROJECT (570 MW)

Wangchhu HEP is a run-of-river scheme with the installed capacity of 570MW on the river Wangchhu in Bhutan which will annually generate 2478.93 MU of energy.

The DPR vetted by CEA on 28.03.2014. DPR was submitted to RGoB on 13.05.2014. The revised DPR after incorporating comments submitted to RGoB for approval on 27.10.2014, is under approval. The estimated cost of the project is ₹4240.76 crore at Oct, 2014 price Level. The tariff of the project is ₹4.41 (1st Year).

The project is to be implemented by the JV Company of SJVN and Druk Green Power Corporation (DGPC), Bhutan. Inter-Governmental Agreement between Royal Government of Bhutan

(RGoB) and Government of India (GoI) was signed on 22.04.2014 in Thimpu. Public consultation meetings have already been conducted. Final EIA/EMP report after incorporating the comments was submitted to NEC, RGoB for approval on 27.10.2014 and the same is under review in NEC of RGoB. Forest clearance for project components except roads and mining area have been obtained on 24.09.2014.

8. FURTHER DIVERSIFICATION

SJVN Limited envisions to develop itself into a "Fully Diversified Transnational Power Sector Company" in all types of conventional and non-conventional forms of energy and in this direction has ventured into Thermal, Solar and Wind Generation and Transmission Businesses. The status of progress of Thermal, Solar and Wind Generation and Transmission ventures during FY 2014-15 is as under:-

8.1 THERMAL PROJECTS

8.1.1 BUXAR THERMAL PROJECT (1320 MW)

SJVN had signed an MOU for setting up Green Field 1320 MW (2x660 MW) Supercritical Technology Thermal Power Project at Chausa village in Buxar district, Bihar in January,2013 for which Power Purchase Agreement (PPA) has been signed with Bihar State Power Holding Company Limited (BSPHCL) for 85% share of power generation on bus bar rate.

SJVN acquired the Project Executing Company i.e. Buxar Bijlee Company Private Limited on 04.07.2013 and paid all the liabilities due upto date. The name of Buxar Bijlee Company Private Limited was changed to SJVN Thermal Private Limited on 17.10.2013 which is now a wholly owned subsidiary company of SJVN Limited.

The JV Agreement, MoA, AOA, Term Sheet for JV formation have been signed on 07.01.2015 with six partner states for Deocha Pachami coal block (2102 MT). The Registration of the JV company is expected by August, 2015 with RoC, Kolkata. Investment approval for Pre-construction activities for an amount of ₹436.68 Cr. has been accorded by Ministry of Power, GoI.

The process of Land acquisition of 1067 acres is at an advanced stage of possession. Pre-Feasibility Report (PFR) for Rail Infrastructure has been completed by RITES. Appointment of Consultant for Pre-award activities is under process and expected to be finalized by the end of this year. Action for Tie-up of Fly Ash Utilisation and import of Coal is under process.

8.2 SOLAR PROJECTS

SJVN Limited has given a commitment to Government for development of 1000 MW Solar PV Power project (s) during a period of 5 Yrs. i.e. Yr. 2015-2019 in RE-INVEST Summit held on 15-17th February, 2015 in New Delhi.

8.2.1 CHARNKA SOLAR ENERGY PROJECT

SJVN has acquired 25 Acre of land in Charnka Solar Park for development of 5 MW Solar PV Power Project which will generate approx. 8 MUs annually. Commissioning of project is planned by March, 2016.

8.2.2 SAMBHAR ULTRA MEGA SOLAR POWER PROJECT

SJVN had entered into MOU with 5 other PSUs i.e. BHEL, SECI, Power Grid, HSL & REIL for development of Phase I of 1000 MW PV power project at Sambhar Ultra Mega Solar Power project. Due to certain



legal and environment issues further progress on the development of project is kept under hold. Further, SJVN has signed a MOU with M/S Hindustan Salt Limited for development of Ultra Mega Hybrid Renewable (Solar & Wind) Energy Park at Kharaghoda and is also exploring the possibility of development of around 100 MW at Sambhar, Rajasthan jointly with M/s. HSL for which land identification with M/s HSL is under progress.

8.2.3 MOU FOR 500MW GRID CONNECTED PROJECT

SJVN has also signed an MOU with Solar Energy Corporation of India (SECI) on 19.06.2015 in New Delhi to set up 500 MW grid connected solar power projects. SECI shall facilitate for the development of Solar PV Power Project and will arrange land, PPA and Project management Consultancy assuring at least 12% ROE.

8.2.4 MISCELLANEOUS DEVELOPMENTS

SJVN has taken up exploration of possibilities for setting up Solar PV Power project on the land bank of Indian Railway and National Seed Corporation (NSC) at U.P., Maharashtra, M.P. and Rajasthan as well as in Solar Parks through competitive Bidding under National Solar Mission (JNNSM).

8.3 WIND PROJECTS

8.3.1 KHIRVIRE WIND POWER PROJECT IN MAHARASHTRA (47.6 MW)

Company has set up a 47.6 MW capacity Wind Power Project at Khirvire/Kombhalne villages of Ahmednagar district of State of Maharashtra. The project comprises 56nos. Wind Energy Generators (WEGs), each of capacity 0.85 MW. The Project started generation w.e.f. 20th January-2014 with commissioning of first lot of 25 WEGs and attained full generation capacity by commissioning the last 56th WEG on 20th May, 2014.

8.4 TRANSMISSION PROJECTS

CROSS-BORDER POWER TRANSMISSION COMPANY LTD.

Cross- Border Inter State Transmission Link for trade of Power between Nepal & India is being developed by a Joint Venture Company (CPTC), wherein SJVN has 26% equity portion along with IL&FS Energy Development Company Ltd. (38%), POWERGRID (26%) and Nepal Electricity Authority (NEA) (10%). The above transmission link is of 400kV, D/C line (initially to be charged at 220kV) between Muzaffarpur & Dhalkebar. CPTC (JV Company) is executing the portion between Muzaffarpur & Sursand (87 km) at a project cost of ₹210.70 crore with 80:20, debt: equity ratio and debt portion amounting to ₹175.19 crore has been financed by PFC. Transmission link on the Nepal side of the line between Sursand & Dhalkebar (39 km) is being executed by another JV Company (PTCN) registered in Nepal having partners IL&FS Energy Development Company Ltd.(26%), POWERGRID (26%) and Nepal Electricity Authority (NEA)(48%).

The award for execution of 87 km Power Transmission line (Muzaffarpur-Sursand) has been given to KEC International as EPC Contract and progress of work is in full swing. It involves 233 towers of 400 kV out of which 201 towers have been erected and 213 tower foundation work is completed, 58 kms, stringing have been completed and balance 29 kms. Stringing is in progress. Supply of material/equipment in respect of Towers, Earthing Material, Conductors, Equipment pipe structures, Circuit Breakers, Isolators, CT, PT, Surge Arresters and OPGW (first lot) have been completed.

Pile Foundation at Budhi Gandak River and Baghmata River (3 locations each) have been completed.

9. CURRENT PERFORMANCE

For the quarter ending 30th June 2015, the power generated was 3340 MUs (previous year: 2160.788 MUs). The total income from sale of power recorded was ₹776.29 crore as against ₹674.71 crore for the corresponding quarter of the previous year.

10. ENVIRONMENT

Your company has adopted an Environment Policy in 2006, in response to its commitment and concern for sustainable development. In support of this policy, all projects are being regularly reviewed from legal stipulation angle as well as internal procedure and have shown complete compliance to all conditions stipulated by the Government of India while granting Environment and Forest Clearances.

Your Company's Corporate Objectives also promote conservation and protection of environment as in 'striving clean and green project environment with minimal ecological and social disturbances'. Towards this end, your company has formulated a comprehensive Environment Management Plan to ameliorate any potential environmental impact for sustenance of resources over a long term.

The Environment Management Plan (EMP) for Nathpa Jhakri Hydro Power Station had been formulated for ₹35.38 crore. Activities such as compensatory afforestation, muck disposal plan, fisheries sustenance, green belt development, etc. have been completed while Catchment Area Treatment(CAT) plan works are under implementation by H.P. State Forest Department.

The EMP for Rampur Hydro Electric Project had been approved for ₹45.52 crore and mitigation measures at site are in completion stage. Restoration of muck dumping sites and other muck utilization areas in project has been largely done using state of the art Geo-Green Erosion Control Blanket technique which have been designed and evolved to provide an integrated solution for slope stabilization. Blanket is made up of bio-degradable coconut fibres and reinforced with high density polyethylene threads ,which not only retains water for longer period but gradually biodegrade naturally to fully blend with the soil conditions. The success achieved in Rampur Hydro Electric Project has prompted us to work towards improving this technique further while implementing it in other projects.

True to its commitment for self-regulation and environment protection, your company has also established an Environment Laboratory at Jhakri on the guidelines laid down by Ministry of Environment, Forest & Climate Change, Government of India. The laboratory is first of its kind in the area and has the facility for conducting Water and Wastewater analysis, Microbiological testing, Ambient Air Quality monitoring, Noise monitoring, Meteorological monitoring, Soil/Sludge/Sediment, Solid waste testing and Metal analysis.

11. CSR AND SUSTAINABILITY

An annual report of Corporate Social Responsibility, highlighting the Company's CSR Policy, details of expenditure on CSR and overview of projects/ programs/ activities undertaken by the Company during FY 2014-15 in format prescribed under



Companies (CSR Policy) Rules 2014 is annexed as Annexure-V and forms an integral part of this Directors Report.

12. REHABILITATION AND RESETTLEMENT

SJVN has implemented R&R Plan in NJHPS and RHEP incurring cumulative expenditure of ₹13.65 Cr. and ₹29.67 Cr. respectively. SJVN engaged the services of Agriculture Economic Research Centre, Himachal Pradesh University for Social Impact Evaluation of R&R implementation in the both projects. The SIE Reports reveals that the R&R implementation has notably raised the socio economic standard of the project affected families in all facets of their lives.

In NJHPS, whereas 130 landless families were already provided land for land, 5 more PAF cases are under process for providing agricultural land. SJVN had agreed with Local Representatives and Local Government for providing re-determined amount of land compensation to the left out land owners under NJHPS who could neither approach the Hon'ble Court nor the Land Acquisition Officer under Land Acquisition Act. In compliance, in first phase re-determined compensation of ₹1,47,50,137/- to 190 eligible land owners have been paid.

Under Local Area Development Fund (LADF) notification of GOHP, SJVN has so far made cumulative expenditure of ₹30.71 Cr. on various Infrastructural & Community Development works in Project areas under District Kullu and District Shimla of Rampur, HEP. During the financial year 2014-15, funds of ₹1.53 Cr. have been released to Deputy Commissioner, Kullu for various infrastructural and community development works and funds of ₹2.06 Cr. have released to Deputy Commissioner, Shimla for construction of Government Senior Secondary School, Rampur whereas funds of ₹3.00 Cr. were already released on this account.

13. RESEARCH AND DEVELOPMENT

In line with the DPE guidelines, SJVN has laid special attention on Research and Development for Process Improvement, Product Development etc. in its area of operation. Specific area in which R&D has been carried out during 2014-15 in line with MoU signed with MoP are:

- Residual life assessment (RLA) study of Francis type runner of NJHPS.
- Development of methodology of hard coating of Francis type runner of NJHPS.
- Assessment of Residual service life of existing structures and suggestions for increasing the life of Nathpa Dam of NJHPS.
- Development of Cheek Plate.
- Study of abrasion resistance of different grades of concrete using normal & low strength coarse aggregate for use in wearing surfaces of NMHEP.

In addition to the R&D schemes chosen in the MOU, your company has also undertaken following additional R&D studies for overall development and system improvement:-

- Continuation of studies on economical mix design for high strength concrete in continuation to MOU 2012-13.
- Studies on optimum use of stone dust/crushed sand in M-10 and M-15 concrete.

- Study for substitution of non-shrink ready mix concrete (Shrinkompetc.)
- Use of synthetic fibre in concrete for its cohesion and imperviousness etc.
- Study for improvement and standardization of Tunnel Grouting procedure and checking the effectiveness of grouting (other than water pressure test) under various tunneling condition.

All the projects have been successfully implemented under the guidance of eminent professionals from various Engineering fields and in collaboration with renowned institutions like IITs, NITs, NCCBM and NTTTI etc.

14. HUMAN RESOURCES

Human Resource is valued as "Greatest Asset" of an organization. Today the term "Human Capital" has been coined by Nobel Prize winning Economist Gary S. Becker to reflect their true worth. The present day economy has been titled as "Knowledge Economy" and so talent occupies the centre stage in Indian work place. In view of this, managing and retaining talent figures on the critical path en-route to organizational sustainability and success. Powered by about 1800 brain heads, we have immense faith in the capabilities of our human resource and believe in unleashing their potential in all possible ways. We take pride in the fact that the attrition rate for financial year 2014-15 was only 0.45%.

SJVN today practices a multi-pronged strategy to meet the aspirations of the ageing work force and "Gen Ys" who have stormed the work place. Leadership development, building competencies, multi-tasking and skill up gradation are meriting attention of the management. In the year ending March 2015, SJVN successfully accomplished the ambitious target of 2 days essential training to more than 90% of employees.

Our endeavor to achieve a performance driven culture is evidenced by the introduction of 'Robust Performance Management System', to ensure holistic development of employees in addition to its inherent role as an assessment tool. Employee's performance, so assessed, is duly recognized by payment of variable pay. For the year 2014-15, while the total expenditure on salary and wages was ₹259.78 Crore, including Variable Pay amounting to ₹22.89 Crore. Multi rater feedback or 360 degrees feedback has also been put in place to identify competency gaps and draw development plans accordingly.

World over reward and recognition are today recognized as an effective tool to reinforce performance driven culture. Rewards like Employee of the year Award, CMD Award, Best Suggestion Award and Special Recognition/Incentive for Shram Awardees have been introduced to recognize good performance of the employees. Our company's efforts towards human resource development have been appreciated in the form of many awards like 'Organization with Innovative HR Practices', '7th CIDC Vishwakarma Award 2015', 'Gold Plate CSR Award', 'Legend PSU Shinning Award' and 'Gold & Silver Shields' to RHPS etc.

At SJVN Employee Welfare initiatives focus on inclusive welfare of employees and addresses concerns like House Building, Children Higher Education, Health Care, Insurance and Routine Health Check up etc. We are committed to take care of our valuable 'Human Capital' not only while in service but also after the separation and have introduced many ambitious policies viz



Scheme for Rehabilitation of Family of Deceased Employee and Benevolent Fund Scheme, Medical Benefits and pension, etc.

The total manpower (excluding deputationist) on the rolls of SJVN was 1561 as on 31st March, 2015 as against 1579 as on 31st March, 2014. The strength of HPSEB/HP Govt. employees on deputation on the above date was 258 as against 290 on 31st March, 2014. As of 31st March, 2015 the employees from SC, ST and OBC was 327, 101 and 178 respectively as against 332, 99 and 175 respectively during the previous year.

Your Company gives utmost importance for the enrichment of skills & in-house and external training programmes are organized in all disciplines and at all levels. As a result, during the financial year 2014-15, 1663 employees were trained for 5851 man days.

15. INDUSTRIAL RELATIONS

Regular Meetings are held with the representatives of the various Associations/ Unions to sort out the local issues as well as policy related matters. Recreational, Cultural and Sports functions on different occasions were also held, thus, resulting better employee-employer relations and cordial industrial relations were maintained during the year.

16. STATUTORY AND OTHER INFORMATIONS

The information required to be furnished as per the Companies Act 1956/ 2013, Listing Agreements, Government Guidelines, and Code of Corporate Governance of your Company, on the following matters is placed at respective annexures and form integral part of Directors Report:-

- Management Discussion and Analysis – **Annexure - I**
- Report on Corporate Governance – **Annexure - II**
- Certificate from Practising Company Secretary regarding compliance of conditions of Corporate Governance – **Annexure - III**
- Information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and out go – **Annexure - IV**
- Annual Report on CSR Activities – **Annexure - V**
- MGT-9 - Extract of Annual Return – **Annexure-VI**

17. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' state that:

- in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
- the Directors have selected such accounting policies and applied them consistently except as disclosed in the Notes on Accounts and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause-49 of the Listing Agreement.

19. SEXUAL HARASSMENT PREVENTION

SJVN has implemented the Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013 in its entirety.

Internal Complaints' Committees as per the provisions of the act have been constituted at Corporate Office and Projects sites of SJVN.

Summary of Sexual harassment issues raised, attended and dispensed during the year 2014-15:-

No. of complaints received in 2014-15	-Nil-
No. of complaints disposed off	-Nil-
No. of cases pending for more than 90 days	-Nil-
No. of workshops or awareness programme against sexual harassment carried out	Four
Nature of action taken by the employer or District Officer	-Nil-

20. SECRETARIAL AUDIT

The Board appointed M/s SGS Associates, PCS to conduct Secretarial Audit for the Financial Year 2014-15. The Secretarial Audit Report for FY ended March 31, 2015. The Report of the Secretarial Auditors for the year ended 31.03.2015 is placed at **Annexure-VII**. Reply of Management to observations of Secretarial Auditor are placed at **Annexure-VIII**.

21. STATUTORY AUDIT

M/s Soni Gulati & Co., Chartered Accountants, Shimla, were appointed by Comptroller & Auditor General as Statutory Auditors of the Company for the financial year 2014-15.

The Report of the Statutory Auditors to the Members on the Standalone and Consolidated Accounts for the year ended 31.03.2015 is placed at **Annexure-IX** and **Annexure-XI** respectively. Comments of the Comptroller and Auditor General (C&AG) of India on the Standalone and Consolidated Accounts for the year ended 31.03.2015 are placed at **Annexure-X** and **Annexure-XII** respectively. Comments of Statutory Auditors and C&AG being "NIL", hence the reply by the Management thereto is not applicable.

22. COST AUDIT

Pursuant to the Central Government directions to audit Cost Accounting Records as maintained by the Company, your Company appointed M/s Balwinder & Associates, Cost Accountants, as Cost Auditor for the year 2014-15 with the



approval of Ministry of Corporate Affairs for the audit. The Cost Audit Report for the year 2013-14 was filed with MCA on 20th September 2014.

23. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

24. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard (AS)-21 on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Joint Ventures, the Audited Consolidated Financial Statements are provided in the Annual Report. Directors Report / Financial Statements in respect of following Subsidiary Companies are also included in this Annual Report:-

- i. SJVN Thermal Private Limited
- ii. SJVN Arun-3 Power Development Company, Nepal

25. BOARD OF DIRECTORS

The Directors Report for the year 2015 contained changes in the Board level positions on account of appointments and cessations up to 31st March 2015. Subsequently, the following changes in the Board have occurred:-

Consequent to completion of their tenure of appointment, Smt. Asha Swarup, Sh. S.M. Lodha, Sh. K.S. Gill and Sh. Arun Mahajan ceased as Part-Time Non Official Directors on 13th September, 2014 and Sh. D.V. Dharmik ceased as Part-Time Non Official Directors on 13th December, 2014.

Sh. Mukesh Jain, Joint Secretary (Hydel), Ministry of Power, ceased as Part-Time Official Director (Gol Nominee) on 10th November, 2014 and Sh. Arun Kumar Verma, was appointed as Part-Time Official Director in place of Sh. Mukesh Jain with effect from 2nd December 2014.

Sh. R.P. Singh, ceased as Chairman & Managing Director of the Company on 31st December 2014 on reaching age of superannuation. Sh. R.N. Misra, Director (Civil) held additional charge of CMD w.e.f. 6th January, 2015. Subsequently, pursuant to the orders of Ministry of Power Shri R.N. Misra was appointed as Chairman & Managing Director with effect from 26th February, 2015. Consequent to his assumption of charge as CMD, Shri R.N. Misra relinquished the post of Director (Civil), of the Company w.e.f. 26th February, 2015.

The Board welcomes the appointments and wishes to place on record its highest appreciation for the valuable contributions made by the outgoing Directors during their association with SJVN.

26. KEY MANAGERIAL PERSONNEL

During the year, in compliance with Section 203 of the Companies Act, 2013, following were designated as Key Managerial Personnel w.e.f. 28th July 2014:-

1. Sh. R.P. Singh, Chairman & Managing Director
2. Sh. A.S. Bindra, Chief Financial Officer
3. Sh. Soumendra Das, Company Secretary

Subsequently, on superannuation of Sh. R.P. Singh, Shri R.N. Misra was appointed as Key Managerial Personnel in his place w.e.f. 6th January, 2015.

27. IMPLEMENTATION OF OFFICIAL LANGUAGE

In order to ensure the implementation of the Official Language Policy of the Govt. of India, all possible efforts have been made by the company to achieve the targets as specified by the Department of Official Language. Company has received awards in recognition for these efforts. Under Section 3.3(i) of Official Language Act cent percent documents were issued bilingually. All the letters received in Hindi were replied to in Hindi. Company's website is already in bilingual form and it is updated from time to time.

To encourage executives and non-executives to do their entire work in Hindi a number of incentive schemes are under implementation namely 1) Payment of amount equivalent to one increment every month for doing whole office work in Hindi, 2) Honorarium for writing technical papers in Hindi, 3) Cash prize on passing Hindi typing examination and 4) Cash prize for Best write-up published in in-house Hindi journal "Himshakti". Under these schemes 367 executives and non-executives have received prizes amounting to ₹6,17,890/- approximately.

Under the new "Rajbhasha Samman" Scheme ₹25,000/- are paid to each employee doing best work in Hindi in different Projects including Corporate Office and "Rajbhasha Uttkrishhta Samman" of ₹30,000/- to the employee doing best work in Hindi at Corporate Level. This year twelve employees were awarded cash prizes of ₹3,05,000/- under the scheme.

To impart training to the executives and non-executives to do their day-to-day work in Hindi by organizing Hindi workshops/seminars is a continuous process in the company, 07 Hindi workshops/seminars have been organized and 159 nos. of executives and non-executive have been trained. Organising of Hindi quiz competitions on national/important occasions is a regular feature and besides this a number of competitions were also organized during "Hindi Fortnight" in which 346 nos. of employees and 250 nos. of students were awarded cash prizes amounting to ₹8,15,800/-.

Govt. of India, Ministry of Home Affairs, Department of Official Language has awarded prestigious Indira Gandhi Rajbhasha Shield Third Prize for its outstanding performance in implementation of Official Language during the year 2013-14. SJVN has been awarded NTPC Rajbhasha Shield (IInd Prize) for better performance in the field of implementation of Official Language. Rajbhasha Vajanti Shield (Ist Prize) was also awarded to Corporation by Town Official Language Implementation Committee, Shimla for excellent performance in Hindi during year 2013-14.

Deptt. of Official Language, Ministry of Home Affairs, Govt. of India has constituted a separate Town Official language Implementation Committee, Shimla for CPSU & Banks under the Chairmanship of SJVN's CMD.

To give impetus to the multi-facet talent of employees an in-house bi-annual Hindi magazine "Himshakti" was published and circulated. Out of total expenditure on purchase of books, 70.19% of amount was spent on purchase of Hindi books.



28. AWARDS & ACHIEVEMENTS

During the year, your Company received commendation for its work in form of various Awards and Achievements as under:-

- The Unit-5 & Unit-2 of Company's Rampur Hydro Electric Project of SJVN Limited were selected for the 'Gold Shield' and 'Silver Shield' respectively for the year 2013-14 by the Ministry of Power, Govt. of India in the category of "Early Completion of Hydro Power Projects".
- SJVN Limited has been honored with the "CBIP award of Best Performing Hydro Power Utility". SJVN has received this award for outstanding contribution to the Nation by setting New Bench Mark in Generation and Maintenance, excellence in engineering and use of latest State of Art Technologies and smart solutions for tackling major silt erosion problems.
- HelpAge India has awarded "Gold Plate Award" to SJVN Limited for its contribution in providing free medical care to the unprivileged sections of the society.
- Sh. R.N. Misra Chairman & Managing Director, SJVN Limited has been conferred with "Legend PSU Shining Award" for the year 2014.

29. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are as under:-

Particulars	Details
Loans given	Refer Note 2.14 and 2.19 to standalone financial statements
Investments made	Refer Note 2.12 to standalone financial statements
Guarantees given	Nil
Securities provided	Nil

30. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. The Company has not accepted any deposits during the year under review.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There have been no Material Changes and Commitments subsequent to the Balance sheet.
6. There are no Companies which have become or ceased as subsidiaries, joint ventures or associate Companies during the Year.
7. The company has not made any buy back of shares during the year under review.

31. ACKNOWLEDGEMENT

The Board of Directors acknowledge with deep appreciation, the co-operation and guidance extended by various Ministries/Departments of the Government of India, particularly, Ministry of Power, Ministry of Finance, Ministry of External Affairs, Ministry of Environment & Forest, Central Electricity Authority, Central Water Commission, Geological Survey of India, the Government of Nepal, the Government of Bhutan, the Government of Himachal Pradesh, particularly, the Departments of Power, Finance and Forests, the Pollution Control Board, State Governments of Bihar, Uttarakhand, Arunachal Pradesh, Gujarat and Maharashtra, the State Electricity Boards and the World Bank.

Your Directors also convey their gratitude to the shareholders, various international and Indian banks and financial institutions for the confidence reposed by them in the Company. The Board also acknowledges and appreciates the contribution made by Contractors, Vendors, Consultants and others for achieving the planned goals of the Company.

The Board also places on record its deep appreciation of valued cooperation extended by the Office of the Comptroller and Auditor General of India and the Auditors. Last but not least, the Board commends the hard work and dedicated efforts put in by the employees of the Corporation including the employees on deputation at all levels.

For and on behalf of Board of Directors

(Ramesh Narain Misra)
Chairman and Managing Director
DIN: 03109225

Date: 30th July 2015

Place: New Delhi



MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY OVERVIEW

The all India installed power generation capacity as on 31.03.2015 was 267637.35 MW which includes 41267.43 MW of hydro power, the rest from the thermal and renewable energy sources. To fulfil the objectives of the National Electricity Policy, a capacity addition of 22566.31 MW was achieved against the target of 17830.30 MW during the FY 2014-15. Capacity addition of 88,537 MW is envisaged in 12th Plan which includes share of Hydro of 10,897 MW besides that of Thermal and Nuclear of 72,340 MW and 5,300 MW respectively. 15000 MW has also been targeted for renewable energy sources like wind, solar etc. for development during 12th plan period. As regards hydro potential, India has an estimated hydro potential of about 1,50,000 MW of which only about 41267.43 MW (as on 31.03.2015) has been commissioned so far. The bulk of the unharnessed potential is located in the hill states of Himachal, Uttarakhand, Arunachal Pradesh and Sikkim. The above industry scenario signifies that there is an ample opportunity for consistent growth of the business in hydro, thermal and renewable energy sector in the times to come.

2. SWOT ANALYSIS

To be a leader in the Power Sector, SJVN need to secure and execute projects not only in Hydro but also other renewable and non-renewable sources of energy. To establish the capabilities of SJVN's ability to reach to the heights, an exercise of SWOT analysis was carried out internally. The strengths include experience gained in execution of 1500 MW Nathpa Jhakri HE Project, successful O&M, managing silt, in-house design, project management, remarkable financial strengths etc. The preference of State Governments to allot power projects to private players is the main weakness. Abundant opportunities have already been elaborated in industry overview highlighted in preceeding para. The possible project delays on account of unpredictable rock conditions, floods etc. are the identified threats. Putting together the entire capabilities, the strengths and opportunities outweigh the other elements and because of this, SJVN today has 14 projects in India, Nepal and Bhutan of different capacities and in different stages of construction/ survey and investigation. Keeping in view the opportunities and growth potential in non-conventional renewable energy sector, SJVN has also forayed into wind and solar energy development with commissioning of 47.6 MW Khirvire Wind Power Project in the state of Maharashtra. Apart from above, SJVN has taken a big leap forward towards the development of thermal power projects by signing a MOU with the State agencies of Govt. of Bihar for setting up 1320 MW supercritical thermal project at Chausa near Buxar in Bihar for which the Deocha-Pachami coal block in West Bengal has also been allocated by Govt. of India.

3. OUTLOOK

Measures adopted by SJVN in operation and maintenance of 1500 MW Nathpa Jhakri Hydro Power Station (NJHPS) and execution of 412 MW Rampur Hydro Power Station (RHPS) have improved its capabilities in efficient operation and maintenance of power stations and that in early execution by optimum utilisation of its resources.

4. RISKS AND CONCERNS

Hydro Power Projects are capital intensive and have long gestation period. Water being a state subject, State Governments are demanding more free power and other incentives, resulting in higher tariff.

5. FINANCIAL DISCUSSION AND ANALYSIS

A detailed financial discussion and analysis is furnished below on the Audited Financial Statements of the company for the fiscal 2015 vis-à-vis fiscal 2014. Figures of previous years have been regrouped/rearranged wherever necessary.

A. RESULTS OF OPERATIONS

1. INCOME:

	F.Y. 2014-15	F.Y. 2013-14
Units of Electricity Sold including Wind Power (Million Units)	8136.14	6259.64
INCOME	₹ in Crore	
1. Sales	2816.97	1868.92
2. Consultancy works	0.56	4.66
3. Other income		
a) Interest		
- On deposits	230.83	212.77
- On advances to employees & Contractors	3.59	2.75
- From Customers	183.07	7.12
Total interest	417.49	222.64
b) Foreign currency fluctuation adjustment	7.05	2.62
c) Other	19.03	11.88
Total Income	3261.10	2110.72

The income of the Company comprises of income from sale of electricity, consultancy, interest earned on investment of surplus funds & interest from Customers etc. The gross income for fiscal 2015 is ₹3261.10 crore as compared to ₹2110.72 crore in the previous year registering an increase of 54.50%. The increase in gross income was mainly due to arrear billing and interest on determination of provisional tariff of Nathpa Jhakri Hydro Power Station (NJHPS) for the period 2009-14 amounting to ₹571.25 crore and ₹178.21 crore respectively, additional revenue amounting to ₹392.32 crore on commissioning of Rampur Hydro Power Station (RHPS) during the year and revenue from wind power amounting to ₹23.48 crore (previous year ₹1.93 crore) which was in operation for full year.

Tariff

The sale of Hydro Power by the Company is governed by the tariff fixed by the Central Electricity Regulatory Commission (CERC) pursuant to the tariff policy issued by the Govt. of India. The Central Electricity Regulatory Commission (CERC) has notified the Tariff Regulations, 2014 containing inter-alia the terms & conditions for determination of tariff, applicable for a period of five years with effect from 01.04.2014. Tariff is determined with reference to



Annual Fixed Charges (AFC) which comprises of Return on Equity (ROE), Depreciation, Interest on Loan, Interest on Working Capital and Operation & Maintenance Expenses. ROE is grossed up with reference to effective income tax rate of the respective financial year so as to recover income tax incidence. The effective tax rate shall be considered on the basis of actual tax paid in respect of the financial year in line with the provisions of the relevant Finance Act. For the purpose of recovery, AFC is bifurcated into two equal parts i.e. Energy Charges and Capacity Charges. Recovery of Energy Charges is dependent upon energy generated and full recovery is ensured when schedule design energy level is achieved. Generation over and above design energy entitles for additional revenue in the form of secondary energy charges. Recovery of capacity charges is dependent on the actual availability of plant for generating power with reference to Normative Annual Plant Availability Factor (NAPAF), which has been fixed at 90% for NJHPS & 82% for RHPS for the fiscal 2015. Company is entitled to receive incentives for achieving higher Plant Availability Factor against NAPAF. The sale of Wind Power is from the wind power project in Maharashtra and is regulated as per the Tariff rates notified by Maharashtra Electricity Regulatory Commission (MERC).

Sales

Company sells electricity to bulk customers comprising mainly Electricity Utilities owned by State Governments. Sale of electricity is based on long term Power Purchase Agreements (PPA) entered with such Utilities. During the year, there is an increase in hydro power capacity by 412 MW and wind power capacity by 2.55 MW with the commissioning of RHPS and commissioning of remaining WEG's of wind power respectively. Sales for the fiscal 2015 has been provisionally recognized at ₹2816.97 crore as compared to ₹1868.92 crore during the fiscal 2014.

Sales of NJHPS is accounted /billed for on the basis of provisional tariff approved and applicable as on 31.03.2014 as provided in Tariff regulation 2014.

Sales includes an amount of ₹571.25 crore on account of arrear billing in respect of NJHPS for the period 2009-14 on the approval of provisional tariff by CERC for the period 2009-14.

Sales includes an amount of ₹190.91 Crore (previous year ₹264.79 crore) on account of incentive billing due to achievement of higher Plant Availability Factor (PAF) of NJHPS i.e.105.504% (previous year 105.75%) as compared to Normative Annual Plant Availability Factor (NAPAF) of 90% (previous year 82%) and RHPS 95.49%(Previous year- Nil) against NAPAF of 82% and achievement of higher Gross Annual Generation of 8095.65 MUs (previous year 7192.55 MUs) as compared to design energy of 8029 MUs(previous year-6612 MUs). The gross generation during the fiscal has increased by 12.56% over previous year. The decrease in incentive billing is due to fixation of higher NAPAF of 90% for the year as compared to 82% during the previous year for NJHPS.

Sales also includes Unscheduled Interchange (UI) Charges amounting to ₹21.32 crore (previous year ₹18.09 crore) for the positive deviation in generation with respect to schedule, payable (or receivable) at rates notified by CERC from time to time.

During the year, the Company has regulated the power of BYPL (previous year BYPL) after the beneficiary failed to pay outstanding

dues and sold the power allocated to BYPL through PTC as per CERC (Regulations of Power Supply) Regulations, 2010. Accordingly, 156.278 MUs (previous year 44.652 MUs) of power was sold through PTC amounting to ₹55.50 Crore (previous year ₹13.23 Crore) and included in Energy Sales. An amount of ₹30.66 Crore(previous year ₹7.70 Crore) excess realised as compared to regulated energy charges has been adjusted as Margin from Trade receivables and Sales after adjusting the regulating expenses of ₹2.97 Crore(previous year ₹0.83 Crore) on Sale through PTC.

Sales include an amount of ₹392.32 crore (previous year-nil) from sale of 1257.520 MUs (previous year nil) of energy generated from RHPS which was commissioned during the year on provisional approval of tariff under regulation 2014 vide CERC order dated 27.01.2015.

Sales include an amount of ₹23.48 crore (previous year ₹1.93 crore) from sale of 40.49 MUs (previous year 3.32 MUs) of energy generated from wind power project which was fully commissioned during the year.

Consultancy

Consultancy income of the company is ₹0.56 crore during current fiscal as against ₹4.66 crore during previous year. The decrease in consultancy income is mainly due to completion of consultancy assignments for preparation of DPRs in Bhutan.

Other Income

Other income during the year was ₹443.57 crore (previous year ₹237.14 crore) which mainly comprises of interest income earned on short term deposits amounting to ₹230.83 Crore (Previous year ₹212.77 crore) & interest from beneficiaries amounting to ₹178.21 crore (Previous year ₹1.79 crore). The increase is mainly due to interest from beneficiaries on account of arrear billing made to beneficiaries subsequent to provisional determination of tariff of NJHPS for the period 2009-14 vide CERC order dated 20.06.2014.

2. Expenditure

(₹ In Crores)

Expenditure	Fiscal 2015	Fiscal 2014
Employee Benefits Expense (Note 2.23)	199.57	123.75
Finance Costs (Note 2.24)	64.56	28.88
Depreciation (Note 2.25)	641.00	474.52
Other Expenses (Note 2.26)	176.44	145.38
Total Expenditure	1081.57	772.53

The total expenditure of the Company has increased by 40.00 % to ₹1081.57 crore in the fiscal 2015 from ₹772.53 crore in Fiscal 2014 mainly due to chargeability of the expenditure to Statement of Profit and Loss on commencement of commercial generation of Rampur Hydro Power Station (RHPS) during the year & higher allocation of corporate expenses to operational projects.

Employee Benefits Expense

The Employee Benefits Expense includes Salaries and Wages, Allowances, Incentives, Contribution to Provident Funds & Other Funds and Welfare Expenses. These Expenses accounted for 18.45% of total expenditure in Fiscal 2015 as compared to 16.02% in Fiscal 2014.



The Employee Benefits Expense during the year was ₹199.57 crore (previous Year ₹123.75 crore) which is ₹75.82 crore higher than the previous year. Increase in expenses is mainly due to chargeability of salary & wages of RHPS amounting to ₹30.33 crore to Statement of Profit & Loss on commencement of commercial generation and higher allocation of corporate salary to operational projects by ₹35.53 crore.

Finance Costs

The Finance Cost mainly consist of interest on Term Loans, Short Term Loans, Arbitration Awards, Foreign Currency Loans, Guarantee Fees etc. The borrowings are denominated in rupees, including those in foreign currencies, for accounting purposes.

During the current fiscal, finance costs increased by ₹35.68 crore to ₹64.56 crore in comparison to ₹28.88 crore during previous year. The increase is mainly due to chargeability of finance cost of RHPS to Statement of Profit & Loss amounting to ₹51.67 crore during the year on its commissioning.

Finance costs represents approx. 5.97 % of our total expenditure during fiscal 2015 in comparison to approx. 3.74 % during fiscal 2014.

Depreciation and Amortisation Expenses

As per the Accounting Policy of the Company, depreciation is charged on straight line method following the rates & methodology notified by Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff as amended from time to time, except for some items for which depreciation is charged at the rates assessed by the company.

The depreciation cost has increased by ₹166.48 crore to ₹641.00 crore during the fiscal 2015 as compared to ₹474.52 crore during previous year. The reason for increase in depreciation is mainly due to charging of depreciation on commissioning of RHPS during the year amounting to ₹171.32 crore (previous year ₹23.35 crore) and full year depreciation on wind power project amounting to ₹16.83 crore as against pro-rata depreciation during previous year amounting to ₹3.52 crore to Statement of Profit & Loss.

Depreciation represents approx. 59.27 % of our total expenditure during fiscal 2015 in comparison to approx. 61.42 % during fiscal 2014.

Other Expenses

Other Expenses comprises primarily of Repair & Maintenance to Buildings and Plant & Machinery, Insurance, CSR Expenses and other administrative expenses.

Other Expenses represents approx. 16.31 % of our total expenditure during fiscal 2015 in comparison to approx. 18.82 % during fiscal 2014. In absolute terms the expenses were ₹176.44 crore in fiscal 2015 as compared to ₹145.38 crore during previous year. The increase is mainly due to chargeability of expenditure of RHPS amounting to ₹21.40 crore to Statement of Profit & Loss and increase of CSR expenditure by ₹12.11 crore to ₹25.79 crore from ₹13.68 crore.

Exceptional Item(Note 2.27)

Exceptional item represents the write off of expenditure amounting to ₹132.28 crore of Luhri Hydro Electric Project (LHEP)

considered redundant and unusable during Stage-I. Initially Luhri Hydroelectric Project was envisaged as a single stage project and accordingly survey & investigation work was carried out and DPR of the project was prepared wherein single underground head race tunnel of around 38 km long was proposed. However, during the year communication was received from CWC and Principal Secretary (MPP & Power), Govt. of Himachal Pradesh to review the entire layout planning and design of the project from a single stage to multi stage project. Accordingly, it was decided to review the entire layout planning and design of the project from a single stage to multi stage project. Consequent to such review, an amount of ₹132.28 crore considered redundant and unusable during Stage-I out of total incurred cost of ₹148.22 crore has been charged to Statement of Profit & Loss as exceptional item.

Profit Before Tax

Profit before tax increased by 52.99 % to ₹2047.25 crore during fiscal 2015 as against ₹1338.19 crore during previous fiscal due to the reasons explained above.

Provision for Taxation

The Company provides for tax computed in accordance with provisions of Income Tax Act, 1961. During the year, the Company is liable to pay tax equivalent to Minimum Alternate Tax (MAT) after adjusting MAT credit under Section 115 JAA. The Current Tax for the year is ₹429.11 crore as compared to ₹280.50 crore during previous year. The increase is on account of increase in profit during the year.

Provision for Deferred Tax

The deferred tax asset arisen during the year mainly on account of timing difference in Book Depreciation and Tax Depreciation. Provision for deferred tax asset for the fiscal 2015 is ₹58.61 crore as against the provision of ₹56.94 crore made in fiscal 2014, an increase of ₹1.67 crore.

B. Financial Position

Assets and liabilities in the Balance Sheet have been classified under head 'Current' and 'Non Current' categories as per Schedule III to the Companies Act, 2013.

The items of the Balance Sheet are as under:

1. Net Worth

Net Worth of the Company at the end of fiscal 2015 increased to ₹10203.04 crore from ₹9050.35 crore in the previous year registering an increase of 12.74% due to increase in retained earnings. Correspondingly, the book value of shares has increased to ₹24.67 per share during current fiscal from ₹21.88 per share during previous year.

2. Non-Current Liabilities

(₹ In Crores)

	As of March 31,	
	2015	2014
Long Term Borrowings (Note 2.3)	2453.42	2213.51
Other Long Term Liabilities (Note 2.4)	865.66	867.89
Long Term Provisions (Note 2.5)	79.65	67.42



Long Term Borrowings

Long Term Borrowings as on March 31, 2015 were ₹2453.42 crore as against ₹2213.51 crore as on March 31, 2014. Out of these ₹279.65 crore is Secured (previous year ₹88.90 crore) and ₹2173.77 Crore is Unsecured (previous year ₹2124.61 crore). Secured Loans is borrowed from State Bank of India. Over the last fiscal, Long Term Borrowings have registered an increase of 10.84 % amounting to ₹239.91 crore.

- During the year company has transferred an amount of ₹167.27 crore (Secured ₹44.40 crore and Unsecured ₹122.87 crore) drawn for Rampur Hydro Power Station(RHPS) to Other Current Liabilities being current maturities of long term debts payable during next financial year.
- Unsecured Loans include borrowing from World Bank (IBRD). The Unsecured Loans have registered an increase of 2.31% amounting to ₹49.16 crore during current fiscal. The increase is due to drawl of loans from World Bank for Rampur Hydro Electric Project.
- During the year total borrowings raised was ₹313.68 crore for RHPS. An amount of ₹237.52 crore was repaid during the year.
- The debt to equity ratio at the end of financial year 2014-15 of the company is 0.24 (previous year 0.24).

Other Long Term Liabilities

Other Long Term Liabilities includes Deposit, Retention Money from Contractors & Others, Advance Against Depreciation and Deferred Foreign Currency Fluctuation Liability. Other Long Term Liabilities have registered a marginal decrease of ₹2.23 Crore to ₹865.66 crore as compared to ₹867.89 crore during previous year.

Long Term Provisions

Long Term Provisions consists of amount provided towards employee benefits on the basis of Actuarial Valuation and includes Leave Encashment, Post Retirement Medical and Other Retirement Benefits which are expected to be settled beyond a period of twelve months from the balance sheet date. Long Term provisions increased by ₹12.23 crore to ₹79.65 crore during current fiscal as compared to ₹67.42 crore during previous fiscal.

3. Current Liabilities

(₹ In Crores)

	As of March 31,	
	2015	2014
Short Term Borrowings (Note 2.6)	---	---
Trade Payables (Note 2.7)	14.64	18.01
Other Current Liabilities (Note 2.8)	616.80	730.88
Short Term Provisions (Note 2.9)	361.24	609.49
Total	992.68	1358.38

The Current Liabilities as at March 31, 2015 and 2014 were ₹992.68 crore and ₹1358.38 crore respectively. The Current Liabilities have decreased by 26.92% mainly due to decrease in Other Current Liabilities and Short Term Provisions.

Trade Payables

Trade payables includes liabilities in respect of amount due on account of goods purchased or services received in normal course of business operations other than liability for Purchase / Construction of Fixed Assets. Trade Payables at the end of current fiscal is ₹14.64 crore as compared to ₹18.01 crore during the previous fiscal.

Other Current Liabilities

Other Current Liabilities mainly includes Current Maturities of Long Term Debts payable within Twelve Months, Liabilities for Employees Remuneration and Benefits, Liabilities for Purchase / Construction of Fixed Assets and Deposits, Retention Money from Contractors and Others. Other Current Liabilities has decreased by 15.61% to ₹616.80 crore as compared to ₹730.88 crore during the previous fiscal. The decrease is mainly due to decrease in current maturities of Long Term Debts due to completion of repayment of loans of NJHPS and decrease in liabilities for construction of fixed assets after commissioning of RHPS.

Short Term Provisions

Short Term Provisions includes Unfunded Employees Benefits payable within Twelve Months as per Actuarial Valuation, Dividend, Dividend Tax, Income Tax and Interest on Arbitration Awards etc. Short Term Provisions has decreased by 40.73 % in Fiscal 2015 to ₹361.24 crore as compared to ₹609.49 crore during Fiscal 2014 , mainly due to decrease in provision of proposed Dividend & Dividend Tax by ₹231.65 and ₹32.55 crore respectively, as the company had paid an Interim Dividend & Dividend Tax amounting to ₹313.97 crore during the year (previous year Nil).

4. Non-Current Assets

(₹ In Crores)

	As of March 31,	
	2015	2014
Tangible Assets (Note 2.10)	9052.16	5668.25
Intangible Assets (Note 2.10)	0.22	0.41
Capital Work-in-progress (Note 2.11)	252.58	3925.79
Non -Current Investments (Note 2.12)	11.38	4.95
Deferred Tax Assets (Net) (Note 2.13)	285.37	226.76
Long Term Loans and Advances (Note 2.14)	188.84	158.74
Other Non-Current Assets (Note 2.15)	0.98	11.03
Total	9791.53	9995.93

Non-Current Assets as on March 31, 2015 has decreased by 2.04% to ₹9791.53 crore as compared to ₹9995.93 crore as on March 31, 2014.

Tangible Assets

Tangible Assets consists of Net Block of Fixed Assets after Depreciation. Tangible Assets includes Land, Buildings, Roads & Bridges, Plant & Machinery, Generating Plant & Machinery, Electrical Works, Hydraulic Works (Dams, Tunnels etc.), Vehicles, Electrical / Office Equipments, Furniture / Fixtures, Data Processing Equipments etc. Net Block of Tangible Assets at the end of Current



Fiscal increased by 59.70% to ₹9052.16 crore as compared to ₹5668.25 crore at the end of previous fiscal mainly due to capitalisation of Rampur Hydro Electric Project amounting to ₹3977.70 crore which was commissioned during the year.

Intangible Assets

Intangible Assets includes Software and Expenditure on Compensatory Afforestation. Intangible Assets at the end of Current Fiscal is ₹0.22 crore (previous year ₹0.41 crore).

Capital Work-in-progress

Capital Work-in-progress during Current Fiscal registered a decrease of 93.57 % to ₹252.58 crore as compared to ₹3925.79 crore during previous Fiscal mainly due to capitalisation of Capital Work-in-progress of Rampur Hydro Electric Project (RHEP) which was commissioned during the year and write off of expenditure of Luhri Hydro Electric Project which was considered redundant and unusable during stage-I amounting to ₹132.28 Crore.

Non-Current Investments

Non-Current Investments at the year end is ₹11.38 crore (previous year ₹4.95 crore). The investment is in the Equity Shares of Joint Venture & Subsidiary companies.

Deferred Tax Assets (Net)

Deferred Tax Assets increased by ₹58.61 crore to ₹285.37 crore during Current Fiscal as compared to ₹226.76 crore during previous Fiscal mainly on account of creation of provision for timing difference in Book Depreciation and Tax Depreciation which has been credited to Statement of Profit and Loss for the year ended March 31, 2015.

Long Term Loans and Advances

Long Term Loans and Advances mainly consists of Capital Advances given to Contractors and Long Term Loans to Employees. Long Term Loans and Advances at the end of Current Year is ₹188.84 Crore (previous year ₹158.74 crore).

Other Non-Current Assets

Other Non-Current Assets includes Capital Stores and Material at Site. Other Non-Current Assets at the end of Current year is ₹0.98 Crore (Previous Year ₹11.03 Crore). The decrease is on account of capital spares amounting to ₹10.38 crore received at site which were pending for inspection during the previous year and capitalized during the year.

5. Current Assets

(₹ In Crores)

	As of March 31,	
	2015	2014
Inventories (Note 2.16)	36.78	33.84
Trade Receivables (Note 2.17)	1507.08	374.47
Cash and Bank Balances (Note 2.18)	2856.32	2415.48
Short Term Loans and Advances (Note 2.19)	287.60	232.01
Other Current Assets (Note 2.20)	115.14	505.82
Total	4802.92	3561.62

Current Assets as on March 31, 2015 has increased by 34.85% to ₹4802.92 crore as compared to ₹3561.62 crore as on March 31, 2014.

Inventories

Inventories are valued at lower of cost arrived at on weighted average basis and net realisable value. Inventories were valued at ₹36.78 crore as on 31st March, 2015 as compared to ₹33.84 crore as on 31st March, 2014.

Trade Receivables

Trade Receivables mainly consists of receivables on account of Sale of Energy. Trade Receivables during the Current Fiscal has increased to ₹1507.08 crore from ₹374.47 crore during the previous Fiscal. Increase is mainly due to arrear billing amounting to ₹995.10 crore inclusive of ₹423.85 crore booked as unbilled revenue during previous years in other current assets on provisional approval of tariff for the period 2009-14 by CERC vide its order dated 20.06.2014 in respect of NJHPS. Trade receivables also increased due to billing of Rampur Hydro Power Station (RHPS) after provisional determination of tariff by CERC vide its order dated 27.01.2015 which was commissioned during the year. Trade receivables includes an amount of ₹257.76 crore (previous year Nil) recoverable from Government of Himachal Pradesh on account of arrear billing of NJHPS which is being contested by them in Hon'ble High Court of Himachal Pradesh. Trade receivables are 31.38% of current assets.

Cash and Bank Balances

Cash and Bank Balances include mainly balances in Term Deposits and Current Accounts. Cash and Bank Balances during the current fiscal increased by ₹440.84 crore to ₹2856.32 crore as compared to ₹2415.48 crore in the previous fiscal.

Net cash generated from Operating Activities was ₹1491.74 crore during the year 2014-15 as compared to ₹1154.26 crore in the previous year.

Net cash used in investing activities was ₹277.14 crore as compared to ₹752.73 crore in the previous year. Cash flow on investing activities decreased mainly after completion of construction of RHPS.

During the year the company used net cash of ₹773.76 crore for financing activities as against ₹408.50 crore in the previous year. Cash outflow on financing activities increased mainly due to payment of dividend and tax thereon including interim dividend and tax thereon amounting to ₹788.00 crore as compared to ₹464.53 crore paid during the previous year.

The cash and bank balances are 59.47% of current assets.

Short Term Loans and Advances

Short Term Loans and Advances mainly include Advance Tax & Tax Deducted at Source (net of provisions) and Short Term Advances given to Employees and Contractors. Short Term Loans and Advances increased to ₹287.60 crore as compared to ₹232.01 crore during previous year mainly due to increase in amount recoverable from Subsidiary companies, Government Departments & Advance Tax etc.



Other Current Assets

Other Current Assets includes interest accrued but not due on deposits with Banks, Deferred Foreign Currency Fluctuation Assets and Unbilled Revenue. Other Current Assets decreased by 77.24% to ₹115.14 crore during current fiscal as compared to ₹505.82 crore during the previous fiscal mainly due to billing of unbilled revenue amounting to ₹431.37 crore consequent upon approval of tariff for NJHPS by CERC for the period 2009-14 and ₹1.93 crore for wind power after finalization of Power Purchase Agreement.

C. Contingent Liabilities

The following are the components of contingent liability as at March 31, 2015 and 2014:

(₹ In Crores)

Particulars	As at 31.03.2015	As at 31.03.2014
Capital Works	320.08	376.23
Land Compensation	61.93	47.93
Disputed Service Tax Demand	12.36	12.36
Others	1.65	0.16
Total	396.02	436.68

Contingent Liabilities decreased by 9.31% from ₹436.68 crore as of March 31, 2014 to ₹396.02 crore as of March 31, 2015 mainly on account of decrease in contingent liabilities relating to Capital Works.

D. INTERNAL CONTROL SYSTEMS

The company has adequate control systems and the transactions / processes are guided by delegation of powers, documented policies, guidelines and manuals in compliance with relevant laws and regulations. The Organizational structure is well defined in terms of the structured authority / responsibility involved at each particular hierarchy / level.

In order to ensure that all checks and balances are in place and internal control systems are in order, regular internal audit is conducted by independent firms of Chartered Accountants in close coordination with Company's own Internal Audit Department. The internal audit process includes review and reevaluation of effectiveness of the existing processes, controls and compliances. It also ensures adherence to policies and systems and mitigation of the operational risks perceived for each area under audit. Significant Audit Observations and Action Taken Reports are placed before the Audit Committee headed by an Independent Director. The recommendations and directions of the Audit Committee are carried out and complied with.

E. BUSINESS AND FINANCIAL REVIEW OF SUBSIDIARY & JOINT VENTURE COMPANIES

1. Subsidiary Companies

Company has two wholly owned subsidiary companies as at 31.03.2015. The detailed financial statements of the subsidiaries are included in this Annual Report. The performance of the subsidiaries is as under:

SJVN Thermal Pvt. Ltd.

SJVN Thermal Pvt. Ltd has been formed as 100% subsidiary

company of SJVN Ltd. The authorized share capital of SJVN Thermal Pvt. Ltd. is ₹3000 crore. The Company has taken up the development of 1320 MW Coal based Thermal Power Project located near Chausa village in District Buxar of Bihar.

SJVN Arun 3 Power Development Company Pvt. Ltd.

SJVN Arun 3 Power Development Company Pvt. Ltd. was incorporated in Nepal as a wholly owned subsidiary company of SJVN Ltd. The authorized share capital of the company is NPR 247.50 crore (equivalent to ₹154.69 crore) with an aim to plan, promote, organize and execute 900MW Arun-3 Hydroelectric Project in Nepal. This project is proposed to be installed in the Sankhuwasabha District of Nepal.

2. Joint Venture Company

Cross Border Power Transmission Company Limited

Cross Border Power Transmission Company Limited is a joint venture of SJVN Ltd with IL&FS Energy Development Company Ltd.(IEDCL), Power Grid Corporation of India Ltd.(PGCIL) & Nepal Electricity Authority(NEA) for implementation of Indian portion of the transmission line from Nepal. Equity contribution by SJVNL, PGCIL, IEDCL & NEA shall be 26% , 26%, 38% & 10% respectively in JVC.

As at 31.03.2015, the authorized share capital of the company is ₹75 crore. The paid up share capital as on 31.03.2015 is ₹19 crore. SJVN has a share of ₹4.94 crore in the paid up share capital.

F. Consolidated Financial Statements of SJVN Ltd.

The consolidated financial statements have been prepared in accordance with Accounting Standard (AS)-21- 'Consolidated financial Statements' and Accounting Standard (AS)-27- 'Financial Reporting of Interests in Joint Ventures' and are included in this Annual Report.

A brief summary of the results on a consolidated basis is given below:

(₹ In Crores)

	FY 2014-15	FY 2013-14
Total Revenue	3261.03	2110.70
Profit before Tax	2047.16	1338.06
Profit after Tax	1676.65	1114.49
Net Cash from operating activities	1491.60	1279.46

CAUTIONARY STATEMENT

Statements in the Directors' Report and Management Discussion & Analysis, describing the Company's objectives, projections and estimates, expectations, predictions etc. may be "forward looking statements" within the meaning of the applicable laws and regulations. Forward looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Actual results, performances or achievements may vary materially from those expressed or implied, economic conditions, Government policies and other incidental factors such as litigation and industrial relation. Readers are cautioned not to place undue conviction on the forward looking statements.



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At SJVN we believe that good governance is a systematic process which enables the Company to operate in a manner that meets with the ethical, legal and business expectations and at the same time fulfills its social responsibility. Your company has established a framework of Corporate Governance, aimed at assisting the management of the company in the efficient conduct of its business and ensuring that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company. The company is committed to focus its energy and resources to maximize shareholder wealth while safeguarding and promoting the interests of other stakeholders.

As a listed Public Sector Enterprise, your Company has been complying with the requirements of Corporate Governance as stipulated in the Companies Act, Listing Agreements and also the provisions of Guidelines notified by the Department of Public Enterprises (DPE), Government of India in this regard. However, during the financial year 2014-15, in absence of requisite number of Independent Directors, the composition of the Board of Directors was not in compliance with the statutory requirements.

SJVN continuously strive to bring the best practices expected by all the stake holders in the conduct of business. The company was Listed on 20th May 2010 with the National Stock Exchange {NSE} & the Bombay Stock Exchange {BSE}.

1.0 BOARD OF DIRECTORS

1.1 Size of the Board

SJVN Limited is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013. The present shareholding is 65:25:10 between the Government of India, Government

of Himachal Pradesh and the Public. As per Articles of Association, the power to appoint Directors vests in the President of India. The Strength of the Board shall not be less than 6 and not more than 15. These numbers include all whole-time, part-time Directors.

1.2 Composition & Tenure of the Board

As on 31st March 2015, the Board comprised of 06 members, consisting of 4 whole-time Directors including Chairman & Managing Director, 2 Part-Time Official Directors representing Government of India and Government of Himachal Pradesh. As per the Listing Agreement, 50% of the Board should consist of Independent Directors. The matter has been taken up with the Administrative Ministry to fill up the vacancy as soon as possible so that the composition may be complied with as per the Listing Agreement.

All the Functional Directors are appointed for a period of 5 years or till superannuation or till further instructions whichever event occurs earlier. The age limit of the Functional (whole-time) Directors including Chairman & Mg. Director is Sixty Years. Government Nominee Directors representing Government of India and Government of Himachal Pradesh retire from the Board on ceasing to be officials of the Ministry/Administrative Department. Independent Directors are appointed for a period of 3 years.

1.3 Board Meetings

The Board Meetings are held normally at New Delhi to facilitate participation by maximum number of Directors. Meetings are also held at Shimla. During the Financial Year 2014-15, Tenth (10) Board Meetings were held on 25th April 2014, 28th May 2014, 28th July 2014, 9th September 2014, 7th November 2014, 13th December 2014, 18th December 2014, 30th December 2014, 5th February 2015 & 18th March 2015. The maximum interval between any two meetings during this period was 77 days.

Details of Board Meetings, attendance of the Directors, etc. for the year are as under:

Sr. No.	Directors	Meetings held during respective tenure of Directors	No. of Board Meetings attended	Attendance at last AGM (26th) held on 09.09.2014	No. of other Directorship held on 31.03.2015	No. of Committee memberships in other companies on 31.03.2015	
						As Chairman	As Member
1	EXECUTIVE DIRECTORS						
A	Functional Directors						
1	Shri R. P. Singh, CMD	08	08	Yes	N/A	Ceased w.e.f. 31.12.2014	
2	Shri R. N. Misra, CMD	01	01	N/A	Nil	Nil	Nil
3	Shri R. N. Misra, Director (Civil)	09	09	Yes	N/A	Ceased w.e.f. 26.02.2015	
4	Shri A. S. Bindra, Director (Finance)	10	10	Yes	2	Nil	Nil
5	Shri N. L. Sharma, Director (Personnel)	10	09	Yes	2	Nil	Nil
6	Shri R. K. Bansal, Director (Electrical)	10	10	Yes	3	Nil	Nil
II	NON-EXECUTIVE DIRECTORS						
B	Part Time Official Directors (Govt. Nominee Directors)						
7	Shri Mukesh Jain, Joint Secy.(Hydro), Ministry of Power, GOI	05	02	Yes	N/A	Ceased w.e.f. 10.11.2014	
8	Shri Arun Kumar Verma, Joint Secy.(Hydro), Ministry of Power ,GOI	05	03	N/A	1	Nil	Nil
9	Shri S.K.B.S. Negi, Pr. Secy (Power), GoHP	10	06	Yes	6	Nil	Nil
C	Part Time Non-Official Directors (Independent Directors)						
10	Shri S. M. Lodha	04	01	NO	N/A	Ceased w.e.f. 13.09.2014	
11	Shri K. S. Gill	04	04	Yes	N/A	Ceased w.e.f. 13.09.2014	
12	Smt. Asha Swarup	04	04	Yes	N/A	Ceased w.e.f. 13.09.2014	
13	Shri Arun Mahajan	04	04	Yes	N/A	Ceased w.e.f. 13.09.2014	
14	Shri D. V. Dharmik	06	06	Yes	N/A	Ceased w.e.f. 13.12.2014	



2.0 Meeting of Independent Directors

In compliance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of Listing Agreement, a separate Meeting of Independent Directors was held on 10th September 2014 without the attendance of Non-Independent Directors and members of the management.

3.0 Familiarization Programme for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at following weblink:-

http://www.sjvn.nic.in/writereaddata/Portal/Images/Directors_Training_SJVN_10_7_15.pdf

4.0 Audit Committee

The scope of work for Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, investigate any activity within its term of reference, seek information from any employee, obtain outside legal or other professional advice and to discharge all such functions and responsibilities of Audit Committee as may be prescribed under:-

1. The Companies Act 2013 and allied Rules and Regulations including any subsequent enactments or amendments thereto.
2. SEBI Regulations and Listing Agreements with Stock Exchanges as amended from time to time.
3. DPE Guidelines for Corporate Governance 2010 as amended from time to time.

As on 31st March 2015, the following Directors were the Members of the Audit Committee:

1. **Sh. Arun Kumar Verma, GOI Nominee Director** Chairman
2. **Sh. S.K.B.S. Negi, GOHP Nominee Director** Member
3. **Sh. A.S. Bindra, Director (Finance)** Member

Sh.Soumendra Das, Company Secretary, is the Secretary to the Audit Committee.

During the financial year 2014-15, 4 (Four) Audit Committee meetings were held on 27th May, 2014; 28th July, 2014; 7th November, 2014; 5th February, 2015. The details of attendance in the Audit Committee are as under:-

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Smt. Asha Swarup	2	2
2	Shri K.S. Gill	2	2
3	Shri D.V. Dharmik	3	3
4	Shri S.M. Lodha	2	2
5	Shri Arun Mahajan	2	2
6	Shri S.K.B.S. Negi	4	3
7	Shri Mukesh Jain	1	1
8	Shri Arun Kumar Verma	1	1
9	Shri R.N. Misra	1	1
10	Shri A.S. Bindra	1	1

5.0 Nomination & Remuneration Committee

SJVN being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the President of India. The Scope of work of Nomination & Remuneration Committee shall be to consider and recommend on all HR related issues requiring approval of the Board and to discharge all such functions and responsibilities of Nomination and/or Remuneration Committee as may be prescribed under:-

1. The Companies Act 2013 and allied Rules and Regulations including any subsequent enactments or amendments thereto.
2. SEBI Regulations and Listing Agreements with Stock Exchanges as amended from time to time.
3. DPE Guidelines for Corporate Governance 2010 as amended from time to time.

As on 31st March 2015, the Nomination & Remuneration Committee consists of:-

1. **Sh. Arun Kumar Verma, GOI Nominee Director** Member
2. **Sh. S.K.B.S. Negi, GOHP Nominee Director** Member
3. **Sh. A.S. Bindra, Director(Finance)** Member
4. **Sh.N.L. Sharma, Director(Personnel)** Member

During the Financial Year 2014-15, 1 (one) meeting of the committee was held on 27th May, 2014. The details of attendance in the Nomination & Remuneration Committee are as under:

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Shri K. S. Gill	1	1
2	Smt Asha Swarup	1	1
3	Shri Arun Mahajan	1	1
4	Shri S. K. B. S. Negi	1	1

6.0 Stakeholder Relationship Committee

The Scope of work of Stakeholders Relationship Committee shall be to consider and resolve the grievances of security holders of the company and to discharge all such functions and responsibilities of Stakeholders Relationship Committee and Investor Grievances Committee as may be prescribed under:-

1. The Companies Act 2013 and allied Rules and Regulations including any subsequent enactments or amendments thereto.
2. SEBI Regulations and Listing Agreements with Stock Exchanges as amended from time to time.
3. DPE Guidelines for Corporate Governance 2010 as amended from time to time.

As on 31st March 2015, the Committee consists of the following Members:

1. **Sh. Arun Kumar Verma, GOI Nominee Director** Member
2. **Sh. S.K.B.S. Negi, GOHP Nominee Director** Member
3. **Sh. R.K. Bansal, Director(Electrical)** Member

Sh.Soumendra Das, Company Secretary, is the Compliance Officer.

During the Financial Year 2014-15, 2 (two) meetings of committee were held on 19th August, 2014 and 13th December, 2014. The



details of attendance in the Stakeholder Relationship Committee are as under:

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Shri. S.M. Lodha	1	0
2	Shri.Arun Mahajan	1	1
3	Shri.R. N. Misra	2	2
4	Shri.A.S. Bindra	2	2
5	Shri. D.V. Dharmik	1	1

7.0 Status of Investor Complaints:

Status of Investors' complaints for the financial year 2014-15 is as under:-

Particulars	Opening	Received during the year	Resolved during the year	Pending (31.03.2015)
Complaints	0	106	106	0

8.0 Committee for Allotment and Post-Allotment Activities

As on 31st March 2015, the Committee consists of Chairman & Managing Director and one of the whole time Directors. The scope of work of the Committee is to address Share Allotment, issue of certificates, letter of allotment, transfer, transmission, rematerialisation, issue of duplicate certificates, consolidation, split and any other related functions.

During F.Y. 2014-15, 02 (Two) Meetings of the Committee were held.

9.0 Corporate Social Responsibility, Sustainable Development and R&D Committee

The Committee was constituted by the Board for formulation and implementation of SJVNs CSR Policy as per DPE & MCA Guidelines. The Committee has also been assigned additional responsibilities of Sustainable Development and Research & Development as envisaged in annual Memorandums of Understanding with Ministry of Power.

As on 31st March 2015, the Committee consists of:-

1. **Sh. Arun Kumar Verma, GOI Nominee Director** Chairman
2. **Sh. S.K.B.S. Negi, GOHP Nominee Director** Member
3. **Sh.N.L. Sharma, Director(Personnel)** Member
4. **Sh. R.K. Bansal, Director(Electrical)** Member

During the Financial Year 2014-15, 4 (Four) meetings were held on 27th May, 2014; 28th July, 2014; 7th November, 2014 and 18th March, 2015. The details of attendance in the Corporate Social Responsibility, Sustainable Development and R&D Committee are as under:

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Shri D.V.Dharmik	3	3
2	Smt. Asha Swarup	2	2
3	Shri S.K.B.S.Negi	4	3
4	Shri N.L.Sharma	4	4
5	Shri Arun Kumar Verma	1	1
6	Shri R.K.Bansal	1	1

10.0 Investment Committee

As on 31st March 2015, the committee consisted of CMD, Director (Finance) and Director (Personnel) as its members. The scope of work of the Committee is to invest surplus money as may be available with the Company from time to time as short-term investments as per DPE/Ministry of Finance guidelines and place the status of investments including short-term loans availed, if any, before the Board on quarterly basis.

11.0 Empowered Committee

As on 31st March 2015, the Committee consists of all whole time Directors only. The scope of work of the Committee is to exercise the powers on specified items as approved by the Board of Directors in its 174th Meeting held on 15th September 2008.

12.0 Company's Policy on Directors Appointment and Remuneration

Public Enterprises Selection Board, Department of Personnel Training, Govt. of India, specifies guidelines for remuneration of CMD/Directors of CPSEs. In SJVN, a Schedule 'A' CPSE, remuneration in the pay scale of ₹80,000-1,25,000/- is paid to CMD and ₹75,000-1,00,000/- to the Directors.

In addition to above, CMD & Directors are also entitled for Performance Related Pay (PRP) as variable component of remuneration. CMD is entitled for maximum of 200% of Basic Pay and Directors are entitled for maximum of 150% of Basic Pay which is determined as per the performance of the Company in MoU, signed with Ministry of Power, Govt. of India, every year.

Similarly, remuneration of senior management and key managerial personnel too comprises of pay/allowances as per DPE scales and variable Performance Related Pay. The variable Performance Related Pay is paid as per their performance in achievement of assigned targets.

13.0 Remuneration Details of Directors

During the Financial Year 2014-15, the remuneration details of Functional Directors are as under:-

(Amount ₹)					
Sr. No.	Name	Salary	Benefits	PRP	Total
1	Shri R.N Misra	34,19,172	2,61,381	16,22,085	53,02,638
2	Shri A.S. Bindra	31,09,224	1,32,537	15,99,957	48,41,718
3	Shri N.L. Sharma	34,64,908	2,42,116	15,81,208	52,88,232
4	Shri R.K. Bansal	29,80,221	83,960	15,12,212	45,76,393
5	Shri R.P. Singh*	49,41,472	2,68,479	21,06,975	73,16,926

*Note - The Remuneration of Sh. R.P. Singh includes amount paid on account of terminal benefits on superannuation.

14.0 Sitting Fee

The Sitting Fee paid to Independent Directors for meetings attended during the financial year 2014-15 is as under:-

(Amount ₹)					
Sr. No.	Name of the Director	Board Meetings	Audit Committee	Other Meetings	Total
1	Shri S.M. Lodha	20,000	40,000	0	60,000
2	Shri K.S. Gill	80,000	40,000	20,000	1,40,000
3	Smt. Asha Swarup	80,000	40,000	60,000	1,80,000
4	Shri Arun Mahajan	80,000	40,000	40,000	1,60,000
5	Shri D.V. Dharmik	1,20,000	60,000	80,000	2,60,000



15.0 FORMAL ANNUAL EVALUATION OF DIRECTORS

Procedure and guidelines for writing Annual Performance Appraisal reports of top Management incumbents of CPSEs circulated by DPE vide DO letter dated 05th April 2010 has been adopted for Evaluation of performance of CMD and functional Directors. Salient features of the same are as below:

- Finalization of targets and relative weights by the Reporting Authority in consultation with the officer reported upon is done by 15th May and a copy of the same is forwarded to Nodal Officer in MOP.
- Channel of submission of PAR with CMD and Functional Directors is as follows:

Sr. No.	Name of the officer whose PAR is to be written	Reporting Authority	Reviewing Authority	Accepting Authority	PAR Repository Authorities
i)	CMD	Secretary of the Ministry of Power, Govt. of India	Minister-in-charge	Minister-in-charge	Original copy with the Administrative Ministry /Deptt. and one certified copy each with the Nodal officer of the CPSE and PESB
iv)	Functional Director	CMD	Secretary of the Ministry of Power, GOI	Minister-in-charge, Ministry of Power, GOI	-do-

3. Components of PAR and their relative weights are as below:

Designation	MOU targets	Individual targets flowing from MOU targets	Personal attributes and functional competencies	Total
CMD	75	-	25	100
Directors	40	35	25	100

16.0 CODE OF CONDUCT

The Board of Directors have laid down Code of Conduct for Board Members and Senior Management above the level of Deputy General Manager. The purpose of this code is to enhance ethical and transparent process in managing the affairs of the company and thus to sustain the trust and confidence reposed in the Management by the stakeholders and business partners. The Code of Conduct has been comprehensively amended during the year in lines with the requirements of Companies Act, 2013 and amended Listing Agreement. The revised version of this Code has come into force with effect from 1st October, 2014. In this regard, the declaration given by the Chairman & Mg. Director is reproduced below:

All the Members of the Board and Senior Management personnel have affirmed compliance of the Code of Conduct for the financial year ended 31st March 2015

(Ramesh Narain Misra)
Chairman & Managing Director
DIN: 03109225

The Code of Conduct for Board Members and Senior Management has been duly disclosed on website of the Company and may be accessed at following web link:

http://www.sjvn.nic.in/writereaddata/Portal/Images/Final_Code_Conduct_13_04_2015.pdf

17.0 CODE FOR PREVENTION OF INSIDER TRADING

In pursuance of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has laid down "Code of Conduct for Regulating & Reporting Trading by Insiders and For Fair Disclosure, 2015" with the objective of preventing purchase and sale of shares by the Insider on the basis of unpublished price sensitive information.

The Code of Conduct for Regulating & Reporting Trading by Insiders and For Fair Disclosure, 2015 has been duly disclosed on website of the Company and may be accessed at following web link:

<http://www.sjvn.nic.in/writereaddata/Portal/Images/SJVNInsiderTradingCode2015.pdf>

18.0 VIGIL MECHANISM - WHISTLE BLOWER POLICY

Board of directors in its 208th meeting held on 30.12.2011 approved and adopted the Whistle Blower Policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The identity of complainant/whistle blower is kept confidential. The mechanism enforces transparency, ethical practices and governance. Further, it is affirmed that no personnel has been denied access to Audit Committee.

The Whistle Blower Policy has been duly disclosed on website of the Company and may be accessed at following web link:

http://www.sjvn.nic.in/writereaddata/Portal/Images/whistle_blower_policy_2014.pdf

Status of Whistle Blower Complaints during FY 2014-15:-

No. of complaints pending at the beginning of the year	-Nil-
No. of complaints received during the year	-Nil-
No. of complaints disposed off during the year	-Nil-
No. of complaints pending at the end of the year	-Nil-

19.0 SEXUAL HARASSMENT PREVENTION:

SJVN has implemented the Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013 in its entirety.

Internal Complaints' Committees as per the provisions of the act have been constituted at Corporate Office and Projects sites of SJVN.

Summary of Sexual harassment issues raised, attended and dispensed during the year 2014-15:-

No. of complaints received in 2014-15	-Nil-
No. of complaints disposed off	-Nil-
No. of cases pending for more than 90 days	-Nil-
No. of workshops or awareness programme against sexual harassment carried out	Four
Nature of action taken by the employer or District Officer	-Nil-



20.0 GENERAL BODY MEETINGS

20.1 Annual General Meeting

Date, time and location where the last three Annual General Meetings were held are as under:

- 26th Annual General Meeting was held on 9th September, 2014 at 15:00 hrs. in Hotel Peter Hoff, Shimla, Himachal Pradesh.
- 25th Annual General Meeting was held on 12th September 2013 at 15:00 hrs. in Hotel Peter Hoff, Shimla, Himachal Pradesh.
- 24th Annual General Meeting was held on 3rd September, 2012 at 16:00 hrs. in Hotel Peter Hoff, Shimla, Himachal Pradesh.

20.2 Special Resolution

A special resolution was passed in 24th Annual General Meeting held on 3rd September, 2012 for Alteration of Articles of Association to incorporate provision for Buy Back of Shares.

Except above, no other special resolution was passed in the last three Annual General Meetings.

20.3 Postal Ballot

No resolution has been passed through Postal Ballot during the year.

No special resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

21.0 Disclosures

It is certified that during the Financial Year 2014-15:-

- The Company has not entered in to any transaction of material nature with the Directors of the Company that may have potential conflict with the interests of the Company.
- The Company has fully complied with all applicable provisions and no penalties or strictures have been imposed on the company by Stock Exchange or SEBI or any other Statutory Authority, on any matter related to capital markets, during the last three years.
- In view of the Management, all applicable accounting standards are being followed in the preparation of Financial Statements. Where there is any deviation from the Accounting Standards, proper disclosure has been given in the notes to accounts.
- All the mandatory requirements under listing agreement are being complied and the non mandatory requirements are being adopted to the extent possible.

22.0 CEO/CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement(s), the Certificate duly signed by Shri R.N.Misra, Chairman & Managing Director and Shri A.S.Bindra, Director (Finance) & CFO was placed before the Board of Directors at the Meeting held on 28th July 2015 which is reproduced as under:-

We, R.N.Misra, Chairman & Managing Director and A.S.Bindra, Director (Finance) & CFO to the best of our knowledge and belief, certify that:

- We have reviewed the Financial Statements and the Cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief:
- These statements do not contain any materially untrue

statement or omit any material fact or contain statements that might be misleading;

- These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- To the best of our knowledge and belief, no transactions entered in to by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
- We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
- We have indicated to the company's auditors and the Audit Committee
 - Significant changes, if any, in internal control over financial reporting during the year;
 - Significant changes, if any in accounting policies during the year and the same have been disclosed in the notes to the financial statements, and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

(Amarjit Singh Bindra)
Director (Finance) & CFO
DIN: 03358160

(Ramesh Narain Misra)
Chairman & Managing Director
DIN: 031909225

23.0 MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meetings, issue based correspondence and disclosures through website.

The Company also communicates with its institutional shareholders through a combination of analysts briefing and individual discussions as also participation at investor conferences from time to time. Financial results are discussed by way of conference calls after the close of each quarter.

The financial results of the company for the year ending 31st March 2015 were published on 27th May 2015 in Financial Express, Mail Today, Hindustan Times, DNA, Economic Times, Business Standard, The Pioneer, Free Press Journal, Mid Day, Dainik Jagran, Dainik Bhaskar, Satya Swadesh, Punjab Kesari, Amar Ujala, Rashtriya Sahara, Prabhat Khabar, Divya Himachal, Apka Faisla and Financial Chronicle.

24.0 SUBSIDIARY MONITORING FRAMEWORK

The Company has two subsidiary Companies, the list of which shall be furnished in the Directors Report. All subsidiaries of the Company are Board managed with their Boards having the rights



and obligations to manage such Companies in the best interest of the stakeholders. As a majority shareholder, the Company nominates its representatives on the Board of subsidiary Companies and monitors the performance of such Companies periodically.

Performance of the subsidiary Companies is reviewed by the Board of the Company as under:

- (i) Minutes of the meetings of the Board of Directors of the subsidiaries are placed before the Companies is reviewed by the Board of the Company as under:
- (ii) A statement of all significant transactions and arrangements entered into by the subsidiary Companies are also reviewed by the Company.
- (iii) A Report on Business Activities of Subsidiary is being given to the Board of SJVN in each quarter.
- (iv) Subsidiary Companies sign an annual Memorandum of Understanding with SJVN in the beginning of the year setting the targets in financial and non-financial areas with weightages in consultation with SJVN, which is submitted to DPE. At the end of the financial year, the actual performance vis-à-vis the targets set is evaluated by DPE.
- (v) The Budget of the subsidiary Companies are being approved by the Committee on Management controls of SJVN.
- (vi) Certain decision as mentioned in the Articles of Association of the subsidiary Companies in terms of the Clause 49 of the Listing Agreement of the subsidiaries as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Govt. of India.

25.0 RISK MANAGEMENT FRAMEWORK

Risk Management Policy of SJVN has been approved by BOD on September 12, 2013. The Risk Management Policy has been duly supplemented with separate and comprehensive Risk Management Plans for each project duly approved by the Board. The main objective of risk management is to first identify all the business related activities followed by activity related potential risks, further followed by identification of various triggers and other factors associated with risks and their mitigation measures to overcome them with minimum affects to business.

The Risk Management Policy has been disclosed on website of the Company and may be accessed at following web link:

http://www.sjvn.nic.in/writereaddata/Portal/Images/SJVN_RMP_final_07_04_2014.pdf

26.0 RELATED PARTY TRANSACTIONS & POLICY

In compliance with the provisions of Clause 49 VII (C) of amended Listing Agreement, the company has formulated a Policy on Materiality of Related Party Transactions and dealing with Related Party Transaction, duly approved by the Board of Directors and the same is effective from 1st October 2015.

All contracts/ arrangements/ transactions entered by the

company during the financial year with related parties were in the ordinary course of business and on arms length basis. During the year the company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions. Your attention is drawn to the Standalone Financial Statements which sets out the Related Party Disclosures under Note 2.39.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transaction has been disclosed on website of the Company and may be accessed at following web link:

http://www.sjvn.nic.in/writereaddata/Portal/Images/related_pay_policy_19_06_15.pdf

27.0 POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

In compliance with the provisions of Clause 49 V (D) of amended Listing Agreement, the company has formulated a Policy for Determining Material Subsidiaries, duly approved by the Board of Directors and the same is effective from 1st October 2015. The Policy has been disclosed on website of the Company.

Presently, the company does not have any Subsidiaries which could be considered "Material Subsidiary Company" in accordance with the said policy of the company.

The Policy for Determining Material Subsidiaries has been disclosed on website of the Company and may be accessed at following web link:

http://www.sjvn.nic.in/writereaddata/Portal/Images/POLICY_DETERMINING_19_6_15.pdf

28.0 SHAREHOLDERS' INFORMATION

- i. **27th Annual General Meeting**

Date	: 22nd September, 2015
Time	: 15:00 hrs.
Venue	: Hotel Peter Hoff, Chaura Maidan, Shimla – 171004, H.P.

ii. Financial Calendar:

Particulars	Date
Accounting Period	1st April 2015 to 31st March 2016
Unaudited Financial Results for the first three quarters	Announcement within 45 days of each quarter
Fourth Quarter Results	Announcement of Audited results – on or before 28th May 2016
AGM (Next year)	September 2016 (tentative)

iii. **Dates of Book Closure:** 16th September 2015 to 22th September 2015 (both days inclusive)

iv. **Dividend Payment Date:** 27th September 2015 onwards

v. **Listing on Stock Exchanges** - The Equity Shares of the Company are listed on following Stock Exchanges:-

Stock Exchange Name	National Stock Exchange (NSE)	Bombay Stock Exchange (BSE)
Script Code	SJVN-EQ	533206
ISIN	INE002L01015	INE002L01015
Listing Date	20th May 2010	20th May 2010



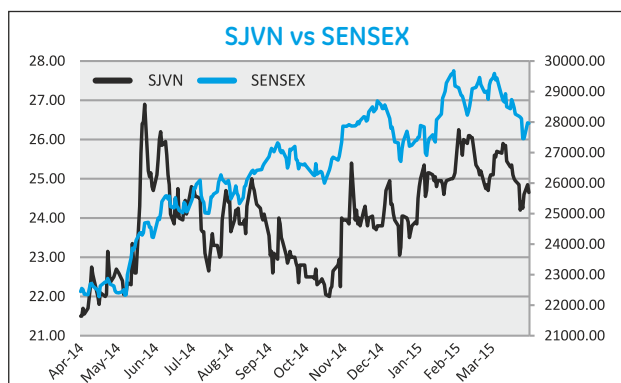
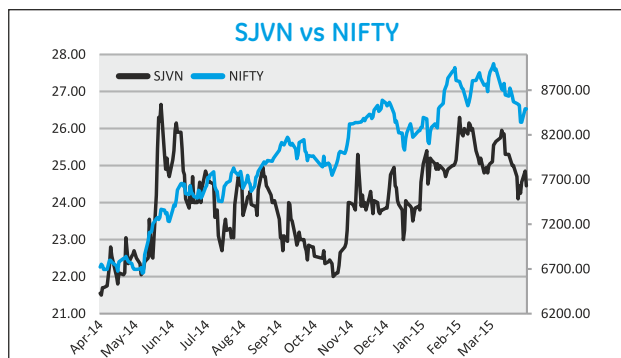
vi Dividend History: (Since Listing)

Financial Year	Total amount of dividend paid (in Rs. crore)	Date of AGM in which dividend was declared	Date of payment of dividend
2013-14	405.39	09-09-2014	14-09-2014
2012-13	397.12	12-09-2013	20-09-2013
2011-12	388.84	03-09-2012	12-09-2012
2010-11	330.93	26-08-2011	09-09-2011
2009-10	248.20	15-09-2010	28-09-2010

vii. Stock Code & Market Price Data

Stock Code	National Stock Exchange (NSE)			National Stock Exchange (BSE)		
	SJVN-EQ			533206		
Month	High	Low	Close	High	Low	Close
Apr-14	23.55	20.50	22.70	24.00	20.90	22.70
May-14	27.55	22.00	24.70	27.65	22.00	24.70
Jun-14	27.45	23.50	24.85	27.50	23.60	24.80
Jul-14	25.20	22.45	24.50	25.10	22.50	24.50
Aug-14	25.10	23.50	24.05	22.05	23.40	24.10
Sep-14	24.45	22.25	22.80	24.60	22.20	22.80
Oct-14	24.50	21.90	24.00	24.60	21.90	23.95
Nov-14	26.65	23.00	23.80	26.65	23.10	23.80
Dec-14	25.40	22.90	24.55	27.00	22.90	24.50
Jan-15	25.90	24.20	25.15	25.90	24.25	25.15
Feb-15	26.75	24.60	25.05	26.75	24.60	25.10
Mar-15	26.25	23.90	24.45	26.25	23.90	24.65

viii. Performance in comparison to broad based indices NSE NIFTY and BSE SENSEX during F.Y. ended 31st March 2015.



ix. Registrar and Share Transfer Agent

MCS Limited

F-65, First Floor, Okhla Industrial Area,
Phase I, New Delhi - 110020
Telephone: +91 11 41406149
Fax No.: +91 11 41709881
Email ID: admin@mcsdel.com
Website: www.mcsdel.com

x. Share Transfer System

Entire share transfer activities under physical segment are being carried out by MCS Limited and are approved by Sub-Committee of Board for Allotment and Post-Allotment activities.

xi. Distribution of Shareholding as on 31st March 2015

As on 31st March 2015, the share holding of the Company was held by the Government of India, Government of Himachal Pradesh and the Public in the ratio of 65:25:10

xii. Changes in Shareholding Pattern during FY 2014-15

Category	As on 31st March, 2015		As on 31st March, 2014		Change (%)
	Total Shares	% to Equity	Total Shares	% to Equity	
A) Shareholding of Promoter and Promoter Group					
Central Government /State Government	3721626500	89.97	3721626500	89.97	0.00
B) Public Shareholding					
1) Institutions					
Mutual Funds	42778978	1.03	51807432	1.25	(0.22)
Financial Institutions /Banks	20898613	0.51	28092984	0.68	(0.17)
Central Government /State Government(s)	10747	0.00	10747	0.00	0.00
Insurance Companies	137065301	3.31	133802993	3.23	0.08
Foreign Institutional Investors	69341762	1.68	70550000	1.71	(0.03)
(2) Non Institutions					
Body Corporate	38389318	0.93	37146938	0.90	0.03
Individual shareholders holding nominal share capital up to ₹1 lakh	69110511	1.67	68808894	1.66	0.01
Individual shareholders holding nominal share capital in excess of ₹1 lakh	32783350	0.79	21343226	0.52	0.27
Trust & Foundations	1235417	0.03	995702	0.02	0.01
Cooperative Societies	12000	0.00	0	0.00	0.00
Non Resident	3374003	0.08	2441084	0.06	0.02
Total	4136626500	100	4136626500	100	



xiii. Dematerialization of Shares and liquidity as on 31st March 2015

The equity shares held by the President of India comprising 74.5% as on 13th April 2010 of the paid up capital were dematerialized with effect from 09th April 2010. In compliance with SEBI directions, the equity shares held by the Governor of Himachal Pradesh were also dematerialized w.e.f. September 2011. Thus, 100% of promoter / promoter group shareholdings in SJVN Limited now stand in dematerialized form. Secretarial Audit Report for reconciliation of the share capital of the company obtained from Practicing Company Secretary quarterly for the financial year 2014-15 has been submitted to Stock Exchanges within the stipulated time.

xiv. Demat Suspense Account

Details of shares in the suspense account opened and maintained after Initial Public Offering of Equity Shares of SJVN Limited as on 31st March, 2015 is as under:-

Description	No. of Cases	No. of Shares
Aggregate number of shareholders and outstanding shares in the suspense account at the beginning of the year	13	3526
Number of shareholders who approached the Company for transfer of shares from the suspense account during the year	2	500
Number of shareholders to whom shares were transferred from the suspense account during the year	2	500
Aggregate number of shareholders and outstanding shares in the suspense account at the end of the year	11	3026

Note: Voting rights on these shares shall remain frozen till the rightful owners of such shares claim them.

xv. Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity - NIL

xvi. Number of Shares held by Directors as on 31st March, 2015

Sr. No	Name of Director	No. of Shares held
i.	Shri R.N.Misra, CMD	Nil
ii.	Shri A.S.Bindra Director (Finance)	Nil
iii.	Shri N.L.Sharma Director (Personnel)	2518
iv.	Shri R.K. Bansal Director (Electrical)	1000
v.	Shri Arun Kumar Verma, GoI Nominee Director	Nil
vi.	Shri S.K.B.S. Negi, GoHP Nominee Director	Nil

xvii. Plant/ Project Office locations:

1.	Nathpa Jhakri Hydro Power Station - Post Office Jhakri, District Shimla, Himachal Pradesh, Pincode - 172 201
2.	Rampur Hydro Electric Project - Post Office Jhakri, Tehsil Rampur Bushahr, District Shimla, Himachal Pradesh, Pincode - 172 201
3.	Luhri Hydro Electric Project - VPO Sunni, Tehsil Sunni, District Shimla, Himachal Pradesh, Pincode - 172 301
4.	Devsari Hydro Electric Project -Tharali, District Chamoli, Uttarakhand, Pincode - 246 481
5.	Naitwar-Mori and Jakhol Sankri Hydro Electric Projects - Mori, Uttarkashi, Uttarakhand, Pincode - 249 185
6.	Dhaulasidh Hydro Electric Project - House No. 113, Ward No. 1, Krishna Nagar, Hamirpur - 177 001, District Hamirpur, Himachal Pradesh
7.	Arun-3 Hydro Power Project Office - Red Cross Building, Khandbari, District Sakhwasabha, Nepal
8.	Kholongchu & Wangchhu Hydro Electric Project Office - Village Zangpозor, P.O. Duksum, District Trashiyangtse, Bhutan
9.	Buxar Thermal Power Project - House No. 69/5, T.N. Banerjee Path, Chajju Bagh, Near Gandhi Maidan, Patna - 800001
10.	Khivire Wind Power Project Office - Agaman Bunglow, Plot No. 51, Shivaji Nagar, Sinnar, Distt. - Nashik, Maharashtra-422103
11.	Arunachal Pradesh Projects Office - The Mai House, "A" Sector, Model Village, Near Helipad, Naharlagun Distt. Papum Pare, Arunachal Pradesh - 791110

xviii. Address for Correspondence:

Company Secretary,
 SJVN Limited, Himfed Building,
 New Shimla - 171009, Himachal Pradesh;
 Tel: +91 177 2672324, Fax: +91 177 2670737.
 E-mail: cs.sjvn@sjvn.nic.in, Website: www.sjvn.nic.in.



COMPLIANCE CERTIFICATE CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Members of
SJVN Limited,
Himfed Building,
New Shimla,
SHIMLA 171 009

We have examined the compliances of conditions of Corporate Governance by SJVN Limited, for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement (s) of the said Company with Stock exchange (s) in India.

The compliance conditions of Corporate Governance are the responsibility of the management. Our examination was limited to the procedures and implementations thereof, adopted by the Company ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and explanation given to us and the representations made by the management, we certify that the Company has complied with the mandatory conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement **except the composition of the Board as stipulated under Clause 49(ii)(A) of the Listing Agreement.**

We further state that such compliances are neither an assurance as to the future viability of the Company nor the efficiency for effectiveness with which the management has conducted the affairs of the Company.

Place : Ghaziabad
Dated : 20th July, 2015

For **Santosh Kumar Pradhan**
(Company Secretaries)

Santosh Kumar Pradhan
(Proprietor)
C.P. No. 7647

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO

1. CONSERVATION OF ENERGY

i) The steps taken by the company for utilizing alternate source of energy:

1. To utilize the waste water from HRT of NJHPS, a proposal for Micro captive Hydro Plant of 200KW has been submitted for the approval of Govt. of Himachal Pradesh.
2. Replacement of high power consuming street lights with Energy Efficient 4x24 Watt T-5 Light Fittings at various sites.
3. Installation of wall mounted heat convectors in new office building instead of conventional room heater , blower and heat pillar.
4. Installation of AVR's , static meters , star rated electrical equipments , energy awareness programmes , scheduled & predictive maintenance of transformers and substations.

ii) Impact on conservation of energy:

The steps taken by NJHPS for conservation of energy resulted in annual saving to the tune of 12.54 lac Units of electricity during the FY 2014-15.

iii) The capital investment on energy conservation equipments:

The capital investment on energy conservation equipments during 2014-15 is to the tune of ₹24,42,838/-

2. TECHNOLOGY ABSORPTION:

A) NJHPS

Efforts made towards technology absorption	Benefits derived like Product improvement, cost reduction, product development or import substitution
Consultancy services for Residual Life Assessment (RLA)/ Life Expectancy (LE) studies and Life extension plan of 02 nos Francis Runners.	Life Expectancy (LE) & Life extension plan of runners derived.
Successful development of Indigenous Cheek Plates for NJHPS Jhakri	There is subsequent reduction of cost of each Cheek plate of approximately 84% (as compared to the foreign vendors/ OEM). This has resulted in considerable cost saving , saving of foreign currency and availability of critical spares through indigenous vendors.
Four numbers of Damaged MIV bronze rings (size: Dia. 2700/ 2520X249.2) have been reclaimed by using stainless steel 316 cladding with electric arc spray method. The reclaimed Bronze rings have been reused successfully.	The cost of a new bronze ring is approximately ₹60 lakh/ ring if purchased through foreign vendor/ OEM, but the reclamation work was carried out at ₹3 lakh / ring through ATS, Ahmedabad. This has benefited in terms of heavy cost saving and saving of foreign currency.



➤ **Other benefits made towards technology absorption.**

1. In-Situ Machining of Grooves of SFT Gates at NJHPS Nathpa.
2. Existing MIMIC Board of Power House Control Room was successfully replaced with 4X80 inch LVS system compatible with the existing Unix based Advent system-520 of Control & DCS System of NJHPS in the month of March, 2015.
3. Special Protection Scheme (SPS) for 1500MW NJHPS, 1000MW KWHP & 412MW RHPS was made operational in the month of March, 2015 in order to ensure safe evacuation of power to National GRID.
4. Assessment of Residual Service Life of existing structures and suggestions for increasing the life of Nathpa Dam of NJHPS.

The expenditure incurred on Research and Development during 2014-15 is ₹1,83,23,966/-

B) Rampur HE Project

Rampur HE Project is adopting new technologies and is working towards achieving power saving through advance power saving techniques. These techniques are not only reducing power consumption but are also leading to lowering emission of carbon in for clean and Sustainable Development.

- i. One of power saving endeavor being implemented in RHEP is using roof top of 412 MW power house for generating solar power. The roof of building in addition to provide covering to Power House structure shall also be used for installation of high quality solar panels so as to generate 350 KW of clean & environmentally friendly solar power by optimal utilization of available space, reduce dependency on hydrocarbons and other sources of energy besides earning additional carbon credit to your company. The case has been forwarded to MNRE for obtaining subsidy as per GOI guidelines. This power shall be used for internal uses like illumination of offices, Power House Building, and guest houses and by providing battery bank, it shall be used for illumination of various buildings during night also.
- ii. The solar power generation shall also be extended to other areas in RHEP and endeavor shall be made to add as much power as possible to make the project self reliant in solar power to fulfill its internal power requirements.
- iii. Secondly, solar lighting system is extensively being used in various locations of Rampur Project for illumination during night which shall be saving precious electricity.
- iv. Thirdly, solar water heating system has been implemented for water heating in rest house at Bayal.
- v. The conventional bulbs are being replaced by CFL lamps to reduce energy consumption. Recently LED lighting has been introduced at various RHEP locations, which shall eventually replace the CFLs also, which in turn further reduce the energy consumption.
- vi. Various R&D projects have been accomplished relating to development of new construction techniques/products and plant maintenance techniques and system improvement.
- vii. RHEP Colony at Duttanagar has been provided with Rain Water Harvesting System and STP with latest technology having least use of power, nevertheless, utilization of water for landscaping/Horticulture and in turn saving and conserving natural sources.
- viii. SJVN logo atop surge shaft has been provided with LED lighting instead of Neon/Standard tube fixtures which has reduced power consumption.
- ix. Process is underway to reutilize the waste paper by recycling.
- x. Inter departmental correspondence has been greatly made paperless by optimal use of e-media.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange outgo in terms of actual outflows during the year 2014-15 was ₹3.85 crore (equivalent value of various currencies). Foreign exchange earned in terms of actual inflows during the year 2014-15 was NIL.

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2014-15

Annexure-V

1. Brief outline of the Company's CSR policy and overview of CSR projects & programs

SJVN is committed to the concerns of its stakeholders and strives to maintain good standards of corporate social responsibility (CSR) and sustainability in its business activities. To meet this commitment SJVN will respect the rule of law, local communities and societies at large and it will make conscious efforts to enhance the quality of life and environmental sustainability through its CSR and sustainability programs.

In order to make a linkage between corporate, social and environmental processes, the services of agencies which can effectively deliver are engaged to identify and implement CSR and sustainability activities. Such agencies could be Community based organizations (CBOs), Voluntary Agencies (NGOs), Institutes/ Academic Organizations, Professional consultancy Organizations, etc.

The focus of CSR and sustainability programs is broadly in the areas of education, health care, sustainable livelihood, community development, infrastructure development, sustainability and espousing social causes.

For undertaking CSR and sustainability activities, preference is given to the areas where SJVN executes and operates its business activities.

Budget provision for any financial year will be 2% of the average net profits made during the three immediately preceding financial years or any limit prescribed by the law. The average net profit is calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 revised from time to time.

The CSR and Sustainability policy of SJVN has been put in public domain at <http://sjvn.nic.in/csr-policies.htm>

The broad work plan for FY 2015-16 includes, health & hygiene, education and skill development, infrastructural development and community development, preservation & promotion of culture, mela, sports, sustainable development activities like sewerage treatment scheme and Swachh Vidyalaya Abhiyan, assistance to the victims of natural disaster/ calamities etc.

2. The composition of Corporate Social Responsibility, Sustainable Development and Research & Development (CSR, SD and R&D) Committee

- Sh. S.K.B.S. Negi (Chairman)
- Sh. Arun Kumar Verma (Member)
- Sh. N. L. Sharma (Member)
- Sh. R. K. Bansal (Member)



3. Average Net Profit of the Company for the last three financial years

FY	₹ (in Cr)
2013-14	1338.19
2012-13	1184.58
2011-12	1345.89
Total	3868.66
Average Net Profit of the Company for the last three financial years	1289.55

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

Prescribed two percent of the amount as in item no. 3 is ₹2579.10 Lakh

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year;

₹2579.10 Lakh has been approved which is 2.00% of the average net profit of SJVN during last three years.

(b) Amount unspent, with (SJVN FOUNDATION);

₹95.95 Lakh

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)												
SN	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ Lac)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ Lac)	Cumulative expenditure upto the reporting period (₹ Lac)	Amount spent: Direct or through implementing agency												
1	Health and hygiene	Health	(1) Primarily in operational areas of SJVN (2) Statewise details :	587	401.83	401.83	*												
2	Education and Skill Development	Education	<table border="1"> <thead> <tr> <th>State</th> <th>District</th> </tr> </thead> <tbody> <tr> <td>HP</td> <td>Kinnaur, Shimla, Kullu, Mandi, Hamirpur, Kangra, Sirmaur, Lahul & Spiti</td> </tr> <tr> <td>Uttarakhand</td> <td>Uttarkashi, Chamoli, Rudraprayag, Nainital</td> </tr> <tr> <td>Bihar</td> <td>Patna, Buxar, Vaishali, Kaimur, Sitamarhi, Bhojpur</td> </tr> <tr> <td>Arunachal Pradesh</td> <td>Papumpare</td> </tr> <tr> <td>Maharashtra</td> <td>Ahmednagar</td> </tr> </tbody> </table>	State	District	HP	Kinnaur, Shimla, Kullu, Mandi, Hamirpur, Kangra, Sirmaur, Lahul & Spiti	Uttarakhand	Uttarkashi, Chamoli, Rudraprayag, Nainital	Bihar	Patna, Buxar, Vaishali, Kaimur, Sitamarhi, Bhojpur	Arunachal Pradesh	Papumpare	Maharashtra	Ahmednagar	758	858.09	858.09	*
State	District																		
HP	Kinnaur, Shimla, Kullu, Mandi, Hamirpur, Kangra, Sirmaur, Lahul & Spiti																		
Uttarakhand	Uttarkashi, Chamoli, Rudraprayag, Nainital																		
Bihar	Patna, Buxar, Vaishali, Kaimur, Sitamarhi, Bhojpur																		
Arunachal Pradesh	Papumpare																		
Maharashtra	Ahmednagar																		
3	Infrastructural Development and Community Development	Community Development		500	236.80	236.80	*												
4	Preservation and promotion of culture, Melas, Sports etc.	Culture Development		70	35.61	35.61	*												
5	Sustainable Development	Sustainability		506.26	935.56	935.56	*												
6	Assistance to the victims natural disasters/ calamities	Natural disaster		125	-	-	*												
7	Miscellaneous CSR activities	Misc		33	15.26	15.26	*												
	Total			2579.26	2483.15	2483.15													


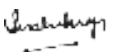
* Give details of implementing agency

The above projects were implemented through various specialized agencies such as HelpAge India, Indian Association of Muscular Dystrophy (IAMD), Earthling Habitat Society, Himachal Consultancy Organization (HIMCON), Construction Industry Development Council (CIDC), Education departments of HP, Uttarakhand and Bihar, District Rural Development Agency (DRDA), Govt. of Arunachal Pradesh, Irrigation deptt. etc.

6. Reasons for not spending the amount

The entire amount has been transferred by SJVN to SJVN Foundation account which is non-lapsable/ non-transferable fund. The budget allocated on long term programs couldn't be utilized fully. However, the unspent amount will be utilized fully in next financial years.

7. Responsibility Statement

<p>"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  (N.L.Sharma) Director (Personnel) DIN: 03495554 </div> <div style="text-align: center;">  (S.K.B.S.Negi) Chairman CSR, SD and R&D Committee DIN: 02052405 </div> </div>



Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L40101HP1988GOI008409
ii.	Registration Date	24-05-1988
iii.	Name of the Company	SJVN Limited
iv.	Category/Sub-Category of the Company	Company Limited By Share / Union Government Company
v.	Address of the Registered office and contact details	HIMFED BUILDING, NEW SHIMLA, SHIMLA-171009 (HIMACHAL PRADESH) Tel : 0177-2672324, Fax : 0177-2670737
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS LIMITED, F-65, 1ST FLOOR, OKHLA INDUSTRIAL AREA, PHASE I, NEW DELHI 110020. Tel : 011-41406149, TOLL FREE : 180110660, FAX : 011-41709881

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Power Generation	35101	99%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	SJVN Thermal Private Limited	U31908BR2007PTC017646	Subsidiary	100%	2(87)
2.	SJVN Arun-3 Power Development Company Private Limited	Not Applicable	Subsidiary	100%	2(87)
3.	Cross Border Power Transmission Company Limited	U40102DL2006PLC156738	Associate (Joint Venture)	26%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	2666611700	0	2666611700	64.46	2666611700	0	2666611700	64.46	0
c) State Govt(s)	1055014800	0	1055014800	25.51	1055014800	0	1055014800	25.51	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	3721626500	0	3721626500	89.97	3721626500	0	3721626500	89.97	0
2) Foreign									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0



Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	51807432	0	51807432	1.25	42778978	0	42778978	1.03	-0.22
b) Banks / FI	28092984	0	28092984	0.68	20898613	0	20898613	0.51	-0.17
c) Central Govt/ State Govt(s)	10747	0	10747	0	10747	0	10747	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance Companies	133802993	0	133802993	3.23	137065301	0	137065301	3.31	0.08
f) FIs	70550000	0	70550000	1.71	69341762	0	69341762	1.68	-0.03
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1)	284264156	0	284264156	6.87	270095401	0	270095401	6.53	-0.34
2. Non Institutions									
a) Bodies Corp.						0			
(i) Indian	37146938	0	37146938	0.9	38389318		38389318	0.93	0.03
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	68802389	6505	68808894	1.66	69104700	5811	69110511	1.67	0.01
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	21343226	0	21343226	0.52	32783350	0	32783350	0.79	0.27
c) Others (Specify)									
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
ii) Cooperative Societies	0	0	0	0	12000	0	12000	0	0
iii) Non Resident Individual	2441084	0	2441084	0.06	3374003	0	3374003	0.08	0.02
iv) Trust and Foundations	995702	0	995702	0.02	1235417	0	1235417	0.03	0.01
Sub-total (B)(2)	130729339	6505	130742349	3.16	144898788	5811	144904599	3.5	0.34
Total Public Shareholding (B)=(B)(1)+ (B)(2)	414993495	6505	415000000	10.03	414994189	5811	415000000	10.03	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4136619995	6505	4136626500	100	4136620689	5811	4136626500	100	0



ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Government of India	2,66,66,11,700	64.46	0	2,66,66,11,700	64.46	0	Nil
2.	Government of Himachal Pradesh	1,05,50,14,800	25.51	0	1,05,50,14,800	25.51	0	Nil
	Total	3721626500	89.97	0	3721626500	89.97	0	Nil

iii. Change in Promoters' Shareholding (please specify, if there is no change) – No Change

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	3721626500	89.97	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	-	-
	At the End of the year	3721626500	89.97	-	-

iv. Shareholding pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)		Category	PAN
			No of Shares at the Beginning (01-04-14) /end of the Year (31-03-15)	% of total shares of the Company				Shares	% of total shares of the Company		
1	IN30016710007299	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	97135093	2.3482	01/04/2014					Others	AAACI7351P
					04/04/2014	-595	Transfer	97134498	2.3482	Others	
					09/05/2014	-258076	Transfer	96876422	2.3419	Others	
					16/05/2014	258076	Transfer	97134498	2.3482	Others	
					30/05/2014	-7070	Transfer	97127428	2.3480	Others	
					06/06/2014	-1201000	Transfer	95926428	2.3190	Others	
					13/06/2014	-2507396	Transfer	93419032	2.2583	Others	
					30/06/2014	-67675	Transfer	93351357	2.2567	Others	
					04/07/2014	-223000	Transfer	93128357	2.2513	Others	
					18/07/2014	595000	Transfer	93723357	2.2657	Others	



Sr. No.	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)		Category	PAN
			No of Shares at the Beginning (01-04-14) /end of the Year (31-03-15)	% of total shares of the Company				Shares	% of total shares of the Company		
					25/07/2014	130000	Transfer	93853357	2.2688	Others	
					08/08/2014	62510	Transfer	93915867	2.2703	Others	
					22/08/2014	200000	Transfer	94115867	2.2752	Others	
					30/09/2014	-280	Transfer	94115587	2.2752	Others	
					03/10/2014	-105	Transfer	94115482	2.2752	Others	
					10/10/2014	-210	Transfer	94115272	2.2752	Others	
					17/10/2014	5745	Transfer	94121017	2.2753	Others	
					07/11/2014	-700	Transfer	94120317	2.2753	Others	
					14/11/2014	-1668600	Transfer	92451717	2.2350	Others	
					21/11/2014	-19200	Transfer	92432517	2.2345	Others	
					28/11/2014	-213308	Transfer	92219209	2.2293	Others	
					05/12/2014	87508	Transfer	92306717	2.2314	Others	
					12/12/2014	-18400	Transfer	92288317	2.2310	Others	
					23/01/2015	-7600	Transfer	92280717	2.2308	Others	
					06/02/2015	4660	Transfer	92285377	2.2309	Others	
					13/02/2015	4660	Transfer	92290037	2.2310	Others	
					20/02/2015	-7500	Transfer	92282537	2.2309	Others	
					27/02/2015	-32500	Transfer	92250037	2.2301	Others	
					06/03/2015	1904	Transfer	92251941	2.2301	Others	
					13/03/2015	-50550	Transfer	92201391	2.2289	Others	
					20/03/2015	-53650	Transfer	92147741	2.2276	Others	
			91610107	2.2146	31/03/2015	-537634	Transfer			Others	
2	IN30081210000012	LIFE INSURANCE CORPORATION OF INDIA	30415684	0.7353	01/04/2014					Others	AAACL0582H
					18/04/2014	8943	Transfer	30424627	0.7355	Others	
					25/04/2014	16383	Transfer	30441010	0.7359	Others	
					07/11/2014	3005228	Transfer	33446238	0.8085	Others	
					14/11/2014	1500000	Transfer	34946238	0.8448	Others	
					21/11/2014	1121011	Transfer	36067249	0.8719	Others	
					28/11/2014	1749092	Transfer	37816341	0.9142	Others	
					05/12/2014	1500000	Transfer	39316341	0.9504	Others	
			39316341	0.9504	31/03/2015					Others	
3	IN30012611218292	ICICI PRUDENTIAL TAX PLAN	8197484	0.1982	01/04/2014					Others	AAAAI0038F
					04/04/2014	102776	Transfer	8300260	0.2007	Others	
					11/04/2014	25613	Transfer	8325873	0.2013	Others	
					25/04/2014	245518	Transfer	8571391	0.2072	Others	
					12/09/2014	500000	Transfer	9071391	0.2193	Others	
					19/09/2014	1065830	Transfer	10137221	0.2451	Others	
					30/09/2014	455937	Transfer	10593158	0.2561	Others	
					10/10/2014	2096695	Transfer	12689853	0.3068	Others	
					17/10/2014	789546	Transfer	13479399	0.3259	Others	



Sr. No.	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)		Category	PAN
			No of Shares at the Beginning (01-04-14) /end of the Year (31-03-15)	% of total shares of the Company				Shares	% of total shares of the Company		
					24/10/2014	869645	Transfer	14349044	0.3469	Others	
					02/01/2015	8500000	Transfer	22849044	0.5524	Others	
			22849044	0.5524	31/03/2015					Others	
4	IN30005410037322	EDGBASTON ASIAN EQUITY TRUST	12910115	0.3121	01/04/2014					Others	AAATE3421B
					11/04/2014	218275	Transfer	13128390	0.3174	Others	
					18/04/2014	143494	Transfer	13271884	0.3208	Others	
					06/06/2014	205302	Transfer	13477186	0.3258	Others	
					04/07/2014	182166	Transfer	13659352	0.3302	Others	
					08/08/2014	194684	Transfer	13854036	0.3349	Others	
					15/08/2014	600278	Transfer	14454314	0.3494	Others	
					12/09/2014	457718	Transfer	14912032	0.3605	Others	
					19/09/2014	130073	Transfer	15042105	0.3636	Others	
					10/10/2014	42336	Transfer	15084441	0.3647	Others	
					17/10/2014	219658	Transfer	15304099	0.3700	Others	
					07/11/2014	193586	Transfer	15497685	0.3746	Others	
					14/11/2014	649159	Transfer	16146844	0.3903	Others	
					12/12/2014	425013	Transfer	16571857	0.4006	Others	
					31/12/2014	153392	Transfer	16725249	0.4043	Others	
					02/01/2015	97239	Transfer	16822488	0.4067	Others	
					09/01/2015	9032	Transfer	16831520	0.4069	Others	
					16/01/2015	403219	Transfer	17234739	0.4166	Others	
					23/01/2015	190009	Transfer	17424748	0.4212	Others	
					27/02/2015	222300	Transfer	17647048	0.4266	Others	
					06/03/2015	310531	Transfer	17957579	0.4341	Others	
					13/03/2015	1295511	Transfer	19253090	0.4654	Others	
			19253090	0.4654	31/03/2015					Others	
5	IN30016710110143	UTILICO EMERGING MARKETS (MAURITIUS)	13455000	0.3253	01/04/2014					Others	AABCU3664Q
					11/04/2014	430000	Transfer	13885000	0.3357	Others	
					25/04/2014	5000	Transfer	13890000	0.3358	Others	
					13/06/2014	500000	Transfer	14390000	0.3479	Others	
					01/08/2014	1000000	Transfer	15390000	0.3720	Others	
					29/08/2014	600000	Transfer	15990000	0.3865	Others	
					30/09/2014	690000	Transfer	16680000	0.4032	Others	
					03/10/2014	164486	Transfer	16844486	0.4072	Others	
					10/10/2014	145514	Transfer	16990000	0.4107	Others	
					31/10/2014	100000	Transfer	17090000	0.4131	Others	
					13/02/2015	900000	Transfer	17990000	0.4349	Others	
					27/03/2015	5348	Transfer	17995348	0.4350	Others	
			17995348	0.4350	31/03/2015					Others	



Sr. No.	Folio No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)		Category	PAN
			No of Shares at the Beginning (01-04-14) /end of the Year (31-03-15)	% of total shares of the Company				Shares	% of total shares of the Company		
6	IN30012611241906	LIC OF INDIA WEALTH PLUS FUND	9085892	0.2196	01/04/2014					Others	AAACL0582H
					06/06/2014	-50000	Transfer	9035892	0.2184	Others	
					13/02/2015	-186105	Transfer	8849787	0.2139	Others	
			8849787	0.2139	31/03/2015					Others	
7	IN30152430023374	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD	0	0.0000	01/04/2014					Others	AAACI7904G
					31/10/2014	4020000	Transfer	4020000	0.0972	Others	
					19/12/2014	370000	Transfer	4390000	0.1061	Others	
					31/12/2014	610000	Transfer	5000000	0.1209	Others	
					13/02/2015	965000	Transfer	5965000	0.1442	Others	
					13/03/2015	82607	Transfer	6047607	0.1462	Others	
					27/03/2015	143358	Transfer	6190965	0.1497	Others	
			6675342	0.1614	31/03/2015	484377	Transfer			Others	
8	IN30012611252556	ICICI PRUDENTIAL VALUE FUND SERIES 3	0	0.0000	01/04/2014					Others	AAAAI0038F
					02/01/2015	4500000	Transfer	4500000	0.1088	Others	
					23/01/2015	500000	Transfer	5000000	0.1209	Others	
			5000000	0.1209	31/03/2015					Others	
9	IN30378610000949	SBI MAGNUM BALANCED FUND	2161989	0.0523	01/04/2014					Others	AABTS6407Q
					08/08/2014	2700000	Transfer	4861989	0.1175	Others	
			4861989	0.1175	31/03/2015					Others	
10	IN30005410042922	EDGBASTON ASIAN EQUITY (JERSEY) TRUST	1294915	0.0313	01/04/2014					Others	AAATE3902D
					25/04/2014	112908	Transfer	1407823	0.0340	Others	
					02/05/2014	105000	Transfer	1512823	0.0366	Others	
					16/05/2014	628579	Transfer	2141402	0.0518	Others	
					06/06/2014	57705	Transfer	2199107	0.0532	Others	
					13/06/2014	655756	Transfer	2854863	0.0690	Others	
					04/07/2014	67042	Transfer	2921905	0.0706	Others	
					11/07/2014	473466	Transfer	3395371	0.0821	Others	
					18/07/2014	189493	Transfer	3584864	0.0867	Others	
					08/08/2014	60713	Transfer	3645577	0.0881	Others	
					10/10/2014	227276	Transfer	3872853	0.0936	Others	
					17/10/2014	318504	Transfer	4191357	0.1013	Others	
					07/11/2014	42086	Transfer	4233443	0.1023	Others	
					14/11/2014	102499	Transfer	4335942	0.1048	Others	
					06/03/2015	33800	Transfer	4369742	0.1056	Others	
					13/03/2015	181336	Transfer	4551078	0.1100	Others	
			4551078	0.1100	31/03/2015					Others	



v. Shareholding of Directors and KMPs

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No of Shares at the Beginning (01-04-2014) /end of the Year (31-03-15)	% of total shares of the Company				Shares	% of total shares of the Company
1	R.N. Misra, Chairman & Managing Director	507	0.000012	01-04-2014			507	0.000012
				25-11-2014	-507	Transfer	0	0
		0	0	31-03-2015			0	0
2	A.S. Bindra, Director (Finance)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	N.L. Sharma, Director (Personnel)	2518	0.00006	01-04-2014			2518	0.00006
		2518	0.00006	31-03-2015			2518	0.00006
4	R.K.Bansal, Director (Electrical)	1000	0.00002	01-04-2014			1000	0.00002
		1000	0.00002	31-03-2015			1000	0.00002
5	Arun Kumar Verma, GOI Nominee Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	S.K.B.S.Negi, GoHP Nominee Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	S.M.Lodha, Independent Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8	K.S.Gill, Independent Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
9	Asha Swarup, Independent Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
10	Arun Mahajan, Independent Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
11	D.V.Dharmik, Independent Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
12	Mukesh Jain, GOI Nominee Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
B. KEY MANAGERIAL PERSONNEL								
1	Soumendra Das, Company Secretary	Nil	Nil	Nil	Nil	Nil	Nil	Nil

v. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount (including current maturities)	20,785	2,24,313	NIL	2,45,098
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	251	373	NIL	624
Total (i+ii+iii)	21,036	2,24,686	NIL	2,45,722
Change in Indebtedness during the financial year				
- Addition	23,515	17,208	NIL	40,723
- Reduction	11,895	11,857	NIL	23,752
Net Change	11,620	5,351	NIL	16,971
Indebtedness at the end of the financial year				
i) Principal Amount	32,405	2,29,664	NIL	2,62,069
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	251	373	NIL	624
Total (i+ii+iii)	32,656	2,30,037	NIL	2,62,693



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager

(Amount in ₹)

Sr. No.	Particulars of Remuneration	R.N.Misra (CMD)	A.S.Bindra D(F)	N.L. Sharma D(P)	R.K. Bansal D(E)	Total Amount
1.	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	44,97,530	41,26,856	25,68,048	40,67,104	152,59,538
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,05,357	93,160	0	1,40,185	3,38,702
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	6,99,751	6,21,702	27,20,184	3,69,104	44,10,741
6.	Total (A)	53,02,638	48,41,718	52,88,232	45,76,393	2,00,08,981
	Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

B. Remuneration to other Directors

(Amount in ₹)

Sr. No.	Particulars of Remuneration	S.M. Lodha	Kamaljit Singh Gill	Ms. Asha Swarup	Arun Mahajan	D.V. Dharmik			
1.	Independent Directors								
	• Fee for attending board committee meetings	60,000	1,40,000	1,80,000	1,60,000	2,60,000			
	• Commission	NIL	NIL	NIL	NIL	NIL			
	• Others, please specify.	NIL	NIL	NIL	NIL	NIL			
2.	Total (1)	60,000	1,40,000	1,80,000	1,60,000	2,60,000			
3.	Other Non-Executive Directors	-	-	-	-	-	Arun Kumar Verma	S.K.B.S. Negi	Mukesh Jain
4.	• Fee for attending board committee meetings	-	-	-	-	-	NIL	NIL	NIL
	• Commission						NIL	NIL	NIL
	• Others, please specify						NIL	NIL	NIL
5.	Total (2)				-	-	NIL	NIL	NIL
6.	Total(B) = (1+2)	60,000	1,40,000	1,80,000	1,60,000	2,60,000	0	0	0
7.	Total Managerial Remuneration								
	Overall Ceiling as per the Act	N.A.							



C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(Amount in ₹)

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	16,64,479	-	16,64,479
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	1,32,211	-	1,32,211
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	0	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total		17,96,690		17,96,690

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil



Annexure-VII

REPORT OF THE SECRETARIAL AUDITORS FOR THE YEAR ENDED 31.03.2015

Form No. MR-3 SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

TO

The Members
SJVN Limited
Himfed Building
New Shimla, Shimla
Himachal Pradesh – 171009.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SJVN LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings; (Not Applicable for the Audit Period).
- (v) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992.
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
 - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(not applicable to the Company during the audit period).**
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.



I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Building and other Construction Workers'- (Regulation of Employment and Conditions of Service) Act, 1996 and Rules there under.
2. The Electricity Act, 2003 and Rules there under.
3. The Right to Information Act, 2005 and Rules there under.
4. The Indian Electricity Rules, 1956
5. The Environment Protection Act, 1986 and Rules there under.
6. The Forest (Conservation) Act and Rules, 1981
7. The Wildlife Protection Act, 1972 and Rules there under.
8. The Dangerous Machines (Regulations) Act, 1993 and Rules there under.
9. The Mines Act, 1952 and Rules there under.
10. The Explosives Act, 1884 and Rules there under.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except for the Independent Directors as their appointment Powers are bestowed on the President of India by virtue of Articles of Association of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For SGS ASSOCIATES
Company Secretaries

D.P. Gupta

Date: 12 June 2015

Place: Shimla

Membership Number FCS 2411

Certificate of Practice No. 1509

Annexure-VIII

REPLY OF MANAGEMENT TO OBSERVATIONS OF SECRETARIAL AUDITOR

Observation of Secretarial Auditor	Management Reply
<i>I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except for the Independent Directors as their appointment Powers are bestowed on the President of India by virtue of Articles of Association of the Company.</i>	<i>SJVN is a Central Government Company (CPSU) and as per Article 32 of Articles of Association of the Company, powers to appoint Directors vests with President of India (acting through Ministry of Power). The Company or its Board is not vested with any powers in the matter and hence the matter is being followed up rigorously with the administrative Ministry of Govt. of India i.e. Ministry of Power.</i>



INDEPENDENT AUDITOR'S REPORT

Annexure-IX

To
The Members of SJVN Limited
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SJVN Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true & fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such

controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 2.21 to the financial statements in respect of accounting of sales on provisionally approved tariff for 2009-14 period, arrear billing being contested by HP Govt. and Note no. 2.29 regarding contingent liability which describes the uncertainty related to the outcome of the claims/arbitration proceedings and cases filed in courts by/ against the Company on/by contractors and others.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-1**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure-2** on the directions issued by Comptroller and Auditor General of India.
3. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as at 31st March, 2015 and taken on record by the



Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act as on 31st March 2015.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 2.29 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

**For Soni Gulati & Co.
Chartered Accountants
Firm Regn.No.008770N**

(Suresh Chand Soni)

Partner

M.No. 083106

**Place: New Delhi
Date : 27.05.2015**

ANNEXURE 1 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of SJVN LIMITED on the accounts for the year ended 31st March 2015.

(i)(a) The company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) All the assets have not been physically verified by the management during the year, but there is a regular programme of verification to cover all assets over three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(ii)(a) The inventory of the company consisting of stores and spare parts has been physically verified by the management through outside agency during the year. In our opinion, this needs to be strengthened.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. However, procedure of such verification needs to be further improved.

(c) The company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

In view of above, the clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to the purchase of stores and spare parts, fixed assets and for the sale of power & services. No major weakness in internal control systems was noticed during audit.

(v) The company has not accepted any deposits from the public in terms of section 73 to 76 or any provisions of the Companies Act, 2013 and rules there under.

(vi) We have broadly reviewed the accounts and cost records maintained by the company under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues applicable to it, and there are no undisputed dues outstanding as on 31st March 2015 for a period of more than six months from the date they became payable. We are informed that the provisions of Employees' State Insurance Act are not applicable to the company.

(b) According to the information and explanations given to us, dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues that have not been deposited on account of any dispute are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in Lakh)	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty Penalty	1.00	CESTAT
Finance Act, 1994	Service Tax	1236.00	Commissioner, Excise & Service Tax, Chandigarh

(c) According to the information and explanations given to us there are no amounts that are due to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

(viii) The company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in



- repayment of dues to financial institution or banks. The company has not issued any debentures.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

- (xii) As per the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For Soni Gulati & Co.
Chartered Accountants
Firm Regn.No. 008770N

Suresh Chand Soni
(Suresh Chand Soni)
Partner
M.No. 083106

Place: New Delhi
Date: 27.05.2015

ANNEXURE 2 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of SJVN LIMITED on the accounts for the year ended 31st March 2015

Sl. No.	Directions	Action Taken	Impact on financial statement
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process	The Company has not been selected for disinvestment during the financial year 2014-15.	Not applicable
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefore and the amount involved.	According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	Proper records are maintained for inventories lying with third parties. The Company has not received any assets as a gift from Government or other authorities.	Nil
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	The Company has 170 pending legal/arbitration cases. The age-wise classification obtained from the management is as under: More than 5 years 42 3 to 5 years 28 1 to 2 years 35 Less than 1 year 65 These cases are pending as the hearing is yet not completed, calling for further details and additional documents by arbitrator / court etc. The Company has a system for monitoring expenditure on legal cases (foreign and local) which in our view is effective.	Nil



Dated: 27.05.2015

Annexure-3

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of "SJVN LIMITED" for the year ended 31st March, 2015 in accordance with the directions/sub-directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

**For Soni Gulati & Co.
Chartered Accountants
Firm Regn.No. 008770N**


**(Suresh Chand Soni)
Partner
M.No. 083106**

Annexure-X

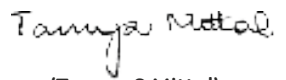
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SJVN LIMITED, FOR THE YEAR ENDED 31 MARCH, 2015

The preparation of financial statements of SJVN Limited for the year ended 31 March, 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act, of the financial statements of SJVN Limited for the year ended 31 March, 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report.

Place : New Delhi
Dated : 15 July, 2015

**For and on the behalf of the
Comptroller & Auditor General of India**



(Tanuja S.Mittal)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-III,
New Delhi



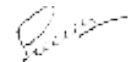
BALANCE SHEET AS AT 31st MARCH, 2015

(₹ Lakh)



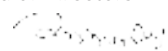
	Note No.	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	4,13,663	4,13,663
Reserves and Surplus	2.2	6,06,641	4,91,372
		10,20,304	9,05,035
Non- current Liabilities			
Long Term Borrowings	2.3	2,45,342	2,21,351
Other Long Term Liabilities	2.4	86,566	86,789
Long Term Provisions	2.5	7,965	6,742
		3,39,873	3,14,882
Current Liabilities			
Short Term Borrowings	2.6	-	-
Trade Payables	2.7	1,464	1,801
Other Current Liabilities	2.8	61,680	73,088
Short Term Provisions	2.9	36,124	60,949
		99,268	1,35,838
Total		14,59,445	13,55,755
ASSETS			
Non - current Assets			
Fixed Assets			
Tangible Assets	2.10	9,05,216	5,66,825
Intangible Assets	2.10	22	41
Capital Work-in-progress	2.11	25,258	3,92,579
		9,30,496	9,59,445
Non-current Investments	2.12	1,138	495
Deferred Tax Assets (Net)	2.13	28,537	22,676
Long Term Loans and Advances	2.14	18,884	15,874
Other Non-current Assets	2.15	98	1,103
		9,79,153	9,99,593
Current Assets			
Inventories	2.16	3,678	3,384
Trade Receivables	2.17	1,50,708	37,447
Cash and Bank Balances	2.18	2,85,632	2,41,548
Short Term Loans and Advances	2.19	28,760	23,201
Other Current Assets	2.20	11,514	50,582
		4,80,292	3,56,162
Total		14,59,445	13,55,755

Significant Accounting Policies 1
The accompanying notes form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date
For Soni Gulati & Co.
Chartered Accountants


(Suresh Chand Soni)
Partner
M.No. 083106
Place: New Delhi
Date : May 27, 2015

For and on behalf of the Board of Directors

  
(Soumendras Das) **(Amarjit Singh Bindra)** **(Ramesh Narain Misra)**
Company Secretary Director (Finance) Chairman & Managing Director
FCS-4833 DIN:03358160 DIN:03109225



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

(₹ Lakh)

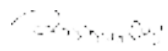
	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
REVENUE			
Revenue from Operations	2.21	2,81,753	1,87,358
Other Income	2.22	44,357	23,714
Total Revenue		3,26,110	2,11,072
EXPENSES			
Employee Benefits Expense	2.23	19,957	12,375
Finance Costs	2.24	6,456	2,888
Depreciation and Amortization Expense	2.25	64,100	47,452
Other Expenses	2.26	17,644	14,538
Total Expenses		1,08,157	77,253
Profit before exceptional and extraordinary items and tax		2,17,953	1,33,819
Exceptional Items	2.27	13,228	-
Profit before extraordinary items and tax		2,04,725	1,33,819
Extraordinary items		-	-
Profit Before Tax		2,04,725	1,33,819
Tax Expenses:			
- Current Tax		42,911	28,050
- Deferred Tax	2.13	(5,861)	(5,694)
		37,050	22,356
Profit for the Year		1,67,675	1,11,463
Earnings Per Equity Share (Par Value ₹10/- each)			
Basic and Diluted (₹)	2.28	4.05	2.69
Significant Accounting Policies	1		

The accompanying notes form an integral part of these financial statements.

For and on behalf of the Board of Directors


(Soumendra Das)
 Company Secretary
 FCS-4833


(Amarjit Singh Bindra)
 Director (Finance)
 DIN:03358160


(Ramesh Narain Misra)
 Chairman & Managing Director
 DIN:03109225

This is the Statement of Profit and Loss referred to in our report of even date

For Soni Gulati & Co.
 Chartered Accountants


(Suresh Chand Soni)
 Partner
 M.No. 083106

Place: New Delhi
 Date : May 27, 2015



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2,04,725	1,33,819
Adjustment for:		
Depreciation	64,100	47,452
Interest & Finance Charges	6,456	2,888
Unbilled Revenue	(126)	(12,429)
Profit on Sale of Fixed Assets	-	(1)
Loss on Disposal/ Write off of Fixed Assets	4	-
Interest on Term Deposits	(23,083)	(21,277)
Write off of expenses on Survey & Investigation Project	13,228	-
Operating Profit before Working Capital Changes	2,65,304	1,50,452
Adjustment for:		
Trade Receivables	(1,13,261)	(1,583)
Inventories	(294)	(333)
Trade Payables and Other Liabilities (Current & Non-current)	802	4,321
Provisions (Long Term/Short Term)	2,818	1,808
Loans and Advances	(5,060)	(10,554)
Other Current Assets	42,823	970
	(72,172)	(5,371)
Cash generated from operations	1,93,132	1,45,081
Income Tax paid	(43,958)	(29,655)
Net Cash Flow from Operating Activities-A	1,49,174	1,15,426
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Expenditure on Fixed Assets & CWIP, Advance for Capital Works & Capital Stores/Spares etc.	(46,525)	(1,01,075)
Investment in Subsidiary/Joint Venture Companies	(643)	(1)
Interest on Term Deposits	19,454	25,803
Net cash used in Investing Activities - B	(27,714)	(75,273)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(23,752)	(29,516)
Interest & Finance Charges Paid	(6,192)	(3,317)
Proceeds from Borrowings	31,368	38,436
Dividend	(66,574)	(39,704)
Tax on Dividend	(12,226)	(6,749)
Net Cash Flow from Financing Activities - C	(77,376)	(40,850)
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	44,084	(697)
Cash and cash equivalents -Opening balance (see Note 1 below)	2,41,548	2,42,245
Cash and cash equivalents Closing balance (see Note 1 below)	2,85,632	2,41,548



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
Notes:		
1. Cash and cash equivalents consists of cash, bank balances and cheques & drafts in hand.		
Cash and cash equivalents included in the cash flow statement comprises of following balance sheet amounts as per Note 2.18		
Cash and cash equivalents	48,610	58,124
Deposits having original maturity of more than 3 months	2,35,666	1,83,293
Other Bank Balances*	1,356	131
Cash and cash equivalents as restated (Note 2.18 - Cash and Bank Balances)	<u>2,85,632</u>	<u>2,41,548</u>
* Amounts which are not available for use:		
i) Unpaid Dividend account balance	47	21
ii) Margin Money for BG/ Letter of Credit and Pledged deposits	<u>1,309</u>	<u>110</u>
	<u>1,356</u>	<u>131</u>


2 Previous year figures have been regrouped/re-arranged/re-casted wherever necessary.

This is the cash flow statement referred to in our report of even date
For Soni Gulati & Co.
Chartered Accountants


(Suresh Chand Soni)
Partner
M.No. 083106

Place: New Delhi
Date : May 27, 2015

For and on behalf of the Board of Directors

 (Soumendra Das) (Amarjit Singh Bindra) (Ramesh Narain Misra)
Company Secretary Director (Finance) Chairman & Managing Director
FCS-4833 DIN:03358160 DIN:03109225

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. Significant Accounting Policies

1.1 System of Accounting

The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013, including accounting standards notified thereunder as amended from time to time.

1.2 Fixed Assets

- Fixed Assets are stated at historical cost less accumulated depreciation and any impairment in value. Where final settlement of bills with contractors is pending/under dispute, capitalization is done on estimated/provisional basis subject to necessary adjustment in the year of final settlement.
- Fixed Assets created on land not belonging to the company where the company is having control over the use and access of such assets are included under Fixed Assets.
- Capital expenditure on assets not owned by the Company is reflected as a distinct item in Capital Work-in-progress / Fixed Assets.

- Payments made provisionally towards compensation and other expenses relating to land in possession are treated as cost of land.
- Expenditure incurred for compensatory afforestation, soil conservation and re-forestation towards forest land is shown as "Intangible Assets-Expenditure on compensatory afforestation" and is amortized pro-rata through depreciation over the period of likely use.
- Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.
- Assets/Equipments declared surplus are shown at lower of book value and net realisable value.

1.3 Machinery Spares

- Machinery spares procured along with the Plant & Machinery or subsequently and whose use is expected to be irregular are capitalized and depreciated fully over the residual useful life of the related plant and machinery except as stated in para 1.3(b).



- b) Cost / WDV of Machinery Spares is fully charged to revenue in the year in which such spares are replaced except in cases where retrieved spares have useful life after repairs.
- c) Other spares forming part of inventory are expensed when consumed.

1.4 Capital Work-in-progress

- a) In respect of supply-cum-erection contracts, the value of supplies received at site/construction store and accepted is treated as Capital Work-in-progress.
- b) Administration and Other General Overhead expenses at the Corporate Office and Projects under Construction / Survey & Investigation attributable to construction of fixed assets are identified and allocated on systematic basis on major immovable assets other than land, infrastructure facilities and bought out items on commissioning of Projects. However, no allocation of such expenses pertaining to Corporate Office is made on projects taken on BOOT (Build, Own, Operate & Transfer) basis till the date of grant of generation license.
- c) Expenditure on Survey and Investigation of the Projects is carried as capital work in progress and capitalized as cost of Project on completion of construction of the Project or the same is expensed in the year in which it is decided to abandon such project.
- d) Expenditure against "Deposit Works" is accounted for on the basis of statement of account received from the concerned agency and acceptance by the Company. However, provision is made wherever considered necessary.
- e) Claims for price variation /exchange rate variation in case of contracts are accounted for on acceptance.

1.5 Depreciation and Amortisation

- a) Depreciation is charged on straight-line method following the rates & methodology notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff as amended from time to time, except as referred in Policy No. 1.5(g) and in case of computers & peripherals, and mobile phones which are depreciated @ 25% p.a.
- b) Depreciation is provided on pro rata basis from the month in which the asset becomes available for use.
- c) Depreciation on assets declared surplus/obsolete is provided till the end of the month in which such declaration is made.
- d) Assets costing ₹5,000/- or less are depreciated fully in the year of procurement.
- e) Expenditure on software is recognized as 'Intangible Asset' and amortized fully over four years on Straight Line Method or over a period of its legal rights to use whichever is less.
- f) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liability on account of exchange fluctuation, change in duties or similar factors, the revised unamortized balance of such assets is depreciated prospectively over the residual life. Depreciation on increase/decrease in the value of existing assets on account of settlement of disputes is charged retrospectively.
- g) Capital Expenditure referred to in Policy No. 1.2(c) is fully depreciated and charged to Profit & Loss A/c in the year in which such Asset is capitalized and ready for use.
- h) Leasehold land is amortized pro-rata through depreciation

over the period of lease or 35 years, whichever is lower, following the rates & methodology notified by CERC for the purpose of fixation of Tariff as amended from time to time.

- I) Expenditure on Catchment Area Treatment (CAT) Plan during construction is capitalized along with dam/civil works. Such expenditure during O&M stage is charged to revenue in the year of incurrence of such expenditure.

1.6 Investments

- a) Non Current Investments are valued at cost less provision for permanent diminution in value.
- b) Current Investments are valued at lower of cost and fair value.

1.7 Inventories

- a) Inventories and Carbon Credit are valued at the lower of cost arrived at on weighted average basis and net realizable value.
- b) Loose tools issued during the year are charged to consumption.
- c) Stores issued for operation and maintenance but lying unused at site are treated as part of inventory.
- d) The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.
- e) Scrap is accounted for as and when sold.

1.8 Foreign Currency Transactions

- a) Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
- b) Monetary items denominated in foreign currency are restated at exchange rates prevailing on the Balance Sheet date. Non-Monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
- c) Exchange differences, except to the extent considered as adjustment to borrowing cost as per AS-16 read with ASI-10, are recognized as income or expense in the period in which they arise in case of operating projects and to EDC in case of projects under construction. However, the differences relating to Fixed Assets/Capital Work-in-progress arising out of transactions entered into prior to 01.04.2004 over & above those considered as borrowing cost are adjusted to the carrying cost of Fixed Assets/Capital Work-in-progress.

1.9 Borrowing Costs

Borrowing costs attributable to fixed assets during construction /renovation and modernization are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.10 Provision, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized, nor disclosed in the financial statements.

1.11 Impairment of Assets

The carrying amount of cash generating unit is reviewed at each Balance Sheet date where there is any indication of impairment based on internal / external indicators. An impairment loss is recognized in the Statement of Profit & Loss



where the carrying amount exceeds the recoverable amount of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

1.12 Income

- Sale of energy is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC) except for sale of wind power energy which is accounted for on the basis of tariff rates notified by Electricity Regulatory Authorities of respective states as amended from time to time. Recovery/refund towards foreign currency variation in respect of foreign currency loans as per CERC notification is accounted for on year to year basis.
- The incentives /disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.
- Advance against depreciation, forming part of tariff upto 31.03.2009 to facilitate repayment of loans, is reduced from sales and considered as deferred revenue to be included in the sales in subsequent years.
- The Interest/surcharge on late payment/overdue sundry debtors for sale of energy is accounted for on receipt basis or when there is reasonable certainty of realisation.
- Interest recoverable on advances to contractors/suppliers and other claims from contractors/suppliers under dispute are accounted for on receipt/acceptance.
- Income from consultancy services is accounted for on the basis of actual progress / technical assessment of work executed or costs reimbursable, in line with the terms of respective consultancy contracts.
- Income arising from carbon credit is recognized on transfer/sale of carbon credits i.e. when there is certainty regarding ultimate collection.

1.13 Employee Benefits

- Provision for gratuity, leave encashment and other post retirement benefits as defined in Accounting Standard (AS) - 15

2. Notes on Accounts

The amounts in Financial Statements are presented in Indian Rupees and all figures have been rounded off to the nearest rupees lakh except when otherwise stated. The previous year figures have also been reclassified/regrouped/rearranged wherever necessary to conform to this year's classification.

2.1 Share Capital

	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
AUTHORISED				
Equity Shares of par value ₹10/- each	7,00,00,00,000	7,00,000	7,00,00,00,000	7,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹10/- each fully paid up	4,13,66,26,500	4,13,663	4,13,66,26,500	4,13,663
Total		4,13,663		4,13,663

(₹ Lakh)

The Company has only one class of equity shares having par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of shareholders. During the year, the Company has paid interim dividend @ ₹ 0.63 (P.Y. Nil) per equity share of par value ₹ 10/- each. Further, the Company has proposed final dividend for the year 2014-15 @ ₹ 0.42 (P.Y. ₹ 0.98) per equity share of par value ₹ 10/- each. Thus, the total dividend (including interim dividend) for the financial year 2014-15 is ₹ 1.05 (P.Y. ₹ 0.98) per equity share of par value ₹ 10/- each.



2.1.1 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	%	No. of Shares	%
Government of India (Gol)	2,66,66,11,700	64.46	2,66,66,11,700	64.46
Government of Himachal Pradesh (GoHP)	1,05,50,14,800	25.51	1,05,50,14,800	25.51

2.1.2 The reconciliation of the number of shares outstanding is set out below:

(₹ Lakh)

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	4,13,66,26,500	4,13,663	4,13,66,26,500	4,13,663
No. of shares issued during the year	-	-	-	-
Number of shares at the end	4,13,66,26,500	4,13,663	4,13,66,26,500	4,13,663

2.2 Reserves and Surplus

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
A Security Premium Account	1,313	1,313
B Surplus		
Opening Balance	4,90,059	4,26,025
Add: Profit for the Year as per Statement of Profit and Loss	1,67,675	1,11,463
Total Profit available for Appropriations	6,57,734	5,37,488
Appropriations		
Dividend		
Interim	26,061	-
Final Proposed	17,374	40,539
Tax on Dividend		
Interim	5,336	-
Final Proposed	3,635	6,890
Total Appropriation	52,406	47,429
Surplus -Closing Balance	6,05,328	4,90,059
Total Reserves and Surplus (A + B)	6,06,641	4,91,372

During the year, the Company has paid interim dividend @ ₹ 0.63 (P.Y. Nil) per equity share of par value ₹ 10/- each. Further, the Company has proposed final dividend for the year 2014-15 @ ₹ 0.42 (P.Y. ₹ 0.98) per equity share of par value ₹ 10/- each. Thus, the total dividend (including interim dividend) for the financial year 2014-15 is ₹ 1.05 (P.Y. ₹ 0.98) per equity share of par value ₹ 10/- each.

2.3 Long Term Borrowings

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Term Loans		
From Other Parties:		
A Secured #		
State Bank of India	27,965	8,890
(Repayable in quarterly instalments from March 2015 to December 2023, carrying interest@ Base Rate + fixed spread of 0.65% p.a. payable monthly)		
Total (A)	27,965	8,890
#Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of RHPS.		



2.3 Long Term Borrowings

	As at 31st March, 2015	As at 31st March, 2014
B Unsecured:		
Foreign Currency Loans		
(Guaranteed by Govt of India)		
- World Bank (IBRD)	2,17,377	2,12,461
(Repayable in 30 half yearly instalments from May 2013, carrying interest@ LIBOR+variable spread p.a.)		
Total (B)	<u>2,17,377</u>	<u>2,12,461</u>
Total Long term borrowings (A + B)	<u>2,45,342</u>	<u>2,21,351</u>

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

2.4 Other Long Term Liabilities

	As at 31st March, 2015	As at 31st March, 2014
Deposits, Retention Money from Contractors and Others	63	268
Less : Investments held as Security	29	198
	<u>34</u>	<u>70</u>
Income Received in Advance:		
- Advance Against Depreciation	84,935	84,935
Deferred Foreign Currency Fluctuation Liability	1,597	1,784
Total	<u>86,566</u>	<u>86,789</u>

2.5 Long Term Provisions

Particulars	As at 01.04.2014	For the year			As at 31.03.2015
		Additions	Write Back	Utilization	
Unfunded Employee Benefits					
Leave Encashment	4,095	339	-	121	4,313
Post Retirement Medical	2,500	1,022	-	48	3,474
Other Retirement Benefits	147	44	-	13	178
Total	6,742	1,405	-	182	7,965
Previous Year	5,484	1,561	33	270	6,742

Disclosure required by AS 15 on 'Employee Benefits' has been made in Note 2.36

2.6 Short Term Borrowings

	As at 31st March, 2015	As at 31st March, 2014
Secured Loans:		
Short Term Loans from Banks	-	-
Total	<u>-</u>	<u>-</u>

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

2.7 Trade Payables

	As at 31st March, 2015	As at 31st March, 2014
Micro and Small Scale Enterprises	23	45
Others	1,441	1,756
Total	<u>1,464</u>	<u>1,801</u>

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in Note 2.50



2.8 Other Current Liabilities

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Current Maturities of Long Term debt		
Secured		
- Rupee Term Loans	4,440	11,895
Unsecured		
- Foreign Currency Loans (Guaranteed by GOI)	12,287	11,852
	16,727	23,747
Interest Accrued but not due on:		
- Foreign Currency Loans : World Bank	373	370
: Others	-	3
- Rupee Term Loans	-	251
	373	624
Advance Against Consultancy	15	22
Unpaid Dividend	47	21
Others Payables:		
- Liability for Employees' Remuneration and Benefits	2,723	2,180
Liability for Purchase/Construction of Fixed Assets:		
- Micro and Small Scale Enterprises	96	1
- Others	18,418	23,796
	18,514	23,797
Deposits, Retention Money from Contractors and Others	22,940	21,383
Less : Investments held as Security	456	172
	22,484	21,211
Amount Payable to Gratuity Trust	371	582
TDS and Other Taxes Payable	222	458
Others	204	446
Total	61,680	73,088

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in Note 2.50
Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term debt indicated above are disclosed in Note 2.3.

2.9 Short Term Provisions

(₹ Lakh)

Particulars	As at 01.04.2014	For the year			As at 31.03.2015
		Additions	Write Back	Utilization	
(A) Unfunded Employee Benefits					
Leave Encashment	234	257	-	214	277
Post Retirement Medical	40	65	-	32	73
Other Retirement Benefits	5	7	-	5	7
Total (A)	279	329	-	251	357
(B) Others:					
Proposed Dividend	40,539	17,374	-	40,539	17,374
Tax on Proposed Dividend	6,890	3,635	-	6,890	3,635
Wage Revision	26	-	-	8	18
Performance Related Pay	2,583	2,367	-	2,289	2,661
Interest on Arbitration Awards	7,495	948	-	-	8,443
Others	3,137	699	-	200	3,636
Total (B)	60,670	25,023	-	49,926	35,767
Total (A) + (B)	60,949	25,352	-	50,177	36,124
Previous Year	59,431	53,442	407	51,517	60,949

Disclosure required by AS 15 on 'Employee Benefits' has been made in Note 2.36



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2.10 Fixed Assets		Gross Block			Depreciation		Net Block		(₹ Lakh)		
Sl.No.	Particulars	As at 01.04.2014	Additions during the year	Deductions/ Adjustments	As at 31.03.2015	Upto 01.04.2014	For the year	Deduction	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets											
Leasehold Assets											
1	Land (including development expenses)	36	521	-	557	18	4	-	22	535	18
Other Assets											
2	Land (including development expenses)#	14,698	13	1,453	13,258	-	-	-	-	13,258	14,698
3	Buildings*	79,545	51,325	557	1,30,313	23,291	4,178	557	26,912	1,03,401	56,254
4	Roads and Bridges	5,004	1,589	125	6,468	1,334	233	125	1,442	5,026	3,670
5	Plant and Machinery	1,480	40	27	1,493	647	75	28	694	799	833
6	Generating Plant and Machinery	2,24,076	1,23,812	46	3,47,842	83,774	17,427	15	1,01,186	2,46,656	1,40,302
7	Hydraulic Works (Dams, Tunnel, etc.)	57,9601	2,26,029	546	8,05,084	2,32,113	41,735	240	2,73,608	5,31,476	3,47,488
8	Vehicles	368	-	26	342	194	22	26	190	152	174
9	Furniture, Fixture and Equipments	963	300	101	1,162	470	60	110	420	742	493
10	Electrical Works	2,494	150	197	2,447	894	131	197	828	1,619	1,600
11	Electrical Equipments	209	51	11	249	85	20	11	94	155	124
12	Office Equipments	1,359	331	102	1,588	561	89	102	548	1,040	798
13	Data processing Equipments	1,284	130	114	1,300	911	141	109	943	357	373
14	Capital Assets not owned by Company	9,624	48	-	9,672	9,624	48	-	9,672	-	-
Total		9,20,741	4,04,339	3,305	13,21,775	3,53,916	64,163	1,520	4,16,559	9,05,216	5,66,825
Intangible Assets											
1.	Software	363	9	30	342	322	28	30	320	22	41
2	Expenditure on Compensatory Afforestation	500	-	500	-	500	-	-	-	-	-
Total:		863	9	530	342	822	28	530	320	22	41
Total Fixed Assets		9,21,604	4,04,348	3,835	13,22,117	3,54,738	64,191	2,050	4,16,879	9,05,238	5,66,866
Previous Year :		8,89,000	33,234	630	9,21,604	3,07,017	47,981	260	3,54,738	5,66,866	5,81,983
						Current Year			Previous Year		
						20			36		

Fixed Assets costing ₹ 5000 or less procured and depreciated fully during the year.
Possession of freehold land measuring 0-05-22 hectare (Previous Year: 0-05-22 hectare) is still to be handed over to the Company.
Mutation of land measuring Nil hectare (Previous Year: 10-4-5-60 hectare) is yet to be executed in favour of the Company.
Pending ownership dispute land measuring 32-15-01 hectare (Previous Year: Nil) amounting to ₹ 1335 lakh (Previous Year: Nil) in respect of Nathpa Jhakri Hydro Power Station (N.JHPS) has been decapitalized during the year and shown as contingent liability.
*Title deeds/ title in respect of buildings costing ₹ 15 lakh (Previous Year: ₹ 15 lakh) are yet to be executed/ passed in favour of the company. Expenses on stamp duty etc. shall be accounted for on registration.
*Buildings include ₹ 8 lakh (Previous Year: ₹ 4 lakh) being damaged assets for which provision has been made.

2.11 Capital Work-in-Progress

Sl.No.	Particulars	As at 01.04.2014	Additions during the year	Transfers/Adjustments	Total WIP as at 31.03.2015	Capitalised during the year	As at 31.03.2015	(₹ Lakh)
1	Building	5,142	6,481	(78)	11,701	5,045	6,656	
2	Civil Works	1,87,825	7,511	81	1,95,255	1,95,151	104	
3	Roads, Bridges & Culverts	1,237	451	(28)	1,716	1,708	8	
4	Plant and Machinery	-	27	-	27	-	27	
5	Electrical Works	93	1,042	(15)	1,150	291	859	
6	Capital Asset with Contractors (Electro Mechanical)*	66,527	13,855	48	80,334	78,737	1,597	
7	Preliminary#	4,957	263	1,157	4,063	696	3,367	
8	Capital Assets not owned by Company	19	29	-	48	48	-	
9	Expenditure during construction (Note 2.11.1)#	1,26,779	16,696	11,376	1,32,099	1,19,459	12,640	
Total		3,92,579	46,355	12,541	4,26,393	4,01,135	25,258	
		2,98,154	1,31,612	6,748	4,23,018	30,439	3,92,579	

* Capital Assets with contractors (Electro Mechanical) include Material/Assets in transit having value Nil (PX: ₹ 4708 lakh).
* Capital Assets with contractors (Electro Mechanical) has been adjusted by ₹ 1008 lakh (PX: ₹ 1 lakh) on account of sale of infirm power during trial run.
During the year an expenditure amounting to ₹ 111 lakh & ₹ 754 lakh incurred on Arun-3 Transmission Line upto 31.03.2014 which was earlier booked to Preliminary & Expenditure during construction (EDC) respectively of SJVN Arun-3 Power Development Company Pvt. Ltd (Subsidiary company of SJVN Ltd.) has been transferred and included in the Preliminary and EDC of the company.
During the year, consequent upon communication received from CWC and Principal Secretary (MPP & Power), Government of Himachal Pradesh, it was decided to review the construction of Luhri Hydro Electric Project (LHEP) from single stage project to multi stage project. Accordingly, cost incurred on LHEP amounting to ₹ 1268 lakh & ₹ 11960 lakh considered redundant and unusable during Stage-I has been written off from Preliminary and EDC respectively in line with Policy No. 1.4(c).



2.11.1 Expenditure During Construction

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
EXPENSES		
Employees' Remuneration and Benefits:		
Salaries, Wages, Allowances and Benefits	5,094	9,591
Contribution to Provident and Other Funds	298	484
Leave Salary and Pension Contribution	131	288
Welfare Expenses	498	804
	<u>6,021</u>	<u>11,167</u>
Other Expenses		
Repair and Maintenance:		
Roads and Buildings	49	161
Plant & Machinery	11	37
Office Equipments & Furnitures	11	29
Vehicles	18	53
Others	66	204
	<u>155</u>	<u>484</u>
Rent	180	311
Rates & Taxes	1	1
Insurance	2	3
Security Expenses	140	256
Electricity Charges	56	135
Less: Recovered from Employees & Contractors	6	30
	<u>50</u>	<u>105</u>
Travelling & Conveyance	131	274
Training and Recruitment Expenses	71	206
Legal Expenses	5	3
Professional and Consultancy Charges	5	122
Communication Expenses	49	95
Printing & Stationery	27	81
Less: Receipts from Sale of Tenders	4	9
	<u>23</u>	<u>72</u>
Payment to Auditors	3	10
Advertisement & Publicity	13	68
EDP Expenses	16	48
Entertainment Expenses	9	17
Expenses on Transit Camps	119	153
Books & Periodicals	2	6
Hiring of Vehicles	203	499
Depreciation	91	465
Loss on Disposal/Write off of Fixed Assets	1	-
Crop and Other Compensation	-	449
Exchange Rate Variation	8,842	19,745
Directors Sitting Fees	2	10
Local Area Development Expenses	-	2,220
Business Promotion Expenses	6	33
Rehabilitation Expenses	-	15
Fees and subscription	25	24
Environment & Ecology Expenses	13	110
Safety Expenses	2	11
Miscellaneous Expenses	27	86
	<u>16,207</u>	<u>37,068</u>
INTEREST AND FINANCE CHARGES		
On Loan from World Bank (IBRD)	609	2,409
Term Loans	540	18
	<u>1,149</u>	<u>2,427</u>
Less: Allocated to CWIP	609	2,409
	<u>540</u>	<u>18</u>
	<u>16,747</u>	<u>37,086</u>
LESS: RECEIPTS AND RECOVERIES		
Interest from:		
Banks	2	2
Employees	21	60
Contractors	6	349
	<u>29</u>	<u>411</u>
Miscellaneous Income	22	123
	<u>51</u>	<u>534</u>
Net Expenditure - Transferred to CWIP (Note No. 2.11)	<u>16,696</u>	<u>36,552</u>



2.12 Non-current Investments

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Non Trade-Unquoted (at cost)		
(a) Joint Venture Companies		
4940000 (P.Y: 4940000) Equity shares of ₹10/- each in Cross Border Power Transmission Company Ltd.	494	494
Share Application Money Pending Allotment in Cross Border Power Transmission Company Ltd.	343	-
(b) Subsidiary Companies		
10000 (P.Y: 10000) Equity shares of ₹10/- each in SJVN Thermal Pvt. Ltd.	1	1
480000 (P.Y: Nil) Equity Shares of ₹ 62.50/- each in SJVN Arun-3 Power Development Company Pvt. Ltd.	300	-
(c) Others		
60 Fully Paid up Ordinary shares of ₹ 50/-each in NJP Employees Consumer Co-operative Store, Jhakri (₹ 3000/-)	-	-
Total	<u>1,138</u>	<u>495</u>

2.13 Deferred Tax Assets (Net)

	(₹ Lakh)		
	As at 01.04.2014	Additions/ (Adjustments) during the period	As at 31.03.2015
Deferred Tax Assets			
Difference of Book Depreciation and Tax Depreciation	21,184	5,520	26,704
Provisions/Expenses disallowed for Tax purpose	1,492	341	1,833
Deferred Tax Assets	<u>22,676</u>	<u>5,861</u>	<u>28,537</u>

Net increase during the year in Deferred Tax Assets (Net) of ₹ 5861 Lakh (Previous Year: ₹ 5694 Lakh) has been adjusted in the tax expenses in the statement of Profit and Loss.

2.14 Long Term Loans and Advances

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Capital Advances		
Secured by hypothecation of Equipment/Material	928	226
Unsecured considered good		
- Covered by Bank Guarantees	790	1,816
- Others	11,834	9,048
	<u>12,624</u>	<u>10,864</u>
Total	<u>13,552</u>	<u>11,090</u>
Security Deposits - Unsecured Considered Good	33	33
Loans and Advances to Related Parties #		
- Secured considered good	9	15
- Unsecured considered good	5	7
- Interest Accrued	5	4
	<u>19</u>	<u>26</u>
Other Loans and Advances		
Loans to Employees		
- Secured considered good	3,084	2,412
- Unsecured considered good	660	1,066
	<u>3,744</u>	<u>3,478</u>
Advances to Employees-Unsecured considered good	92	120
Others-Unsecured considered good		
Prepaid Expenses	3	1
Interest Accrued on Staff Advances:		
- Secured considered good	1,198	749
- Unsecured considered good	243	377
	<u>1,441</u>	<u>1,126</u>
Total	<u>18,884</u>	<u>15,874</u>
# Loans and advances to related parties are dues from Directors of the company only.		
Loans and Advances include dues from other officers (General Manager and above).	30	40



2.15 Other Non - current Assets

	As at 31st March, 2015	As at 31st March, 2014
Capital Stores (At Cost) (As certified by Management)		
Steel	53	57
Cement	1	1
Others	35	7
Material at Site*	9	1038
Total	98	1103

* Includes Nil (P.Y: ₹ 1038 lakh) being Capital Spares pending inspection.

2.16 Inventories

	As at 31st March, 2015	As at 31st March, 2014
Loose Tools	11	5
Stores and Spares*	3,671	3,383
	3,682	3,388
Less : Provision for Shortage of store and Obsolescence	4	4
Total	3,678	3,384

*Stores and Spares includes Material in Transit ₹ 5 lakh (Previous Year: ₹ 2 Lakh) .

Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.

2.17 Trade Receivables

	As at 31st March, 2015	As at 31st March, 2014
Unsecured considered good:		
- Outstanding for a period exceeding six months from due date of payment	33,979	3,561
- Others	1,16,729	33,886
	1,50,708	37,447

Trade receivables and Sales include an amount of ₹ 13400 lakh (Previous Year: ₹ 9127 lakh) towards bills raised after the end of the financial year.

Trade receivables includes an amount of ₹ 25776 lakh (Previous Year: Nil) recoverable from Government of Himachal Pradesh(GoHP) on account of arrear billing on determination of provisional tariff for the period 2009-14 by CERC which is being contested by them in the Hon'ble High Court of Himachal Pradesh.

Trade receivables due from Related Parties : Nil (P.Y: Nil)

2.18 Cash and Bank Balances

	As at 31st March, 2015	As at 31st March, 2014
Cash and Cash Equivalents		
Balances with Banks		
- Current Deposits	3,665	6,143
- Term Deposits (having original maturity upto 3 months)	44,945	51,980
Cheques & Drafts in hand	-	1
Cash on Hand (₹ 31,105 /- P.Y.: ₹ 36,414/-)	-	-
Other bank balances		
- Earmarked Balance (Unpaid Dividend)	47	21
- Margin Money for BG/ Letter of Credit and Pledged deposits	1,309	110
- Other Term Deposits (having original maturity of more than 3 months)	2,35,666	1,83,293
	2,37,022	1,83,424
Total	2,85,632	2,41,548



2.19 Short Term Loans and Advances

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Loans and Advances to Related Parties		
Loans and Advances to Directors :		
- Secured considered good	5	5
- Unsecured considered good	4	2
	9	7
Amount Recoverable from Subsidiaries/Joint Venture		
- Unsecured considered good	13834	12,658
Loans to Employees		
- Secured considered good	645	431
- Unsecured considered good	137	237
	782	668
Advances to Contractor & Suppliers		
- Secured considered good	17	-
- Unsecured considered good	46	55
- Considered doubtful	10	10
	73	65
Less : Provision for doubtful advances	10	10
	63	55
Advances to Employees (unsecured considered good)	278	292
Deposits - Unsecured considered good:		
- Government Departments	92	88
- Deposits for Works	921	870
- Others	18	14
	1,031	972
Less: Provision for expenses	791	791
	240	181
Others		
Unsecured considered good:		
- Prepaid Expenses	2,601	2,252
- Amount recoverable from Govt departments #	1,217	75
- Advance to Others *	1,712	22
	5,530	2,349
Considered doubtful	1,273	1,273
	6,803	3,622
Less: Provision	1,273	1,273
	5,530	2,349
Advance Tax Deposit and Tax deducted at Source	1,02,672	85,897
Less: Provision for Tax	94,683	78,955
	7,989	6,942
Others - Unsecured considered doubtful		
Advance to Ex-employees	7	7
Less : Provision for doubtful advances	7	7
	-	-
Interest Accrued on Staff Advances:		
- Secured considered good	30	37
- Unsecured considered good	5	12
	35	49
Total	28,760	23,201

Loans and Advances include dues from other officers (General Manager and above). 20 16

Includes an amount of ₹ 1144 lakh (P.Y.: Nil) paid to Government of Himachal Pradesh towards lease rent for land of RHPS which has been protested by the company.

* Advance to others includes an amount of ₹ 280 lakh (P.Y.: Nil) paid to Kholongchhu Hydro Energy Limited pending registration/ incorporation of the same as a joint venture company in Bhutan.



2.20 OTHER CURRENT ASSETS

	As at 31st March, 2015	As at 31st March, 2014
Amount recoverable from Contractors	1,578	1,716
Interest Accrued but not due on deposits with Banks	8,990	5,361
Deferred Foreign Currency Fluctuation Assets	513	174
Unbilled Revenue	126	43,330
Surplus Stores/Equipments	1,438	1,367
Less: Provision for Shortage/ Obsolescence	1,131	1,366
Total	11,514	50,582

2.21 Revenue from Operations

	Year ended 31st March, 2015	Year ended 31st March, 2014
Sales		
Energy Sales	2,82,542	1,84,133
Less:		
Regulated Power Adjustment- Margin	3,066	770
Regulated Power Adjustment- Expenses	297	83
	2,79,179	1,83,280
UI Charges	2,132	1,809
RLDC Charges	206	739
Exchange Rate Variation recoverable from beneficiaries	180	146
Revenue from Sales	2,81,697	1,85,974
Prior Period Sales	-	918
Total Revenue from Sales	2,81,697	1,86,892
Other operating revenues:		
Consultancy Income	56	466
Total Revenue from Operations	2,81,753	1,87,358

The Central Electricity Regulatory Commission (CERC) vide notification dated 21.02.2014 has notified the Tariff Regulations, 2014 containing inter-alia the terms & conditions for determination of tariff, applicable for a period of five years with effect from 01.04.2014. Pending approval of tariff by CERC in respect of Nathpa Jhakri Hydro Power Station (NJHPS), sales/billing to the beneficiaries have been made in accordance with the tariff approved & applicable as on 31.03.2014 as provided in Tariff Regulations, 2014.

Further, for the purpose of recognition of sales, return on equity (one of the component of the Tariff) has been grossed up using the Minimum Alternate Tax (MAT) rate for the F.Y. 2014-15.

The Normative Plant Availability Factor (NAPF) has been increased from 82% to 90% w.e.f. 01.04.2014 in respect of NJHPS vide tariff notification applicable for the period 2014-19.

CERC, vide its order dated 20.06.2014, has provisionally approved the tariff for NJHPS for the period 2009-14 considering provisional capital cost of ₹ 852870 lakh. Accordingly, sales includes an amount of ₹ 57125 lakh (P.Y: Nil) on account of arrear for the period 2009-14. However, the arrear billing due from Government of Himachal Pradesh (GoHP) is being contested by them in Hon'ble High Court of Himachal Pradesh.

During the year, the Company has regulated the power of BYPL (P.Y: BYPL) after this company failed to pay outstanding dues and sold the power allocated to this Company through PTC as per CERC(Regulations of Power Supply) Regulations, 2010. Accordingly 156.278 MUs (P.Y: 44.652 MUs) of power was sold through PTC amounting to ₹ 5550 lakh (P.Y: ₹ 1323 lakh) and included in Energy Sales. An amount of ₹ 3066 lakh (P.Y: ₹ 770 lakh) excess realised as compared to regulated energy charges has been adjusted as Margin from Debtors and Sales after adjusting the expenses of ₹ 297 lakh (P.Y: ₹ 83 lakh) on Sale through PTC.

CERC vide its order dated 27.01.2015 have provisionally determined the capital cost of Rampur Hydro Power Station (RHPS) at ₹ 310960 lakh which was commissioned during the year whereby tariff for the period 2014-16 has been determined considering Normative Plant Availability Factor (NAPF) of 82%. Accordingly, the sales includes an amount of ₹ 39232 lakh (P.Y.: Nil) from sales of energy generated from RHPS.

Sales include an amount of ₹ 2348 lakh (P.Y: ₹ 193 lakh) from sale of energy generated from wind power project.



2.22 Other Income

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Interest From:-		
Banks	23,083	21,277
Employees	344	260
Contractors	15	15
Beneficiaries*	<u>17,821</u>	<u>179</u>
	41,263	21,731
Interest on Income Tax Refund	651	-
Surcharge on late payment from customers	486	533
Receipt of Maintenance of ICF	229	220
Sale of Scrap	28	11
Miscellaneous Income #	995	863
Foreign Currency Fluctuation Adjustment (Credit)	705	262
Total	<u>44,357</u>	<u>23,620</u>
Prior period Income - Interest	-	94
Total Other Income	<u>44,357</u>	<u>23,714</u>

*Interest from Beneficiaries is on account of arrear billing made to the beneficiaries subsequent to provisional determination of tariff for the period 2009-14 vide CERC order dated 20.06.2014.

Details of Miscellaneous Income:

Hire Rental Charges from Contractor	10	1
Profit on Sale of Fixed Assets	-	1
Rent Recovery from Staff/Others	76	73
Excess Provision Written Back	57	268
Liquidated Damages recovered	119	64
Claim Received from Insurance Company	675	164
Other Misc. Receipts	58	292
Total	<u>995</u>	<u>863</u>

2.23 Employee Benefits Expense

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Salaries, Wages, Allowances and Benefits	16,428	10,489
Contribution to Provident and Other Funds	905	514
Leave Salary and Pension Contribution	643	316
Welfare Expenses	1,981	1,056
Total	<u>19,957</u>	<u>12,375</u>

Disclosure required by AS 15 in respect of provisions made towards various employees benefits is made in Note 2.36.

2.24 Finance Costs

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Interest Expenses on:		
Foreign Currency Loans	382	10
Rupee Term Loans	2,468	1,843
Arbitration Awards	<u>948</u>	<u>948</u>
	3,798	2,801
Other Borrowing Costs		
Finance Charges	2,140	10
Exchange differences regarded as adjustment to interest cost.	<u>518</u>	<u>77</u>
	2,658	87
Total	<u>6,456</u>	<u>2,888</u>



2.25 Depreciation and Amortization Expense

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Depreciation for the year	64,191	47,981
Less :		
Transfer to Expenditure During Construction (Note.2.11.1)	91	465
Depreciation Written back	-	64
Depreciation charged to Statement of Profit and Loss	64,100	47,452

2.26 Other Expenses

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Repair and Maintenance:		
Buildings	647	622
Roads	240	316
Plant & Machinery	252	194
Office Equipments & Furnitures	29	11
Civil Works	614	770
Electro Mechanical Works	2,073	1,559
Vehicles	95	82
Others	163	102
	4,113	3,656
Rent	661	337
Rates & Taxes	2	1
Insurance	4,012	2,844
Security Expenses	1,571	1,304
Electricity Charges	1,316	1,219
Less:- Recovered from Employees & Contractors	60	55
	1,256	1,164
Research and Development	192	497
Travelling & Conveyance	381	285
Training and Recruitment Expenses	338	294
Less:- Cost of Application Forms Received	1	51
	337	243
Legal Expenses	59	132
Professional and Consultancy Charges	155	118
Communication Expenses	168	120
Printing & Stationery	101	91
Less: Receipts from Sale of Tenders	15	12
	86	79
Payment to Auditors	19	12
Advertisement & Publicity	85	118
EDP Expenses	80	55
Hiring of Vehicles	702	381
Entertainment Expenses	28	19
Expenses on Transit Camps	264	162
Books & Periodicals	5	7
C.S.R./ Sustainable Development Expenses	2,579	1,368
Stores Written Off	-	3



2.26 Other Expenses

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Loss on Disposal/Write off of Fixed Assets	4	-
Directors Sitting Fees	9	11
Business Promotion Expenses	40	42
Fees and subscription	406	839
Environment & Ecology Expenses	90	54
Safety Expenses	240	161
Miscellaneous Expenses	92	55
Exchange Rate Variation	(360)	221
Foreign Currency Fluctuation Adjustment (Debit)	179	144
Wealth Tax	1	1
Rebate to Customers	182	105
Expenses on Regulated Power	297	83
Less: Regulated Power Adjustment - Sales	(297)	(83)
	-	-
Prior Period Expenses	6	-
Total	17,644	14,538
Stores Consumption Included in Repairs and Maintenance	1,302	1,090

2.27 Exceptional Items

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Expenses:		
Write off of expenses on Survey & Investigation Projects	13,228	-
Total	13,228	-

During the year, consequent upon communication received from CWC and Principal Secretary (MPP & Power), Government of Himachal Pradesh, it was decided to review the construction of Luhri Hydro Electric Project (LHEP) from single stage project to multi stage project. Accordingly, cost incurred on LHEP amounting to ₹ 13228 lakh considered redundant and unusable during Stage-I has been written off.

2.28 Earnings per Share (EPS) - Basic and Diluted:

	Year ended 31.03.2015	Year ended 31.03.2014
Net Profit after Tax used as numerator (₹lakh)	167675	111463
Weighted Average number of equity shares used as denominator	4,136,626,500	4,136,626,500
Earnings Per Share - Basic & Diluted (₹)	4.05	2.69
Face value per share (₹)	10	10

2.29 Contingent Liabilities:

a. Claims against the Company not acknowledged as debt : (₹ Lakh)

Particulars	As at 31.03.2015	As at 31.03.2014
Capital Works *	32008	37623
Land Compensation	6193	4793
Disputed Service Tax Demand	1236	1236
Others	165	16
Total	39602	43668

* Includes ₹18984 lakh (Previous Year: ₹18984 lakh) representing the amount of basic claims by the contractors of NJHPS. As the amounts recommended by the Dispute Review Boards (DRBs)/Additional Dispute Review Boards (ADRBs) are much less than the amounts claimed by the contractors, the claims on account of further interest and escalation, if any, have not been considered.

- The above contingent liabilities do not include claims against pending cases in respect of service matters and others where the amount cannot be quantified.
- It is not practicable to work out the outflow and possibilities of any reimbursement.

2.30 1. Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 20651 lakh (Previous Year: ₹ 35825 lakh).



2. Other Commitments:

The amount of commitments on account of plant repair and supply of related spares/ components (net of advances) and other commitments not provided for is ₹ 2188 lakh (Previous Year: ₹ 2364 Lakh).

- 2.31** Consequent to CWC letter No. 22/1/2014/ HCD(NW&S)-1314 -1319 dated 11th March, 2015 and Principal Secretary (MPP & Power) to the Govt. of Himachal Pradesh letter No. MPP-(F)2-22/2009-I dated 12th March, 2015 regarding exploring the possibility of executing the Luhri Project as multi stage project instead of single stage project, company has decided to review the entire layout planning of the Luhri Hydroelectric Project (LHEP) from a single stage project to multi stage project. It is decided to review the expenditure incurred on LHEP and charge the same to revenue after detailed examination. Accordingly, an amount of ₹ 13228 lakh considered redundant and not likely to be used for LHEP Stage-1 has been charged to Statement of Profit and Loss.
- 2.32** 412 MW Rampur hydro power station (RHPS) was fully commissioned during the year and started commercial generation. Accordingly, post commissioning employees and other administrative expenditure of RHPS along with corporate allocation have been charged to Statement of Profit and Loss.
- 2.33** Balances of trade receivables, advances, deposits, trade payables, material in transit/material lying with third parties are reconciled periodically. However, as on 31.03.2015, out of ₹ 178120 lakh trade receivables, deposits, material in transit, material lying with third parties etc., an amount of ₹ 168601 lakh has been confirmed and balance amount of ₹ 9519 lakh are subject to confirmation and consequential adjustments. Further, trade payable amounting to ₹ 1464 lakh, which includes provisions/estimated liabilities are yet to be confirmed, which in the opinion of the management will not have any material impact.
- 2.34** In the opinion of the management, the value of all the assets other than Fixed Assets and Non-current Investments, have a realizable value in the ordinary course of business which is not less than the value at which these are stated in the Balance Sheet.

2.35 The effect of foreign exchange fluctuation during the year:

		(₹ Lakh)	
		Year ended 31.03.2015	Year ended 31.03.2014
(i)	Amount charged to Statement of Profit and Loss excluding depreciation.		
	- As FERV	(360)	221
	- As Borrowing cost	518	77
(ii)	Amount charged to Expenditure During Construction		
	- As FERV	-	19745
	- As Borrowing cost	-	-
(iii)	Amount adjusted by addition to carrying amount of fixed assets	8842	27

2.36 Disclosure under the provisions of Accounting Standard (AS)-15 'Employee Benefits':-

General description of various defined employee benefits are as under:

a) Defined Contribution plans:

(i) Employers contribution to Provident Fund:

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The contribution of ₹ 905 lakh (Previous Year: ₹ 514 lakh) and ₹ 298 lakh (Previous Year: ₹ 484 lakh) is recognized as expense and charged to the Statement of Profit and Loss and Expenditure During Construction (EDC) respectively. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI.

(ii) Pension:

The company has Defined Contribution Pension Scheme as approved by Ministry of Power (MOP). The liability for the same is recognized on accrual basis. The scheme is funded by company and managed by separate trust created for this purpose.

b) Defined benefit plans:

(i) Gratuity:

The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.

(ii) Leave encashment:

The Company has a defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves and medical leaves subject to limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation.

(iii) Retired Employee Health Scheme:

The Company has a Retired Employee Health Scheme, under which retired employee and the spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company. The liability towards the same has been provided on the basis of actuarial valuation.

(iv) Baggage Allowance:

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. The liability towards the same has been provided on the basis of actuarial valuation.

(v) Service Reward on Retirement:

Gift at the time of retirement is given to the employee as per the rules of the Company. The liability towards the same has been provided on the basis of actuarial valuation..

1. Key Actuarial assumptions for Actuarial Valuation:

Particulars	As at 31.03.2015	As at 31.03.2014
Mortality Table	IALM (2006-08)	IALM (2006-08)
Discount Rate	8.00%	8.50%
Future Salary Increase	6.00%	6.50%



2. Change in Present Value of Obligations (PVO):

(₹ Lakh)

Particulars		Gratuity	Leave Encashment	Retired Employee Health Scheme	Baggage Allowance / Service Reward on Retirement
PVO at Beginning of Year	CY	3795	4329	2540	152
	PY	3022	3674	1947	50
Interest Cost	CY	323	368	216	13
	PY	242	294	156	4
Past Service Cost	CY	-	-	-	-
	PY	-	-	-	-
Current Service Cost	CY	391	534	228	18
	PY	363	556	198	16
Benefit paid	CY	(129)	(335)	(89)	(19)
	PY	(106)	(379)	(52)	(8)
Actuarial (Gain)/Loss	CY	(15)	(306)	652	21
	PY	238	185	291	91
PVO at end of year	CY	4365	4590	3547	185
	PY	3795	4329	2540	152

3. Amount Recognized in Balance Sheet:

(₹ Lakh)

Particulars		Gratuity	Leave Encashment	Retired Employee Health Scheme	Baggage Allowance / Service Reward on Retirement
PVO at end of year	CY	4365	4590	3547	185
	PY	3795	4329	2540	152
Fair Value of Plan Assets at the end of year	CY	3994	-	-	-
	PY	3213	-	-	-
Funded Status	CY	(371)	(4590)	(3547)	(185)
	PY	(582)	(4329)	(2540)	(152)
Excess of actual over estimated	CY	(17)	-	-	-
	PY	(3)	-	-	-
Unrecognized actuarial gain/loss	CY	-	-	-	-
	PY	-	-	-	-
Net (Liability)/Asset recognized in Balance Sheet	CY	(371)	(4590)	(3547)	(185)
	PY	(582)	(4329)	(2540)	(152)

4. Amount recognized in the Statement of Profit and Loss / EDC Account:

(₹ Lakh)

Particulars		Gratuity	Leave Encashment	Retired Employee Health Scheme	Baggage Allowance / Service Reward on Retirement
Current Service Cost	CY	391	534	228	18
	PY	363	556	198	16
Interest Cost	CY	323	368	216	13
	PY	242	294	156	4
Past Service Cost	CY	-	-	-	-
	PY	-	-	-	-
Expected return on Plan Assets	CY	(332)	-	-	-
	PY	(263)	-	-	-
Net Actuarial (gain) / loss recognized for the year	CY	2	(306)	652	21
	PY	241	185	291	91
Expense recognized in Profit & Loss/EDC for the year	CY	384	596	1096	52
	PY	582	1035	645	110

5. The Effect of one percent point increase/decrease in the medical cost of PRMF will be as under:

(₹ Lakh)

	Increase by	Decrease by
Service & interest Cost	101	(245)
Present Value of obligation	746	(565)

2.37 Disclosure as per Accounting Standard-16 on Borrowing Costs:

Borrowing Costs capitalized during the year are ₹ 1149 lakh (P.Y ₹ 2427 lakh)

2.38 Segment reporting:

As the company is primarily engaged in only one segment viz. 'Generation and sale of power', there are no reportable segments as per Accounting Standard - 17.

2.39 Related Party Disclosures:

'Related party disclosures' as required by Accounting Standard (AS) - 18 is given as under:-

a) List of Related Parties -

i) Key Management Personnel:

Shri Ramesh Narain Misra	Chairman and Managing Director (CMD) from 26th February, 2015 onwards. Director (Civil) up to 25th February, 2015 and additional charge of Chairman and Managing Director (CMD) from 6th January, 2015 to 25th February, 2015.
Shri Raghunath Prasad Singh	Chairman and Managing Director (CMD) up to 31st December, 2014
Shri Amarjit Singh Bindra	Director (Finance)
Shri Nand Lal Sharma	Director (Personnel)
Shri Rakesh Kumar Bansal	Director (Electrical)

ii) Subsidiaries: Wholly Owned

- 1) SJVN Arun-3 Power Development Company Pvt. Ltd (Incorporated in Nepal)
- 2) SJVN Thermal Pvt. Ltd (Incorporated in India)

iii) Joint Ventures:

- 1) Cross Border Power Transmission Company Ltd.

Transactions with the related parties at 2.39 a)(ii & iii) are as follows.

(₹ Lakh)

Particulars	Subsidiary Companies		Joint Ventures Companies	
	Current Year	Previous Year	Current Year	Previous Year
A. Transactions During the Year				
1. Investment in Share Capital				
a) SJVN Arun-3 Power Development Company Pvt. Ltd.	300	-	-	-
b) SJVN Thermal Pvt. Ltd.	-	1	-	-
c) Cross Border Power Transmission Company Ltd.	-	-	-	493
2. Share Application Money.				
a) Cross Border Power Transmission Company Ltd.	-	-	343	-
3. Consultancy Fee Received				
a) Cross Border Power Transmission Company Ltd.	-	-	33	22
B. Outstanding Balances at the year end.				
1. Amount Recoverable				
a) SJVN Arun-3 Power Development Company Pvt. Ltd	7485	7891	-	-
b) SJVN Thermal Pvt. Ltd	6327	4739	-	-
c) Cross Border Power Transmission Company Ltd.	-	-	22	28



Remuneration to key management personnel is ₹273 lakh (Previous Year: ₹203 lakh), and amount of dues outstanding to the company as on 31.03.2015 is ₹28 lakh (Previous Year: ₹33 lakh).

2.40 Remuneration to Directors (excluding Group Insurance Premium)

(₹ Lakh)			
	Particulars	Year ended 31.03.2015	Year ended 31.03.2014
i)	Salaries and allowances	239	172
ii)	Contribution to provident fund and family pension fund.	20	15
iii)	Gratuity	4	6
iv)	Other benefits	10	10
v)	Directors' Sitting Fees	11	21

Whole time Directors are allowed the use of staff cars including for private journeys on payment in accordance with DPE guidelines.

2.41 The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices, guest houses & transit camps. These leasing arrangements, which are not non-cancellable, are usually renewable by mutual consent on mutually agreeable terms. The Schedule of Employee Benefits Expense include ₹647 lakh (Previous Year: ₹611 lakh) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices, guest houses & transit camps are shown as Rent under other expenses / Expenditure during Construction (EDC).

2.42 Disclosure as per Accounting Standard -27 on 'Financial Reporting of Interests in Joint Ventures'

Name of Company	Proportion of Ownership Interest as on (Excluding share application money)	
	31.03.2015 (%)	31.03.2014 (%)
Cross Border Power Transmission Company Ltd.	26	26

The above joint venture entity is incorporated in India. The company's share of the assets and liabilities as on 31st March 2015 and income and expenses for the financial year ended 31.03.2015 in respect of joint venture entity based on Audited accounts is given below :

(₹ Lakh)		
Particulars	As at 31.03.2015	As at 31.03.2014
I. Assets		
Non-current Assets	3912	542
Current Assets	133	54
II. Liabilities		
Non-current Liabilities	2812	-
Current Liabilities	659	111
III. Contingent Liabilities	1	-
IV. Capital Commitments	1123	3337
	Year ended 31.03.2015	Year ended 31.03.2014
V. Income	2	4
VI. Expenses	1	11

2.43 Impairment of Assets – Accounting Standard - 28

In the opinion of the management, there is no indication of any significant impairment of assets during the year.

2.44 Quantitative details in respect of energy generated & sold : (As certified by the management)

a) Hydro Power:-

Sr. No.	Particulars	Year ended 31.03.2015	Year ended 31.03.2014
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1500
iii)	Actual Generation (Million Units)	8095.65	7192.55
iv)	Actual Sales (Million Units) (Net of auxiliary power & free power to Home State)	6983.30	6256.32

b) Wind Power:-

Sr. No.	Particulars	Year ended 31.03.2015	Year ended 31.03.2014
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	47.60	45.05
iii)	Actual Generation (Million Units)	40.49	3.32

2.45 Other disclosures as per Schedule III of the Companies Act 2013:

(₹ Lakh)			
(A)	Expenditure in foreign currency	Year ended 31.03.2015	Year ended 31.03.2014
i)	Consultancy	-	-
ii)	Financing Charges (ECBs)	-	-
iii)	Interest on External Commercial Borrowings (ECBs)	2	10
iv)	Interest on World Bank Loan.	380	-
v)	Dividend Paid	-	-
vi)	Other Miscellaneous Matters	3	9
(B)	Earnings in foreign currency	-	-
(C)	Value of Import calculated on CIF basis		
i)	Capital Goods	-	-
ii)	Spare Parts	-	-
(D)	Value of components, stores and spare parts consumed		
i)	Imported	125 (9.60%)	234 (21.47%)
ii)	Indigenous	1177 (90.40%)	856 (78.53%)

2.46 Payment to Auditors includes:

(₹ Lakh)		
Particulars	Year ended 31.03.2015	Year ended 31.03.2014
As Auditors		
- Statutory Audit	8	8
- Tax Audit	2	2
- Limited Review	6	6
For other services (Certificates etc.)	2	2
Reimbursement of Expenses	2	2
Reimbursement of Service Tax	2	2
Total	22	22

2.47 Foreign currency exposure not hedged by a derivative instrument or otherwise:

(₹ Lakh)			
Particulars	Currency	As at 31.03.2015	As at 31.03.2014
Borrowings, including Interest Accrued but not due thereon.	USD	230037	224312



2.48 During the year, following significant accounting policies have been reworded/modified/introduced/deleted to have a better disclosure and compliance of Companies Act 2013. The change in policy along with financial impact is as below.

Policy No.	Policy for 2013-14	Revised Policy for 2014-15	Reason for Change	Financial Impact
1.1	The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956, including accounting standards notified thereunder.	The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013, including accounting standards notified thereunder as amended from time to time.	Introduction and applicability of New Companies Act 2013.	NIL
1.2(b)	Fixed Assets created on land not belonging to the Company are included under Fixed Assets.	Fixed Assets created on land not belonging to the company where the company is having control over the use and access of such assets are included under Fixed Assets.	Accounting Policy has been reworded to convert the practice into policy.	NIL
1.2(g)	Construction equipments declared surplus are shown at lower of book value and net realisable value.	Assets/Equipments declared surplus are shown at lower of book value and net realisable value.	Accounting Policy has been reworded to convert the practice into policy.	NIL
1.5(h)	Leasehold land is amortized pro-rata through depreciation over the period of lease or 35 years, whichever is lower, following the rates & methodology notified by CERC Tariff Regulations, 2009.	Leasehold land is amortized pro-rata through depreciation over the period of lease or 35 years, whichever is lower, following the rates & methodology notified by CERC for the purpose of fixation of Tariff as amended from time to time.	Accounting Policy has been reworded for better presentation.	NIL
1.7(a)	Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.	Inventories and Carbon Credit are valued at the lower of cost arrived at on weighted average basis and net realizable value.	Policy modified to include the valuation of carbon credit.	NIL
1.12(d)	The surcharge on late payment/overdue sundry debtors for sale of energy is accounted for on receipt basis or when there is reasonable certainty of realization.	The interest/surcharge on late payment/overdue sundry debtors for sale of energy is accounted for on receipt basis or when there is reasonable certainty of realization.	Accounting Policy has been reworded to convert the practice into policy.	NIL
1.12(g)		Income arising from carbon credit is recognized on transfer/sale of carbon credits i.e. when there is certainty regarding ultimate collection.	New Policy on income arising from carbon credit introduced.	NIL
1.14(d)	A specified percentage of Net Profit after Tax of previous year is set aside for incurring expenditure towards Corporate Social Responsibility (CSR) and Sustainable Development (SD). The unspent amount is carried forward.	Minimum two percent of average Profit before Tax of three immediately preceding financial years is transferred to CSR Trust for incurring expenditure towards Corporate Social Responsibility (CSR) and Sustainable Development (SD).	Policy has been changed in line with the Companies Act, 2013.	Profit and Cash & Bank balances reduced by ₹1130 lakhs.




2.49 As per the Companies Act, 2013, the company is required to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the year an amount of ₹2579 lakh [(2% of Average Profit Before Tax of three immediately previous three years (P.Y. ₹1368 lakh, 1.3% of PAT of previous year)] to be spent on CSR during the year and the same has been booked to CSR expenses as per Accounting Policy 1.14(d). The Company has transferred an amount of ₹2579 lakh (P.Y ₹1368 lakh) to the CSR trust formed to manage the CSR activities.

2.50 Information in respect of micro and small enterprises as at 31st March 2015 as required by Micro, Small and Medium Enterprises Development Act, 2006.

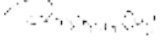
(₹ Lakh)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
a) Amount remaining unpaid to any supplier:		
Principal amount	119	46
Interest due thereon	-	-
b) Amount of interest paid in terms of section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period 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 MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act.	-	-

For and on behalf of the Board of Directors

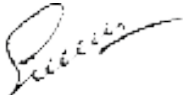

(Soumendhra Das)
 Company Secretary
 FCS-4833


(Amarjit Singh Bindra)
 Director (Finance)
 DIN: 03358160


(Ramesh Narain Misra)
 Chairman & Managing Director
 DIN: 03109225

These are the notes referred to in Balance Sheet and Statement of Profit and Loss.

For Soni Gulati & Co.
 Chartered Accountants



(Suresh Chand Soni)
 Partner
 M.No.083106

Place: New Delhi
Date : May 27, 2015

Note: Shri Amarjit Singh Bindra, Director (Finance) is also Chief Financial Officer (CFO) of the Company.



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakh)

1	Sl. No.	1
2	Name of the subsidiary	SJVN Thermal Private Ltd.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From 1st April 2014 to 31st March, 2015
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A (Indian Company)
5	Share capital	1
6	Reserves & surplus	(1)
7	Total assets	6507
8	Total Liabilities	6507
9	Investments	-
10	Turnover	-
11	Profit before taxation	(1)
12	Provision for taxation	-
13	Profit after taxation	(1)
14	Proposed Dividend	-
15	% of shareholding	100

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakh)

1	Sl. No.	2
2	Name of the subsidiary	SJVN Arun-3 Power Development Company Pvt. Ltd.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From 15th July 2014 to 14th July, 2015
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NPR (Incorporated in Nepal). Exchange Rate Fixed 1₹=1.6 NPR
5	Share capital	300
6	Reserves & surplus	(2)
7	Total assets	7936
8	Total Liabilities	7638
9	Investments	-
10	Turnover	-
11	Profit before taxation	(1)
12	Provision for taxation	-
13	Profit after taxation	(1)
14	Proposed Dividend	-
15	% of shareholding	100

1. Names of subsidiaries which are yet to commence operations

NIL

2. Names of subsidiaries which have been liquidated or sold during the year.

NIL



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹Lakh)

Name of Associates/Joint Ventures	Cross Border Power Transmission Company Limited
1. Latest audited Balance Sheet Date	Audited as on 31.03.2015
2. Shares of Associate/Joint Ventures held by the company on the year end	26%
No. of shares	49,40,000
Amount of Investment in Associates/Joint Venture	494
Extent of Holding %	26%
3. Description of how there is significant influence	-
4. Reason why the associate/joint venture is not consolidated	Consolidated
5. Net Worth attributable to Shareholding as per latest audited Balance Sheet	485
6. Profit / Loss for the year	2
i. Considered in Consolidation	1
i. Not Considered in Consolidation	1

- Names of associates or joint ventures which are yet to commence operations. NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. NIL



Indian Subsidiary Company

SJVN Thermal Private Limited

(Formerly Buxar Bijlee Company Private Limited)

(A wholly owned subsidiary of SJVN Limited)

DIRECTORS REPORT 2015

Dear Members,

Your Directors have pleasure in presenting the Eighth Annual Report with Audited Accounts for the year ended March 31, 2015.

FINANCIAL PERFORMANCE

(₹ Lakh)

Particulars	As at 31st March 2015		As at 31st March 2014	
NON CURRENT ASSETS:				
A. Fixed Assets		92.96		72.15
B. Capital Work-in-Progress				
i) Preliminary				
Related to acquisition of the company	3883.22		3883.22	
Fees for enhancement of Authorised Share Capital	205.00		205.00	
Others	141.97	4230.19	41.06	4129.28
ii) IEDC				
Employees Benefits Expense	1419.65		367.90	
Depreciation and Amortisation Expenses	24.61		7.77	
Other Expenses	399.04	1843.30	131.36	507.03
Sub Total		6073.49		4636.31
C. Capital Advances		337.73		96.63
CURRENT ASSETS:				
Short term Loans and Advances		Nil		1.10
Balances with Banks		2.52		0.42
Total		6506.70		4806.61

PROJECT REVIEW

STATUTORY CLEARANCE:

Environment: Subsequent to Rapid Environment Impact Assessment of the project, the Terms of Reference (TOR) has been approved by MOEF, Govt. of India. Public hearing has already been conducted by Bihar Pollution Control Board. EIA & EMP report of the project and Minutes of Public Hearing have been submitted with the Ministry of Environment and Forest on 12th March 2013. One more season data of project site in EIA & EMP report have been collected from site and data is being incorporated in EIA/EMP report.

District Magistrate, Buxar informed that no major industry has been established near the project area after conducting EIA study of BTTP.

Civil aviation clearance for Chimney: NOC from Airport Authority of India is in place since 10.07.2009 for the chimney height of 275 m above the ground level for seven years.

Water availability: Allocation for utilization of 55 cusec has been obtained from Water Resource Department, Govt. of Bihar and CWC, Govt. of India.

Draft MOU had been obtained from Water Resource Deptt., Govt. of Bihar. The same is under finalization/approval.

LAND ACQUISITION

1064.69 Acres of land (Private land -1048.69 Acres & Govt. land-16 Acres) for the development of the project has been identified.

Govt. land-

Notification for 16 Acres of Govt. land amounting to ₹189.49 Lakh has been issued.

Private land-

Total private land under acquisition is 1048.69 Acres, out of which award for 1040.85 Acres have been approved and release of compensation to land owners is in progress. Balance 7.84 Acres land is under approval with DM, Buxar. Govt. of Bihar has in principle agreed for the proposal for payment to land owners as per new Land Acquisition act 2013.

The total cost of land is ₹35,552 Lakh. So far, an amount of ₹ 10,940 Lakh has been disbursed by Govt. of Bihar.

COAL BLOCK

Ministry of coal, Govt. of India vide notification dated-03.07.2013 has allocated Doecha Pachami coal block (2102 MT) located in Birbhum district of West Bengal to SJVN for Buxar Thermal Power Plant along with Six State Power Utilities. In this regard, Ministry of Coal has issued a letter to all allocatee company for allocation of Doecha-Pachami coal block vide letter no. 13016/26/2004-CA-I (PT.) dated 6th September, 2013.

A report on regional exploration carried out for coal in the Doecha Pachami by GSI has been purchased. Data of this report is to be used for 'Remodelling of EIA & EMP Report' as well as for 'Updation of DPR'.



For development of Coal Block, a JV company is to be formed which will later sign Fuel Supply Agreement (FSA) with respective end users.

The JV documents comprising JV Agreement, Term sheet, Memorandum and Articles of Association has been signed by all coal allocates on 07.01.2015. The application for formation of JV Company has been submitted with Registrar of Company.

A Liaison Office has been established in Kolkata since October, 2013.

Besides this, contact has been initiated for the supply of imported coal with the agencies having long term contract with coal mining companies of Indonesia, South Africa, Australia, Russia, China and USA.

UPDATION OF DPR

The award for updation of DPR alongwith carrying out site specific studies has been placed on M/s NTPC Limited.

The advance draft copy of Technical Write-up of DPR has been submitted by the Consultant which is under examination.

The Topo sheet & Contour plan of the project is essentially required for freezing of project layout & component. 3 months time will be required for compilation of Updated Draft DPR after receipt of Topo sheet and contour plan.

Final Updated DPR will be made available within 15 days after receipt of comments/view points on draft Updated DPR.

Status of Site Specific Studies:

- 1. Seismic Study:** The award has been placed to IIT, Roorkee on 10.12.2014.
- 2. Geotechnical Survey:** Draft LOA is ready. Award will be placed only after land made available at site.
- 3. Water Drawl study:** The work of carrying out water drawl studies of BTPP has been awarded to M/s WAPCOS on 29.4.2015. The team of WAPCOS visited the project area on 29.05.2015. The team along with the representative of SJVN Thermal carried out preliminary survey/study.
- 4. Area Drainage study:** The LOA has been issued on 1st May, 2015 to IIT, Roorkee.
- 5. Socio Impact Assessment study:** The LOA had been issued on IISW&BM, Kokata on 05.06.2015.

As per March, 2014 price level, the updated cost of project is ₹959172 Lakh.

TOPOGRAPHICAL SURVEY

Topographical survey of the project site has been awarded on 03.03.2014. Work has been commenced at project site. Topographical survey of about 2300 Acre land has been completed.

BARBED WIRE FENCING OF PROJECT AREA

NIT issued. Date of opening of tender has been postponed to 08.07.2015 due to delay in transfer of land by Govt. of Bihar.

TEMPORARY INFRA WORK AT SITE

NIT of Main Office Building (temporary) has been floated on 30.01.2015. Date of opening of tender has been postponed to

28.07.2015; due to delay in transfer of land by GoB.

NIT of Executive Transit Camp (temporary) has been floated on 30.01.15. Date of opening of tender has been postponed to 29.07.2015; due to delay in transfer of land by GoB.

BOUNDARY WALL

The estimate has been technically sanctioned on 30.01.2015. The tender is to be invited after transfer of land by Bihar Govt.

RAILWAY SIDING AND INFRASTRUCTURE

The work for preparation of feasibility report for provision of Rail Infrastructure has been awarded to M/S RITES. RITES has prepared a complete feasibility survey report (FSR) of rail infrastructure for BTPP and submitted the same to the Company and Chief Transportation Planning Manager, East Central Railway, Hajipur on dated 12.11.2014 for getting the approval.

PIB APPROVAL

A detailed note along with PIB memo for Investment approval of ₹43668 lakh for pre-construction activities of the project has been submitted to Ministry of Power, Govt. of India on 13.02.2013. A meeting of CPIB has been held in Ministry of Expenditure on 23.02.2015 and after recommendations of CPIB, Ministry of Power on 26.05.2015 has accorded investment approval amounting to ₹43668 Lakh for pre-construction activities for Buxar Thermal Power Plant.

POWER EVACUATION PLAN

In terms of the Power Purchase Agreement (PPA) entered on 05.01.2011 between the company and Bihar State Electricity Board (Now Bihar State Power Holding Company Limited), 85% of power from the project is to be supplied into the transmission grid of Bihar state.

Transmission system for evacuation of Power from BTPP in consultation with Powergrid, CTU and based on evacuation report of transmission system in Bihar has been obtained from M/s Bihar Grid Company Ltd (A joint venture of Bihar State Power (Holding) Company Ltd. and Power Grid).

- ❖ To be connected through one No 400KV D/C line with new 400/220 KV substation at Bihta and through three No 220KV D/C lines to new 220 KV substation at Dumaraon and Mohania and existing 220 KV substation at Dehri.
- ❖ 2x500 MVA, 400/220 KV Inter connecting Transformer (ICT) at Buxar generation switchyard- under the scope of BTPP.

CONSTRUCTION POWER

Supply of 5 MVA of construction power from Chausa sub-station to the project site through a 33 kV line has been firmed up with South Bihar Power Development Corporation Limited (SBPDCL).

The work of laying of line for providing of construction power for BTPP has been entrusted to SBPDCL on deposit work basis. Payment of ₹232.11 Lakh for 33 kV line has been released in favour of SBPDCL. Further an amount ₹22.39 Lakh for protection and metering system for 33 kV line has also been released.

Further, Single line diagram of 33 kV/11kV sub-station has been prepared. The estimate amounting to ₹925.82 Lakh for 33/11kV substation has been prepared and is under examination.



FINANCING OF THE PROJECT

Power Finance Corporation (PFC) and Rural Electrification Corporation (REC) has given in principle approval (50% each) for funding of Debt portion of the project.

DIVIDEND

The Board of Directors have not recommended any dividend for the financial Year under review.

DEPOSITS

During the year the company, has not accepted any fixed deposit within the meaning of Section 73 of Companies Act, 2013 and the rules made there under.

LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees or investments u/s 186 of Companies Act, 2013 are nil.

RELATED PARTY TRANSACTIONS

Company has not entered into any related party transactions during the Financial Year 2014-15

HOLDING COMPANY

SJVN Thermal Private Limited is a subsidiary of SJVN Limited w.e.f. 04th July 2013.

CSR ACTIVITIES

All the CSR activities are being done by Holding Company.

AUDITORS REPORT

M/s B. Gupta & Co., Chartered Accountants, Patna, Bihar, was appointed by Comptroller and Auditor General of India (C&AG) as Statutory Auditors of the Company for Financial Year 2014-15.

The details of Board Meetings, Attendance of the Directors for the year are as under:

Sr. No.	Name of Director	Meetings held during respective tenure of Directors	No. of Board Meetings attended	Attendance at last AGM (07th) held on 07-08-2014	Date of Appointment or Cessation of Director on the Board of Company
1	Shri A. S. Bindra	06	06	YES	Appointed w.e.f. 09-05-2013
2	Shri N. L. Sharma	06	06	YES	Appointed w.e.f. 09-05-2013
3	Shri R. K. Bansal	06	06	YES	Appointed w.e.f. 09-05-2013

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review, conform in their entirety to the requirements of the Companies Act, 2013.

Further, as required under Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit or loss of the company for that period.

The Report of the Statutory Auditors to the Members on Accounts for the year ended 31.03.2015 is placed at "Annexure-II". Comments of the C&AG of India on the Accounts for the year ended 31.03.2015 are placed at "Annexure-III". Comments of Statutory Auditors and C&AG being "Nil", the reply by the management thereto is not applicable.

FORM No. MGT - 9

Placed at "Annexure-IV".

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis for the year under review is enclosed as Annexure - I.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Considering that the company has not started any commercial operations, the disclosures pertaining to conservation of energy, technology absorption and foreign exchange earnings & outgo as specified under section 134(3)(m) of the companies Act, 2013 are not applicable for the year under review.

BOARD MEETINGS

The Board Meetings are held normally at Shimla and New Delhi. During the financial Year 2014-15, total 06 nos. of Board Meetings were held on 08th April 2014, 09th May 2014, 03rd July 2014, 07th August 2014, 25th November 2014, and 18th March 2015. The maximum interval between any two meetings during this period was 113 days.

The details of Board Meetings and attendance of the Directors for the year are as under:

- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for providing and detecting fraud and other irregularities.
- The directors have prepared the annual accounts on a going concern basis.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD OF DIRECTORS

Appointments of Mr. A. S. Bindra, Mr. N. L. Sharma and Mr. R. K. Bansal were confirmed by the company in the Sixth Annual General Meeting held on 18th September 2013.



As on 31st March 2015, the Board of your company comprised of following Directors:-

Sr No.	Name of the Directors	Designation
1	Shri A.S. Bindra	Chairman
2	Shri N.L. Sharma	Director
3	Shri R. K. Bansal	Director


ACKNOWLEDGEMENTS

The Board of Directors of the Company wish to place on record, their thanks and appreciation to Ministry of Power, Ministry of Coal, Govt. of Bihar/ BSEB, SJVN Limited, Auditors, Bankers, Contractors and Staff for their necessary support and contribution to the operations of the Company.

The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

For and on behalf of the Board of
SJVN Thermal Private Limited

Date: 16.06.2015
Place : Shimla


(N.L. Sharma)
Director
DIN: 03495554


(A.S. Bindra)
Chairman
DIN: 03358160



MANAGEMENT DISCUSSION AND ANALYSIS

Annexure – I

INDUSTRY OVERVIEW

All India installed power generation capacity as on 31.03.2015 was 2,71,722.17 MW which includes 1,88,897 MW of Thermal Power, the rest from the Hydro, Renewable and Nuclear energy sources. To fulfil the objectives of National Electricity Policy, a capacity addition of 22,566.31 MW was achieved up-to 31st March, 2015 against the target of 17830.30 MW from Thermal, Hydro and Nuclear sources during the FY 2014-15. Capacity addition of 88537 MW is envisaged in 12th Plan which includes share of Thermal, Hydro and Nuclear of 72,340 MW, 10,897 MW and 5300 MW respectively. Besides this, 15,000 MW has been targeted for renewable energy like Wind, Solar etc. for development during 12th Plan period.

Above industry scenario signifies that there is an ample opportunity for consistent growth of the business in thermal, hydro and renewable energy sector in the times to come. Keeping this in view, your company has taken a big leap forward towards the development of 1320 MW super-critical thermal power project at Chausa near Buxar in Bihar for which the Deocha-Pachami coal block has also been allocated by Govt. of India.

FINANCIAL DISCUSSION AND ANALYSIS

A detailed financial discussion and analysis is furnished below on the Audited Financial Statements of the company for the fiscal 2015:

(Notes referred herein pertains to the respective Notes forming part of the Financial Statements)

A. RESULTS OF OPERATIONS

i. Income & Expenditure

As the project(s) of the company are under construction, the Company did not generate any revenue during the year. Statutory Audit Fees & Out of Pocket expenses and certain filing fees are charged to the Statement of Profit and Loss. However, all other expenses during the year are identified as Capital Work-in-Progress, to be allocated on major immovable assets on commissioning of the Project in line with Accounting Policy No. 1.4.1 (b).

B. FINANCIAL POSITION

Assets and Liabilities in the Balance Sheet have been classified under head 'Current' and 'Non-Current' categories in accordance with Schedule III to the Companies Act, 2013.

The items of the Balance Sheet are as under:

i. Net Worth

Net Worth of the company at the end of Fiscal 2015 has come down to ₹(-) 0.42 Lakh (Previous Year: ₹0.44 lakh) as the

company being at construction stage, no revenue has been generated. Moreover, Statutory Audit Fees & Out of pocket Expenses and certain filing fees have been charged to the Statement of Profit & Loss along with re- instatement of figures of corresponding items for previous year.

ii. Non-Current Liabilities

(₹ Lakh)

Particulars	As of March 31,	
	2015	2014
Long Term Borrowings (Note 2.3)	Nil	Nil
Other Long Term Liabilities (Note 2.4)	Nil	Nil
Long Term Provisions (Note 2.5)	Nil	Nil

iii. Current Liabilities

(₹ Lakh)

Particulars	As of March 31,	
	2015	2014
Short Term Borrowings (Note 2.6)	Nil	Nil
Trade Payables (Note 2.7)	Nil	Nil
Other Current Liabilities (Note 2.8)	6369.82	4806.17
Short Term Provisions (Note 2.9)	137.30	Nil
Total	6507.12	4806.17

The Current Liabilities as at March 31, 2015 and March 31, 2014 were ₹6507.12 lakh and ₹4806.17 lakh respectively. This comprises Other Current Liabilities and Short Term Provisions. It has increased by 35.39 % mainly on account of funds received from holding company for the payment of expenses relating to preconstruction activities, establishment and to meet day to day requirement of the company.

iv. Non Current Assets

(₹ Lakh)

Particulars	As of March 31,	
	2015	2014
Tangible Assets (Note 2.10)	92.96	72.15
Intangible Assets (Note 2.10)	Nil	Nil
Capital Work-in-Progress (Note 2.11)	6073.49	4636.31
Non-Current Investments (Note 2.12)	Nil	Nil
Deferred Tax Assets (Net) (Note 2.13)	Nil	Nil
Long Term Loans and Advances (Note 2.14)	337.73	96.63
Other Non-Current Assets (Note 2.15)	Nil	Nil
Total	6504.18	4805.09

Non-Current Assets as on March 31, 2015 comprises Tangible Assets, Capital Work-in-Progress and Long Term Loans & Advances and has increased by 35.36 % to ₹6504.18 lakh as compared to ₹4805.09 lakh as on March 31, 2014. This has increased mainly due to establishment expenditure, advance payment for laying 33 KV line and other preliminary expenses.



Tangible Assets

Tangible Assets consist of Net Block of Fixed Assets after Depreciation. This includes Furniture, Fixture and Equipment, Vehicles, Electrical Equipment, Office Equipment and Data Processing Equipment. Net addition in Tangible Assets during the Current Fiscal is ₹20.81 Lakh.

Capital Work-In-Progress

Capital Work-in-Progress during current Fiscal Year registered an increase of 31.00 % to ₹6073.49 lakh as compared to ₹4636.31 lakh in previous Fiscal Year mainly due to preliminary expenditure (₹100.91 Lakh) and Expenditure during Construction (EDC) of ₹1,336.27 Lakh as detailed below.

(a) Expenditure During Construction (EDC) (₹ Lakh)

Expenditure	Fiscal 2015	Fiscal 2014
Employee Benefits Expense (Note 2.11.1)	1051.75	367.90
Finance Costs (Note 2.11.1)	Nil	Nil
Depreciation (Note 2.11.1)	16.84	7.77
Other Expenses (Note 2.11.1)	267.68	131.36
Total Expenditure	1336.27	507.03

(b) Employee Benefits Expense

The Employee Benefits Expense includes Salaries and Wages, Allowances, Incentives, contribution to Provident Fund and other Funds and Welfare Expenses. These expenses accounted for 78.71% of total expenditure in Fiscal 2015 as compared to 72.55% in Fiscal 2014.

Employee Benefits Expense during the year was ₹1051.75 lakh (Previous Year: ₹367.90 lakh) which is ₹683.85 lakh more than the previous year mainly because of (i) posting of more employees and (ii) During 2013-14, most of the employees were deputed in Mid of the Year so expenses were for the part of the year.

(c) Finance Costs

During the Year, in view of no Term Loans, Short Term Loans, Foreign Currency Loans etc. Finance costs remained Nil (Previous Year: Nil).

(d) Depreciation and Amortisation Expenses

In accordance with Accounting Policy of the company, depreciation is charged on straight line method to the extent of 90% of cost of the assets, following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) for tariff regulation from time to time except in case of computers & peripherals and mobile phones which are depreciated @ 25 % p.a.

Depreciation cost has been ₹16.84 lakh during the Fiscal 2015 as compared to ₹7.77 lakh during Fiscal 2014 because of (i) Addition of new assets (ii) During 2013-14, Assets were acquired in Mid of the Year so depreciation was for the part of the year.

(e) Other Expenses

Other Expenses comprise mainly of Rent of offices / TCs, Security, Travelling & Conveyance, Training, Expenses on Transit Camps, Hiring of Vehicles etc.

Other Expenses represents 20.03 % of our total expenditure during Fiscal 2015 in comparison to 25.91% during Fiscal 2014. In absolute terms the expenses were ₹267.68 lakh in Fiscal 2015 as compared to ₹131.36 lakh during the previous year. Other expenses has increased 103.78% as compared to last year mainly because of (i) increase in no. of establishment, (ii) posting of additional manpower and (iii) During 2013-14, major activity was started in the Mid of the Year only.

Long Term Loans and Advances

Long Term Loans and Advances only consist of Capital Advance given to Contractors. The same at the end of current year is ₹337.73 lakh (Previous Year: ₹96.63 lakh). This increase is mainly due to payment of ₹232.11 lakh as an advance payment for laying 33 KV line.

v. Current Assets

Particulars	As of March 31,	
	2015	2014
Inventories (Note 2.16)	Nil	Nil
Trade Receivables (Note 2.17)	Nil	Nil
Cash and Bank Balances (Note 2.18)	2.52	0.42
Short Term Loans and Advances (Note 2.19)	Nil	1.10
Other Current Assets (Note 2.20)	Nil	Nil
Total	2.52	1.52

Current Assets as on March 31, 2015 has increased by ₹1.00 lakh to ₹2.52 lakh as compared to ₹1.52 lakh as on March 31, 2014 and comprises Cash and Bank Balances only.

Cash and Bank Balances

Cash and Bank Balances include Balances in Current Accounts. Increase of ₹2.10 lakh in Cash and Bank balances during the current year is due to increase in Cash inflow from Financing Activities by ₹1702.05 lakh (Previous Year : ₹2463.30 lakh) as offset by cash outflow from Investing and operating activities by ₹1699.95 lakh (Previous Year: ₹2463.00 lakh).

Short Term Loans and Advances

Short term Advances as at the end of current fiscal 2015 is Nil (Previous year ₹1.10 lakh). This decrease is mainly due to recovery of advance rent paid to lessor for office premises at Buxar.

C. INTERNAL CONTROL SYSTEMS

The company has adequate control system and the transactions / processes are guided by delegation of powers, documented policies, guidelines and manuals in compliance with relevant laws and regulations. The organisational structure is well defined in terms of the authority / responsibility involved at each particular hierarchy / level.

In order to ensure that all checks and balances are in place and internal control systems are in order, regular Internal Audit is conducted by an independent firm of Chartered Accountants. Significant Audit Observations and Action Taken Reports (ATRs) are considered by the Management and recommendations / directions are complied with accordingly.



INDEPENDENT AUDITOR'S REPORT

Annexure-II

**TO THE MEMBERS OF
SJVN THERMAL PRIVATE LIMITED
(Formerly Buxar Bijlee Company Private Limited)
(A wholly owned subsidiary of SJVN Limited)**

Report on the Financial Statements:

On the basis of the audit queries made by the Comptroller & Auditor General of India, this revised audit report has been prepared in lieu of the earlier report dated 13th May, 2015 to comply with the directions issued by the Comptroller & Auditor General of India.

We have audited the accompanying financial statements of SJVN Thermal Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit

procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of Accounting Policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of financial statements.

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

Opinion:

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015; and
- in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date.
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our report we draw your attention to the following facts:

- The projects of the company are under construction.
- In line with the accounting policy no. 1.4.1(b) expenses during the year are identified as capital work in progress to be allocated on major immovable assets on commissioning of the project.

Report on other Legal and Regulatory Requirements:

- This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2015 issued by the Central Government, in terms of section 143 (11) of the Companies Act, 2013, since the said order is not applicable to the company.
- As required by section 143(3) of the Act, we report that:
 - 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;
 - 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;
 - the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - in our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of directors is disqualified as on 31st



March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company does not have any long-term contract including derivative contract for which provision would be required for material foreseeable losses.
 - iii) There are no amounts as at 31st March, 2015 which need to be transferred to the Investor Education and Protection Fund by the Company.

Report pursuant to directions issued by office of C&AG u/s 143(5) of the Companies Act, 2013

Report pursuant to directions issued by Comptroller and Auditor General of India as per section 143(5) of the Companies Act, 2013 has been reported vide Annexure-A attached. No action is required on such directions as company is in initial stage and it has no impact on the accounts and financial statement of company.

For B. Gupta & Co.
Chartered Accountants
(FRN: 000933C)

Place : PATNA
Date : 4th June, 2015

(S. P. SINHA)
PARTNER
(M.N:014854)

ANNEXURE - A

Report pursuant to directions issued by office of C& AG u/s 143(5) of the Companies Act, 2013

Sr.No.	Direction	Remarks
1.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Since the company has not been selected for disinvestment, question of giving a complete status report in terms of valuation of assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) does not arise.
2	Please report whether there are any cases of waiver /write off of debts/ loan/ interest etc., if yes, the reason there for and the amount involved.	We have not come across any cases of waiver/ write off of debts/ loan/interest etc.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Government or other authorities.	During the year under review the company does not have any inventories lying with any third party not the company has received any asset as gift from Government or other authorities.
4.	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	Since, there are no pending legal/ arbitration cases, question of age wise analysis etc does not arise.

For B. Gupta & Co.
Chartered Accountants
(FRN: 000933C)

Place : PATNA
Date : 4th June, 2015

(S. P. SINHA)
PARTNER
(M.N:014854)



ANNEXURE-III

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE ACCOUNTS OF SJVN THERMAL PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2015

The preparation of financial statements of SJVN Thermal Private Limited for the year ended 31st March, 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Companies Act, 2013 is responsible for expressing opinion on these financial statements under Section 143 of the Companies Act, 2013 based on Independent audit in accordance with the Standards on Auditing prescribed under section 143 (10). This is stated to have been done by them vide their Audit Report dated 4th June 2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit Under Section 143(6)(a) of the Companies Act, 2013 of the financial statements of SJVN Thermal Private Limited for the year ended 31st March, 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report Under Section 143(6)(b) of the Companies Act, 2013.

For and on behalf of the
Comptroller & Auditor General of India

(Yashodhara Ray Chaudhuri)
Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board-I,
Kolkata

Place : Kolkata
Dated : 09 June, 2015



Form No. MGT-9

ANNEXURE-IV

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31 March 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U31908BR2007PTC017646
ii.	Registration Date	07 May 2007
iii.	Name of the Company	SJVN Thermal Private Limited
iv.	Category / Sub-Category of the Company	Company Limited By Share/Indian Government Company
v.	Address of the Registered office and contact details	69/5, Dr. T. N. Banerjee Road, Chhajubagh, Near Gandhi Maidan, Patna, Bihar. Contact No. 0612-2219370
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Thermal Power	40102	NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	SJVN Limited, Himfed Building, New Shimla	L40101HP1988GOI008409	Holding	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual (Nominee of SJVN)									
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.		9999	9999	99.99%		10000	10000	100%	+0.01%
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-		9999	9999	99.99%		10000	10000	100%	+0.01%



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2) Foreign									
Sub-total (A)(2):-									
B. Public Shareholding									
1. Institutions									
Sub-total (B)(1)									
2. Non Institutions									
a) Bodies Corp.									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹1 lakh		1	1	0.01%		-	-		-0.01%
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh									
c) Others(Specify)									
Sub-total (B)(2)		1	1	0.01%		-	-		-0.01%
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		10000	10000	100%		10000	10000	100%	

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	SJVN Limited	9999	99.99%	-	10000	100%	-	0.01%
	Total	9999	99.99%		10000	100%		0.01%

iii. Change in Promoters' Shareholding (please specify, if there is change)

Sr.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	9999	99.99%	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transfer of Shares	1	0.01%	-	-
	At the End of the year	10,000	100%	-	-



iv. **Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.01%		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transfer of Shares	1	-0.01%		
	At the End of the year	0	0	-	-

v. **Shareholding of Directors and Key Managerial Personnel - NIL**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
- Addition	Nil	Nil	Nil	Nil
- Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager - NIL

B. Remuneration to other directors - NIL

C. Remuneration to Key Managerial Personnel including Company secretary Other Than MD/Manager/WTD - NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL



SJVN THERMAL PRIVATE LIMITED
(Formerly Buxar Bijlee Company Private Limited)
(A wholly owned Subsidiary of SJVN Limited)
BALANCE SHEET AS AT MARCH 31, 2015

(₹ Lakh)

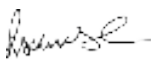
	Note No.	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	1.00	1.00
Reserves and Surplus	2.2	(1.42)	(0.56)
		(0.42)	0.44
Non-current liabilities			
Long Term Borrowings	2.3	-	-
Other Long Term Liabilities	2.4	-	-
Long Term Provisions	2.5	-	-
Current liabilities			
Short Term Borrowings	2.6	-	-
Trade Payables	2.7	-	-
Other Current Liabilities	2.8	6,369.82	4,806.17
Short Term Provisions	2.9	137.30	-
		6,507.12	4,806.17
Total		6,506.70	4,806.61
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	2.10	92.96	72.15
Intangible Assets	2.10	-	-
Capital Work In Progress	2.11	6,073.49	4,636.31
		6,166.45	4,708.46
Non Current Investments	2.12	-	-
Deferred Tax Assets (Net)	2.13	-	-
Long Term Loan and Advances	2.14	337.73	96.63
Other Non Current Assets	2.15	-	-
		337.73	96.63
Current Assets			
Inventories	2.16	-	-
Trade Receivables	2.17	-	-
Cash and Bank Balances	2.18	2.52	0.42
Short Term Loan and Advances	2.19	-	1.10
Other Current Assets	2.20	-	-
		2.52	1.52
Total		6,506.70	4,806.61

Significant Accounting Policies 1
The accompanying notes form an integral part of these Financial Statements 2

This is the Balance Sheet referred to in our report of even date
For B. Gupta & Co.
Chartered Accountants
(FRN 000933C)

(S. P. Sinha)
M. No. 014854
Place : Shimla
Date :13.05.2015

For and on behalf of the Board of Directors


(Raman K Sharma)
Company Secretary
ACS: 29662


(N.L. Sharma)
Director
DIN: 03495554


(A.S. Bindra)
Chairman
DIN: 03358160



SJVN THERMAL PRIVATE LIMITED
 (Formerly Buxar Bijlee Company Private Limited)
 (A wholly owned Subsidiary of SJVN Limited)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
(₹ Lakh)			
REVENUE			
Revenue from Operations	2.21	-	-
Other Income	2.22	-	-
Total Revenue		<u>-</u>	<u>-</u>
EXPENSES			
Employee Benefits Expense	2.23	-	-
Finance Costs	2.24	-	-
Depreciation and Amortization Expense	2.25	-	-
Other Expenses	2.26	0.86	0.56
Total Expenses		<u>0.86</u>	<u>0.56</u>
Profit before exceptional and extraordinary items and tax		(0.86)	(0.56)
Exceptional Items	2.27	-	-
Profit before extraordinary items and tax		(0.86)	(0.56)
Extraordinary items		-	-
Profit Before Tax		(0.86)	(0.56)
Tax Expenses:			
- Current Tax		-	-
- Deferred Tax	2.13	-	-
		<u>-</u>	<u>-</u>
Profit for the Year		(0.86)	(0.56)
Earnings Per Equity Share (Par Value ₹10/- each)			
- Basic and Diluted (₹)	2.28	-	-
Significant Accounting Policies	1		
The accompanying notes form an integral part of these financial statements.	2		


 (Raman K Sharma)
 Company Secretary
 ACS: 29662

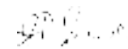

 (N.L. Sharma)
 Director
 DIN: 03495554


 (A.S. Bindra)
 Chairman
 DIN: 03358160

This is the statement of Profit & Loss referred to in our report of even date.

For B. Gupta & Co.

Chartered Accountants
 (FRN 000933C)



(S. P. Sinha)
 M. No. 014854
 Place : Shimla
 Date :13.05.2015



SJVN THERMAL PRIVATE LIMITED
 (Formerly Buxar Bijlee Company Private Limited)
 (A wholly owned Subsidiary of SJVN Limited)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(0.86)	(0.56)
Income Tax Paid	-	-
Net Cash Flow from Operating Activities	(0.86)	(0.56)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Expenditure on Fixed Assets	(20.81)	(72.15)
Capital Works in Progress (CWIP)	(1,437.18)	(2,293.66)
Advance for Capital Works	(241.10)	(96.63)
Net Cash Flow from Investing Activities	(1,699.09)	(2,462.44)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Current Liabilities	1,563.65	2,464.40
Increase / (Decrease) in Short Term Provisions	137.30	
(Increase) / Decrease in Short Term Loans & Advances	1.10	(1.10)
Net Cash from / (Used in) Financing Activities	1,702.05	2,463.30
D. Net Increase / (Decrease) in Cash and Cash equiv. (A+B+C)	2.10	0.30
E. Cash and Cash equivalents (Opening Balance)	0.42	0.12
F. Cash and Cash equivalents (Closing Balance)	2.52	0.42

For and on behalf of the Board of Directors


 (Raman K Sharma)
 Company Secretary
 ACS: 29662


 (N.L. Sharma)
 Director
 DIN: 03495554


 (A.S. Bindra)
 Chairman
 DIN: 03358160

This is the Cash Flow Statement referred to in our report of even date

For B. Gupta & Co.
 Chartered Accountants
 (FRN 000933C)



(S. P. Sinha)
 M. No. 014854

Place : Shimla
 Date :13.05.2015



SJVN Thermal Private Limited (Formerly Buxar Bijlee Company Private Limited)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2015

1. Significant Accounting Policies

1.1 Accounting System

The financial statements are prepared according to the historical cost convention on accrual basis in line with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013 including Accounting Standards applicable there under.

1.2 Fixed Assets

- Fixed Assets are stated at historical cost less accumulated depreciation and any impairment in value. Where final settlement of bills with contractors is pending / under dispute, capitalization is done on estimated / provisional basis subject to necessary adjustment in the year of final settlement.
- Fixed Assets created on land not belonging to the company shall be included under Fixed Assets.
- Payments made provisionally towards compensation and other expenses relating to land shall be treated as cost of land.
- Expenditure incurred for compensatory afforestation, soil conservation and re-forestation towards forest land shall be shown as "Intangible Assets – Expenditure on compensatory afforestation" and shall be amortized pro-rata through depreciation over the period of likely use.
- Assets and systems common to more than one generating unit shall be capitalized on the basis of engineering estimates / assessments.
- Construction equipment declared surplus shall be shown at lower of book value and net realisable value.

1.3 Machinery Spares

- Machinery spares procured along with the Plant & machinery or subsequently and whose use is expected to be irregular are capitalised and depreciated fully over the residual useful life of the related plant & machinery except as stated in para 1.3 (b)
- Cost / WDV of Machinery Spares is fully charged to revenue in the year in which such spare are replaced except in cases where retrieved spares have useful life after repairs.
- Other spares forming part of inventory are expensed when consumed.

1.4 Capital Work-in-Progress

1.4.1 General

- In respect of supply-cum-erection contracts, the value of supplies received at site / construction store and accepted is treated as Capital Work-in-Progress.
- Administration and other general Overhead expenses at the

Corporate Office and Projects under Construction / Survey & Investigation attributable to construction of fixed assets are identified and shall be allocated on systematic basis on major immovable assets other than land, infrastructure facilities and bought out items on commissioning of projects. However, no allocation pertaining to Corporate Office shall be made on projects taken on BOOT (Build, Own, Operate & Transfer) basis till the date of grant of generation license.

- Expenditure on Survey and Investigation of the Projects shall be carried over as capital work in progress and capitalized as cost of Project on completion of construction of the Project or the same shall be expensed in the year in which it is decided to abandon such project.
- Expenditure against "Deposit Works" shall be accounted for on the basis of statement of account received from the concerned agency and acceptance by the company. However, provision shall be made wherever considered necessary.
- Claims for price variation / exchange rate variation in case of contracts shall be accounted for on acceptance.

1.4.2 Development of Coal Mines

Expenditure on exploration and development of new coal deposit is capitalised as 'Development of Coal Mines' under Capital Work in Progress (CWIP) till the mines project is brought to revenue account.

1.5 Depreciation and Amortisation

- Depreciation is charged on straight line method following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) for tariff regulation from time to time except in case of computers & peripherals and mobile phones which are depreciated @ 25 % p.a.
- Depreciation is provided on pro-rata basis from the month in which the asset becomes available for use.
- Depreciation on assets declared surplus / obsolete shall be provided till the end of the month in which such declaration is made.
- Assets costing ₹5000/- or less are depreciated fully in the year of procurement.
- Expenditure on software is recognised as 'Intangible Assets' and amortized fully over four years on straight line method or over a period of its legal rights to use whichever is less.
- Where the cost of depreciable assets undergoes a change during the year due to increase / decrease in long term liability on account of exchange fluctuation, change in duties or similar factors, revised unamortised balance of such asset shall be depreciated prospectively over the residual life. Depreciation on increase / decrease in the value of existing



assets on account of settlement of disputes shall be charged retrospectively.

- g) Leasehold land shall be amortised pro-rata through depreciation over the period of lease or 25 years, whichever is lower, following the rates and methodology notified by prevailing CERC Tariff regulations.

1.6 Investments

- a) Non-Current Investments are valued at cost less provision for permanent diminution in value.
- b) Current Investments are valued at lower of cost and fair value

1.7 Inventories

- a) Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.
- b) Loose tools issued during the year are charged to consumption.
- c) Stores issued for operation and maintenance but lying unused at site are treated as part of inventory.
- d) The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.
- e) Scrap is accounted for as and when sold.

1.8 Foreign Currency Transactions

- a) Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.

Monetary items denominated in foreign currency are restated at the year end at exchange rates prevailing on the Balance Sheet date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.

- b) Exchange differences, except to the extent considered as adjustment to borrowing cost as per AS-16 read with ASI-10, are recognised as income or expense in the period in which they arise in case of operating projects and to EDC in case of projects under construction.

1.9. Borrowing Costs

Borrowing costs attributable to fixed assets during construction / exploration, renovation and modernisation are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognised, but are disclosed in the notes. Contingent assets are neither recognised, nor disclosed in the financial statements.

1.11 Impairment of Assets

The carrying amount of cash generating unit is reviewed at each Balance sheet date where there is any indication of

impairment based on internal / external indicators. An impairment loss is recognised in the Statement of Profit & Loss where the carrying amount exceeds the recoverable amount of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

1.12 Income

- a) Sale of Energy is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC).
- b) Interest recoverable on advances to Contractors / Suppliers and other claims from Contractors / Suppliers under dispute are accounted for on receipt / acceptance.
- c) Income from consultancy services is accounted for on the basis of actual progress / technical assessment of work executed or costs reimbursable, in line with the terms of respective consultancy contracts.

1.13 Employee Benefits

The company does not have any employees and the employees in the company are posted by the holding company on secondment basis. The Salary, Wages, Allowances and Benefits including Retirement Benefits of such employees are paid / payable to the holding company and the same is recognised as an expense, charged to Expenditure during Construction (EDC).

1.14 Miscellaneous

- a) Insurance claims shall be accounted for in the year of receipt / acceptance by the insurer / certainty of realisation.
- b) Pre-paid and prior-period expenses / income of items of ₹50,000/- and below are charged to natural heads of accounts in the year of payment / receipt.
- c) Liability for claims against the company shall be recognised on acceptance by the company / receipt of award by the Arbitrator and the balance claim, if disputed / contested by the contractor shall be shown as contingent liability.

1.15 Taxes on Income

- a) Taxes on Income are determined on the basis of taxable income under the Income Tax Act, 1961.
- b) Deferred tax is recognised on timing difference between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognised and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

1.16 Cash Flow Statement

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) – 3 'Cash Flow Statements'.



2. Notes on Accounts

The amounts in Financial Statements are presented in Indian Rupees in Lakh and figures have been rounded off to the nearest two decimals except when otherwise stated. The previous year figures have also been reclassified / regrouped / rearranged wherever necessary to conform to current year classification.

2.1 Share Capital

(₹Lakh)

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount
Authorised	300,00,00,000	3,00,000	300,00,00,000	3,00,000
Issued, subscribed and fully paid-up	10,000	1.00	10,000	1.00

The company has only one class of equity shares having par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends and are entitled to voting rights proportionate to their shareholding at the meeting of shareholders.

2.1.1 Details of shareholders holding more than 5 % shares in the Company:

(₹Lakh)

Name of Shareholders	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount
SJVN Limited	10,000	1.00	9,999	0.99

2.1.2 The reconciliation of the number of shares outstanding is set out below:

(₹Lakh)

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	10,000	1.00	10,000	1.00
Number of shares issued during the year	-	-	-	-
Number of shares at the end	10,000	1.00	10,000	1.00

2.2 Reserves and Surplus

(₹Lakh)

Particulars	As at 31st March 2015	As at 31st March 2014
Opening balance	(0.56)	Nil
Add : Profit / (Loss) for the year	(0.86)	(0.56)
Total Profit available for appropriation	(1.42)	(0.56)
Appropriation	Nil	Nil
Closing balance	(1.42)	(0.56)

During the year ended 31st March, 2015, the Company has proposed final dividend for the year 2014-15 @ Nil (Previous Year : Nil) per equity share at par value of ₹ 10 each.

2.3 Long Term Borrowings : NIL

2.4 Other Long Term liabilities : NIL

2.5 Long Term Provision : NIL

2.6 Short Term Borrowings : NIL

2.7 Trade Payables : NIL

2.8 Other Current Liabilities

(₹Lakh)

Particulars	As at 31st March 2015	As at 31st March 2014
Other Payables		
Payable to Holding Company (including liability for transfer of Fixed Assets ₹ 27.71 lakhs Previous Year – ₹ 27.71 lakhs)	6327.17	4739.16
Deposits, Retention Money from Contractors and Others	2.70	0.71
Others	39.95	66.30
Total	6369.82	4806.17

Disclosure regarding dues to micro and small enterprises as required by MSMED Act is made in Note no. 2.39

2.9 Short Term Provisions

(₹Lakh)

Particulars	As at 01.04.2014	For the year			As at 31.03.2015
		Additions	Write back	Utilization	
Prov. for Ex-gratia / Bonus	Nil	114.35	Nil	Nil	114.35
Prov. For Leave Salary & Pension contribution	Nil	22.95	Nil	Nil	22.95
Total	Nil	137.30	Nil	Nil	137.30
Previous Year	Nil	Nil	Nil	Nil	Nil



2.10 Fixed Assets		Gross Block						Depreciation			Net Block	
SI.No.	Particulars	As at 01.04.2014	Transfer/Adjustment during the year *	Additions during the year *	Adjustment during the year	As at 31.03.2015	As at 01.04.2014	Transfer/Adjustment during the year *	Adjustment during the year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets												
1	Furniture, Fixture and Equipments	27.89	-	4.51	-	32.40	2.97	-	-	6.75	25.65	24.92
2	Vehicles	12.05	-	-	-	12.05	0.28	-	-	1.43	10.62	11.77
3	Electrical Equipments	21.25	-	4.68	-	25.93	1.32	-	-	3.68	22.25	19.93
4	Office Equipments	4.51	-	10.03	-	14.54	0.72	-	-	3.10	11.44	3.79
5	Data Processing Equipments	17.99	-	24.23	(6.50)	35.72	6.25	-	7.17	12.72	23.00	11.74
	Total	83.69	-	43.45	(6.50)	120.64	11.54	-	16.84	27.68	92.96	72.15
Intangible Assets												
	Total Fixed Assets	83.69	-	43.45	(6.50)	120.64	11.54	-	16.84	27.68	92.96	72.15
	Previous Year	-	32.38	52.31	(1.00)	83.69	-	4.67	7.77	11.54	72.15	-

* The Assets transferred by holding company are shown at gross value and Depreciation provided on these assets by holding company are shown under the head Depreciation (Transfer /Adjustment during the year).
Individual assets of value less than ₹ 5000/-, total amounting to ₹ 5.33 lakh (Previous Year: ₹1.79 lakh) has been depreciated fully during the year in accordance with Accounting policy No. 1.5 (d).
Additional depreciation amounting to ₹ 2.76 lakh (Previous Year: ₹1.43 lakh) has been charged on account of depreciation @ 25% on data processing equipments and mobile phones in accordance with Accounting Policy No. 1.5 (a).

2.11 Capital Work-in-Progress		As at 01.04.2014			Total WIP as at 31.03.2015		Capitalised during the year		As at 31.03.2015	
SI.No.	Particulars	As at 01.04.2014	Additions during year	Transfers/Adjustments	Total WIP as at 31.03.2015	Capitalised during the year	As at 31.03.2015			
1	Preliminary	4129.28	100.91	-	4230.19	-	4230.19			
2	Expenditure during Construction	507.03	1336.27	-	1843.30	-	1843.30			
	Total	4636.31	1437.18	-	6073.49	-	6073.49			
	Previous Year	2342.65	2293.66	-	4636.31	-	4636.31			



2.11.1 Expenditure During Construction :

Since, project of the company is under construction, in line with Accounting Policy No. 1.4.1 (b), following expenses during the year are identified as Capital Work-in-Progress, to be allocated on major immovable assets on commissioning of the Project.

Statement of Expenditure During Construction

(₹Lakh)

EXPENSES	Year ended 31st March 2015		Year ended 31st March 2014	
Employees' Remuneration and Benefits :				
Salaries, Wages, Allowance and Benefits	880.13		318.48	
Contribution to Provident and Other funds	49.50		20.81	
Welfare Expenses	51.34		28.61	
Prior period expense	70.78	1051.75	-	367.90
Finance Costs		-		-
Depreciation and Amortisation Expense		16.84		7.77
Other Expenses				
Repairs and Maintenance				
Vehicles	1.12		1.02	
Others	8.79	9.91	3.16	4.18
Rent		60.97		27.30
Insurance		0.64		0.06
Security Expenses		16.48		8.48
Electricity Charges		4.50		1.28
Travelling & Conveyance		32.33		33.91
Training & Recruitment Expenses		81.26		8.51
Legal Expenses		-		0.01
Professional & Consultancy Charges		1.71		3.35
Communication expenses		6.06		3.05
Printing & Stationery Expenses	1.71		2.48	
Less: Receipt from sale of Tender	-	1.71	0.28	2.20
Fees and Subscription		0.16		-
Advertisement & Publicity		0.88		0.48
EDP Expenses		2.64		0.50
Entertainment Expenses		1.22		2.70
Expenses on Transit Camps		16.20		10.93
Books & Periodicals		0.40		1.51
Hiring of Vehicles		22.71		16.98
Business Promotion Expenses		-		0.12
Miscellaneous Expenses		7.90		5.81
Expenditure Transferred to CWIP (Note 2.11)		1336.27		507.03

2.12 Non – Current Investments : NIL

2.13 Deferred Tax Assets (Net) : NIL

2.14 Long Term Loans and Advances

(₹Lakh)

Particulars	As at 31st March 2015	As at 31st March 2014
Capital Advances – unsecured considered good		
Covered by Bank Guarantees	96.63	96.63
Others	241.10	-
Total	337.73	96.63

Loans and Advances to Directors of the Company Nil (Previous Year : Nil)

Loans and Advances to Related Parties Nil (Previous Year : Nil)

Loans and Advances to Officers (General Manager & above) Nil (Previous Year : Nil)

2.15 Other Non – Current Assets : NIL

2.16 Inventories : NIL

2.17 Trade Receivables : NIL



2.18 Cash and Bank Balances

(₹Lakh)

Particulars	As at 31st March 2015	As at 31st March 2014
Cash & Cash Equivalents		
Balances with Banks		
Current Accounts	2.52	0.42

2.19 Short Term Loans and Advances

(₹Lakh)

Particulars	As at 31st March 2015	As at 31st March 2014
Advances to Contractors & Suppliers		
Unsecured considered good	-	0.90
Others - unsecured considered good		
Pre-paid Expenses	-	0.20
Total	-	1.10

Loans and Advances to Directors of the Company Nil (Previous Year : Nil)

Loans and Advances to Related Parties Nil (Previous Year : Nil)

Loans and Advances to Officers (General Manager & above) Nil (Previous Year : Nil)

2.20 Other Current Assets : NIL

2.21 Revenue from Operations : NIL

2.22 Other Income : NIL

2.23 Employee Benefits Expenses : NIL

2.24 Finance Costs : NIL

2.25 Depreciation and Amortisation Expense : NIL

2.26 Other Expenses

(₹Lakh)

Particulars	Year ended 31st March 2015		Year ended 31st March 2014	
Payment to statutory auditors				
As Audit Fees	0.56	-	0.56	-
Reimbursement of Expenses	0.28	0.84	-	0.56
Fees and subscription	-	0.02	-	-
Total	-	0.86	-	0.56

2.27 Exceptional Items : NIL

2.28 Disclosure as per Accounting Standard (AS)-20 on 'Earning Per Share'

(₹Lakh)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Net Profit after Tax used as numerator (₹ lakh)	(0.86)	(0.56)
Weighted average no. of Equity Shares used as denominator	10000	10000
Earning per Share - Basic & Diluted (₹)	Nil	Nil
Face Value per Share (₹)	10	10

2.29 Contingent Liabilities : NIL

2.30 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances), balance payments of Success Fee / Professional Fee to the previous stakeholders and cost of land under acquisition not provided for is ₹37924.90 lakh (Previous Year : ₹20618.37 lakh).

2.31 Disclosure under the provisions of Accounting Standard (AS) - 15 'Employee Benefits'

Employees of the company have been posted by the holding company, SJVN Ltd. on 'secondment basis' wherein they are governed by all rules, regulations and policies of the holding company and expenses thereto are paid / payable to the holding company. General description of various defined employee benefits are as under :

a) Defined Contribution plans :

(i) Employer's contribution to Provident Fund :

Fixed contribution to Provident Fund is initially paid by the holding company at a predetermined rate to a separate trust, created by the holding company, which invests the fund in permitted securities. The contribution of ₹49.50 lakh (Previous Year: ₹20.81 lakh) is paid / payable to the holding company for the year and the same is recognised as expense, charged to Expenditure During Construction (EDC).

b) Defined benefit plans :

(i) Gratuity :

Holding company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is managed by a separate trust, created by the holding company and liability for the same for the year towards employees posted in the company on secondment is ₹19.28 lakh (Previous Year : ₹17.41 lakh) and recognized on the basis of actuarial valuation. The same is recognised as expense charged to Expenditure during Construction (EDC).

(ii) Pension :

Holding company has Defined Contribution Pension Scheme as approved by Ministry of Power (MOP) and liability for the same for the year towards employees posted in the company on secondment is ₹43.96 lakh (Previous Year : ₹17.35 lakh) and recognized on accrual basis. The same is recognised as expense, charged to Expenditure during Construction (EDC).

(iii) Leave encashment :

Holding Company has a defined leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same and liability for the same for the year towards employees posted in the company on secondment is ₹30.32 lakh (Previous Year : ₹17.90 lakh) provided on the basis of actuarial valuation. The same is recognised as expense, charged to Expenditure during Construction (EDC).



(iv) Retired Employee Health Scheme :

Holding Company has a Retired Employee Health Scheme, under which retired employee and the spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. Liability for the same for the year towards employees posted in the company on secondment is ₹16.64 lakh (Previous Year: ₹14.58 lakh) provided on the basis of actuarial valuation. The same is recognised as expense, charged to Expenditure during Construction (EDC).

(v) Baggage Allowance :

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 shall be paid in accordance with rules of the holding company and liability for the same for the year towards employees posted in the company on secondment is ₹0.33 lakh (Previous Year : ₹0.28 lakh) and provided on the basis of actuarial valuation. The same is recognised as expense, charged to Expenditure during Construction (EDC).

(vi) Service Reward on Retirement :

Gift at the time of retirement shall be given to the employee in accordance with rules of the Company and liability for the same for the year towards employees posted in the company on secondment is ₹0.71 lakh (Previous Year : ₹2.87 lakh) provided on the basis of actuarial valuation. The same is recognised as expense, charged to Expenditure during Construction (EDC).

(vii) Key Actuarial assumptions for Actuarial Valuation :

Particulars	As at 31.03.2015	As at 31.03.2014
Mortality Table	IALM (2006-08)	IALM (2006-08)
Discount Rate	8.00 % per annum	8.50 % per annum
Future Salary increase	6.00 % per annum	6.50 % per annum

2.32 Disclosure as per Accounting Standard (AS)-16 on 'Borrowing Costs'

Borrowing Costs capitalised during the year are - Nil (Previous year- Nil)

2.33 Disclosure as per Accounting Standard (AS)-17 on 'Segment Reporting'

As the company is primarily engaged in only one segment viz. Thermal Power, there is no reportable segment in terms of Accounting Standard - 17.

2.34 Disclosure as per Accounting Standard (AS)-18 on 'Related Party Disclosure'

a) Related Parties

- i) Holding Company : M/s SJVN Limited
- ii) Key Management Personnel

Sl. No.	Name	Position Held
01	Shri A. S. Bindra	Chairman
02	Shri N. L. Sharma	Director
03	Shri R. K. Bansal	Director

b) (i) Transactions with related party at a (i) above during the year are as follows :

(₹Lakh)

Particulars	Holding Company	
	Current Year	Previous Year
Amount Payable	1588.01	4739.16

- (ii) Remuneration to Key Management Personnel is Nil (Previous Year : Nil).

2.35 Disclosure as per Accounting Standard (AS)-19 on 'Accounting for Leases'

The company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and transit camps. They are not non-cancellable, are usually renewable by mutual consent on mutually agreed terms.

The employees benefit expense of ₹32.85 lakh (Previous Year : ₹26.40 lakh) towards lease payments, net of recoveries in respect of premises for residential use of employees is initially paid by the holding company. The same is paid/ payable to the holding company for the year and is recognised as expense, charged to Expenditure During Construction (EDC).

Lease payments in respect of premises for offices and transit camps are shown as Rent under Expenditure During Construction (EDC).

2.36 Disclosure as per Accounting Standard (AS)-28 on 'Impairment of Assets'

In the opinion of management, there is no indication of any significant impairment of assets during the year.

2.37 Other disclosures as per Schedule III of the Companies Act, 2013:

(₹Lakh)

Sr. No.	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
A	Expenditure in foreign currency	Nil	Nil
B	Earnings in foreign currency	Nil	Nil
C	Import on CIF basis	Nil	Nil
D	Components, stores and spares consumed		
	i) Imported	Nil	Nil
	ii) Indigenous	Nil	Nil

2.38 Payment to Auditors

(₹Lakh)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Statutory Audit Fees	0.56	0.56
In other capacity	-	-
Reimbursement of expenses	0.28	-
Total	0.84	0.56

2.39 Information in respect of micro and small enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006

There are no Micro and Small enterprises, to which the Company owes dues, which are outstanding for more than 45 days as on March 31, 2015 (Previous Year : NIL).



2.40 Disclosure as per Accounting Standard (AS) – 5 on 'Change in Accounting Policies'

Policy No.	Policy for 2013-14	Revised Policy for 2014-15	Reason for change
1.1 Accounting System	The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956 including accounting standards notified thereunder.	The financial statements are prepared according to the historical cost convention on accrual basis in line with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013 and as amended from time to time including Accounting Standards applicable thereunder.	Companies Act, 2013 implemented

For and on behalf of the Board of Directors

(Raman K Sharma)
Company Secretary
ACS: 29662

(N.L. Sharma)
Director
DIN: 03495554

(A.S. Bindra)
Chairman
DIN: 03358160

These are the notes referred to in the Financial Statements

For B. Gupta & Co.
Chartered Accountants
(FRN 000933C)

(S. P. Sinha)
M. No. 014854

Place : SHIMLA
Date : 13-05-2015



Foreign Subsidiary Company

SJVN Arun-3 Power Development Company Private Limited

BALANCE SHEET AS AT 31st MARCH, 2015

(₹ Lakh)

	Note No.	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	300	-
Reserves and Surplus	2.2	(2)	(1)
		298	(1)
Non- current Liabilities			
Long Term Borrowings	2.3	-	-
Other Long Term Liabilities	2.4	-	-
Long Term Provisions	2.5	-	-
		-	-
Current Liabilities			
Short Term Borrowings	2.6	-	-
Trade Payables	2.7	18	13
Other Current Liabilities	2.8	7,620	8,027
Short Term Provisions	2.9	-	-
		7,638	8,040
Total		7,936	8,039
ASSETS			
Non - current Assets			
Fixed Assets			
Tangible Assets	2.10	57	77
Intangible Assets	2.10	-	-
Capital Work-in-progress	2.11	7,749	7,845
		7,806	7,922
Non-current Investments	2.12	-	-
Deferred Tax Assets (Net)	2.13	-	-
Long Term Loans and Advances	2.14	87	97
Other Non-current Assets	2.15	-	-
		7,893	8,019
Current Assets			
Inventories	2.16	-	-
Trade Receivables	2.17	-	-
Cash and Bank Balances	2.18	7	-
Short Term Loans and Advances	2.19	36	20
Other Current Assets	2.20	-	-
		43	20
Total		7,936	8,039

Significant Accounting Policies 1

The accompanying notes form an integral part of these financial statements.


(R.L. Negi)
CEO/HOP


(A.S. Bindra)
Director

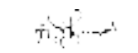


SJVN Arun-3 Power Development Company Private Limited STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

(₹ Lakh)

	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
REVENUE			
Revenue from Operations	2.21	-	-
Other Income	2.22	-	-
Total Revenue		<u>-</u>	<u>-</u>
EXPENSES			
Employee Benefits Expense	2.23	-	-
Finance Costs	2.24	-	-
Depreciation and Amortization Expense	2.25	-	-
Other Expenses	2.26	<u>1</u>	<u>1</u>
Total Expenses		<u>1</u>	<u>1</u>
Profit before exceptional and extraordinary items and tax		(1)	(1)
Exceptional Items	2.27	-	-
Profit before extraordinary items and tax		(1)	(1)
Extraordinary items		-	-
Profit Before Tax		(1)	(1)
Tax Expenses:			
- Current Tax	2.28	-	-
- Deferred Tax	2.13	<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
Profit for the Year		(1)	(1)
Significant Accounting Policies	1		
The accompanying notes form an integral part of these financial statements.			


(R.L. Negi)
 CEO/HOP


(A.S. Bindra)
 Director

SJVN Arun-3 Power Development Company Private Limited CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

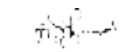
(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(1)	(1)
Adjustment for:		
Depreciation	<u>-</u>	<u>-</u>
Operating Profit before Working Capital Changes	(1)	(1)
Adjustment for:		
Trade Payables and Other Liabilities (Current & Non-current)	(402)	8,039
Loans and Advances	<u>(6)</u>	<u>(117)</u>
	<u>(408)</u>	<u>7,922</u>
Net Cash Flow from Operating Activities-A	(409)	7,921
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Expenditure on Fixed Assets & CWIP, Advance for Capital Works & Capital Stores/Spares etc.	<u>116</u>	<u>(7,921)</u>
Net cash used in Investing Activities - B	116	(7,921)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital including Security Premium	<u>300</u>	<u>-</u>
Net Cash Flow from Financing Activities - C	300	-
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	7	-
Cash and cash equivalents (Opening balance)	<u>-</u>	<u>-</u>
Cash and cash equivalents (Closing balance)	<u>7</u>	<u>-</u>

Notes:

1. Cash and cash equivalents consist of cash and bank balances.
2. Previous year figures have been regrouped/re-arranged/re-casted wherever necessary.


(R.L. Negi)
 CEO/HOP


(A.S. Bindra)
 Director



Schedules forming part of the Accounts for the year ended on 31st March, 2015

Significant Accounting Policies & Notes to the Accounts

Note 1:

A. General Information:

SJVN Arun 3 Power Development Company Pvt. Ltd (SAPDC) has been established and registered on 25.04.2013 as a private limited company under the Company Act 2063 duly floated by single share holder company SJVN Ltd (which is a joint venture of Government of India and Government of Himachal Pradesh) with an aim to plan, promote, organize and execute the Arun-3 Hydroelectric Project. The corporate office of the SAPDCPL is located at Biratnagar-5, Morang, Nepal and project office is located at Khadbari District Sankhuwasabha Nepal. The company has established transit offices at Kathmandu, Janakpur & Khandbari. Memorandum of Understanding (MOU) was signed with the Govt. of Nepal for the execution of 900 MW Arun – III Hydro-electric Project on 02.03.2008. This project is proposed to be installed in the Sankhuwasabha District of Nepal which is 657 Km from Kathmandu via Biratnagar. The Survey license for DPR was issued by Government of Nepal. Application for Electricity Generation License has been filed to GoN. Letter of intent issued on 23.05.2010 to carry out infrastructure work at Dam & Power House site. Detailed Project Agreement is in the process of examination by GoN before signing. The DPR of project was approved by Central Electricity Authority, India on 09.06.2014 with an estimated cost of projects as ₹5667.77 Crores (Now revised as a result of separation of transmission line). The Project development agreement with GON has been signed on 25.11.2014 for execution of the project.

B. Significant Accounting Policies:

1) Basis of Preparation:

The financial statements have been prepared in accordance with Nepal Accounting Standards (NAS) adopted by the Institute of Chartered Accountants of Nepal (ICAN), and presentational requirement of the Company Act 2063. The financial statements are presented in INRs, rounded to the nearest rupee. They are prepared on the historical cost basis unless otherwise stated. The accounting policies are consistently applied by the company.

2) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles and Nepal Accounting Standard requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

3) Going Concern:

The Financial Statements are prepared on the assumption that the company is a going concern.

4) Fixed Assets:

- i) Land is stated at the original cost of acquisition.
- ii) Fixed Assets are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation and any impairment in value. Where final settlement of bills with contractors is pending/under dispute, capitalization is done on

estimated/provisional basis subject to necessary adjustment in the year of final settlement.

- iii) Fixed Assets created on land not belonging to the Company are included under Capital Work-in-Progress /Fixed Assets.
- iv) Capital expenditure on assets not owned by the Company is reflected as a distinct item in Capital Work-in-Progress / Fixed Assets.
- v) Construction equipments declared surplus are shown at lower of book value and net realizable value.
- vi) Cost incurred on acquisition, installation and construction of fixed assets during the current financial year which are not yet completed, has been transferred to Capital Work in Progress account. The same shall be capitalized and identified as individual assets only after the completion of construction.

5) Intangible Assets

- i) All Project related expenditure viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental/attribution to construction of project, borrowing cost incurred prior to the date of commercial operation, expenditure of infrastructure developments and expenditure on Survey, DPR and Investigation of the Projects are shown under Capital Work-in-Progress. These expenses are net of recoveries and income (net of tax) if any.
- ii) Expenditure against "Deposit work" shall be accounted for on the basis of statement of account received from the concerned agency and acceptance by the company. However, provision shall be made wherever considered necessary.
- iii) Claim for price variation/exchange rate variation in case of contract shall be accounted for on acceptance.
- iv) Expenses incurred which are not directly related to projects, like Audit Fees expenses, Advertisement Expenses, Business Promotion Expenses and other startup cost if any has been charged to profit and loss account.

6) Depreciation and Amortization

- a) Depreciation is charged on straight-line method to the extent of 90% of the Cost of Asset and in case of computers & peripherals and mobile phones rate of depreciation is taken @ 25% p.a.
- b) Depreciation is provided on pro rata basis from the month in which the asset becomes available for use.
- c) Depreciation on assets declared surplus/obsolete is provided till the end of the month in which such declaration is made. Assets costing ₹5,000/- or less are depreciated fully in the year of procurement.

7) Impairment of Assets:

The Company identifies impairable fixed assets based on cash generating unit concept at the year-end for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged to revenue for the year.

8) Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction



or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expenses in the period in which it is incurred.

9) Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. However, provisions for diminution in value of investments are made to recognize decline, other than temporary, in value of the investments.

Investments other than long term investments, being current investments, are valued at cost or market price whichever is lower, determined on an individual basis.

10) Subsequent Expenditure:

Expenditure incurred to replace a component of an item of fixed assets that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of fixed assets. All other expenditure is recognized in the income statement as an expense as incurred.

11) Employee Benefits:

Short term employee benefits are recognized in the year during which the services have been rendered. The company does not have any employees & the employees in the company are posted by Promoter Company.

Employees benefits like provident fund, housing facilities, foreign country allowance, Pension, Gratuity, Welfare and other allowances are guided and applied as per the employees policies framed and regulated by parent company. As per the rules and regulation of parent company expenses has been charged.

12) Foreign currency transaction :

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of transactions.

Foreign currency denominated assets and liabilities are reported as follows:

Monetary items are translated into rupees at the exchange rates prevailing at the balance sheet date except the liabilities against the purchase of goods. Non-Monetary items such as fixed assets are carried at their historical rupee values.

Gains/(losses) arising on the settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary items) are recognized in the income statement.

13) Inventories (As taken, valued & certified by management):

- i) Inventories are valued at lower of cost arrived at on weighted average basis & net realizable value.
- ii) Loose tool issued during the year are charged to consumption.
- iii) Store issued for operation & maintenance but lying unused at site are treated as part of inventory.
- iv) The diminution in the value of obsolete, unserviceable & surplus store & spare is ascertained on review & provided for.
- v) Scrap is accounted for as and when sold.

14) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable net of value added tax, excise, rebates and discount. The following specific criteria are used for the revenue recognition:

a) Energy Sale

Revenue from the sale of energy is recognised in the income statement on accrual basis in accordance with the provisions of the Power Purchase Agreement (PPA) after Commercial Operation Date.

b) Interest Income:

Interest income (if any) is recognized on a time proportion basis taking into account the principal outstanding and interest rate applicable.

c) Rental Income:

Rental income is recognized on accrual basis as per the agreement, if any.

d) Insurance & Other Claims:

Insurance and other claims, to the extent considered recoverable, are accounted for in the year of claim. However, claims and refunds, whose recovery can not be ascertained with reasonable certainty, are accounted for on acceptance basis.

15) Trade and other Receivables:

Trade Debts and other Receivables are originated by the Company and are stated at cost less provisions for any uncollectible amount. Provision is made against debts considered doubtful of recovery whereas debts considered irrecoverable are written off.

16) Related party transactions:

All transactions with related parties are carried out by the Company at arm's length prices.

Related party Disclosure

1	Enterprises that Control the Company	SJVN LTD
2	Fellow Subsidiaries Companies	None
3	Key Management Personnel	1 Sh. R.N. Misra (Chairman) 2 Sh A. S. Bindra (Director) 3. Sh N.L. Sharma (Director) 4. Sh. R.K. Bansal (Director)
4	Enterprises where key management personnel and their close member of family exercise significant influence	NIL

Summary of transactions with the above related parties is as follows:

(Amount in ₹)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Payable to SJVN LTD.	74,85,53,815.00	759260954.00

17) Cash and Bank Balances:

Cash and bank balances comprises cash in hand and balances with Banks as on Balance Sheet date. Bank overdrafts that are



repayable on demand and form an integral part of the Company's cash management are shown as short term loans in current liabilities in the Balance Sheet but the overdraft balances and other demand loans which are regularly utilised by company are shown as non-current liabilities.

18) Provisions, Contingent Liability and Contingent Assets:

Provisions are recognized when the Company has a present obligation as a result of past event; it is more likely than not that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates in accordance with Nepal Accounting Standards NAS 12 "Provisions, Contingent Liabilities and Contingent Assets".

A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

19) Leases:

a) Financial Lease:

The company does not have any item covered under finance lease which needs disclosure as per Nepal accounting Standards.

b) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

20) Cash Flow Statements:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or

payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated. The Cash flow statement is separately attached with the Financial Statements of the company.

21) Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies

The prior period expenses, if any, are charged separately to the Income Statement. There is no change in the accounting policy during the year.

22) Taxation:

Current Tax:

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Nepalese Income Tax Act, 2058. Provision for Income Tax has been made as per self assessment by management in accordance with Income Tax Act, 2058(Amended). Provision for current tax is made after taking credit for allowances and exemptions. Benefit of tax holidays is taken as per Power Development Agreement (PDA). In case of matters under appeal, due to disallowance or otherwise, provision is made when the said liability is accepted by the company.

23) Share Based Payments:

Share based payment transaction is a transaction in which entity receives goods and services as consideration for equity instruments (including shares or share options) of the entity (referred to as "equity settled share passed transaction"). There is no share based transactions during the Year.

24) Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

2. Notes on Accounts

The amounts in Financial Statements are presented in Indian Rupees and all figures have been rounded off to the nearest rupees lakh except when otherwise stated. The previous year figures have also been reclassified/regrouped/rearranged wherever necessary to conform to this year's classification.

2.1 Share Capital

(₹ Lakh)

	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
AUTHORISED				
Equity Shares of par value ₹ 62.50 each	2,47,50,000	1,547	2,47,50,000	1,547
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹ 62.50 each fully paid up	4,80,000	300	-	-
Total		300		-

The Company has only one class of equity shares having par value of ₹ 62.50 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of shareholders. The company is having single shareholder as it's holding company SJVN Limited, India

During the year ended 31st March 2015, no dividend has been proposed or distributed as no commercial operation initiated.

Share issued by the company are recorded as the proceeds received, net of direct costs.

2.1.1 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	%	No. of Shares	%
SJVN Ltd	4,80,000	100.00	-	-



2.1.2 The reconciliation of the number of shares outstanding is set out below :

(₹ Lakh)

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	-	-	-	-
No. of shares issued during the year	4,80,000	300	-	-
Number of shares at the end	4,80,000	300	-	-

2.2 Reserves and Surplus

(₹ Lakh)

B Surplus	As at 31st March, 2015		As at 31st March, 2014	
	Opening Balance		(1)	
Add: Profit for the Year as per Statement of Profit and Loss and Earlier Year Loss Adjusted		(1)		(1)
Total Reserves and Surplus		(2)		(1)

Audit fees expenses of previous year not charged to profit and loss account, which is otherwise chargeable has been charged to reserves and surplus and corresponding impact has been provided to CWIP.

2.3 Long Term Borrowings	: NIL
2.4 Other Long Term Liabilities	: NIL
2.5 Long Term Provisions	: NIL
2.6 Short Term Borrowings	: NIL
2.7 Trade Payables	: NIL

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Others	18	13
Total	18	13

2.8 Other Current Liabilities

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Others Payables:		
-Liability for Employees' Remuneration and Benefits	52	62
Liability for Purchase/Construction of Fixed Assets:		
- Small Scale Industries	-	-
- Others	1	1
	1	1
Deposits, Retention Money from Contractors and Others	79	71
Less . Investments held as Security	-	-
	79	71
Amount Payable to Holding company	7,485	7,891
TDS and Other Taxes Payable	3	2
Total	7,620	8,027

The company has been formed as 100% subsidiary company of SJVN Limited India. All the transactions have been carried by and in the name of SJVN Ltd pertaining to SJVN ARUN 3 Power Development Co. P. Ltd. (Here in after called the Company) are transferred to the books of accounts of company. All the preliminary activities like licencing work, survey work and administrative work has been governed as per the rules of SJVN Ltd. and executed by the same company upto previous period.

2.9 Short Term Provisions	: NIL
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2.10 Fixed Assets		Gross Block				Depreciation				Net Block			
		As at 01.04.2014	Additions during the year	Deductions/ Adjustments	As at 31.03.2015	Upto 01.04.2014	Depreciation For the year	Deduction/ transfers	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Tangible Assets													
1	Plant and Machinery	1	-	1	-	-	-	-	-	-	-	-	1
2	Furniture, Fixture and Equipments	46	-	12	34	18	2	4	16	18	18	28	
3	Electrical Equipments	35	-	2	33	4	3	-	7	26	31	31	
4	Office Equipments	13	-	1	12	3	-	-	3	9	9	10	
5	Data processing Equipments	22	1	6	17	15	1	3	13	4	4	7	
	Total	117	1	22	96	40	6	7	39	57	57	77	
Intangible Assets													
1	Software	-	-	-	-	-	-	-	-	-	-	-	-
	Total:	-	-	-	-	-	-	-	-	-	-	-	-
	Total Fixed Assets	117	1	22	96	40	6	7	39	57	57	77	
	Previous Year :	-	10	(107)	117	-	10	(30)	40	77	77	-	
									Current Year	Previous Year			
									-	2			

Fixed Assets costing ₹5000 or less procured and depreciated fully during the year.
The assets acquired by SJVN Ltd. India for the use in this company was previously carried in the books of accounts of SJVN Ltd. Same has been transferred to the books of this company along with gross cost of assets and gross depreciation values.

2.11 Capital Work-In-Progress

2.11 Capital Work-In-Progress		Gross Block				Depreciation				Net Block			
		As at 01.04.2014	Additions during year	Transfers/Adjustments	As at 31.03.2015	Upto 01.04.2014	Depreciation For the year	Deduction/ transfers	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
1	Preliminary	4,135	64	111	4,088	-	-	-	-	-	-	4,088	
2	Expenditure during construction (Note 2.11.1)	3,710	705	754	3,661	-	-	-	-	-	-	3,661	
	Total	7,845	769	865	7,749	-	-	-	-	-	-	7,749	
	Previous Year	-	1,198	(6,647)	7,845	-	-	-	-	-	-	7,845	



2.11.1 Expenditure During Construction

(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
EXPENSES		
Employees' Remuneration and Benefits:		
Salaries,Wages, Allowances and Benefits*	521	685
Contribution to Provident and Other Funds	13	18
Leave Salary and Pension Contribution	3	3
Welfare Expenses	34	103
	571	809
Other Expenses		
Repair and Maintenance:		
Vehicles	-	18
Others	10	-
	10	18
Rent	8	16
Security Expenses	2	3
Electricity Charges	2	2
Less: Recovered from Employees & Contractors	-	-
	2	2
Travelling & Conveyance	31	13
Training and Recruitment Expenses	1	3
Professional and Consultancy Charges	27	23
Communication Expenses	5	5
Printing & Stationery	3	1
Less: Receipts from Sale of Tenders	-	-
	3	1
Advertisement & Publicity	1	-
EDP Expenses	1	2
Expenses on Transit Camps	25	35
Hiring of Vehicles	15	29
Depreciation	6	10
Business Promotion Expenses	-	2
Fees and subscription	-	47
Miscellaneous Expenses	3	4
	711	1,057
LESS: RECEIPTS AND RECOVERIES		
Interest from:		
Banks	-	-
Employees	6	7
Contractors	-	-
	6	7
Miscellaneous Income	-	7
	6	14
Net Expenditure (transferred to Sch.-2.11)	705	1,043

2.12 Non-current Investments : NIL

2.13 Deferred Tax Assets (Net) : NIL

2.14 Long Term Loans and Advances

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Security Deposits - Unsecured Considered Good	1	1
Other Loans and Advances		
Loans to Employees		
- Secured	60	70
- Unsecured considered good	-	-
	60	70
Interest Accrued on Staff Advances:		
- Secured	26	26
- Unsecured considered good	-	-
	26	26
Total	87	97



2.15 Other Non - current Assets	:	NIL
2.16 Inventories	:	NIL
2.17 Trade Receivables	:	NIL
2.18 Cash and Bank Balances	:	NIL

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Cash and Cash Equivalents		
Balances with Banks		
- Current Account	7	-
Total	<u>7</u>	<u>-</u>

2.19 Short Term Loans and Advances

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Loans to Employees		
- Secured	13	16
- Unsecured considered good	<u>-</u>	<u>-</u>
	13	16
Advances to Employees (unsecured, considered good)	3	3
Deposits - Unsecured considered good:		
- Others	3	-
Others		
Unsecured considered good:		
- Amount recoverable from Govt departments	17	-
Interest Accrued on Staff Advances:		
-Secured	-	1
-Unsecured considered good	<u>-</u>	<u>-</u>
	-	1
	<u>36</u>	<u>20</u>

2.20 OTHER CURRENT ASSETS	:	NIL
2.21 Revenue from Operations	:	NIL
2.22 Other Income	:	NIL
2.23 Employee Benefits Expense	:	NIL
2.24 Finance Costs	:	NIL

2.25 Depreciation and Amortization Expense

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Depreciation for the year	6	-
Less :		
Transfer to Expenditure During Construction (Note.2.11.1)	<u>6</u>	<u>-</u>
Depreciation charged to Statement of Profit and Loss	<u>-</u>	<u>-</u>



2.26 Other Expenses

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Payment to Auditors	1	1
Total	1	1

2.27 Exceptional Items : NIL

2.28 Current Tax : NIL

2.29 Contingent Liabilities & Commitments

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Contingent Liabilities	-	-
Capital commitments	135	170
Total	135	170

Details of committed cost of running contracts are as follows :-

Contractor Name	Purpose	Total Value as per Contract (₹)	O/s Value of the Contract (₹)	Remarks
ARNHEP-01/09M/s Wapcos Ltd Gurgaon	RFP for preparation of FSR,DPR, Bid documents, EIA/EMP studies	68563400	12429217	
PCD 49 M/s Pumori Engineering Services Pvt Ltd Kathmandu	Observing discharge & silt Data	2274831	761944	
PCD 43 M/s Pumori Engineering Services Pvt Ltd Kathmandu	Observing discharge & silt Data	2236106	257182	
	Total	73074337	13448343	



Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

Annexure-XI

To
The Members of SJVN Limited
Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SJVN Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to

fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true & fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and jointly controlled entities as at 31st March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 2.21 to the consolidated financial statements in respect of accounting of sales on provisionally approved tariff for 2009-14 period, arrear billing being contested by HP Govt. and Note no. 2.30 regarding contingent liability which describes the uncertainty related to the outcome of the claims/arbitration proceedings and cases filed in courts by/ against the Company on/by contractors and others.

Our opinion is not modified in respect of these matters.

Other Matters

- a) We did not audit the financial statements/financial information of the following subsidiaries and the jointly controlled entities whose financial statements/financial information reflect the details given below of total assets as at 31st March 2015, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the consolidated financial statements.

(₹ Lakh)

Name of the Company	Assets	Revenues	Net Cash Flows
Subsidiaries:			
SJVN Thermal Private Limited	6507	-	3
Joint Ventures:			
Cross Border Power Transmission Company Limited	4045	2	61

These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures



included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities is based solely on the reports of the other auditors.

- b) We did not audit the financial statements/financial information of the following subsidiary whose financial statements/financial information reflect the details given below of assets as at 31st March 2015, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the consolidated financial statements.

(₹ Lakh)

Name of the Company	Assets	Revenues	Net Cash Flows
Subsidiaries :			
SJVN Arun-3 Power Development Company Pvt. Limited	7936	-	7

These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments of the auditors report of the Holding Company, subsidiary company and jointly controlled company incorporated in India, we give in the **Annexure-I**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure-2** on the directions issued by Comptroller and Auditor General of India.
- As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

- In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of written representations received from the directors of the Holding Company as at 31st March, 2015 and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary company and jointly controlled company incorporated in India, none of the directors of the Group company and jointly controlled company incorporated in India is disqualified from being appointed as a director in terms of Section 164(2) of the Act as on 31st March 2015.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and the jointly controlled entity - Refer Note 2.30 to the consolidated financial statements;
 - The Group and its jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, subsidiary company and jointly controlled entity.

For Soni Gulati & Co.
Chartered Accountants
Firm Regn.No. 008770N


(Suresh Chand Soni)
Partner
M.No. 083106

Place : New Delhi
Date : 27.05.2015



ANNEXURE 1 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of SJVN LIMITED on the accounts for the year ended 31st March 2015.

- (i) (a) The company, its subsidiary and jointly controlled company have generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) All the assets have not been physically verified by the management during the year, but there is a regular programme of verification to cover all assets over three years, which in our opinion, is reasonable having regard to the size of the Group and the jointly controlled entity and the nature of their assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified by the respective Managements of the Holding Company, its subsidiary and jointly controlled entity during the year in respect of those companies which are holding inventory. In our opinion, this needs to be strengthened.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the respective Managements of the Holding Company, its subsidiary and jointly controlled entity are reasonable and adequate in relation to the size of the aforesaid Holding Company, its subsidiary and jointly controlled entity incorporated in India. However, procedure of such verification needs to be further improved.
- (c) On the basis of our examination of the inventory records and the reports of the other auditors, in our opinion, the Holding Company, its subsidiary and jointly controlled entity are maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory of the aforesaid Holding Company, its subsidiary and jointly controlled entity incorporated in India as compared to the respective book records were not material.
- (iii) According to the information and explanations given to us, the Holding Company, its subsidiary and jointly controlled entity have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In view of above, the clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, and the reports of the other auditors on the subsidiary and jointly controlled entity as furnished to us, there is an adequate internal control systems commensurate with the size of the Holding Company, its subsidiary and jointly controlled entity and the nature of their business with regard to the purchase of stores and spare parts, fixed assets and for the sale of power & services. Further on the basis of examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary and jointly controlled entity as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control systems.

- (v) The Holding Company, its subsidiary and jointly controlled entity have not accepted any deposits from the public in terms of section 73 to 76 or any provisions of the Companies Act, 2013 and rules there under.
- (vi) We have broadly reviewed the accounts and cost records maintained by the Holding company under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Holding Company, its subsidiary and jointly controlled entity, is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues applicable to it, and there are no undisputed dues outstanding as on 31st March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues that have not been deposited on account of any dispute are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in Lakh)	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty Penalty	1.00	CESTAT
Finance Act, 1994	Service Tax	1236.00	Commissioner, Excise & Service Tax, Chandigarh

- (c) According to the information and explanations given to us there are no amounts that are due to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under by the Holding Company, its subsidiary and jointly controlled entity.
- (viii) The Group has no accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year. However, the jointly controlled entity has accumulated losses at the end of the financial year which are not more than fifty percent of its net worth and the jointly controlled entity has not incurred cash loss during the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Holding Company, its subsidiary and jointly controlled entity have not defaulted in repayment of dues to financial institution or banks. The Holding Company, its subsidiary and jointly controlled entity have not issued any debentures.
- (x) In our opinion and according to the information and the explanations given to us, the Holding Company, its subsidiary



and jointly controlled entity have not given any guarantee for loans taken by others from banks or financial institutions.

(xi) In our opinion and according to the information and explanations given to us, and on overall examination of the Balance Sheet of the Holding Company, and based on the reports of the other auditors of the subsidiary and the jointly controlled entity, the term loans were applied for the purpose for which the loans were obtained.

(xii) As per the information and explanations given to us, and based on the reports of the other auditors of the subsidiary and the jointly controlled entity, no fraud on or by the Holding

Company, its subsidiary and jointly controlled entity have been noticed or reported during the year.

For Soni Gulati & Co.
Chartered Accountants
Firm Regn.No. 008770N


(Suresh Chand Soni)
Partner
M.No. 083106

Place: New Delhi
Date: 27.05.2015

ANNEXURE 2 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of SJVN LIMITED on the accounts for the year ended 31st March 2015

It comprises data of Holding Company, its subsidiary SJVN Thermal Pvt. Ltd.; its joint venture company, Cross Border Power Transmission Company Ltd.. So far as foreign subsidiary SJVN Arun-3 Power Development Company Pvt. Ltd, we have been informed that its accounts are unaudited and its auditors have not been appointed by the Comptroller & Auditor General of India, hence there are no directions under sub-section (5) of section 143 of the Act.

Sl. No.	Directions	Company	Action Taken	Impact on financial statement
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process	Holding Company	The Company has not been selected for disinvestment during the financial year 2014-15.	Not applicable
		SJVN Thermal Pvt. Ltd.	Nil	Not applicable
		Cross Border Power Transmission Company Ltd.	According to report of auditors of Cross Border Power Transmission Company Ltd.- Not Applicable	Not applicable
2	Please report whether there are any cases of waiver/write off of debts/loans/ interest etc., if yes, the reasons therefore and the amount involved.	Holding Company	According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/ interest etc.	Nil
		SJVN Thermal Pvt. Ltd.	Nil	Nil
		Cross Border Power Transmission Company Ltd.	According to report of auditors of Cross Border Power Transmission Company Ltd.- Not Applicable	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	Holding Company	Proper records are maintained for inventories lying with third parties. The Company has not received any assets as a gift from Government or other authorities.	Nil
		SJVN Thermal Pvt. Ltd.	Nil	Nil
		Cross Border Power Transmission Company Ltd.	According to report of auditors of Cross Border Power Transmission Company Ltd.- Not Applicable	Nil



Sl. No.	Directions		Action Taken	Impact on financial statement
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	Holding Company	The Company has 170 pending legal/arbitration cases. The age-wise classification obtained from the management is as under: More than 5 years 42 3 to 5 years 28 1 to 2 years 35 Less than 1 year 65 These cases are pending as the hearing is yet not completed, calling for further details and additional documents by arbitrator / court etc. The Company has a system for monitoring expenditure on legal cases (foreign and local) which in our view is effective.	Nil
		SJVN Thermal Pvt. Ltd.	Nil	Nil
		Cross Border Power Transmission Company Ltd.	Civil Case with Munshi Prasad Gupta & 7 others in High Court of Patna since 05.11.2014. Hearing continue.	Nil

Annexure-XII

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SJVN LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of consolidated financial statements of SJVN Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) read with Section 129(4) of the Act of the consolidated financial statements of SJVN Limited for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of SJVN Limited, SJVN Thermal Private Limited, but did not conduct supplementary audit of the financial statements of SJVN Arun-3 Power Development Company Private Limited, Cross Border Power Transmission Company Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

Place : New Delhi
Dated : 23 July, 2015

For and on the behalf of the
Comptroller & Auditor General of India

Tanuja Mittal

(Tanuja S.Mittal)

Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-III,
New Delhi



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

(₹ Lakh)

	Note No.	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	4,13,663	4,13,663
Reserves and Surplus	2.2	6,06,615	4,91,356
		10,20,278	9,05,019
Non- current Liabilities			
Long Term Borrowings	2.3	2,48,098	2,21,351
Other Long Term Liabilities	2.4	86,622	86,789
Long Term Provisions	2.5	7,965	6,742
		3,42,685	3,14,882
Current Liabilities			
Short Term Borrowings	2.6	-	-
Trade Payables	2.7	1,483	1,814
Other Current Liabilities	2.8	62,533	73,395
Short Term Provisions	2.9	36,238	60,949
		1,00,254	1,36,158
Total		14,63,217	13,56,059
ASSETS			
Non - current Assets			
Fixed Assets			
Tangible Assets	2.10	9,05,369	5,66,974
Intangible Assets	2.10	22	41
Capital Work-in-progress	2.11	42,893	4,05,597
		9,48,284	9,72,612
Non-current Investments	2.12	254	-
Deferred Tax Assets (Net)	2.13	28,537	22,676
Long Term Loans and Advances	2.14	19,389	16,068
Other Non-current Assets	2.15	98	1,103
		9,96,562	10,12,459
Current Assets			
Inventories	2.16	3,678	3,384
Trade Receivables	2.17	1,50,708	37,447
Cash and Bank Balances	2.18	2,85,757	2,41,602
Short Term Loans and Advances	2.19	14,998	10,585
Other Current Assets	2.20	11,514	50,582
		4,66,655	3,43,600
Total		14,63,217	13,56,059

Significant Accounting Policies 1
The accompanying notes form an integral part of these financial statements.

For and on behalf of the Board of Directors

This is the Balance Sheet referred to in our report of even date
For Soni Gulati & Co.
Chartered Accountants

(Soumendhra Das) (Amarjit Singh Bindra) (Ramesh Narain Misra)
 Company Secretary Director (Finance) Chairman & Managing Director
 FCS-4833 DIN:03358160 DIN:03109225

(Suresh Chand Soni)
Partner
M.No. 083106

Place: New Delhi
Date : May 27, 2015




CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

(₹ Lakh)

	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
REVENUE			
Revenue from Operations	2.21	2,81,744	1,87,352
Other Income	2.22	44,359	23,718
Total Revenue		3,26,103	2,11,070
EXPENSES			
Employee Benefits Expense	2.23	19,957	12,375
Finance Costs	2.24	6,456	2,888
Depreciation and Amortization Expense	2.25	64,100	47,452
Other Expenses	2.26	17,646	14,549
Total Expenses		1,08,159	77,264
Profit before exceptional and extraordinary items and tax		2,17,944	1,33,806
Exceptional Items	2.27	13,228	-
Profit before extraordinary items and tax		2,04,716	1,33,806
Extraordinary items		-	-
Profit Before Tax		2,04,716	1,33,806
Tax Expenses:			
- Current Tax		42,912	28,051
- Deferred Tax	2.13	(5,861)	(5,694)
		37,051	22,357
Profit for the Year		1,67,665	1,11,449
Earnings Per Equity Share (Par Value ₹10/- each)			
Basic and Diluted (₹)	2.29	4.05	2.69
Significant Accounting Policies	1		

The accompanying notes form an integral part of these financial statements.

For and on behalf of the Board of Directors


(Soumendhra Das)
 Company Secretary
 FCS-4833


(Amarjit Singh Bindra)
 Director (Finance)
 DIN:03358160


(Ramesh Narain Misra)
 Chairman & Managing Director
 DIN:03109225

This is the Statement of Profit and Loss referred to in our report of even date

For Soni Gulati & Co.
 Chartered Accountants


(Suresh Chand Soni)
 Partner
 M.No. 083106

Place: New Delhi
 Date : May 27, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2,04,716	1,33,806
Adjustment for:		
Depreciation	64,100	47,452
Interest & Finance Charges	6,456	2,888
Unbilled Revenue	(126)	(12,429)
Profit on Sale of Fixed Assets	-	(1)
Loss on Disposal/ Write off of Fixed Assets	4	-
Interest on Term Deposits	(23,085)	(21,281)
Write off of expenses on Survey & Investigation Project	13,228	-
Operating Profit before Working Capital Changes	2,65,293	1,50,435
Adjustment for:		
Trade Receivables	(1,13,261)	(1,583)
Inventories	(294)	(333)
Trade Payables and Other Liabilities (Current & Non-current)	688	4,340
Provisions (Long Term/Short Term)	2,932	1,808
Loans and Advances	(5,060)	1,965
Other Current Assets	42,823	970
	(72,172)	7,167
Cash generated from operations	1,93,121	1,57,602
Income Tax paid	(43,961)	(29,656)
Net Cash Flow from Operating Activities-A	1,49,160	1,27,946
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Expenditure on Fixed Assets & CWIP, Advance for Capital Works & Capital Stores/Spares etc.	(49,587)	(1,13,669)
Investment in Subsidiary/Joint Venture Companies	(254)	-
Interest on Term Deposits	19,456	25,807
Net cash used in Investing Activities - B	(30,385)	(87,862)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(23,752)	(29,516)
Interest & Finance Charges Paid	(6,192)	(3,317)
Proceeds from Borrowings	34,124	38,436
Dividend	(66,574)	(39,704)
Tax on Dividend	(12,226)	(6,749)
Net Cash Flow from Financing Activities - C	(74,620)	(40,850)
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	44,155	(766)
Cash and cash equivalents -Opening balance (see Note 1 below)	2,41,602	2,42,368
Cash and cash equivalents Closing balance (see Note 1 below)	2,85,757	2,41,602



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ Lakh)

	Year ended 31st March, 2015	Year ended 31st March, 2014
Notes:		
1. Cash and cash equivalents consists of cash, bank balances and cheques & drafts in hand.		
Cash and cash equivalents included in the cash flow statement comprises of following balance sheet amounts as per Note 2.18		
Cash and cash equivalents	48,734	58,178
Deposits having original maturity of more than 3 months	2,35,666	1,83,293
Other Bank Balances*	1,357	131
Cash and cash equivalents as restated (Note 2.18 - Cash and Bank Balances)	<u>2,85,757</u>	<u>2,41,602</u>
* Amounts which are not available for use:		
i) Unpaid Dividend account balance	47	21
ii) Margin Money for BG/ Letter of Credit and Pledged deposits	1,310	110
	<u>1,357</u>	<u>131</u>

2 Previous year figures have been regrouped/re-arranged/re-casted wherever necessary.



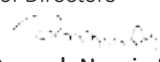
This is the cash flow statement referred to in our report of even date

For Soni Gulati & Co.
Chartered Accountants


(Suresh Chand Soni)
Partner
M.No. 083106

Place: New Delhi
Date : May 27, 2015

For and on behalf of the Board of Directors

 (Soumendhra Das) Company Secretary FCS-4833
 (Amarjit Singh Bindra) Director (Finance) DIN:03358160
 (Ramesh Narain Misra) Chairman & Managing Director DIN:03109225

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. Significant Accounting Policies

1.1 System of Accounting

The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013, including accounting standards notified thereunder as amended from time to time.

1.2 Fixed Assets

- Fixed Assets are stated at historical cost less accumulated depreciation and any impairment in value. Where final settlement of bills with contractors is pending/under dispute, capitalization is done on estimated/provisional basis subject to necessary adjustment in the year of final settlement.
- Fixed Assets created on land not belonging to the Group where the company is having control over the use and access of such assets are included under Fixed Assets.
- Capital expenditure on assets not owned by the Group is reflected as a distinct item in Capital Work-in-Progress / Fixed Assets.

- Payments made provisionally towards compensation and other expenses relating to land in possession are treated as cost of land.
- Expenditure incurred for compensatory afforestation, soil conservation and re-forestation towards forest land is shown as "Intangible Assets-Expenditure on compensatory afforestation" and is amortized pro-rata through depreciation over the period of likely use.
- Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.
- Assets/Equipments declared surplus are shown at lower of book value and net realisable value.

1.3 Machinery Spares

- Machinery spares procured along with the Plant & Machinery or subsequently and whose use is expected to be irregular are capitalized and depreciated fully over the residual useful life of the related plant and machinery except as stated in para 1.3(b).



- b) Cost /WDV of Machinery Spares is fully charged to revenue in the year in which such spares are replaced except in cases where retrieved spares have useful life after repairs.
- c) Other spares forming part of inventory are expensed when consumed.

1.4. Capital Work-in-Progress

- a) In respect of supply-cum-erection contracts, the value of supplies received at site/construction store and accepted is treated as Capital Work-in-Progress.
- b) Administration and Other General Overhead expenses at the Corporate Office and Projects under Construction / Survey & Investigation attributable to construction of fixed assets are identified and allocated on systematic basis on major immovable assets other than land, infrastructure facilities and bought out items on commissioning of Projects. However, no allocation of such expenses pertaining to Corporate Office is made on projects taken on BOOT (Build, Own, Operate & Transfer) basis till the date of grant of generation license.
- c) Expenditure on Survey and Investigation of the Projects is carried as capital work in progress and capitalized as cost of Project on completion of construction of the Project or the same is expensed in the year in which it is decided to abandon such project.
- d) Expenditure against "Deposit Works" is accounted for on the basis of statement of account received from the concerned agency and acceptance by the Group. However, provision is made wherever considered necessary.
- e) Claims for price variation /exchange rate variation in case of contracts are accounted for on acceptance.

1.5 Depreciation and Amortization

- a) Depreciation is charged on straight-line method following the rates & methodology notified by the Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff as amended from time to time, except as referred in Policy No. 1.5(g) and in case of computers & peripherals, and mobile phones which are depreciated @ 25% p.a.
- b) Depreciation is provided on pro rata basis from the month in which the asset becomes available for use.
- c) Depreciation on assets declared surplus/obsolete is provided till the end of the month in which such declaration is made.
- d) Assets costing ₹ 5,000/- or less are depreciated fully in the year of procurement.
- e) Expenditure on software is recognized as 'Intangible Asset' and amortized fully over four years on Straight Line Method or over a period of its legal rights to use whichever is less.
- f) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liability on account of exchange fluctuation, change in duties or similar factors, the revised unamortized balance of such assets is depreciated prospectively over the residual life. Depreciation on increase/decrease in the value of existing assets on account of settlement of disputes is charged retrospectively.
- g) Capital Expenditure referred to in Policy No. 1.2(c) is fully depreciated and charged to Profit & Loss A/c in the year in which such Asset is capitalized and ready for use.
- h) Leasehold land is amortized pro-rata through depreciation

over the period of lease or 35 years, whichever is lower, following the rates & methodology notified by CERC for the purpose of fixation of Tariff as amended from time to time.

- i) Expenditure on Catchment Area Treatment (CAT) Plan during construction is capitalized along with dam/civil works. Such expenditure during O&M stage is charged to revenue in the year of incurrence of such expenditure.

1.6 Investments

- a) Non Current Investments are valued at cost less provision for permanent diminution in value.
- b) Current Investments are valued at lower of cost and fair value.

1.7 Inventories

- a) Inventories and Carbon Credit are valued at the lower of cost arrived at on weighted average basis and net realizable value.
- b) Loose tools issued during the year are charged to consumption.
- c) Stores issued for operation and maintenance but lying unused at site are treated as part of inventory.
- d) The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.
- e) Scrap is accounted for as and when sold.

1.8 Foreign Currency Transactions

- a) Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
- b) Monetary items denominated in foreign currency are restated at exchange rates prevailing on the Balance Sheet date. Non-Monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
- c) Exchange differences, except to the extent considered as adjustment to borrowing cost as per AS-16 read with ASI-10, are recognized as income or expense in the period in which they arise in case of operating projects and to EDC in case of projects under construction. However, the differences relating to Fixed Assets/Capital Work-in-progress arising out of transactions entered into prior to 01.04.2004 over & above those considered as borrowing cost are adjusted to the carrying cost of Fixed Assets/Capital Work-in-progress.

1.9 Borrowing Costs

Borrowing costs attributable to fixed assets during construction /renovation and modernization are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.10 Provision, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized, nor disclosed in the financial statements.

1.11 Impairment of Assets

The carrying amount of cash generating unit is reviewed at each Balance Sheet date where there is any indication of impairment based on internal / external indicators. An impairment loss is recognized in the Statement of Profit & Loss where the carrying amount exceeds the recoverable amount



of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

1.12 Income

- Sale of energy is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC) except for sale of wind power energy which is accounted for on the basis of tariff rates notified by Electricity Regulatory Authorities of respective states as amended from time to time. Recovery/refund towards foreign currency variation in respect of foreign currency loans as per CERC notification is accounted for on year to year basis.
- The incentives /disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.
- Advance against depreciation, forming part of tariff upto 31.03.2009 to facilitate repayment of loans, is reduced from sales and considered as deferred revenue to be included in the sales in subsequent years.
- The interest/surcharge on late payment/overdue sundry debtors for sale of energy is accounted for on receipt basis or when there is reasonable certainty of realisation.
- Interest recoverable on advances to contractors/suppliers and other claims from contractors/suppliers under dispute are accounted for on receipt/acceptance.
- Income from consultancy services is accounted for on the basis of actual progress / technical assessment of work executed or costs reimbursable, in line with the terms of respective consultancy contracts.
- Income arising from carbon credit is recognized on transfer/sale of carbon credits i.e. when there is certainty regarding ultimate collection.

1.13 Employee Benefits

- Provision for gratuity, leave encashment and other post retirement benefits as defined in Accounting Standard (AS) - 15

2 Notes on Accounts

The amounts in Financial Statements are presented in Indian Rupees and all figures have been rounded off to the nearest rupees lakh except when otherwise stated. The previous year figures have also been reclassified/regrouped/rearranged wherever necessary to conform to this year's classification.

2.1 Share Capital

	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
AUTHORISED				
Equity Shares of par value ₹10/- each	7,00,00,00,000	7,00,000	7,00,00,00,000	7,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹10/- each fully paid up	4,13,66,26,500	4,13,663	4,13,66,26,500	4,13,663
Total		4,13,663		4,13,663

(₹ Lakh)

2.1.1 Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	%	No. of Shares	%
Government of India (GoI)	2,66,66,11,700	64.46	2,66,66,11,700	64.46
Government of Himachal Pradesh (GoHP)	1,05,50,14,800	25.51	1,05,50,14,800	25.51



2.1.2 The reconciliation of the number of shares outstanding is set out below :

(₹ Lakh)

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	4,13,66,26,500	4,13,663	4,13,66,26,500	4,13,663
No. of shares issued during the year	-	-	-	-
Number of shares at the end	4,13,66,26,500	4,13,663	4,13,66,26,500	4,13,663

2.2 Reserves and Surplus

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
A Security Premium Account	1,313	1,313
B Surplus		
Opening Balance	4,90,043	4,26,023
Add: Profit for the Year as per Statement of Profit and Loss	1,67,665	1,11,449
Total Profit available for Appropriations	6,57,708	5,37,472
Appropriations		
Dividend		
Interim	26,061	-
Final Proposed	17,374	40,539
Tax on Dividend		
Interim	5,336	-
Final Proposed	3,635	6,890
Total Appropriation	52,406	47,429
Surplus -Closing Balance	6,05,302	4,90,043
Total Reserves and Surplus (A + B) #	6,06,615	4,91,356

Includes ₹ (23) lakh (P.Y: ₹ (15) lakh) share of jointly controlled entity .

2.3 Long Term Borrowings

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Term Loans		
From Other Parties:		
A Secured		
Power Finance Corporation Limited (PFC) *	2,756	-
(Repayable in quarterly instalments from April 2016 to April 2021, carrying interest@ 11.75% p.a. payable quarterly)		
State Bank of India ##	27,965	8,890
(Repayable in quarterly instalments from March 2015 to December 2023, carrying interest@ Base Rate + fixed spread of 0.65% p.a. payable monthly)		
Total (A)	30,721	8,890
## Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of RHPs.		
* Secured by first pari passu charge on all fixed assets of Cross Border Power Transmission Company Limited(CPTC) including Lease hold rights of the Land, hypothecaion of all movable assets, first charge on current assets of CPTC including book debts and stock.		
B Unsecured:		
Foreign Currency Loans		
(Guaranteed by Govt of India)		
- World Bank (IBRD)	2,17,377	2,12,461
(Repayable in 30 half yearly instalments from May 2013, carrying interest@ LIBOR+variable spread p.a.)		
Total (B)	2,17,377	2,12,461
Total Long term borrowings (A + B) #	2,48,098	2,21,351

Includes ₹ 2756 lakh (P.Y: Nil) share of jointly controlled entity .

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.



2.4 Other Long Term Liabilities

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Interest accrued but not due on borrowings	56	-
Deposits, Retention Money from Contractors and Others	63	268
Less : Investments held as Security	29	198
	<u>34</u>	<u>70</u>
Income Received in Advance:		
- Advance Against Depreciation	84,935	84,935
Deferred Foreign Currency Fluctuation Liability	1,597	1,784
Total #	86,622	86,789

Includes ₹ 56 lakh (P.Y: Nil) share of jointly controlled entity .

2.5 Long Term Provisions

Particulars	As at 01.04.2014	For the year			As at 31.03.2015
		Additions	Write Back	Utilization	
Unfunded Employee Benefits					
Leave Encashment	4,095	339	-	121	4,313
Post Retirement Medical	2,500	1,022	-	48	3,474
Other Retirement Benefits	147	44	-	13	178
Total#	6,742	1,405	-	182	7,965
Previous Year	5,484	1,561	33	270	6,742

Includes Nil (P.Y: Nil) share of jointly controlled entity .

Disclosure required by AS 15 on 'Employee Benefits' has been made in Note 2.37

2.6 Short Term Borrowings

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Secured Loans:		
Short Term Loans from Banks	-	-
Total#	<u>-</u>	<u>-</u>

Includes Nil (P.Y: Nil) share of jointly controlled entity.

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

2.7 Trade Payables

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Micro and Small Scale Enterprises	23	45
Others	1,460	1,769
Total#	1,483	1,814

Includes ₹ 1 lakh (P.Y: Nil) share of jointly controlled entity.



2.8 Other Current Liabilities

(₹ Lakh)

	As at 31st March, 2015	As at 31st March, 2014
Current Maturities of Long Term debt		
Secured		
- Rupee Term Loans	4,440	11,895
Unsecured		
- Foreign Currency Loans (Guaranteed by GOI)	12,287	11,852
	16,727	23,747
Interest Accrued but not due on:		
- Foreign Currency Loans : World Bank	373	370
: Others	-	3
- Rupee Term Loans	-	251
	373	624
Advance Against Consultancy	15	22
Unpaid Dividend	47	21
Others Payables:		
-Liability for Employees' Remuneration and Benefits	2,817	2,252
Liability for Purchase/Construction of Fixed Assets:		
- Micro and Small Scale Enterprises	96	1
- Others	19,052	23,891
	19,148	23,892
Deposits, Retention Money from Contractors and Others	23,022	21,455
Less : Investments held as Security	456	172
	22,566	21,283
Amount Payable to Gratuity Trust	371	582
TDS and Other Taxes Payable	225	460
Others	244	512
Total #	62,533	73,395

Includes ₹ 652 lakh (P.Y: ₹ 104 lakh) share of jointly controlled entity .

Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term debt indicated above are disclosed in Note 2.3.

2.9 Short Term Provisions

(₹ Lakh)

Particulars	As at 01.04.2014	For the year			As at 31.03.2015
		Additions	Write Back	Utilization	
(A) Unfunded Employee Benefits					
Leave Encashment	234	257	-	214	277
Post Retirement Medical	40	65	-	32	73
Other Retirement Benefits	5	7	-	5	7
Total (A)	279	329	-	251	357
(B) Others:					
Proposed Dividend	40,539	17,374	-	40,539	17,374
Tax on Proposed Dividend	6,890	3,635	-	6,890	3,635
Wage Revision	26	-	-	8	18
Performance Related Pay	2,583	2,481	-	2,289	2,775
Corporate Social Responsibility/SD	-	-	-	-	-
Interest on Arbitration Awards	7,495	948	-	-	8,443
Others	3,137	699	-	200	3,636
Total (B)	60,670	25,137	-	49,926	35,881
Total (A) + (B) #	60,949	25,466	-	50,177	36,238
Previous Year	59,431	53,442	407	51,517	60,949

Includes Nil (P.Y: Nil) share of jointly controlled entity .

Disclosure required by AS 15 on 'Employee Benefits' has been made in Note 2.37

2.10 Fixed Assets

Sl.No.	Particulars	Gross Block		Depreciation		Net Block		(₹ Lakh)	
		As at 01.04.2014	Additions during the year	As at 31.03.2015	Upto 01.04.2014	For the year	Upto 31.03.2015		As at 31.03.2015
Tangible Assets									
Leasehold Assets									
1	Land (including development expenses)	36	521	557	18	4	22	535	18
Other Assets									
2	Land (including development expenses)##	14,698	13	13,258	-	-	-	13,258	14,698
3	Buildings*	79,545	51,325	1,30,313	23,291	4,178	26,912	1,03,401	56,254
4	Roads and Bridges	5,004	1,589	6,468	1,334	233	1,442	5,026	3,670
5	Plant and Machinery	1,481	40	1,493	647	75	694	799	834
6	Generating Plant and Machinery	2,24,076	1,23,812	3,47,842	83,774	17,427	15	2,46,656	1,40,302
7	Hydraulic Works (Dams, Tunnel, etc.)	5,79,601	2,26,029	8,05,084	2,32,113	41,735	240	5,31,476	3,47,488
8	Vehicles	380	-	354	194	23	191	163	186
9	Furniture, Fixture and Equipments	1,037	305	1,228	491	66	443	785	546
10	Electrical Works	2,494	150	2,447	894	131	828	1,619	1,600
11	Electrical Equipments	265	56	308	90	25	104	204	175
12	Office Equipments	1,376	342	1,615	565	91	554	1,061	811
13	Data processing Equipments	1,324	156	1,353	932	149	967	386	392
14	Capital Assets not owned by Company	9,624	48	9,672	9,624	48	9,672	-	-
	Total	9,20,941	4,04,386	13,21,992	3,53,967	64,185	4,16,623	9,05,369	5,66,974
Intangible Assets									
1.	Software	363	9	342	322	28	30	22	41
2.	Expenditure on Compensatory Afforestation	500	-	-	500	-	500	-	-
	Total:	863	9	342	822	28	530	22	41
	Total Fixed Assets#	9,21,804	4,04,395	13,22,334	3,54,789	64,213	4,16,943	9,05,391	5,67,015
	Previous Year :	8,89,000	33,296	9,21,804	3,07,017	47,999	3,54,789	5,67,015	5,81,983
					Current Year		Previous Year		
					25		40		

Includes ₹ 1 lakh (PY: Nil) share of jointly controlled entity.

Fixed Assets costing ₹ 5000 or less procured and depreciated fully during the year.

Possession of freehold land measuring 0-05-22 hectare (Previous Year: 0-05-22 hectare) is still to be handed over to the Company.

Mutation of land measuring Nil hectare (Previous Year: 10-45-60 hectare) is yet to be executed in favour of the Company.

Pending ownership dispute land measuring 32-15-01 hectare (Previous Year: Nil) amounting to ₹ 1335 lakh (Previous Year: Nil) in respect of Nathpka Jhakri Hydro Power Station (NJHPS) has been decapitalized during the year and shown as contingent liability.

* Title deeds/ title in respect of buildings costing ₹ 15 lakh (Previous Year: ₹ 15 lakh) are yet to be executed/ passed in favour of the company. Expenses on stamp duty etc. shall be accounted for on registration.

* Buildings include ₹ 8 lakh (Previous Year: ₹ 4 lakh) being damaged assets for which provision has been made.

2.11 Capital Work-in-progress

Sl.No.	Particulars	As at		Transfers/Adjustments		Total WIP		Capitalised		As at 31.03.2015
		01.04.2014	01.04.2014	As at 31.03.2015	as at 31.03.2015	during the year	31.03.2015			
1	Building		5,142	6,481	(78)	11,701	5,045	6,656		
2	Civil Works		1,87,825	7,511	81	1,95,255	1,95,151	104		
3	Roads, Bridges & Culverts		1,237	451	(28)	1,716	1,708	8		
4	Plant and Machinery		-	27	-	27	-	27		
5	Electrical Works		93	1,042	(15)	1,150	291	859		
6	Capital Asset with Contractors (Electro Mechanical)*		66,527	13,855	48	80,334	78,737	1,597		
7	Preliminary#		13,221	3,328	1,268	15,281	696	14,585		
8	Capital Assets not owned by Company		19	29	-	48	48	-		
9	Expenditure during construction (Note 2.11.1)c		1,31,533	19,114	12,131	1,38,516	1,19,459	19,057		
	Total #		4,05,597	51,838	13,407	4,44,028	4,01,135	42,893		
	Previous Year		2,98,579	1,37,558	101	4,36,036	30,439	4,05,597		

Includes ₹ 3814 lakh (PY: ₹ 536 lakh) share of jointly controlled entity.

* Capital Assets with contractors (Electro Mechanical) include Material/Assets in transit having value Nil (PY: ₹ 4708 lakh).

* Capital Assets with contractors (Electro Mechanical) has been adjusted by ₹ 1008 lakh (PY: ₹ 1 lakh) on account of sale of firm power during trial run.

\$ During the year, consequent upon communication received from CWC and Principal Secretary (MPP & Power), Government of Himachal Pradesh, it was decided to review the construction of Lohri Hydro Electric Project (LHEP) from single stage project to multi stage project. Accordingly, cost incurred on LHEP amounting to ₹ 1,268 lakh & ₹ 11,960 lakh considered redundant and unusable during Stage-I has been written off from Preliminary and EDC respectively in line with Policy No. 1.4(c).



2.11.1 Expenditure During Construction

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
EXPENSES		
Employees' Remuneration and Benefits:		
Salaries, Wages, Allowances and Benefits	6,564	10,606
Contribution to Provident and Other Funds	361	523
Leave Salary and Pension Contribution	157	291
Welfare Expenses	584	936
	7,666	12,356
Other Expenses		
Repair and Maintenance:		
Roads and Buildings	49	161
Plant & Machinery	11	37
Office Equipments & Furnitures	11	29
Vehicles	19	72
Others	85	207
	175	506
Rent	249	354
Rates & Taxes	1	1
Insurance	3	3
Security Expenses	158	267
Electricity Charges	63	138
Less: Recovered from Employees & Contractors	6	30
	57	108
Travelling & Conveyance	196	322
Training and Recruitment Expenses	153	218
Legal Expenses	5	3
Professional and Consultancy Charges	177	243
Communication Expenses	60	103
Printing & Stationery	32	84
Less: Receipts from Sale of Tenders	4	9
	28	75
Payment to Auditors	3	11
Advertisement & Publicity	15	68
EDP Expenses	20	51
Entertainment Expenses	10	20
Expenses on Transit Camps	160	199
Books & Periodicals	2	8
Hiring of Vehicles	241	545
Depreciation	113	483
Loss on Disposal/Write off of Fixed Assets	1	-
Crop and Other Compensation	104	449
Exchange Rate Variation	8,842	19,745
Directors Sitting Fees	2	10
Local Area Development Expenses	-	2,220
Business Promotion Expenses	6	35
Rehabilitation Expenses	-	15
Fees and subscription	26	74
Environment & Ecology Expenses	13	110
Safety Expenses	2	11
Miscellaneous Expenses	41	96
	18,529	38,709
INTEREST AND FINANCE CHARGES		
On Loan from World Bank (IBRD)	609	2,409
Term Loans	540	18
	1,149	2,427
Less: Allocated to CWIP	609	2,409
	540	18
Other Finance Charges	131	-
	671	18
	19,200	38,727
LESS: RECEIPTS AND RECOVERIES		
Interest from:		
Banks	4	2
Employees	27	67
Contractors	32	349
Others	1	-
	64	418
Less Allocated to CWIP	-	-
	64	418
Miscellaneous Income	22	130
	86	548
Net Expenditure - Transferred to CWIP (Note No. 2.11) #	19,114	38,179

Includes ₹ 377 lakh (PY: ₹ 111 lakh) share of jointly controlled entity.



2.12 Non-current Investments

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Non Trade-Unquoted (at cost)		
(a) Joint Venture Companies		
8372000 (PY: 4940000) Equity shares of ₹10/- each in Cross Border Power Transmission Company Ltd.	-	-
Share Application Money Pending Allotment in Cross Border Power Transmission Company Ltd.	254	-
(b) Subsidiary Companies		
10000 (PY: 10000) Equity shares of ₹10/- each in SJVN Thermal Pvt. Ltd.	-	-
480000 (PY: Nil) Equity Shares of RS. 62.50/- each in SJVN Arun-3 Power Development Company Pvt. Ltd.	-	-
(c) Others		
60 Fully Paid up Ordinary shares of ₹ 50/-each in NJP Employees Consumer Co-operative Store, Jhakri (₹ 3000/-)	-	-
Total#	<u>254</u>	<u>-</u>

Includes Nil (PY: Nil) share of jointly controlled entity.

2.13 Deferred Tax Assets (Net)

	(₹ Lakh)		
	As at 01.04.2014	Additions/ (Adjustments) during the year	As at 31.03.2015
Deferred Tax Assets			
Difference of Book Depreciation and Tax Depreciation	21,184	5,520	26,704
Provisions/Expenses disallowed for Tax purpose	<u>1,492</u>	<u>341</u>	<u>1,833</u>
Deferred Tax Assets#	<u>22,676</u>	<u>5,861</u>	<u>28,537</u>

Includes Nil (PY: Nil) share of jointly controlled entity.

Net increase during the year in Deferred Tax Assets (Net) of ₹ 5861 Lakh (Previous Year: ₹ 5694 Lakh) has been adjusted in the tax expenses in the statement of Profit and Loss.

2.14 Long Term Loans and Advances

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Capital Advances		
Secured by hypothecation of Equipment/Material	1,008	226
Unsecured considered good		
- Covered by Bank Guarantees	887	1,913
- Others	<u>12,075</u>	<u>9,048</u>
Total	<u>13,970</u>	<u>11,187</u>
Security Deposits - Unsecured considered good	34	34
Loans and Advances to Related Parties ##		
- Secured considered good	9	15
- Unsecured considered good	5	7
- Interest Accrued	<u>5</u>	<u>4</u>
	19	26
Other Loans and Advances		
Loans to Employees		
- Secured considered good	3,144	2,482
- Unsecured considered good	<u>660</u>	<u>1,066</u>
	3,804	3,548
Advances to Employees-Unsecured considered good	92	120
Others-Unsecured considered good		
Prepaid Expenses	3	1
Interest Accrued on Staff Advances		
- Secured considered good	1,224	775
- Unsecured considered good	<u>243</u>	<u>377</u>
Total #	<u>1,467</u>	<u>1,152</u>
	<u>19,389</u>	<u>16,068</u>

Includes ₹ 80 lakh (PY: Nil) share of jointly controlled entity.

Loans and advances to related parties are dues from Directors of the company only.

Loans and Advances include dues from other officers (General Manager and above).

30 40



2.15 Other Non - current Assets

	As at 31st March, 2015	As at 31st March, 2014
Capital Stores (At Cost) (As certified by Management)		
Steel	53	57
Cement	1	1
Others	35	7
Material at Site*	9	1038
Total#	98	1103

Includes Nil (P.Y: Nil) share of jointly controlled entity .
* Includes Nil (P.Y: ₹ 1038 lakh) being Capital Spares pending inspection.

2.16 Inventories

	As at 31st March, 2015	As at 31st March, 2014
Loose Tools	11	5
Stores and Spares*	3,671	3,383
	3,682	3,388
Less : Provision for Shortage of store and Obsolescence	4	4
Total#	3,678	3,384

#Includes Nil (P.Y: Nil) share of jointly controlled entity .
*Stores and Spares includes Material in Transit ₹ 5 lakh (Previous Year: ₹ 2 Lakh) .
Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.

2.17 Trade Receivables

	As at 31st March, 2015	As at 31st March, 2014
Unsecured considered good:		
- Outstanding for a period exceeding six months from due date of payment	33,979	3,561
- Others	1,16,729	33,886
Total #	1,50,708	37,447

Includes Nil (P.Y: Nil) share of jointly controlled entity .
Trade receivables and Sales include an amount of ₹ 13400 lakh (Previous Year: ₹ 9127 lakh) towards bills raised after the end of the financial year.
Trade receivables includes an amount of ₹ 25776 lakh (Previous Year: Nil) recoverable from Government of Himachal Pradesh (GoHP) on account of arrear billing on determination of provisional tariff for the period 2009-14 by CERC which is being contested by them in the Hon'ble High Court of Himachal Pradesh.
Trade receivables due from Related Parties : Nil (P.Y: Nil)

2.18 Cash and Bank Balances

	As at 31st March, 2015	As at 31st March, 2014
Cash and Cash Equivalents		
Balances with Banks		
- Current Deposits	3,699	6,145
-Term Deposits (having original maturity upto 3 months)	45,034	52,032
Cheques & Drafts in hand	1	1
Cash on Hand (₹ 31,105/- P.Y: ₹ 36,414/-)	-	-
Other bank balances		
- Earmarked Balance (Unpaid Dividend)	47	21
- Margin Money for BG/ Letter of Credit and Pledged deposits	1,310	110
- Other Term Deposits(having original maturity of more than 3 months but less than 12 months)	2,35,666	1,83,293
	2,37,023	1,83,424
Total #	2,85,757	2,41,602

Includes ₹ 116 lakh (P.Y: ₹ 53 lakh) share of jointly controlled entity.



2.19 Short Term Loans and Advances

	(₹ Lakh)	
	As at 31st March, 2015	As at 31st March, 2014
Loans and Advances to Related Parties		
Loans and Advances to Directors :		
- Secured considered good	5	5
- Unsecured considered good	4	2
	9	7
Amount Recoverable from Joint Venture		
-Unsecured considered good	16	21
Loans to Employees		
- Secured considered good	658	447
- Unsecured considered good	137	237
	795	684
Advances to Contractor & Suppliers		
-Secured considered good	17	-
- Unsecured considered good	46	56
-Considered doubtful	10	10
	73	66
Less : Provision for doubtful advances	10	10
	63	56
Advances to Employees (unsecured considered good)	281	295
Deposits - Unsecured considered good:		
- Government Departments	92	88
- Deposits for Works	921	870
- Others	21	14
	1,034	972
Less: Provision for expenses	791	791
	243	181
Others		
Unsecured considered good:		
- Prepaid Expenses	2,601	2,252
- Amount recoverable from Govt departments ##	1,234	75
- Advance to Others *	1,729	22
	5,564	2,349
Considered doubtful	1,273	1,273
	6,837	3,622
Less: Provision	1,273	1,273
	5,564	2,349
Advance Tax Deposit and Tax deducted at Source	1,02,675	85,897
Less:Provision for Tax	94,683	78,955
	7,992	6,942
Others - Unsecured considered doubtful		
Advance to Ex-employees	7	7
Less : Provision for doubtful advances	7	7
	-	-
Interest Accrued on Staff Advances:		
-Secured considered good	30	38
-Unsecured considered good	5	12
	35	50
Total #	14,998	10,585

Includes ₹ 20 lakh (P.Y: Nil) share of jointly controlled entity .

Loans and Advances include dues from other officers (General Manager and above).

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Includes an amount of ₹ 1144 lakh (P.Y.: Nil) paid to Government of Himachal Pradesh towards lease rent for land of RHPS which has been protested by the company.

* Advance to others includes an amount of ₹ 280 lakh (P.Y: Nil) paid to Kholongchhu Hydro Energy Limited pending registration/incorporation of the same as a joint venture company in Bhutan.



2.20 Other Current Assets

	As at 31st March, 2015	As at 31st March, 2014
Amount recoverable from Contractors	1,578	1,716
Interest Accrued but not due on deposits with Banks	8,990	5,361
Deferred Foreign Currency Fluctuation Assets	513	174
Unbilled Revenue	126	43,330
Surplus Stores/Equipments	1,438	1,367
Less: Provision for Shortage/ Obsolescence	1,131	1,366
	307	1
Total #	11,514	50,582

Includes Nil (P.Y: Nil) share of jointly controlled entity.

2.21 Revenue from Operations

	Year ended 31st March, 2015	Year ended 31st March, 2014
Sales		
Energy Sales	2,82,542	1,84,133
Less:		
Regulated Power Adjustment- Margin	3,066	770
Regulated Power Adjustment- Expenses	297	83
	2,79,179	1,83,280
UI Charges	2,132	1,809
RLDC Charges	206	739
Exchange Rate Variation recoverable from beneficiaries	180	146
Revenue from Sales	2,81,697	1,85,974
Prior Period Sales	-	918
Total Revenue from Sales	2,81,697	1,86,892
Other operating revenues:		
Consultancy Income	47	460
Total Revenue from Operations #	2,81,744	1,87,352

Includes ₹ (9) lakh (P.Y: ₹ (6) lakh) share of jointly controlled entity .

The Central Electricity Regulatory Commission (CERC) vide notification dated 21.02.2014 has notified the Tariff Regulations, 2014 containing inter-alia the terms & conditions for determination of tariff, applicable for a period of five years with effect from 01.04.2014. Pending approval of tariff by CERC in respect of Nathpa Jhakri Hydro Power Station (NJHPS), sales/billing to the beneficiaries have been made in accordance with the tariff approved & applicable as on 31.03.2014 as provided in Tariff Regulations, 2014.

Further, for the purpose of recognition of sales, return on equity (one of the component of the Tariff) has been grossed up using the Minimum Alternate Tax (MAT) rate for the F.Y. 2014-15.

The Normative Plant Availability Factor (NAPF) has been increased from 82% to 90% w.e.f. 01.04.2014 in respect of NJHPS vide tariff notification applicable for the period 2014-19 .

CERC, vide its order dated 20.06.2014, has provisionally approved the tariff for NJHPS for the period 2009-14 considering provisional capital cost of ₹ 852870 lakh. Accordingly, sales includes an amount of ₹ 57125 lakh (P.Y: Nil) on account of arrear for the period 2009-14. However, the arrear billing due from Government of Himachal Pradesh (GoHP) is being contested by them in the Hon'ble High Court of Himachal Pradesh.

During the year, the Company has regulated the power of BYPL (P.Y: BYPL) after this company failed to pay outstanding dues and sold the power allocated to this Company through PTC as per CERC(Regulations of Power Supply) Regulations, 2010. Accordingly 156.278 MUs (P.Y: 44.652 MUs) of power was sold through PTC amounting to ₹ 5550 lakh (P.Y: ₹ 1323 lakh) and included in Energy Sales. An amount of ₹ 3066 lakh (P.Y: ₹ 770 lakh) excess realised as compared to regulated energy charges has been adjusted as Margin from Debtors and Sales after adjusting the expenses of ₹ 297 lakh (P.Y: ₹ 83 lakh) on Sale through PTC.

CERC vide its order dated 27.01.2015 have provisionally determined the capital cost of Rampur Hydro Power Station (RHPS) at ₹ 310960 lakh which was commissioned during the year whereby tariff for the period 2014-16 has been determined considering Normative Plant Availability Factor (NAPF) of 82%. Accordingly, the sales includes an amount of ₹ 39232 lakh (P.Y: Nil) from sales of energy generated from RHPS.

Sales include an amount of ₹ 2348 lakh (P.Y: ₹ 193 lakh) from sale of energy generated from wind power project.



2.22 Other Income

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Interest From:-		
Banks	23,085	21,281
Employees	344	260
Contractors	15	15
Beneficiaries*	<u>17,821</u>	<u>179</u>
	41,265	21,735
Interest on Income Tax Refund	651	-
Surcharge on late payment from customers	486	533
Receipt of Maintenance of ICF	229	220
Sale of Scrap	28	11
Miscellaneous Income ##	995	863
Foreign Currency Fluctuation Adjustment (Credit)	705	262
Total	<u>44,359</u>	<u>23,624</u>
Prior period Income - Interest	-	94
Total Other Income #	<u>44,359</u>	<u>23,718</u>
# Includes ₹ 2 lakh (PY: ₹ 4 lakh) share of jointly controlled entity .		
* Interest from Beneficiaries is on account of arrear billing made to the beneficiaries subsequent to provisional determination of tariff for the period 2009-14 vide CERC order dated 20.06.2014.		
## Details of Miscellaneous Income:		
Hire Rental Charges from Contractor	10	1
Profit on Sale of Fixed Assets	-	1
Rent Recovery from Staff/Others	76	73
Excess Provision Written Back	57	268
Liquidated Damages recovered	119	64
Claim Received from Insurance Company	675	164
Other Misc. Receipts	58	292
Total	<u>995</u>	<u>863</u>

2.23 Employee Benefits Expense

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Salaries, Wages, Allowances and Benefits	16,428	10,489
Contribution to Provident and Other Funds	905	514
Leave Salary and Pension Contribution	643	316
Welfare Expenses	<u>1,981</u>	<u>1,056</u>
Total #	<u>19,957</u>	<u>12,375</u>

Includes Nil (PY: Nil) share of jointly controlled entity.

Disclosure required by AS 15 in respect of provisions made towards various employees benefits is made in Note 2.37.

2.24 Finance Costs

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Interest Expenses on:		
Foreign Currency Loans	382	10
Rupee Term Loans	2,468	1,843
Arbitration Awards	<u>948</u>	<u>948</u>
	3,798	2,801
Other Borrowing Costs		
Finance Charges	2,140	10
Exchange differences regarded as adjustment to interest cost.	<u>518</u>	<u>77</u>
	2,658	87
Total #	<u>6,456</u>	<u>2,888</u>

Includes Nil (PY: Nil) share of jointly controlled entity.



2.25 Depreciation and Amortization Expense

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Depreciation for the year#	64,213	47,999
Less :		
Transfer to Expenditure During Construction (Note.2.11.1)	113	483
Depreciation Written back	-	64
Depreciation charged to Statement of Profit and Loss	64,100	47,452

Includes Nil (PY: Nil) share of jointly controlled entity

2.26 Other Expenses

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Repair and Maintenance:		
Buildings	647	622
Roads	240	316
Plant & Machinery	252	194
Office Equipments & Furnitures	29	11
Civil Works	614	770
Electro Mechanical Works	2,073	1,559
Vehicles	95	82
Others	163	102
	4,113	3,656
Rent	661	337
Rates & Taxes	2	1
Insurance	4,012	2,844
Security Expenses	1,571	1,304
Electricity Charges	1,316	1,219
Less:- Recovered from Employees & Contractors	60	55
	1,256	1,164
Research and Development	192	497
Travelling & Conveyance	381	285
Training and Recruitment Expenses	338	294
Less:- Cost of Application Forms Received	1	51
	337	243
Legal Expenses	59	132
Professional and Consultancy Charges	155	118
Communication Expenses	168	120
Printing & Stationery	101	91
Less: Receipts from Sale of Tenders	15	12
	86	79
Payment to Auditors	21	13
Advertisement & Publicity	85	118
EDP Expenses	80	55
Hiring of Vehicles	702	381
Entertainment Expenses	28	19



2.26 Other Expenses

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Expenses on Transit Camps	264	162
Books & Periodicals	5	7
C.S.R./ Sustainable Development Expenses	2,579	1,368
Stores Written Off	-	3
Loss on Disposal/Write off of Fixed Assets	4	-
Directors Sitting Fees	9	11
Business Promotion Expenses	40	42
Fees and subscription	406	849
Environment & Ecology Expenses	90	54
Safety Expenses	240	161
Miscellaneous Expenses	92	55
Exchange Rate Variation	(360)	221
Foreign Currency Fluctuation Adjustment (Debit)	179	144
Wealth Tax	1	1
Rebate to Customers	182	105
Expenses on Regulated Power	297	83
Less: Regulated Power Adjustment - Sales	(297)	(83)
	-	-
Prior Period Expenses	6	-
Total #	<u>17,646</u>	<u>14,549</u>
# Includes ₹ 1 lakh (P.Y: ₹ 10 lakh) share of jointly controlled entity .		
Stores consumption included in repairs and Maintenance	1,302	1,090

2.27 Exceptional Items

	(₹ Lakh)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Expenses:		
Provision for expenses for withdrawn project	13,228	-
Total#	<u>13,228</u>	<u>-</u>
# Includes Nil (P.Y: Nil) share of jointly controlled entity .		

During the year, consequent upon communication received from CWC and Principal Secretary (MPP & Power), Government of Himachal Pradesh, it was decided to review the construction of Luhri Hydro Electric Project (LHEP) from single stage project to multi stage project. Accordingly, cost incurred on LHEP amounting to ₹ 13228 lakh considered redundant and unusable during Stage-I has been written off.



Notes forming part of Consolidated Financial Statements

2.28 Basis of Consolidation

A. The consolidated financial statements (CFS) relate to SJVN Ltd. (the Company), its Subsidiaries and interest in Joint Ventures, together referred to as 'Group'

a) Basis of Accounting:

- These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013.
- The financial statements of the Subsidiary Companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.
- The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21-'Consolidated Financial Statements' and Accounting Standard (AS) 27-'Financial Reporting of Interest in Joint Ventures'.

b) Principles of consolidation.

The consolidated financial statements have been prepared as per following principles:

- The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealized profit or losses.
 - The consolidated financial statements include the interest of the Company in Joint Ventures, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.
 - The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to accounts.
- B. The Subsidiaries and Joint Venture Companies considered in the financial statements are as follows.

Name of The Company	Country of Incorporation	Proportion of Shareholding/Control	
		As at 31.03.2015	As at 31.03.2014
Subsidiary Companies:			
1. SJVN Arun-3 Power Development Company Pvt. Ltd#	NEPAL	100%	Majority Control in the composition of Board of Directors*
2. SJVN Thermal Pvt. Ltd	INDIA	100%	100%
Joint Venture Companies:			
1. Cross Border Power Transmission Company Ltd	INDIA	26%	26%

*The company has been formed as 100% subsidiary company of SJVN Ltd. No shares are allotted till 31.03.2014 and hence no paid up share capital exists till 31.03.2014.

The financial statements are unaudited (audited up to 16th July, 2014) and certified by the management and have been considered for consolidated financial statements of the group.

2.29 Earnings per Share (EPS) - Basic and Diluted:

(₹ Lakh)

	Year ended 31.03.2015	Year ended 31.03.2014
Net Profit after Tax used as numerator (₹lakh)	167665	111449
Weighted Average number of equity shares used as denominator	4,136,626,500	4,136,626,500
Earnings Per Share - Basic & Diluted (₹)	4.05	2.69
Face value per share (₹)	10	10

2.30 Contingent Liabilities:

a. Claims against the Company not acknowledged as debt:

(₹ Lakh)

Particulars	As at 31.03.2015	As at 31.03.2014
Capital Works *	32008	37623
Land Compensation	6193	4793
Disputed Service Tax Demand	1236	1236
Bank Guarantees	1	-
Others	165	16
Total	39603	43668

* This includes ₹18984 lakh (Previous Year: ₹18984 lakh) representing the amount of basic claims by the contractors of NJHPS. As the amounts recommended by the Dispute Review Boards (DRBs)/Additional Dispute Review Boards (ADRBs) are much less than the amounts claimed by the contractors, the claims on account of further interest and escalation, if any, have not been considered. There is no Contingent Liability in respect of jointly controlled entity.

b. The above contingent liabilities do not include claims against pending cases in respect of service matters and others where the amount cannot be quantified.

c. It is not practicable to work out the outflow and possibilities of any reimbursement.

2.31 Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is ₹ 59834 lakh (Previous Year ₹ 59950 lakh) which includes an amount of ₹ 1123 lakh (P.Y: ₹3337 lakh) in respect of jointly controlled entity.

Other Commitments:

The amount of commitments on account of plant repair and supply of related spares/ components (net of advances) and other commitments not provided for is ₹ 2188 lakh (Previous Year: ₹ 2364 lakh).

2.32 Consequent to CWC letter No. 22/1/2014/ HCD(NW&S)-1314-1319 dated 11th March, 2015 and Principal Secretary (MPP & Power) to the Govt. of Himachal Pradesh letter No. MPP-(F)2-22/2009-I dated 12th March, 2015 regarding exploring the possibility of executing the Luhri Project as multi stage project instead of single stage project, company has decided to



review the entire layout planning of the Luhri Hydroelectric Project (LHEP) from a single stage project to multi stage project. It is decided to review the expenditure incurred on LHEP and charge the same to revenue after detailed examination. Accordingly, an amount of ₹ 13228 lakh considered redundant and not likely to be used for LHEP Stage-1 has been charged to Statement of Profit and Loss.

2.33 412 MW Rampur hydro power station (RHPS) was fully commissioned during the year and started commercial generation. Accordingly, post commissioning employees and other administrative expenditure of RHPS along with corporate allocation have been charged to Statement of Profit and Loss.

2.34 Balances of trade receivables, advances, deposits, trade payables, material in transit/material lying with third parties are reconciled periodically. However, as on 31.03.2015, out of ₹ 178579 lakh trade receivables, deposits, material in transit, material lying with third parties etc., an amount of ₹ 168601 lakh has been confirmed and balance amount of ₹ 9978 lakh are subject to confirmation and consequential adjustments. Further, trade payable amounting to ₹ 1483 lakh, which includes provisions/estimated liabilities are yet to be confirmed, which in the opinion of the management will not have any material impact.

2.35 In the opinion of the management, the value of all the assets other than Fixed Assets and Non-current Investments, have a realizable value in the ordinary course of business which is not less than the value at which these are stated in the Balance Sheet.

2.36 The effect of foreign exchange fluctuation during the year:

		(₹ Lakh)	
		Year ended 31.03.2015	Year ended 31.03.2014
(i)	Amount charged to Statement of Profit and Loss excluding depreciation. - As FERV - As Borrowing cost	(360) 518	221 77
(ii)	Amount charged to Expenditure During Construction - As FERV - As Borrowing cost	- -	19745 -
(iii)	Amount adjusted by addition to carrying amount of fixed assets	8842	27

2.37 Disclosure under the provisions of Accounting Standard (AS)-15 'Employee Benefits' :-

General description of various defined employee benefits are as under:

a) Defined Contribution plans:

(i) Employers contribution to Provident Fund :

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The contribution of ₹ 905 lakh

(Previous Year: ₹ 514 lakh) and ₹ 361 lakh (Previous Year: ₹ 523 lakh) is recognized as expense and charged to the Statement of Profit and Loss and Expenditure during construction (EDC) respectively. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI.

(ii) Pension:

The company has Defined Contribution Pension Scheme as approved by Ministry of Power (MOP). The liability for the same is recognized on accrual basis. The scheme is funded by company and managed by separate trust created for this purpose.

b) Defined benefit plans:

(i) Gratuity:

The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.

(ii) Leave encashment:

The Company has a defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves and medical leaves subject to limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation.

(iii) Retired Employee Health Scheme:

The Company has a Retired Employee Health Scheme, under which retired employee and the spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company. The liability towards the same has been provided on the basis of actuarial valuation.

(iv) Baggage Allowance:

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. The liability towards the same has been provided on the basis of actuarial valuation.

(v) Service Reward on Retirement:

Gift at the time of retirement is given to the employee as per the rules of the Company. The liability towards the same has been provided on the basis of actuarial valuation.

1. Key Actuarial assumptions for Actuarial Valuation:

Particulars	As at 31.03.2015	As at 31.03.2014
Mortality Table	IALM (2006-08)	IALM (2006-08)
Discount Rate	8.00%	8.50%
Future Salary Increase	6.00%	6.50%



2. Change in Present Value of Obligations (PVO):

(₹ Lakh)

Particulars		Gratuity	Leave Encashment	Retired Employee Health Scheme	Baggage Allowance / Service Reward on Retirement
PVO at Beginning of Year	CY	3795	4329	2540	152
	PY	3022	3674	1947	50
Interest Cost	CY	323	368	216	13
	PY	242	294	156	4
Past Service Cost	CY	-	-	-	-
	PY	-	-	-	-
Current Service Cost	CY	391	534	228	18
	PY	363	556	198	16
Benefit paid	CY	(129)	(335)	(89)	(19)
	PY	(106)	(379)	(52)	(8)
Actuarial (Gain)/Loss	CY	(15)	(306)	652	21
	PY	238	185	291	91
PVO at end of year	CY	4365	4590	3547	185
	PY	3795	4329	2540	152

3. Amount Recognized in Balance Sheet:

(₹ Lakh)

Particulars		Gratuity	Leave Encashment	Retired Employee Health Scheme	Baggage Allowance / Service Reward on Retirement
PVO at end of year	CY	4365	4590	3547	185
	PY	3795	4329	2540	152
Fair Value of Plan Assets at the end of year	CY	3994	-	-	-
	PY	3213	-	-	-
Funded Status	CY	(371)	(4590)	(3547)	(185)
	PY	(582)	(4329)	(2540)	(152)
Excess of actual over estimated	CY	(17)	-	-	-
	PY	(3)	-	-	-
Unrecognized actuarial gain/loss	CY	-	-	-	-
	PY	-	-	-	-
Net (Liability)/Asset recognized in Balance Sheet	CY	(371)	(4590)	(3547)	(185)
	PY	(582)	(4329)	(2540)	(152)

4. Amount recognized in the Statement of Profit and Loss / EDC Account:

(₹ Lakh)

Particulars		Gratuity	Leave Encashment	Retired Employee Health Scheme	Baggage Allowance / Service Reward on Retirement
Current Service Cost	CY	391	534	228	18
	PY	363	556	198	16
Interest Cost	CY	323	368	216	13
	PY	242	294	156	4
Past Service Cost	CY	-	-	-	-
	PY	-	-	-	-
Expected return on Plan Assets	CY	(332)	-	-	-
	PY	(263)	-	-	-
Net Actuarial (gain) / loss recognized for the year	CY	2	(306)	652	21
	PY	241	185	291	91
Expense recognized in Profit & Loss/EDC for the year	CY	384	596	1096	52
	PY	582	1035	645	110

5. The Effect of one percent point increase/decrease in the medical cost of PRMF will be as under:

(₹ Lakh)

	Increase by	Decrease by
Service & interest Cost	101	(245)
Present Value of obligation	746	(565)

2.38 Disclosure as per Accounting Standard-16 on Borrowing Costs:

Borrowing Costs capitalized during the year are ₹ 1149 lakh (P.Y ₹ 2427 lakh)

2.39 Segment reporting:

As the group is primarily engaged in only one segment viz. 'Generation and sale of power', there are no reportable segments as per Accounting Standard - 17.

2.40 Related Party Disclosures:

'Related party disclosures' as required by Accounting Standard (AS) - 18 is given as under:-

a) List of Related Parties -

i) Key Management Personnel:

Shri Ramesh Narain Misra	Chairman and Managing Director (CMD) from 26th February, 2015 onwards. Director (Civil) up to 25th February, 2015 and additional charge of Chairman and Managing Director (CMD) from 6th January, 2015 to 25th February, 2015.
Shri Raghunath Prasad Singh	Chairman and Managing Director (CMD) up to 31st December, 2014
Shri Amarjit Singh Bindra	Director (Finance)
Shri Nand Lal Sharma	Director (Personnel)
Shri Rakesh Kumar Bansal	Director (Electrical)

ii) Joint Ventures:

1) Cross Border Power Transmission Company Ltd.

Transactions with the related parties at 2.40 (a)(iii) are as follows.

(₹ Lakh)

Particulars	Current Year	Previous Year
A. Transactions During the Year		
1. Investment in Share Capital	-	493
2. Share Application Money.	343	-
3. Consultancy Fee Received	33	22
B. Outstanding Balances at the year end.		
1. Amount Recoverable	22	28

Remuneration to key management personnel is ₹273 lakh (Previous Year: ₹203 lakh), and amount of dues outstanding to the company as on 31.03.2015 is ₹28lakh (Previous Year: ₹33 lakh).

2.41 Remuneration to Directors (excluding Group Insurance Premium)

(₹ Lakh)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
i) Salaries and allowances	239	172
ii) Contribution to provident fund and family pension fund.	20	15
iii) Gratuity	4	6
iv) Other benefits	10	10
v) Directors' Sitting Fees	11	21



Whole time Directors are allowed the use of staff cars including for private journeys on payment in accordance with DPE guidelines.

2.42 The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices, guest houses & transit camps. These leasing arrangements, which are not non-cancellable, are usually renewable by mutual consent on mutually agreeable terms. The Schedule of Employee Benefits Expense include ₹680 lakh (Previous Year: ₹637 lakh) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices, guest houses & transit camps are shown as Rent under other expenses/Expenditure during Construction (EDC).

2.43 Impairment of Assets – Accounting Standard - 28

In the opinion of the management, there is no indication of any significant impairment of assets during the year.

2.44 Payment to Auditors includes:

(₹ Lakh)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
As Auditors		
- Statutory Audit	10	10
- Tax Audit	2	2
- Limited Review	6	6
For other services (Certificates etc.)	2	2
Reimbursement of Expenses	2	2
Reimbursement of Service Tax	2	2
Total	24	24

2.45 Additional Information as required by Schedule III to the Companies Act, 2013

(₹ Lakh)

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
A. Indian Subsidiaries				
1. SJVN Thermal Private Limited	-	-	-	(1)
B. Foreign Subsidiaries				
1. SJVN Arun-3 Power Development Company Private Limited.	-	298	-	(1)
C. Indian Joint Ventures				
1. Cross Border Power Transmission Company Limited.	-	485	-	1
TOTAL	-	783	-	1

2.46 Foreign currency exposure not hedged by a derivative instrument or otherwise:

(₹ Lakh)

Particulars	Currency	As at 31.03.2015	As at 31.03.2014
Borrowings, including Interest Accrued but not due thereon.	USD	230037	224312

2.47 During the year, following significant accounting policies have been reworded/modified/introduced/deleted to have a better disclosure and compliance of Companies Act 2013. The change in policy along with financial impact is as below.

Policy No.	Policy for 2013-14	Revised Policy for 2014-15	Reason for Change	Financial Impact
1.1	The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956, including accounting standards notified thereunder.	The financial statements are prepared according to the historical cost convention on accrual basis in line with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013, including accounting standards notified thereunder as amended from time to time.	Introduction and applicability of New Companies Act 2013.	NIL
1.2(b)	Fixed Assets created on land not belonging to the Company are included under Fixed Assets.	Fixed Assets created on land not belonging to the Group where the company is having control over the use and access of such assets are included under Fixed Assets.	Accounting Policy has been reworded to convert the practice into policy.	NIL
1.2(g)	Construction equipments declared surplus are shown at lower of book value and net realisable value.	Assets/Equipments declared surplus are shown at lower of book value and net realisable value.	Accounting Policy has been reworded to convert the practice into policy.	NIL



Policy No.	Policy for 2013-14	Revised Policy for 2014-15	Reason for Change	Financial Impact
1.5(h)	Leasehold land is amortized pro-rata through depreciation over the period of lease or 35 years, whichever is lower, following the rates & methodology notified by CERC Tariff Regulations, 2009.	Leasehold land is amortized pro-rata through depreciation over the period of lease or 35 years, whichever is lower, following the rates & methodology notified by CERC for the purpose of fixation of Tariff as amended from time to time.	Accounting Policy has been reworded for better presentation.	NIL
1.7(a)	Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.	Inventories and Carbon Credit are valued at the lower of cost arrived at on weighted average basis and net realizable value.	Policy modified to include the valuation of carbon credit.	NIL
1.12(d)	The surcharge on late payment/overdue sundry debtors for sale of energy is accounted for on receipt basis or when there is reasonable certainty of realization.	The interest/surcharge on late payment/overdue sundry debtors for sale of energy is accounted for on receipt basis or when there is reasonable certainty of realization.	Accounting Policy has been reworded to convert the practice into policy.	NIL
1.12(g)		Income arising from carbon credit is recognized on transfer/sale of carbon credits i.e. when there is certainty regarding ultimate collection.	New Policy on income arising from carbon credit introduced.	NIL
1.14(d)	A specified percentage of Net Profit after Tax of previous year is set aside for incurring expenditure towards Corporate Social Responsibility (CSR) and Sustainable Development (SD). The unspent amount is carried forward.	Minimum two percent of average Profit before Tax of three immediately preceding financial years is transferred to CSR Trust for incurring expenditure towards Corporate Social Responsibility (CSR) and Sustainable Development (SD).	Policy has been changed in line with the Companies Act, 2013.	Profit and Cash & Bank balances reduced by ₹1130 lakhs

For and on behalf of the Board of Directors

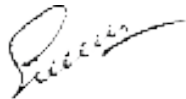

(Soumendra Das)
 Company Secretary
 FCS-4833


(Amarjit Singh Bindra)
 Director (Finance)
 DIN: 03358160


(Ramesh Narain Misra)
 Chairman & Managing Director
 DIN: 03109225

These are the notes referred to in Balance Sheet and Statement of Profit and Loss.

For Soni Gulati & Co.
 Chartered Accountants



(Suresh Chand Soni)
 Partner
 M.No.083106

Place : New Delhi
Date : May 27, 2015

Note: Shri Amarjit Singh Bindra, Director (Finance) is also Chief Financial Officer (CFO) of the Company.



PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

SJVN LIMITED

CIN : L40101HP1988GOI008409

Registered Office: Himfed Building, New Shimla-171009.

Name of the member(s):		Email Id:	
Registered Address:		Folio No/*Client Id : *DP Id:	

I/We, being the member(s) of _____ shares of SJVN Limited, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____.

and whose signature(s) are proposed below as my / our proxy to vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on **Tuesday, September 22nd, 2015** at **1500 HRS** at **"Hotel Peterhoff, Chaura Maidan, Shimla - 171004"** and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:-

	Resolutions	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2015 including the Balance Sheet and Statement of Profit and Loss for the financial year ended as on that date together with Reports of the Board of Directors and Auditors thereon.		
2	To confirm interim dividend of Rs.0.63 per Share and declare Final Dividend for the financial year 2014-15.		
3	To appoint a Director in place of Shri Amarjit Singh Bindra [DIN 03358160], who retires by rotation and being eligible, offers himself for re-appointment.		
4	To appoint a Director in place of Shri Nand Lal Sharma [DIN 03495554], who retires by rotation and being eligible, offers himself for re-appointment.		
5.	To fix remuneration of Statutory Auditors for the financial year 2014-15 and onwards.		
6.	Ratification of Remuneration of Cost Auditor for the Financial Year 2015-16.		

Please affix
₹ 1
Revenue
Stamp

Signed this _____ day of _____ 2015.

(Signature of Member)

Signature of
First proxy holder

Signature of
Second proxy holder

Signature of
Third proxy holder

Notes:-

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
- ** (4) this is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'for' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



SJVN LIMITED

CIN : L40101HP1988GOI008409

Registered Office: Himfed Building, New Shimla-171009.

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id	
Client Id	

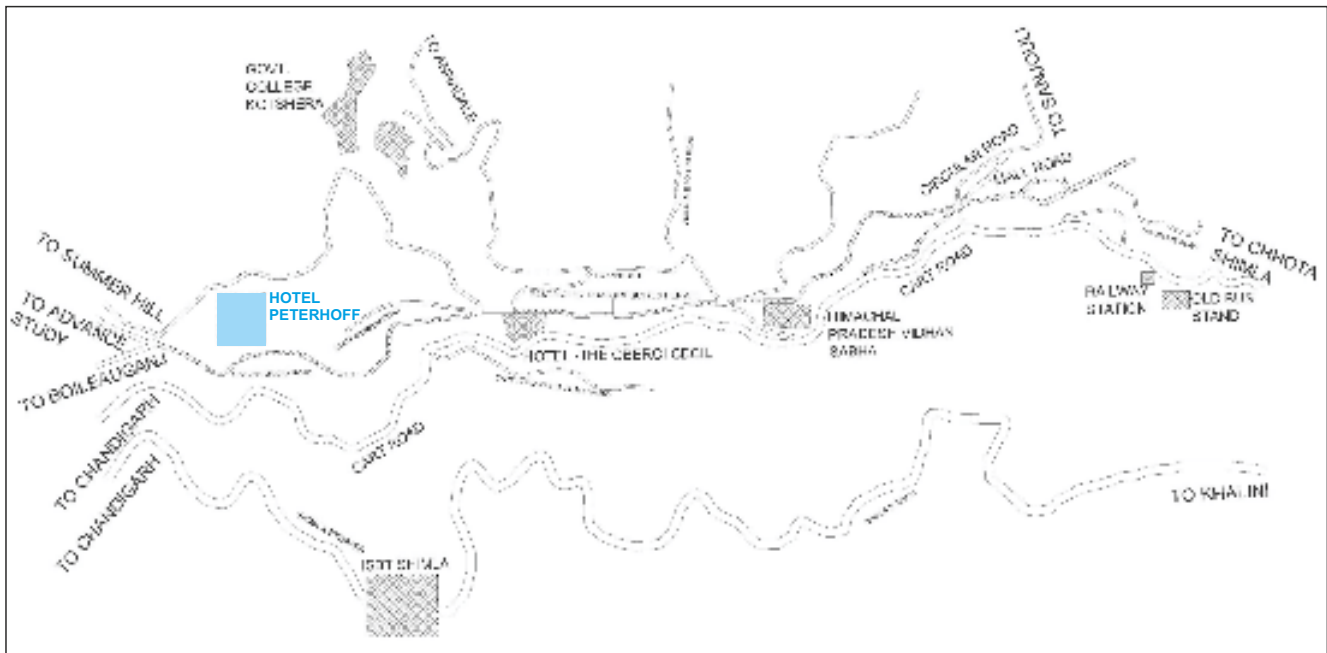
FOLIO No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER.....

I hereby record my presence at the **27TH ANNUAL GENERAL MEETING** of the Company held on **Tuesday, September 22nd, 2015 at 1500 HRS** at "**Hotel Peterhoff, Chaura Maidan, Shimla - 171004**".

Signature of Shareholder

ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING



REMINDER

Dear Shareholder,

Sub: Payment of Dividend For The Year 2009-10, 2010-11, 2011-12, 2012-13 & 2013-14

Your company SJVN Limited declared the dividend for the year 2009-10 on 15th September 2010, for the year 2010-11 on 26th August 2011, for year 2011-12 on 3rd September 2012, for year 2012-13 on 12th September 2013 & for the year 2013-14 on 9th September 2014. All those Shareholders who were on the register of members on the respective record dates (i.e. 2nd September 2010, 19th August 2011, 27th August 2012, 5th September 2013 & 2nd September 2014 respectively) are entitled to receive the dividend.

Your company made multiple attempts to dispatch your dividend. In case you being a member on the above dates and have still not received the dividend for the said years, you are requested to intimate through post or **Email: cs.sjvn@sjvn.nic.in** or **Fax: 0177-2670737** quoting your DP id and Client id, to enable us to take prompt action.

Thanking you
For **SJVN Limited**



Soumendra Das
Company Secretary

Date : 30.07.2015

VISION

To be the best-in-class Indian Power Company, globally admired for developing affordable clean power and sustainable value to all stake holders.

MISSION

To drive socio-economic growth and optimize shareholders and stakeholders interest by:

- Developing and operating projects in cost effective and socio-environment friendly manner.
- Nurturing human resources talent with care.
- Adopting innovative practices for technological excellence.
- Focusing on continuous growth and diversification.

OBJECTIVES

In the pursuit of above mission, the company had set for itself the following Corporate Objectives:-

- Operating and maintaining power stations with maximum performance efficiency.
- Establishing and following sound business, financial and regulatory policies.
- Taking up of other hydro power projects.
- Completion of the new projects allocated to SJVN in an efficient and cost effective manner.
- Use of the best project management practices towards project implementation by applying latest and universally accepted Project Management Techniques, and by enabling its engineers to become certified Project Managers through further training.
- Dissemination of available in-house technical and managerial expertise to other utilities/projects.
- Creating a work culture and work environment conducive to the growth and development of both the organization and the individuals through introduction of participative management philosophy.
- Fulfilling social commitments towards society. Achieving constructive cooperation and building personal relations with stakeholders, peers, and other related organizations.
- Striving for clean and green project environment with minimal ecological and social disturbances.
- To strive for acquiring Nav Ratna Status.

SJVN's

Projects in Operation



1500 MW - NJHPS (Power House)



412 MW - RHPS (Power House)



47.6 MW - KWPS (Wind Field)



एसजेवीएन लिमिटेड
SJVN Limited

(A joint Venture of Govt of India & Govt. of Himachal Pradesh)
A Mini Ratna & Schedule 'A' PSU

CIN : L40101HP1988GOI008409

Regd. Off.: Himfed Building, New Shimla, Shimla PIN-171 009
Expediting Office : Ircon Building, C-4, District Centre, Saket, New Delhi-110 017
Phone: 0177-2672324, Fax: 0177-2670737
Email : investor.relations@sjvn.nic.in, Website: www.sjvn.nic.in